IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY US PERSON (AS DEFINED BELOW) OR TO ANY PERSON OR ADDRESS IN THE US EXCEPT TO QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED BELOW) IMPORTANT: YOU MUST READ THE FOLLOWING BEFORE CONTINUING. THE FOLLOWING APPLIES TO THE BASE PROSPECTUS (THE " BASE PROSPECTUS") FOLLOWING THIS PAGE, AND YOU ARE THEREFORE ADVISED TO READ THIS CAREFULLY BEFORE READING, ACCESSING OR MAKING ANY OTHER USE OF THE BASE PROSPECTUS. IN ACCESSING THE BASE PROSPECTUS, YOU AGREE TO BE BOUND BY THE FOLLOWING TERMS AND CONDITIONS, INCLUDING ANY MODIFICATIONS TO THEM ANY TIME YOU RECEIVE ANY INFORMATION FROM US AS A RESULT OF SUCH ACCESS.

Nothing in this electronic transmission constitutes an offer to sell or the solicitation of an offer to buy the Notes of the Issuer in the United States or any other jurisdiction where it is unlawful to do so. The Notes have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction of the US, and therefore may not be offered or sold within the US or to, or for the account or benefit of, US persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), 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. The acquisition and transfer of the Notes are subject to any additional restrictions described in the Base Prospectus.

The Notes may be offered and sold only (a) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) in reliance on Rule 144A under the Securities Act ("**Rule 144A**"), or (b) outside the United States to institutional investors that are non-US persons in reliance on Regulation S.

You may not forward or distribute the Base Prospectus to any other person or reproduce the Base Prospectus in any manner whatsoever, and, in particular, you may not forward the Base Prospectus to any US person or to any US address. Any such forwarding, distribution or reproduction of the Base Prospectus in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. The Notes have not been approved or disapproved by the US Securities and Exchange Commission (the "**SEC**"), any state securities commission or any other US or state regulatory authority, nor have any of the foregoing authorities approved or disapproved this Base Prospectus or confirmed the accuracy or adequacy of the Base Prospectus. Any representation to the contrary is a criminal offence under the US law.

The contents of the Base Prospectus are confidential and may not be forwarded, distributed, published or reproduced (in whole or in part) or disclosed by you to any other person (within or outside your company or organisation). Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

The Base Prospectus has been delivered to you on the basis that you are a person into whose possession the Base Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. By accessing the Base Prospectus, you will be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the Base Prospectus by electronic transmission, (c) you are either (i) not a "US person" (within the meaning of Regulation S) or acting for the account or benefit of a US person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia, or (ii) a qualified institutional buyer (as defined in Rule 144A), (d) if you are a person in the United Kingdom (the "**UK**"), then you are a person who (i) has professional experience in matters

relating to investments, or (ii) is a high-net-worth entity falling within Articles 49(2)(a) to (d) of the Financial Services and Markets Act (Financial Promotion) Order 2005, and (e) you are neither: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**") or as defined in point (11) of Article 4(1) within the meaning of Directive 2016/97/EU as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and secondary legislation made under it, in each case, as amended, including by the European Union (Withdrawal Agreement) Act 2020 (the "**Withdrawal Act**") ("**UK MiFID II**"); nor (ii) a customer within the meaning of Directive 2016/97/EU (as amended) or within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA 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 MiFID II or point (10) of Article 4(1) of UK MiFID II.

The Base Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer (as defined below), Yorkshire Building Society, Accord Mortgages Limited, the Joint Arrangers (as defined below), the relevant Dealer(s) (as defined below) nor any person who controls any such person nor any director, officer, employee or agent of any such person or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Base Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Joint Arrangers or the relevant Dealer(s).

WHITE ROSE MASTER ISSUER PLC

(*incorporated in England and Wales with limited liability under registered number 15528386 and with Legal Entity Identifier (LEI) code 213800JDJYU6B2ILZH33*)

Residential Mortgage-Backed Note Programme

Programme establishment ..... White Rose Master Issuer PLC established a residential mortgage-backed note programme on 30 October 2024.

Issuance in Series ..... Notes issued under the Programme will be issued in Series. Each Series issued will be subject to the Conditions and, in the case of the Class A Notes, may consist of one or more Sub-Classes. However, there will be no more than one Series of Class Z VFNs or of the YBS Note in respect of the Programme. The Class Z VFNs consist of two Sub-Classes, being the Class Z(S) VFN and the Class Z(R) VFN. Notes of the same Class rank *pari passu* and *pro rata* among themselves. Each Series of the same Class will not, however, be subject to identical terms in all respects (for example, interest rates, interest calculations, expected maturity and final maturity dates may differ between each Series).

Each Series of Class A Notes issued under the Programme may comprise more than one Sub-Series which are (i) expressed to be consolidated and form a single series, and (ii) identical in all respects (including as to listing) except for their respective Issuance Dates, Interest Commencement Dates and/or issue prices. As used in this Base Prospectus, "**Sub-Series**" means a sub-series of Class A Notes that are identical in all respects (including as to listing and admission to trading) except for their respective Issuance Dates, Interest Commencement Dates and/or issue prices with all other Class A Notes of the Series of which it is a part.

Furthermore, the Issuer retains the right to issue notes in the future that are subordinated to the Class A Notes, but are senior to Class Z VFNs and the YBS Note, and modify the terms of the Programme accordingly.

Classes of Notes . The Issuer may, from time to time, issue Class A Notes consisting of one or more Sub-Classes in one or more Series. The Issuer issued the Class Z(R) VFN, Class Z(S) VFN and the YBS Note on the First Issuance Date.

The Notes ..... The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the US or any other relevant jurisdiction and may not be offered or sold within the US or to, or for the account or benefit of, "US Persons" (as defined in Regulation S) except (in the case of Rule 144A Notes) to QIBs within the meaning of Rule 144A in reliance on Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Prospective purchasers are hereby notified that the Issuer and any seller of any Notes may be relying on the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A.

The Issuer may issue Regulation S Notes to be offered and sold outside the US to persons (other than US Persons) in reliance on Regulation S.

Final Terms ..... Each Series of Notes and each Sub-Series of the Class A Notes will be subject to Final Terms which, for the purpose of that Series and that Sub-Series only, supplement (or incorporate by reference, as applicable) the Conditions set out in this Base Prospectus and must be read in conjunction with this Base Prospectus.

The principal amount and interest payable in respect of a Series and Class of Notes, any Sub-Series of the Class A Notes and any other terms and conditions not described in this Base Prospectus that are applicable to such Notes will be set forth in the Final Terms for such Notes. A drawdown prospectus may be used when the Issuer intends to issue Notes in a form not contemplated by the Conditions, or if it considers that the information contained in this Base Prospectus and the Final Terms needs to be supplemented, amended and/or replaced in the context of an issue of a particular Series or Class of Notes or Sub-Series of Class A Notes. In all other cases, Final Terms will be used. The Final Terms will be filed with the FCA and made available to the public in accordance with the UK Prospectus Regulation and the UK Prospectus Rules.

Underlying assets ..... The Issuer's primary source of funds to make payments on the Notes will be payments received in respect of a portfolio of first ranking residential Mortgage Loans originated by Yorkshire Building Society ("**YBS**") and Accord Mortgages Limited ("**Accord**"), and secured on properties located in England, Wales and Scotland. Each Series and Class of Notes and any Sub-Series of the Class A Notes will be secured by the Mortgage Portfolio.

The Mortgage Loans included in the Mortgage Portfolio consist of several different types of mortgage loans with a variety of characteristics relating to, among other things, calculation of interest and repayment of principal. See "The Mortgage Loans and the Mortgage Portfolio – Characteristics of the Mortgage Loans" for a detailed description of the Mortgage Loans offered by the Sellers that may be included in the Mortgage Portfolio. Pursuant to the YBS Mortgage Sale Agreement and Accord Mortgage Sale Agreement, each of YBS and Accord as a Seller may from time to time, subject to satisfaction of the Eligibility Criteria and the Portfolio Criteria, assign further Mortgage Loans and their Related Security to the Issuer.

Credit enhancement .....

- Subordination of the Class Z VFNs;
- Use of the Reserve Fund to cover Revenue Shortfalls and certain interest and principal payment obligations;
- The requirement to maintain the Required Subordination Amount; and
- Use of excess Enhanced Available Revenue Receipts and the Principal Deficiency Ledger mechanics.

Liquidity support .....

- Use of the Reserve Fund to cover Revenue Shortfalls;
- Use of Enhanced Available Principal Receipts to cover Remaining Revenue Shortfalls;

- Overcollateralisation by the purchase of Additional Mortgage Loans, funded by drawing down on the YBS Note, to increase Available Principal Receipts and Available Revenue Receipts; and

- Use of drawings on the YBS Note to make up any shortfalls caused by any payment holiday feature under the Mortgage Loan granted to Borrowers under the Mortgage Loans in the Mortgage Portfolio.

Redemption provisions ..... Information on any optional and mandatory redemption of the Notes is summarised in "Transaction Overview – Overview of the Terms and Conditions of the Notes – Redemption" and set out in full in Condition 5 (*Redemption, Purchase and Cancellation*).

Rating Agencies . Each Series of Class A Notes will be rated by two or more of (i) Standard & Poor's Rating Services, a division of Standard & Poor's Credit Market Service Europe Limited ("**S&P**"), (ii) Moody's Investors Service Limited ("**Moody's**") (iii) Fitch Ratings Ltd. ("**Fitch**") or (iv) DBRS Ratings Limited ("**DBRS**") or any other credit rating agency established in the UK and registered under the UK CRA Regulation appointed by the Issuer to rate any Series of Notes (each an "**Additional Rating Agency**"). Ratings are expected to be assigned to each Series of Class A Notes on or before the relevant Issuance Date and the anticipated rating will be indicated in the applicable Final Terms. The Rating Agencies rating a particular Series of Class A Notes will be indicated in the applicable Final Terms and are subject to removal, replacement and substitution from time to time. See further "Transaction Overview – Description of the Notes –Ratings Modification Events" and "Risk Factors – Risks Relating to the Structure and the Notes – Ratings Modification Event".

As at the date of this Base Prospectus, each of S&P, Moody's, Fitch and DBRS is a credit rating agency established in the UK and is registered under the UK CRA Regulation and the ratings to be issued by each of S&P, Moody's, Fitch and DBRS will be endorsed by S&P Global Ratings Europe Limited, Moody's Deutschland GmbH, Fitch Ratings Ireland Limited and DBRS Ratings GmbH, respectively each of which is registered under the EU CRA Regulation. In general, European- and UK-regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union or the UK (as applicable) and registered under the EU CRA Regulation or the UK CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 that has submitted an application for registration in accordance with the EU CRA Regulation or the UK CRA Regulation and such registration is not refused. Each of S&P, Moody's, Fitch and DBRS is included on the list of credit ratings agencies published by (i) the European Securities and Markets Authority (the "**ESMA**") on its website (www.esma.europe.eu./page/list-registered- and-certified-CRAs) (this website and the contents thereof do not form part of this Base Prospectus), and (ii) the FCA on its website (https://www.fca.org.uk/markets/credit-rating-agencies/registered-certified-cras) (this website and the contents thereof do not form part of this Base Prospectus).

Credit ratings .... The rating assigned to the Class A Notes of each Series will be set out in the applicable Final Terms.

The issue of the VFNs is not conditional upon a rating and the Issuer is not expected to request any rating of the VFNs.

The ratings (if any) assigned by Fitch, S&P and DBRS to a Series and Class of Notes address their respective opinions on the likelihood of (a) timely payment of interest due to the Noteholders on each Note Payment Date for such Notes, and (b) full payment of principal by a date that is not later than the Final Maturity Date for such Notes. The ratings (if any) assigned by Moody's to a Series and Class of Notes address the probability and the severity of credit losses that the Noteholders may suffer by the Final Maturity Date for such Notes.

The assignment of ratings to any of the Class A Notes by any Rating Agency is not a recommendation to invest in any of the Class A Notes or to buy, sell or hold securities. Any credit rating assigned to the Class A Notes may be revised, suspended or withdrawn at any time by the assigning Rating Agency.

Listing ..... This Base Prospectus has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129 of the European Parliament as it forms part of domestic law by virtue of the Withdrawal Act (the "**UK Prospectus Regulation**"). The FCA approves this Base Prospectus only as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus or the quality of the Class A Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Class A Notes.

Such approval relates only to each Series and Sub-Class of Class A Notes that is to be admitted to trading on the regulated market of the London Stock Exchange or other regulated markets for the purposes of UK MiFID II or which is to be offered to the public in the UK.

Application will be made to the FCA for each Series and Sub-Class of Class A Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be listed on the Official List and to the London Stock Exchange plc for such Series and Sub-Classes of Class A Notes to be admitted to trading on its regulated market. The VFNs are not and will not be listed on the London Stock Exchange plc or admitted to trading on its regulated market.

Notice of the aggregate nominal amount of the Class A Notes of the relevant Series, interest payable in respect of Class A Notes of the relevant Series, the issue price of Class A Notes of the relevant Series and any other terms and conditions that are applicable to each Sub-Series (as defined under "Terms and Conditions of the Notes") of Class A Notes of the relevant Series will be set out in the Final Terms in respect of the relevant Sub-Series which, with respect to Class A Notes of the relevant Series to be admitted to the Official List and admitted to trading by the London Stock Exchange, will be delivered to the Listing Authority and the London Stock Exchange on or before the date of issue of such Sub-Series of Class A Notes of the relevant Series.

Validity	This Base Prospectus is valid for 12 months after its approval.
Obligations	The Notes will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations of or guaranteed by any other Transaction Party, their affiliates or any other party named in this Base Prospectus.
Definitions	See "Glossary" for a list of defined terms and their meanings, and "*Index of Defined Terms*" for where the meanings of defined terms may be found in this Base Prospectus.
EU and UK Risk Retention Requirements	YBS will (in its capacity as sponsor for the purposes of each of the EU Securitisation Regulation and the UK Securitisation Framework and PRA Securitisation Rules) retain, on an ongoing basis, a material net economic interest in the securitisation of not less than 5% of the nominal value of the securitised exposures in accordance with (A) Article 6(1) of the EU Securitisation Regulation (the "**EU Risk Retention Requirements**"), and (B) the UK Securitisation Framework and, in particular Article 6(1) of Chapter 2 of the PRA Securitisation Rules (the "**UK Risk Retention Requirements**"). YBS intends to satisfy both the EU Risk Retention Requirements and the UK Risk Retention Requirements through retaining a portion of the YBS Note in an amount at least equal to 5% of the then aggregate outstanding Current Balance of the Mortgage Portfolio in accordance with Article 6(3)(b) of the EU Securitisation Regulation and the UK Securitisation Framework and, in particular Article 6(3)(b) of Chapter 2 of the PRA Securitisation Rules. Each prospective investor is required to independently assess and determine the sufficiency of the information described above in this Base Prospectus and which may otherwise be made available to investors (if any) generally for the purposes of complying with both the EU Risk Retention Requirements and the UK Risk Retention Requirements, and none of the Issuer, the Joint Arrangers, any Dealer, the Sellers nor any of the other Transaction Parties makes any representation that any such information is sufficient in all circumstances for such purposes. Prospective investors who are uncertain as to the requirements under either the EU Risk Retention Requirements or the UK Risk Retention Requirements that apply to them in respect of their relevant jurisdiction should seek guidance from their regulator. See further "Certain Regulatory Requirements – The UK Securitisation Framework" and "Certain Regulatory Requirements – The EU Securitisation Regulation".
Simple, Transparent and Standardised (STS) Securitisation	YBS in its capacity as sponsor may procure a notification to be submitted to the FCA, in accordance with the UK Securitisation Framework and, in particular, SECN 2.5, confirming that the UK STS Criteria Requirements have been satisfied with respect to a Series and Class of Notes. In relation to such notification (the "**UK STS Notification**"), YBS has been designated as the first contact point for investors and competent authorities. The notification, with respect to a Series and Class of Notes, once made to the FCA, will be available for download on the FCA's STS Register website (https://data.fca.org.uk/#/sts/stssecuritisations) (or its successor website) (the

"**FCA STS Register**"). For the avoidance of doubt, the FCA STS Register and the contents thereof do not form part of this Base Prospectus. The UK STS status of the Notes is not static and investors should verify the current status on the FCA STS Register, which will be updated where the relevant Notes are no longer considered to be in compliance with the UK STS Criteria Requirements following a decision of competent authorities or a notification by YBS (on behalf the Sellers).

Note that designation as a UK STS securitisation does not meet, as at the date of this Base Prospectus, the requirements of a "simple, transparent and standardised" securitisation under the EU Securitisation Regulation. For further information, please refer to the Risk Factor entitled ″Simple, Transparent and Standardised Securitisations and UK STS Designation" below.

No representation or warranty is made by the Joint Arrangers, any Dealer, the Issuer or any other person as to compliance with the UK STS Criteria Requirements.

US Credit Risk Retention ..... YBS, as the "sponsor" of a "securitisation transaction", is required under Section 15G of the Exchange Act and regulations promulgated thereunder (the "**US Credit Risk Retention Requirements**") to retain an economic interest in the credit risk of the interests created by the Issuer in an amount of not less than 5%. In such capacity, YBS intends to satisfy the US Credit Risk Retention Requirements by retaining and maintaining (either directly or through one or more wholly owned affiliates (as such term is defined in the US Credit Risk Retention Requirements) a "seller's interest" (as defined in the US Credit Risk Retention Requirements), in the form of the YBS Note, which seller's interest will be in a minimum amount equal to at least 5% of the aggregate unpaid principal amount of the outstanding Notes of all Series issued by the Issuer, other than any Notes that are at all times held by YBS (or one or more of YBS's wholly owned affiliates), calculated in all cases in accordance with the US Credit Risk Retention Requirements and measured at the Issuance Date of each issuance of Notes and on a monthly basis on each Payment Date. YBS will disclose within a reasonable time after each Issuance Date the amount of the seller's interest on such Issuance Date if it is materially different from that disclosed in the relevant Final Terms. As used herein, the term "Notes" does not include the YBS Note. See "The VFNs" for a description of how the amount of the YBS Note is computed. See further "Certain Regulatory Requirements – US Credit Risk Retention".

Volcker Rule ..... The Issuer has been structured not to be a "covered fund" for the purposes of regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended (such statutory provisions, together with such implementing regulations, being the Volcker Rule). In reaching this conclusion, although other statutory or regulatory exemptions under the Investment Company Act and under the Volcker Rule may be available, the Issuer has relied on an exemption from registration as an "investment company" under the Investment Company Act under Section (3)(c)(5)(C) thereof. Under the Volcker Rule, a "covered fund" does not include an issuer that may rely on an exclusion or exemption from the definition of "investment company" under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) thereof. Any prospective investor in the Notes should consult

its own legal advisers regarding such matters and other effects of the Volcker Rule.

Benchmarks ..... Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates, which may constitute a benchmark under Regulation (EU) 2016/1011, as amended and as it forms part of the UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) ("**EUWA**") (the "**UK Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the administrator thereof is included in the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 of the UK Benchmarks Regulation. Not every reference rate will fall within the scope of the UK Benchmarks Regulation. Furthermore, transitional provisions in the UK Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms. The registration status of any administrator under the UK Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update any Final Terms to reflect any change in the registration status of any administrator.

The section entitled "Risk Factors", starting on page 1, contains details of certain risks and other factors that should be given particular consideration before investing in the Notes. Prospective investors should be aware of the issues summarised within that section.

The Notes offered hereby have not been approved or disapproved by the SEC, any US federal or state securities commission or any other US regulatory authority, nor have any of the foregoing authorities approved or disapproved this Base Prospectus or confirmed the accuracy or adequacy of the Base Prospectus. Any representation to the contrary is a criminal offence under US law.

Joint Arrangers for the Programme

HSBC **Santander Corporate & Investment Banking**

Dealers for the Programme

HSBC **Santander Corporate & Investment Banking**

Base Prospectus dated 29 October 2025

NOTICE TO INVESTORS

Responsibility

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the Issuer's knowledge, the information contained in this Base Prospectus is in accordance with the facts and this Base Prospectus makes no omission likely to affect its import.

Any information sourced from third parties contained in this Base Prospectus has been accurately reproduced (and the source of such information is identified where it appears in this Base 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 that would render the reproduced information inaccurate or misleading.

YBS accepts responsibility for the information contained in the sections entitled "Yorkshire Building Society" and "Certain Regulatory Requirements". To the best of YBS's knowledge, the information contained in the sections entitled "Yorkshire Building Society" and "Certain Regulatory Requirements", for which it is responsible, is in accordance with the facts and those sections make no omission likely to affect their import.

Accord accepts responsibility for the information contained in the sections entitled "Accord Mortgages Limited" and "Certain Regulatory Requirements". To the best of Accord's knowledge, the information contained in the sections entitled "Accord Mortgages Limited" and "Certain Regulatory Requirements", for which it is responsible, is in accordance with the facts and those sections make no omission likely to affect their import.

Citibank, N.A., London Branch accepts responsibility for the information about itself contained in the section entitled "The Second Account Bank, the Swap Collateral Account Bank and the Custodian". To the best of the knowledge of Citibank, N.A., London Branch, the information about itself contained in the section entitled "The Second Account Bank, the Swap Collateral Account Bank and the Custodian", for which it is responsible, is in accordance with the facts and those sections make no omission likely to affect their import.

Citicorp Trustee Company Limited accepts responsibility for the information about itself contained in the section entitled "The Note Trustee and the Security Trustee". To the best of the knowledge of Citicorp Trustee Company Limited, the information about itself contained in the section entitled "The Note Trustee and the Security Trustee", for which it is responsible, is in accordance with the facts and those sections make no omission likely to affect their import.

Wilmington Trust SP Services (London) Limited accepts responsibility for the information about itself contained in the section entitled "Corporate Services Provider and Back-up Servicer Facilitator". To the best of the knowledge of Wilmington Trust SP Services (London) Limited, the information about itself contained in the section entitled "Corporate Services Provider and Back-up Servicer Facilitator", for which it is responsible, is in accordance with the facts and those sections make no omission likely to affect their import.

The Notes will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations of, and will not be insured or guaranteed by, any of the other Transaction Parties. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes will be accepted by any of the other Transaction Parties.

The Joint Arrangers and the Dealers do not accept any responsibility for compliance of the Issuer, the Sellers or any other party with the requirements of, to the extent either is applicable, either the EU

Securitisation Regulation or the UK Securitisation Framework and have not assisted or advised the Issuer, the Sellers or any other party with its compliance with the requirements of, to the extent either is applicable, either the EU Securitisation Regulation or the UK Securitisation Framework.

Base Prospectus and Final Terms

This Base Prospectus has been approved by the FCA as a base prospectus for the purposes of Article 8 of the UK Prospectus Regulation and has been published in compliance with the UK Prospectus Regulation, the UK Prospectus Rules and the Listing Rules for the purposes of giving information about the Issuer and the Notes. This Base Prospectus is not a prospectus for the purposes of Section 12(a)(2) or any other provision or order under the Securities Act.

Copies of each set of Final Terms (in relation to Notes to be admitted to the Official List) will be available from the registered office of the Issuer and from the specified office of each of the Paying Agents (as defined below). Each Final Terms relating to the Notes that are admitted to trading on the London Stock Exchange's regulated market will be available for inspection on the website of the Regulatory News Service operated by the London Stock Exchange (http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).

This Base Prospectus is to be read in conjunction with any supplements hereto and all documents that are deemed to be incorporated herein by reference and any relevant Final Terms. This Base Prospectus will, save as specified herein, be read and construed on the basis that such documents are so incorporated and form part of this Base Prospectus.

No responsibility or liability

No representation, warranty or undertaking, express or implied, is made and, to the extent permitted by law, no responsibility or liability is accepted by the Joint Arrangers, the Dealers, the Sellers, the Servicer, the Interest Rate Swap Counterparty, the First Account Bank, the Custodian, the Second Account Bank, the Swap Collateral Account Bank, the VFN Registrar, the Note Trustee, the Security Trustee, the Cash Manager, the Corporate Services Provider, the Back-up Servicer Facilitator or the Agents as to (other than as set out in the section entitled "Responsibility" above) (a) the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme; or (b) any other statement made or proposed to be made by any of the Joint Arrangers, the Dealers, the Sellers, the Servicer, the First Account Bank, the Custodian, the Interest Rate Swap Counterparty, the Second Account Bank, the Swap Collateral Account Bank, the VFN Registrar, the Note Trustee, the Security Trustee, the Cash Manager, the Corporate Services Provider, the Back-up Servicer Facilitator or the Agents or on its behalf in connection with the Issuer or the issue and/or offering of any Notes. None of the Joint Arrangers, the Dealers, the Sellers, the Servicer, the Interest Rate Swap Counterparty, the First Account Bank, the Custodian, the Second Account Bank, the VFN Registrar, the Note Trustee, the Swap Collateral Account Bank, the Security Trustee, the Cash Manager, the Corporate Services Provider, the Back-up Servicer Facilitator nor the Agents accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or the Final Terms, other than as set out in the section entitled "Responsibility" above, or any other information provided by the Issuer in connection with the Programme or the Notes or any document or agreement relating to the Notes or any Programme Document. Accordingly, each of the Joint Arrangers, the Dealers, the Sellers, the Servicer, the Interest Rate Swap Counterparty, the First Account Bank, the Custodian, the Second Account Bank, the Swap Collateral Account Bank, the VFN Registrar, the Note Trustee, the Security Trustee, the Cash Manager, the Corporate Services Provider, the Back-up Servicer Facilitator and the Agents disclaims any and all liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus, the Final Terms or any such statement or information.

In particular, none of the Joint Arrangers, the Dealers, the Sellers, the Servicer, the Interest Rate Swap Counterparty, the First Account Bank, the Custodian, the Second Account Bank, the Swap Collateral Account Bank, the VFN Registrar, the Note Trustee, the Security Trustee, the Cash Manager, the Corporate Services Provider, the Back-up Servicer Facilitator nor the Agents has prepared any report or any financial statement in connection with the Issuer or the issue and/or offering of any Notes.

None of the Joint Arrangers, the Dealers, the Sellers, the Servicer, the Interest Rate Swap Counterparty, the First Account Bank, the Custodian, the Second Account Bank, the Swap Collateral Account Bank, the VFN Registrar, the Note Trustee, the Security Trustee, the Cash Manager, the Corporate Services Provider, the Back-up Servicer Facilitator nor the Agents is responsible for any matter that is the subject of any statement, representation, warranty or covenant of the Issuer contained in the Notes or any Programme Documents, or any other agreement or document relating to the Notes or any Programme Document or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. In particular, but without limitation, none of the Joint Arrangers, the Dealers, the Sellers, the Servicer, the Interest Rate Swap Counterparty, the First Account Bank, the Custodian, the Second Account Bank, the Swap Collateral Account Bank, the VFN Registrar, the Note Trustee, the Security Trustee, the Cash Manager, the Corporate Services Provider, the Back-up Servicer Facilitator nor the Agents makes any representation, warranty or guarantee that the holder of the YBS Note, its affiliates or the transactions contemplated in this Base Prospectus will be in compliance with any of the EU Risk Retention Requirements, the UK Risk Retention Requirements, the US Credit Risk Retention Requirements or the Volcker Rule, nor is it responsible for compliance by the Issuer (or by YBS as the designated reporting entity) with, in particular, the transparency requirements set out in Article 7 of the EU Securitisation Regulation and the UK Securitisation Framework and, in particular, SECN 6 and Article 7 of Chapter 2 of the PRA Securitisation Rules.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of the Notes are the persons named in the applicable Final Terms as the relevant Dealer(s).

No person is or has been authorised to give any information or to make any representation not contained in this Base Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the directors of the Issuer, any Transaction Party, any of their respective affiliates or any other party to the Transaction Documents.

Neither the delivery of this Base Prospectus nor any offer, sale or allotment made in connection with the offering of any Notes will under any circumstances constitute a representation or create any implication that there has been no change in the affairs of the Issuer, any Transaction Party or any of their respective affiliates or in the information contained herein since the date hereof or that the information contained herein is correct as at any time subsequent to the date hereof or that there has been no change in any other information supplied in connection with the Programme as of any time subsequent to the date indicated in the document containing the same or that such information is correct at any time subsequent to the date thereof.

The Notes may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any part hereof nor any other prospectus, form of application, advertisement, other offering material or other information may be issued, distributed or published in any country or jurisdiction (including the UK), except in circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

Documents incorporated by reference

The following documents, which have been (1) previously published and (2) approved by the FCA or filed with it shall be deemed to be incorporated in, and form part of, this Base Prospectus:

(a) the audited annual accounts of the Issuer for the year ended 31 December 2024, which have been previously published and filed with Companies House, the notes thereto and the audit report prepared in connection therewith; and

(b) the terms and conditions set out on pages 293 to 347 (inclusive) of the base prospectus dated 29 October 2024 relating to the programme under the heading "Terms and Conditions of the Notes",

save that any statement contained herein or any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement (whether expressly, by implication or otherwise), provided that such modifying or superseding statement is made by way of a supplement to this Base Prospectus pursuant to Article 16 of the UK Prospectus Regulation. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus. If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Base Prospectus for the purposes of the UK Prospectus Regulation except where such information or other documents are specifically incorporated by reference or attached to this Base Prospectus. Any information in the documents incorporated by reference which is not incorporated by reference in this Base Prospectus and does not form part of this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus.

A copy of the documents incorporated by reference in this Base Prospectus will be available for viewing on the Regulatory News Service operated by the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html. The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Written requests for such documents should be directed to the Issuer at its registered office as set out at the end of this Base Prospectus.

Supplementary prospectuses

If, after the date of this Base Prospectus, any significant (for the purposes of making an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and the rights attaching to the Notes) new factor, material mistake or material inaccuracy relating to the information included in this Base Prospectus arises, the Issuer will prepare a supplementary prospectus for the purposes of Section 87G of the FSMA for approval by and filing with the FCA which will be made available to the public as required under the UK Prospectus Regulation.

MiFID II product governance

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 MiFID II; and (ii) all channels for the distribution of the Notes 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 MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR product governance

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 only 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 by virtue of the Withdrawal Act ("**UK MiFIR**"); and (ii) all channels for the distribution of the Notes 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 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 (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation

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: (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (b) a customer within the meaning of Directive (EU) 2016/97 (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 MiFID II). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs Regulation

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 ("**UK**"). 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 by virtue of the Withdrawal Act; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA 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 Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the Withdrawal Act. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the Withdrawal Act (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Certain definitions

References in this Base Prospectus to "**£**" or "**Sterling**" are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland. References in this Base Prospectus to "**€**" or "**Euro**" are references to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty of Rome of 25 March 1957, as amended from time to time. References in this Base Prospectus to "**$**", "**US$**", "**US Dollars**" or "**Dollars**" are to the lawful currency for the time being of the United States of America.

The "**United Kingdom**" and "**UK**" are abbreviated references to the United Kingdom of Great Britain and Northern Ireland. The UK comprises three distinct legal systems, namely those of England and

Wales, Scotland and Northern Ireland, each with its own judicial process. However, leaving aside devolution of certain powers to Welsh, Scottish and Northern Irish legislative bodies, the legislative body for each of these three jurisdictions is the UK Parliament. Accordingly, references to UK law are to laws promulgated by the UK Parliament and which are binding on the UK.

The "**United States**" and "**US**" are abbreviated references to the United States of America.

References in this Base Prospectus to the assignment or sale of Scottish Mortgage Loans and their Related Security are to be read as references to the transfer of the beneficial interest therein by the making of Scottish Declarations of Trust, and the terms "**sale**", "**assigned**" and "**assign**" will in that context be construed accordingly.

Governing law

The Programme Documents are governed by, as applicable, the laws of England and Wales and, in relation to aspects specific to Scottish Mortgage Loans, the laws of Scotland.

Notice to US investors

The Class A Notes sold in reliance on Regulation S will be represented on issue by one or more Regulation S Global Note Certificates, in fully registered form without interest coupons or principal receipts attached. The Regulation S Global Note Certificates are expected to be deposited with, and registered in the name of a nominee of, a Common Depositary or Common Safekeeper, as specified in the applicable Final Terms, for Euroclear and Clearstream, Luxembourg. The Class A Notes sold in reliance on Rule 144A will be represented by one or more Rule 144A Global Note Certificates. Rule 144A Global Note Certificates representing Notes denominated in any currency other than US Dollars are expected to be deposited with a Common Depositary or Common Safekeeper, as specified in the applicable Final Terms, for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of a Common Depositary or Common Safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg. Rule 144A Global Note Certificates representing Notes denominated in US Dollars are expected to be deposited with the DTC Custodian for, and registered in the name of, Cede & Co. as nominee of DTC.

The Class Z VFNs and the YBS Note will be issued in definitive form and be represented by Regulation S Individual Note Certificates. The Issuer will also maintain a register, to be kept on the Issuer's behalf by the VFN Registrar, in which the Class Z VFNs and the YBS Note will be registered in the name of the Class Z VFN Holder and the holder of the YBS Note, respectively. Transfers of all or any portion of the interest in the Class Z VFNs or the YBS Note may be made only through the register maintained by the Issuer. Neither the Class Z VFNs nor the YBS Note may be transferred to a US person.

Prospective purchasers should note that the Regulation S Notes are not designed for, and may not be purchased or held by, any "employee benefit plan", as defined in Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), which is subject to the fiduciary responsibility provisions of Title I of ERISA, any "plan" as defined in Section 4975(e)(1) of the US Internal Revenue Code of 1986, as amended (the "**Code**"), which is subject to Section 4975 of the Code or by any person or entity the underlying assets of which include, or are deemed under the US Department of Labor regulation at 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**"), to include, assets of such an "employee benefit plan" or "plan" by reason of such employee benefit plan's or plans' investment in the person or entity (each of the foregoing, a "**Benefit Plan Investor**"). Each purchaser or transferee of a Regulation S Note (or any interest therein) will be deemed to have represented, warranted and agreed that (i) it is not, and is not acting on behalf of (and for so long as it holds a Regulation S Note will not be, and will not be acting on behalf of), a Benefit Plan Investor, and (ii) if it is a governmental, church or non-US plan, (A) it is not, and for so long as it holds such Notes or interests therein will not be, subject to any federal, state, local or non-US

law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer (or other persons responsible for the investment and operation of the Issuer's assets) to any US federal, state, local or non-US law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"), and (B) its acquisition, holding and disposition of such Note (or any interest therein) will not constitute or result in a violation of any such Similar Law.

The Dealers will not offer or sell any Notes into the US except through a US-registered broker-dealer affiliate or pursuant to an available exemption from registration as a broker-dealer under the Exchange Act.

Stabilisation

In connection with the issue of any Series or Class of Notes, or any Sub-Series of the Class A Notes of the relevant Series, the Dealer(s) (if any) named as the stabilising manager(s) (or persons acting on behalf of any stabilising manager) in the applicable Final Terms may over-allot such Notes (**provided that**, in the case of any Series or Class of Notes or any Sub-Series of the Class A Notes of the relevant Series to be admitted to trading on the regulated market of the London Stock Exchange or any other regulated market (within the meaning of MiFID II) in the European Economic Area or in the UK, the aggregate principal amount of a Series or Class of Notes or any Sub-Series of the Class A Notes of the relevant Series allotted does not exceed 105% of the aggregate principal amount of the relevant Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series) or effect transactions with a view to supporting the market price of that Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series at a level higher than that which might otherwise prevail. However, there is no assurance that the stabilising manager(s) (or persons acting on behalf of a stabilising manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series and 60 days after the date of the allotment of the relevant Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series. Any stabilisation action or over-allotment must be conducted by the relevant stabilising manager(s) (or person acting on behalf of any stabilising manager(s)) in accordance with all applicable laws and rules.

Information as to placement within the US

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the US and may not be offered or sold within the US or to, or for the account or benefit of, US Persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable federal, state or local securities laws. Accordingly, (a) the Rule 144A Notes are being offered and sold in the US only to QIBs pursuant to Rule 144A under the Securities Act, in each case acting for their own account or for the account of one or more QIBs, and (b) the Regulation S Notes are being offered and sold outside the US to persons other than US Persons pursuant to Regulation S. For a description of certain restrictions on resales or transfers of the notes, see "Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions".

This Base Prospectus has been prepared by the Issuer solely for use in connection with the offering of the Notes. This Base Prospectus is personal to each potential investor to whom it has been delivered by the Issuer, any Dealer or any of their respective affiliates and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. Distribution of this Base Prospectus in the US to any persons other than the potential investors who are QIBs and those

persons, if any, retained to advise such offerees with respect thereto is unauthorised, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Additionally, each purchaser of Notes will be deemed to have made the representations, warranties and acknowledgements that are described in this Base Prospectus under "Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions".

Subscription, Sale and Transfer Restrictions

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, any Joint Arranger or any Dealer to subscribe for or purchase any of the Notes. The distribution of this Base Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer and the Dealers to inform themselves about, and to observe, such restrictions. For a description of certain further restrictions on offers and sales of Notes and distribution of this Base Prospectus, see "Subscription and Sale and Transfer and Selling Restrictions". Neither this Base Prospectus nor any part hereof constitutes an offer of, or an invitation by, or on behalf of, the Issuer, any Joint Arranger or any Dealer to subscribe for or purchase any Notes and neither this Base Prospectus, nor any part hereof, may be used for or in connection with an 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.

Available information

To permit compliance with Rule 144A in connection with the sale of any Rule 144A Notes, for so long as any Rule 144A Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will be required to furnish, upon the request of a holder of any Rule 144A Note, to such holder and a prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is neither a reporting company under Section 13 or Section 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. All information made available by the Issuer pursuant to the terms of this paragraph may also be obtained during usual business hours free of charge at the specified office of any Paying Agent.

By requesting copies of the documents referred to herein or by making any other requests for additional information relating to the issue of the Notes or to the Issuer, each potential investor agrees to keep confidential the various documents and all written information that from time to time has been or will be disclosed to it, to the extent that such documents or information are not otherwise publicly available, and agrees not to disclose any portion of such information to any person except in connection with the proposed resale of the Notes or as required by law.

A copy of this Base Prospectus and each of the Final Terms relating to the Notes will be available for inspection at the registered offices of the Issuer, at the specified offices of the Paying Agents and each financial intermediary placing or selling such Notes or will be available for inspection on the website of the FCA in accordance with the UK Prospectus Regulation and the UK Prospectus Rules.

Notwithstanding any provision in this Base Prospectus to the contrary, each prospective investor (and each employee, representative, or other agent of each such prospective investor) may disclose to any and all persons, without limitation of any kind, the US federal income tax treatment and the US federal income tax structure of any transaction contemplated in this Base Prospectus and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such US federal income tax treatment and US federal income tax structure.

Rounding adjustments

Certain monetary amounts and currency translations included in this document have been subject to rounding adjustments. Accordingly, figures shown as currency translations in certain tables may not be an arithmetic aggregation of the figures that preceded them.

Forward-looking statements

This Base Prospectus includes statements that are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Base Prospectus and involve known and unknown risks, uncertainties and other important factors that could cause the actual results and performance of the Notes, the Issuer, the Sellers or the UK residential mortgage industry to differ materially from any future results or performance expressed or implied in the forward-looking statements.

In addition, even if the results and performance of the Notes, the Issuer, the Sellers or the UK residential mortgage industry are consistent with the forward-looking statements set out in this Base Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Many factors could cause the results and performance of the Notes, the Issuer, the Sellers or the UK residential mortgage industry to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements including, but not limited to, those described in the section entitled "Risk Factors".

Any forward-looking statements that are made in this Base Prospectus speak only as of the date of such statements and are not guarantees of future performance. The Issuer does not intend or undertake any obligation, to revise the forward-looking statements included in this Base Prospectus to reflect any future events or circumstances. Actual results, performance or achievements could differ materially from the results expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include those discussed in the section entitled "Risk Factors". These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements in the Base Prospectus.

Enforceability of judgments

The Issuer is a public limited company registered in England and Wales. All of the Issuer's assets are located outside the US and all of the officers or directors of the Issuer reside outside the US. As a result, it may not be possible for investors to effect service of process within the US upon the Issuer or such persons not residing in the US, including with respect to matters arising under the federal or state securities laws of the US or any State or territory within the US, or to enforce against them judgments of the courts of the US, including judgments predicated upon the civil liability provisions of such securities laws. There is doubt as to the enforceability in the UK, in original actions or in actions for the enforcement of judgments of US courts, of civil liabilities predicated solely upon such securities laws.

YBS is a building society registered in England and Wales. Accord is a wholly owned subsidiary of YBS. All of the Sellers' assets are located outside the US and all of the officers or directors of the Sellers reside outside the US. As a result, it may not be possible for investors to effect service of process within the US upon the Sellers or such persons not residing in the US, including with respect to matters arising under the federal or state securities laws of the US or any State or territory within the US, or to enforce against them judgments of the courts of the US, including judgments predicated upon the civil

liability provisions of such securities laws. There is doubt as to the enforceability in the UK, in original actions or in actions for the enforcement of judgments of US courts, of civil liabilities predicated solely upon such securities laws.

Use of licensed broker or dealer

If a jurisdiction requires that the offering of the Notes be made by a licensed broker or dealer and any of the Dealers or any parent company or affiliate of any of the Dealers is a licensed broker or dealer in that jurisdiction, the offering of the Notes will be deemed to be made by such Dealers or such parent company or affiliate on behalf of the Issuer in such jurisdiction.

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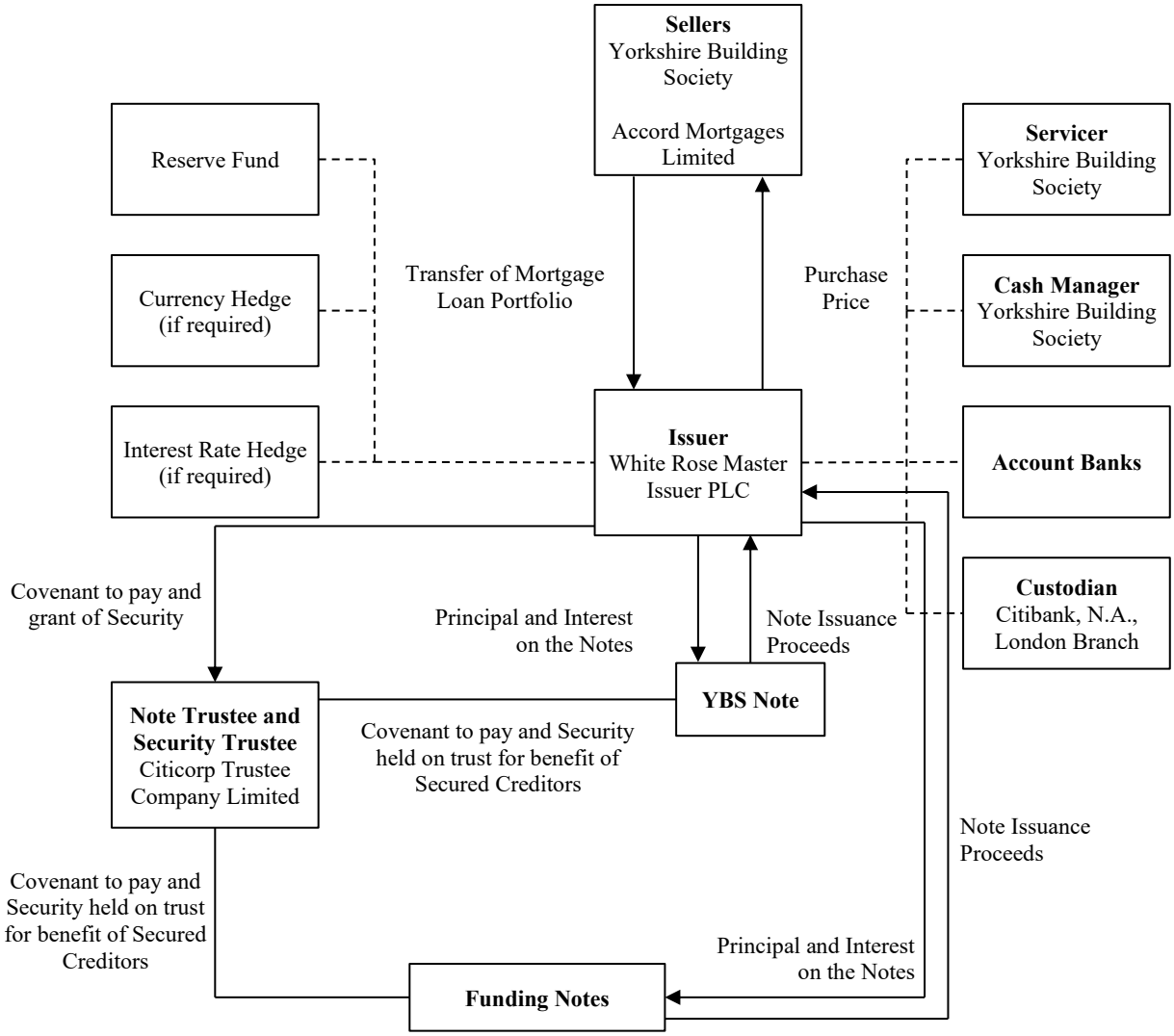
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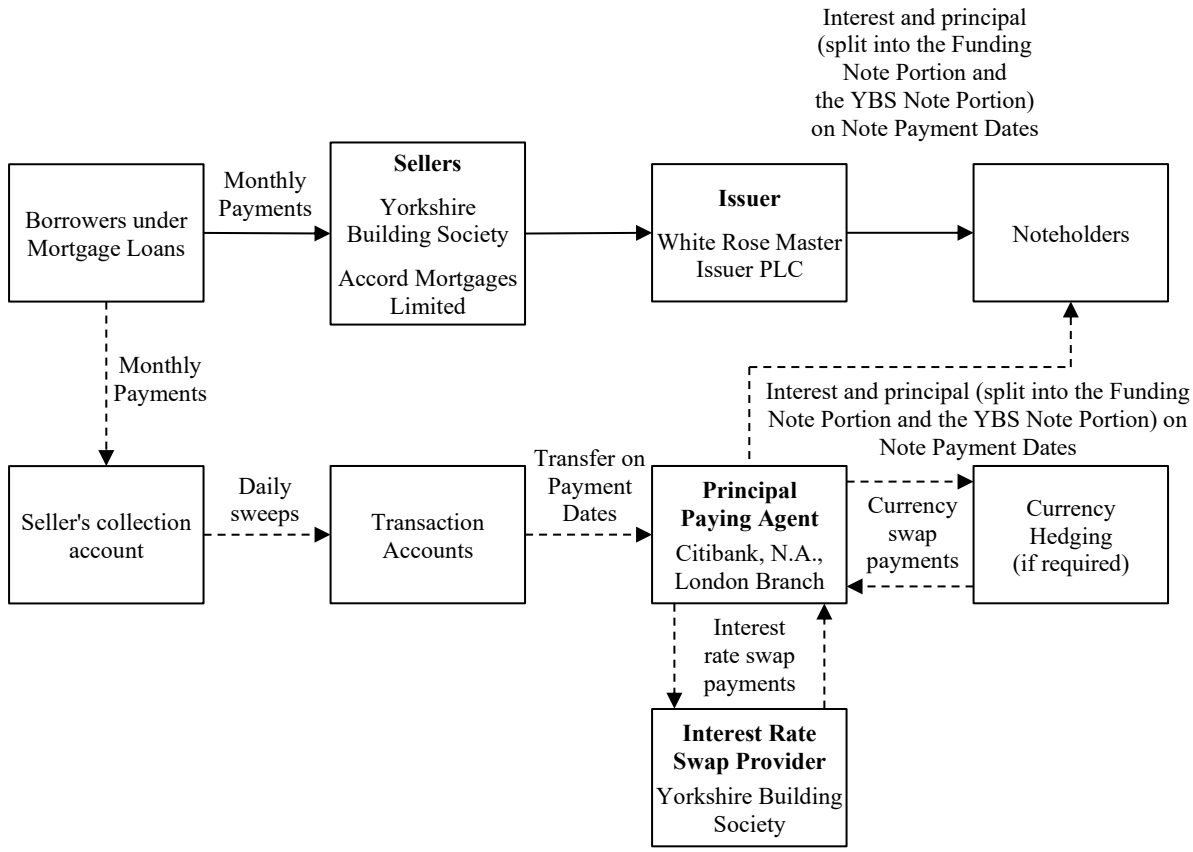
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DIAGRAMMATIC OVERVIEWS

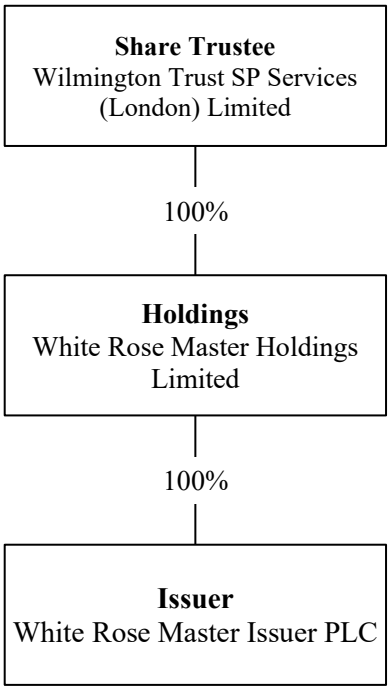
DIAGRAMMATIC OVERVIEW OF THE TRANSACTION



DIAGRAMMATIC OVERVIEW OF ON-GOING CASHFLOWS



DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE



This diagram illustrates the ownership structure of the principal parties to the securitisation transaction.

- The Issuer is a wholly owned subsidiary of Holdings.
- The entire issued share capital of Holdings is held on trust by the Share Trustee under the terms of a discretionary trust. The Share Trustee is not affiliated with the Sellers. The payments under the Notes will not be affected by this arrangement. See "Holdings".

RISK FACTORS

This section describes the material risks associated with an investment in the Notes. An investment in the Notes involves substantial risks and is suitable only 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 considers that the risks described below are the material risks inherent in the transaction for Noteholders, and that the factor described first in each category of factors set out below is the most material factor in relation to that category, based on the probability of its occurrence and the expected magnitude of its negative impact. However, additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. The factors set out below are not exhaustive or an explanation of all risks that investors may face when making an investment in the Notes.

Prospective Noteholders should (a) read the information set out below and elsewhere in this Base Prospectus and in the applicable Final Terms and reach their own views, including as to the level, order of materiality and potential of occurrence of the risks set out below, together with their own professional advisers, prior to making any investment decision, (b) ensure that they understand the nature of the Notes and the extent of their exposure to risk, (c) 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 they deem appropriate, all the information set out in this Base Prospectus and in the applicable Final Terms so as to arrive at their own independent evaluation of the investment, and (d) confirm that an investment in the Notes is fully consistent with their respective financial needs, objectives and any applicable investment restrictions and is suitable for them.

RISKS RELATING TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES

The Issuer has limited resources available to it to make payments on the Notes

The Issuer is the only party responsible for making payments on the Notes. The Notes will not represent an interest in or obligation of, and will not be insured or guaranteed by any other party to the transaction other than the Issuer. Furthermore, no person other than the Issuer will accept any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amount due under the Notes.

The ability of the Issuer to make payments of interest on, and principal of, the Notes and to pay its operating and administrative expenses will therefore be dependent solely on the Revenue Receipts and the Principal Receipts in respect of the Mortgage Loans in the Mortgage Portfolio, interest earned on certain amounts standing to the credit of the Transaction Accounts (including amounts standing to the credit of the Reserve Fund and the Cash Accumulation Ledgers) and income from any Authorised Investments. In addition, the Issuer will rely on the Interest Rate Swaps to provide hedging in respect of certain interest rate variance risk to which the Funding Notes are exposed in relation to the Fixed Rate Mortgage Loans in the Mortgage Portfolio and Currency Swaps to provide currency and/or interest rate hedging (as appropriate) in respect of the relevant Series and Classes of Notes as specified in the applicable Final Terms.

Other than the foregoing, the Issuer will not have any sources of funds available to meet its obligations under the Notes and/or any other payments ranking in priority to the Notes. If the resources described above are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Creditors, subject to the applicable Priority of Payments.

Effects of prepayments on, or redemptions of, the Mortgage Loans on the yield to maturity of the Notes

The yield to maturity of the Notes of each Class will depend mostly on (a) the amount and timing of the repayment of principal on the Mortgage Loans, and (b) the price paid by the Noteholders of each Class of Notes. The yield to maturity of the Notes of each Class may be adversely affected by a higher or lower than anticipated rate of prepayments on the Mortgage Loans. The rate of prepayment of Mortgage Loans is influenced by a wide variety of factors, including as summarised below under "Risks Relating to the Mortgage Loans – Decline in house prices may adversely affect the performance and market value of the Notes" and "Risks Relating to the Mortgage Loans – Delinquencies or Default by Borrowers in paying amounts due on their Mortgage Loans". Variation in the rate and timing of prepayments of principal on the Mortgage Loans may affect each Class of Notes differently depending upon whether an Asset Trigger Event has occurred and/or whether a Non-Asset Trigger Event is continuing or the Security has been enforced. As a general matter, if prepayments on the Mortgage Loans occur less frequently than anticipated, then the amortisation of the Notes may take much longer than is presently anticipated and the actual yields on the Notes may be lower than anticipated. If the aggregate rates of prepayments and scheduled repayments fall to levels much lower than the historical CPR levels in respect of the Mortgage Portfolio, this may affect the repayment rates on any Pass-Through Redemption Notes or Controlled Amortisation Notes, and in addition the ability of the Issuer to accumulate sufficient Principal Receipts on each Cash Accumulation Ledger to repay the relevant Bullet Redemption Notes. Alternatively, it is unlikely that the average lives of the Notes will be reduced unless CPRs rise to levels much higher than the historical CPR levels in respect of the Mortgage Portfolio (or the UK mortgage market in general) and the Sellers cease to maintain the required amount of Mortgage Loans in the Mortgage Portfolio. Any decline in prepayment rates in respect of the Mortgage Loans could leave the Issuer with insufficient proceeds to repay the Notes on the relevant scheduled maturity dates.

Certain features of the Mortgage Loans may also affect the yield to maturity of the Notes. For example, the grant by a Seller of a Product Switch may cause the rates of prepayments and scheduled repayments on the Mortgage Loans to be lower than expected. In relation to SVR Mortgage Loans in the Mortgage Portfolio, changes in the Accrual Rate following an Annual Review may cause the rates of prepayments and scheduled repayments on the Mortgage Loans to be lower than expected (see "Risks Relating to the Availability of Funds to Pay the Notes – Considerations Relating to the Annual Interest Rate Review Process").

No assurance can be given that the Issuer will receive sufficient funds during the Cash Accumulation Period prior to the Bullet Redemption Date for a Bullet Redemption Note or prior to any Controlled Amortisation Date for a Controlled Amortisation Note in time for the Issuer to redeem the relevant Series and Classes of Notes on their Bullet Redemption Date or Controlled Amortisation Dates, respectively. The extent to which sufficient funds are received by the Issuer during such periods or prior to any Controlled Amortisation Date for a Controlled Amortisation Note will depend on, among other things, whether the actual principal prepayment rate of the Mortgage Loans is the same as the assumed principal prepayment rate.

In addition, during a Cash Accumulation Period prior to the Bullet Redemption Date for a Bullet Redemption Note, if, on a Note Payment Date, a Cash Accumulation Shortfall is continuing and the Monthly PPR is less than the Monthly PPR required in accordance with the Anticipated Cash Accumulation Period, then no repayment will be made of any principal amount due on that Note Payment Date on any Controlled Amortisation Notes or Pass-Through Redemption Notes, which may have an adverse effect on the yield to maturity of those Notes.

If the Issuer does not have sufficient funds to pay the full amount scheduled to be redeemed on Controlled Amortisation Notes on their Controlled Amortisation Dates, then the Issuer is required to pay only the amount it has available. Any shortfall on such Notes will be deferred to and paid on

subsequent Note Payment Dates when the Issuer has sufficient funds to pay the shortfall amount to be repaid on the relevant Series and Classes of Notes. If this happens, holders of affected Notes will not receive repayment of principal when expected, which may have an adverse effect on the yield to maturity of those Notes.

The yield to maturity of the Notes may also be affected by the exercise by the Issuer of its rights, under Conditions 5(e) (*Optional redemption in full or in part*) and 5(f) (*Optional redemption for tax and other reasons*), to redeem the Notes in the circumstances set out therein.

The Issuer's ability to pay interest on and/or redeem the Notes may be affected by a high rate of default on the Mortgage Loans

The amounts required to pay interest on and/or redeem the Notes are generated substantially from payments of interest and principal pursuant to the Mortgage Loans. Where defaults in payment on the Mortgage Loans occur, there is a risk that the payments made under the remaining Mortgage Loans (where no default has occurred) may not be sufficient to pay interest on and/or redeem the Notes (either partially or in full) on the relevant Note Payment Dates or Final Maturity Dates, or at all.

The default by a Borrower under a Mortgage Loan in payment of interest and/or principal gives rise to the lender's rights to enforce its security (for example by selling the property) in order to repay the debt secured in full (including accrued but unpaid interest and principal). There are, however, several requirements that would need to be complied with before proceeds could be realised from such security and be applied in or towards repayment or redemption of the related Mortgage Loan. In order to enforce a power of sale in respect of a Mortgaged Property, the relevant mortgagee (which may be a Seller or the Issuer) must first obtain possession of the relevant Mortgaged Property. Obtaining possession can be a lengthy and costly process and will involve the mortgagee assuming certain risks. Obtaining possession involves complying with any applicable current or future codes of practice and protocols (including the Mortgage Charter) relating to possession proceedings (see "The Servicer and the Servicing Agreement" and the discussion of the FCA's changes to the FCA's Mortgages and Home Finance: Conduct of Business Sourcebook ("**MCOB**") with respect to forbearance in "Regulation of the UK Residential Mortgage Market") and obtaining a court order for possession. In addition, obtaining possession can be delayed as a result of any requests received from an applicable regulator or the government or as a result of industry-led factors. There is also a requirement to market the property for a reasonable period in order to ensure a proper price is obtained. Similar considerations apply in Scotland where the heritable creditor must also obtain a court order in order to enforce a power of sale.

The combined effect of the above is that there may be a delay between the date of any default occurring under any Mortgage Loan and the time when the proceeds of the sale of the security for such Mortgage Loan are available to repay such Mortgage Loan. During this period there may be no payments made under the relevant Mortgage Loan (thus increasing the amount of the arrears as well as any interest due under the relevant Mortgage Loan due to the charging of any default interest from the date of default to the date of judgment by the court in relation to any proceedings commenced by the relevant Mortgagee in relation to the relevant Mortgaged Property) and there may also be costs and expenses (for example maintenance costs, insurance premiums, and/or the costs of providing services and/or enforcing the security) relating to the property which would need to be discharged. There can be no assurance, at the end of such process, that such realisation proceeds would be sufficient to discharge the shortfall accumulated during the interim period between a default occurring under the relevant Mortgage Loan and the date on which the Mortgagee (after enforcing its acceleration or enforcement rights under the relevant Mortgage Loan Agreement and enforcing its security under the Mortgage Deed and any Related Security) becomes a mortgagee in possession of the Mortgaged Property and subsequently sells the Mortgaged Property to be able to redeem the full amount due (inclusive of the costs and fees mentioned above) due in respect of the relevant Mortgage Loan. The Issuer's ability to make payments on the Notes may therefore be reduced.

Excess Available Revenue Receipts and (without double counting) the Funding Note Principal Portion may not be sufficient to replenish principal that has been used to pay interest due on the Notes, which may result in the Notes not being repaid in full

If on any Payment Date there is a Revenue Shortfall, then, following the application of amounts standing to the credit of the Reserve Fund, the Issuer will be permitted to use Enhanced Available Principal Receipts to make up the Remaining Revenue Shortfall.

As described in more detail under "Credit Structure and Cashflows – Use of Principal Receipts to pay Remaining Revenue Shortfall", if the Issuer uses Enhanced Available Principal Receipts in this manner, the amount available to repay principal on the Class Z(S) VFN and the Class A Notes, will be reduced. The inability to repay the Class A Notes will, subject to the Conditions, cause an Event of Default. Application of Enhanced Available Principal Receipts in this manner will be recorded on the Principal Deficiency Sub-Ledger for the Class A Notes and the Class Z(S) VFN in reverse sequential order, starting with the Class Z(S) VFN.

During the life of the Programme, however, it is expected that these principal deficiencies will be recouped from the application in accordance with the applicable Priority of Payments of Enhanced Revenue Receipts to eliminate debits on the Funding Principal Deficiency Sub-Ledger or the application of the YBS Note Revenue Portion to eliminate debits on the YBS Note Principal Deficiency Sub-Ledger and/or may be reduced or eliminated out of drawings on the Class Z(R) VFN (with the Class Z VFN Holder exercising sole discretion as to whether such drawing will be funded). However, if such Enhanced Revenue Receipts or the application of the YBS Note Revenue Portion (as applicable) are or is insufficient to recoup principal deficiencies, the funds available to the Issuer 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 or to redeem the Notes.

For more information on principal deficiencies, see "Credit Structure and Cashflows – Principal Deficiencies and the Principal Deficiency Ledger".

Subordination of other Classes may not protect the Class A Noteholders from all risk of loss

The payment of interest due on any Payment Date in respect of the Class Z(R) VFN and the Class Z(S) VFN is subordinated to the payment of interest due on such Payment Date in respect of the Class A Notes of all Series and the YBS Note, with the payment of interest on the Class A Notes and the YBS Note ranking *pro rata* and *pari passu*.

The payment of interest due on any Payment Date in respect of the Class Z(R) VFN and the Class Z(S) VFN is also subordinated to the replenishment of the Reserve Fund up to the Reserve Fund Required Amount. None of the VFNs has the benefit of amounts standing to the credit of the Reserve Fund.

The repayment of principal due on any Payment Date in respect of the Class Z(S) VFN is subordinated to the repayment of principal due on such Payment Date in respect of the Class A Notes.

The repayment of principal due on any Payment Date in respect of the YBS Note: (i) prior to service of an Enforcement Notice (for so long as no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing); and (ii) following service of an Enforcement Notice, will rank *pro rata* and *pari passu* with the repayment of principal on the Class A Notes.

Where an Asset Trigger Event has occurred and/or a Non-Asset Trigger Event is continuing, and **provided that** no action has been taken to enforce the security created by the Issuer under the Transaction Documents, the repayment of principal due on any Payment Date in respect of the YBS Note is subordinated to the repayment of principal on the Class A Notes and the Class Z(S) VFN.

In addition, it should be noted that, irrespective of whether or not an Asset Trigger Event has occurred and/or a Non-Asset Trigger Event is continuing, and irrespective of whether an Event of Default has occurred and is continuing and/or any action has been taken to enforce the security for the obligations of the Issuer under the Transaction Documents, any proceeds from the repurchase of the Mortgage Loans on exercise of the YBS Note Permitted Repurchase Procedure will be applied by the Issuer exclusively to reduce the Principal Amount Outstanding of the YBS Note, as described in "Credit Structure and Cashflows – Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice".

However, not all Classes and Sub-Classes of Notes are scheduled to receive payments of interest and repayments of principal on the same Payment Dates. The dates for the payment of interest and principal in respect of a Series and Class of Notes will be the Note Payment Dates specified for such Notes in the applicable Final Terms. A Class of Notes of a particular Series may have Note Payment Dates in respect of interest and/or principal that are different from other Notes of the same Class (but of different Series) or of the same Series (but of a different Class or Sub-Class).

Subject to compliance with the Reapplication Rule, principal on a Class of Notes of a particular Series may be repaid before principal is repaid on other Notes of the same Class (but of different Series) or on other Notes of the same Series (but of a different Class or Sub-Class), irrespective of whether such Series or Class of Notes was issued before or after such other Series or Class of Notes. Further issuances of Notes may also therefore affect the rate of payment of principal on any particular existing Series or Class of Notes. See also "Risks Relating to the Structure and the Notes – Effect of the occurrence of a Trigger Event on the repayment of the Notes".

Payments of principal are expected to be made on each Class of Notes in amounts up to the amounts set forth under "Credit Structure and Cashflows – Available Principal Receipts".

Furthermore, if the Issuer exercises an option to redeem a Series and Class of Notes in any of the circumstances set out in Condition 5(e) (*Optional redemption in full or in part*), then those Series and Classes of Notes so redeemed will be repaid before other Series and Classes of Notes that are not so redeemed, irrespective of the ranking or Final Maturity Date of those Notes.

There is no assurance that these subordination rules will protect the Class A Noteholders or the holders of each Sub-Class of Class Z VFNs from all risks of loss. If the losses borne by the Class Z VFNs are in an aggregate amount equal to the aggregate Principal Amount Outstanding of the Class Z VFNs, then losses on the Mortgage Loans will thereafter be borne by the Class A Notes at which point there will be an Asset Trigger Event.

Furthermore, the Issuer retains the right to restructure certain terms of the Programme following the Programme Date, in each case in accordance with Condition 11 (*Meetings of Noteholders, modifications and waiver*) and subject, where relevant, to obtaining the Ratings Confirmation in respect of the proposed modifications.

Payments of Class Z VFNs may be delayed or reduced in certain circumstances

If, on any Payment Date on which a repayment of principal is due on any Sub-Class of Class Z VFNs but, if the repayment was made, the Principal Amount Outstanding of the remaining Class Z(S) VFN, less any amount recorded as a debit on the Class Z(S) VFN Principal Deficiency Sub-Ledger, would not be sufficient to provide the level of credit enhancement required to support the ratings on the Class A Notes (of all Series) then outstanding and the Issuer is unable to make a further Class Z VFN drawing, or obtain acceptable alternative forms of credit enhancement, then the Class Z VFNs will not be entitled to receive payments of principal until all Class A Notes outstanding have their required level of credit enhancement. The obligation of the Issuer to make a payment of principal on the Class Z(S) VFNs on

any Note Payment Date on which a payment of principal is due on the Class Z(S) VFNs is subject to the Actual Subordination Amount being at least equal to the Required Subordination Amount following such repayment. The failure to repay principal in respect of the Class Z(S) VFNs in such circumstances will not constitute an Event of Default. See "Credit Structure and Cashflows – Available Principal Receipts – Rules for the repayment of principal amounts due on the Notes".

The VFN Holder may elect not to advance funds

The VFN Holder is required to advance funds to the Issuer only in certain limited circumstances (see "The VFNs"). There can be no assurance that the VFN Holder will advance funds to the Issuer under the Class Z(R) VFN, the Class Z(S) VFN or the YBS Note when it has the right, but not the obligation, to do so. A decision by the VFN Holder not to advance funds in such circumstances could increase the risk of a Trigger Event or an Event of Default occurring, which may have the effects described in "Risks Relating to the Structure and the Notes – Effect of the occurrence of a Trigger Event on the repayment of the Notes" below, and could adversely affect the yield to maturity of the Notes.

Considerations Relating to the Annual Interest Rate Review Process

In respect of SVR Mortgage Loans in the Mortgage Portfolio, the terms and conditions of such Mortgage Loans provide that a Borrower's monthly payments will remain fixed (the "**Fixed Monthly Amount**") for a period of 12 months (each a "**Fixed Payment Period**") irrespective of any interest rate changes during such period. The amount of a Borrower's Fixed Monthly Amount will only vary on an annual basis in accordance with the terms of an annual interest rate review which takes place once a year (the "**Annual Review**") (although a Borrower may opt out of the Annual Review).

During any Fixed Payment Period, although a Borrower's monthly payments remain fixed, the Mortgage Loan will continue to accrue interest at the "**Accrual Rate**", being the actual rate of interest chargeable on a Mortgage Loan as determined on a daily basis. The difference between the amounts calculated using the Accrual Rate (the "**Monthly Accrual Amount**") and the Fixed Monthly Amount will be taken into account during the Annual Review in recalculating the Fixed Monthly Amounts due by a Borrower during the subsequent Fixed Payment Periods.

The effect of the Annual Review on the Fixed Monthly Amounts payable by Borrowers will mean that if the Accrual Rate on the Mortgage Loans falls, a larger proportion of the Fixed Monthly Amount will be used to repay principal on the Mortgage Loans. In such circumstances, the amount of Principal Receipts received by the Issuer will increase which will result in increased principal payments in respect of any Pass-Through Redemption Notes. If the Accrual Rate falls more than anticipated as at the Issuance Date in relation to any Series of Pass-Through Redemption Notes, the relevant Noteholders could therefore receive redemptions earlier than would otherwise be anticipated.

Conversely, if the Accrual Rate rises on the Mortgage Loans, a larger proportion of the Fixed Monthly Amount (where the Borrower repays interest and principal) will be applied towards payment of interest amounts due on the Mortgage Loans. Where the rate of interest has risen such that the Monthly Accrual Amount is greater than the Fixed Monthly Amount (the "**Contractual Difference**"), the Contractual Difference will be capitalised and added to the outstanding balance of the Mortgage Loan. A Borrower will not be in default under their Mortgage Loan if a Contractual Difference occurs during a Fixed Payment Period. If a Contractual Difference occurs in respect of a Mortgage Loan, principal payments received by the Issuer will be reduced. Noteholders of any Series of Pass-Through Redemption Notes or Controlled Amortisation Notes could therefore receive redemptions on those Pass-Through Redemption Notes or Controlled Amortisation Notes later than would otherwise be expected and the weighted average life of those Pass-Through Redemption Notes or Controlled Amortisation Notes may be extended. See "Risks Relating to the Availability of Funds to Pay the Notes – Effects of prepayments on, or redemptions of, the Mortgage Loans on the yield to maturity of the Notes ".

RISKS RELATING TO THE MORTGAGE LOANS

Decline in house prices may adversely affect the performance and market value of the Notes

The value of the Related Security in respect of the Mortgage 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.

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 Mortgage Loan. Downturns in the United Kingdom's economy generally have a negative effect on the housing market and, consequently a fall in property prices resulting from a deterioration in the housing market could result in losses being incurred by lenders where the net recovery proceeds are insufficient to redeem the outstanding loan. If the value of the Related Security backing the Mortgage Loans is reduced this may ultimately result in losses to Noteholders if the Related Security is required to be enforced and the resulting proceeds are insufficient to make payments on all Notes.

Borrowers may have insufficient equity to refinance their Mortgage Loans with lenders other than the relevant Seller and may have insufficient resources to pay amounts in respect of their Mortgage Loans as and when they fall due. This could lead to higher delinquency rates and losses which in turn may adversely affect payments on the Notes.

There is a risk that house-price growth will accelerate faster than earnings, stretching affordability and leaving households more vulnerable to shocks, such as increases in interest rates that could ultimately lead to higher retail loan losses.

UK house prices ended 2024 on a strong footing, +4.7% y/y (Nationwide), the strongest performance since 2021 with average prices now just below the all-time high recorded in summer 2022. Average prices continued to rise in H1 2025. Net mortgage borrowing has been on an upwards trend since Q2 2024 and has continued during 2025. The long-term structural challenge for the UK market remains the requirement to boost the supply of new housing.

UKF data indicates mortgage arrears peaked in Q1 2023. There were few signs of market stress in 2024 with arrears and possessions data for Q4 2024 showing the number of homeowner and buy-to-let mortgages in arrears continuing on a gently downward trend. At the start of 2025 and consistent with the UK government’s pro-growth regulatory agenda, the FCA confirmed it will consider relaxing some of the mortgage rules introduced in the period post the Financial Crisis. The overall impact of any potential changes to mortgage regulation is uncertain.

Geographic Concentration Risks

Mortgage Loans in the Mortgage 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 (due to local, national and/or global macroeconomic factors) and weaker housing markets than other regions in the United Kingdom, a concentration of the Mortgage Loans in such a region may be expected to exacerbate the risks relating to the Mortgage Loans described in these risk factors. The economy of each geographic region within the United Kingdom is dependent on a different mixture of industries and other factors. 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 the region that relies most heavily on that industry leading to an increased repayment, credit or default

risk in relation to the affected Mortgage Loans. In addition, any localised natural disasters or health crises or the fear of such crises (such as coronavirus (including Covid-19), measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu, or other epidemic diseases) in a particular region may weaken economic conditions and reduce the value of affected Mortgaged Properties, the ability to sell Mortgaged Properties in a timely manner and/or negatively impact the ability of affected Borrowers to make timely payments on the Mortgage Loans. This may result in a loss being incurred upon sale of the Mortgaged Property and/or otherwise affect receipts on the Mortgage Loans. If the timing and payment of the Mortgage Loans is adversely affected by any of the risks described in this paragraph, then payments on the Notes could be reduced and/or delayed and could ultimately result in losses on the Notes.

Given the unpredictable effect such factors may have on the local, national or global economy, no assurance can be given as to the impact of any of the matters described in this paragraph and, in particular, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes.

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

As noted above, the ability of the Issuer to meet its obligations to pay principal and interest on the Notes is dependent on receipts from the Mortgage Loans in the Mortgage Portfolio. As such, if Borrowers make payments on their Mortgage Loans late, the Issuer may have insufficient funds on any Payment Date to make payments of interest on the Notes.

Borrowers may default on their Mortgage Loans for a variety of reasons, including, without limitation:

- changes in the local, national or international macroeconomic climate, political developments and government policies. The economy of the UK and of each geographic region within the UK is dependent on a different mixture of industries and other factors. Any downturn in the local or national economy or a particular industry may adversely affect the regional or national employment levels and consequently the repayment ability of the Borrowers in that region or nationally or the region that relies most heavily on that industry. It is not possible to accurately predict the ultimate extent or duration of any such downturn or the impact it could have on the repayment ability of the Borrowers. In addition, UK and global economic conditions may be severely adversely affected by broader geopolitical issues such as the continuation or escalation of conflicts between Russia and Ukraine and/or in the Middle East as well as the emergence of other regional conflicts and wars with global impact, or US political risks (including tariffs, counter-tariffs, export controls, economic sanctions, currency regulations and other changes driven by US trade policy which have in the past and could in the future trigger retaliatory actions by affected countries and otherwise affect global trade and which could, in turn, lead to increased costs and disrupt supply chains, as well as increasing the risk of inflation or other negative impacts on the global economy or certain sectors thereof). Such elevated instability could potentially adversely impact and/or increase volatility in the financial markets and cause a downturn in the global and UK economies;

- a deterioration in economic conditions in a particular area or region, which may adversely affect the regional employment levels and/or house prices and consequently the repayment ability of the Borrowers in that region. To the extent that specific geographic regions within the UK have experienced, or may experience in the future, weaker regional economic conditions (due to local, national and/or global macroeconomic factors) and weaker housing markets than other regions of the UK, a concentration of Mortgage Loans in one region may be expected to exacerbate such risks;

- any widespread natural disasters or health crises, government policies in response to such crises or such potential crises (including, but not limited to, COVID-19 (or any strain of the

foregoing), measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu, or other epidemic diseases) and/or the fear of any such crises may weaken economic conditions and reduce house prices, the ability to sell a property in a timely manner, and/or negatively impact the repayment ability of Borrowers within the United Kingdom;

- an increase in the prevailing market interest rate, which, for those Mortgage Loans subject to a variable rate of interest, would increase a Borrower's monthly payments. Borrowers may seek to avoid any increased monthly payments by refinancing such Mortgage Loans, as to which see the Risk Factor entitled "Macro-Economic Risks";

- changes to the Bank of England base rate ("**BBR**") and/or SONIA, which may, for those Mortgage Loans subject to a variable interest rate, cause an increase in a Borrower's monthly payments. An increase in such reference rates could result in higher monthly repayments, which, in turn, could reduce Borrowers' capacity to service their Mortgage Loans. The Issuer could therefore be subject to a higher risk of default in payment by Borrowers over the course of the transaction, which may affect the ability of the Issuer to make payments on the Notes;

- a decline in property values due to, among other things, local, national and/or global macroeconomic factors;

- house price growth continuing to accelerate faster than earnings, which could stretch affordability and leave households more vulnerable to shocks, such as increases in interest rates that could ultimately lead to higher loan losses. There is potential for economic activity and real estate prices to decline should the labour market situation deteriorate, if strains in the financial system re-emerge and impair the flow of credit to the wider economy or other factors cause a deterioration in economic conditions. This risk is particularly relevant to Interest-Only Mortgage Loans;

- in respect of Interest-Only Mortgage Loans, the failure of a Borrower to sell the relevant property or refinance the loan at maturity;

- sustained increase in inflation resulting in increases to the cost of living for Borrowers. A sharp increase in energy prices and the overall rate of inflation, together with rising interest rates, could adversely impact the Borrowers' ability to repay the Mortgage Loans and/or their ability to meet the affordability requirements of any replacement loan; and

- a lack of availability of buyers for a property and/or a decline in value of a property, which may affect the ability of a Borrower to sell a property given as security for a Mortgage Loan at a price sufficient to repay the amounts outstanding under that Mortgage Loan.

- Given the unpredictable effect that these factors may have on the local, national or global economy, no assurance can be given as to the impact of any such factors and, in particular, no assurance can be given that such factors would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes. These risks are mitigated to an extent by certain credit enhancement features and liquidity support, as described in the section entitled "Credit Structure and Cashflows". However, no assurance can be given as to the effectiveness of such credit enhancement features or liquidity support or that the Noteholders would be protected from all risk of loss and/or delayed payment.

The timing and amount of payments on the Mortgage Loans could be affected by various factors which may adversely affect payments on the Notes

If Borrowers fail to repay some or all of the interest and/or principal due on their Mortgage Loans and the enforcement procedures fail to realise or recover sufficient funds to discharge all amounts due and

owing by the relevant Borrower, the Issuer may have insufficient funds to make payments of interest and/or principal on the Notes. See also "Regulation of the UK Residential Mortgage Market – Mortgage repossessions" below. The only security that exists in relation to a Mortgage Loan in the Mortgage Portfolio will be the mortgage in respect of the relevant property. The ability of a Borrower to refinance the relevant property will be affected by a number of factors, including but not limited to the value of the relevant 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. In recent times and in response to increases in regulation, lenders have maintained stricter conditions to the advancing of loans that are secured by mortgages. In addition, in periods of economic downturns lenders usually apply more restrictive conditions to advancing loans leading to Borrowers being less likely to meet lending criteria for refinancing. The inability of the Borrowers to refinance their respective properties may ultimately result in a reduction of amounts available to the Issuer and adversely affect its ability to make payments on the Notes.

In order to enforce a power of sale in respect of a mortgaged property in England and Wales, the relevant mortgagee must first obtain possession of the relevant property. Possession is usually obtained by way of a court order. This can be a lengthy and costly process and will involve the mortgagee assuming certain risks. In addition, once possession has been obtained, a reasonable period must be allowed for marketing the property, to discharge obligations and 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 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.

In Scotland, although a heritable creditor (the Scottish equivalent of a mortgagee) does not require to take possession in order to exercise a power of sale, additional requirements imposed by Part 1 of the Home Owner and Debtor Protection (Scotland) Act 2010 mean that the heritable creditor must obtain a court order to exercise its power of sale (in addition to initiating the statutory enforcement process pursuant to the Conveyancing and Feudal Reform (Scotland) Act 1970 by the service of a two-month "calling-up" notice) unless the borrower and 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. This may have an adverse effect in markets experiencing above average levels of repossession claims and may result in lower recoveries and may reduce the Issuer's ability to make payments on the Notes.

Each of the Note Trustee and the Security Trustee has the absolute discretion at any time to refrain from taking any action under the Trust Deed or the Deed of Charge (as applicable) or any of the Transaction Documents including becoming a mortgagee in possession in respect of any property contained with the Mortgage Portfolio, unless it is satisfied at that time that it is indemnified and/or secured and/or prefunded to its satisfaction against any liability that it may incur by so acting.

Interest-Only Mortgage Loans

Interest-Only Mortgage Loans were included in the Initial Mortgage Portfolio and some of the Additional Mortgage Loans could be Interest-Only Mortgage Loans. Interest-Only Mortgage Loans are originated with a requirement that the Borrower pay scheduled interest payments only. There is no scheduled amortisation of principal. Consequently, upon the maturity of an Interest-Only Mortgage Loan, the relevant Borrower will be required to make a "bullet" payment that will represent the entirety of the principal amount outstanding. The ability of such a Borrower to repay an Interest-Only Mortgage Loan at maturity frequently may depend on such Borrower's ability to sell the Mortgaged Property, refinance the Mortgaged Property or obtain funds from another source such as savings accounts, a pension policy, personal equity plans or an endowment policy. None of the Issuer, the Note Trustee,

the Security Trustee, the Sellers, any Joint Arranger nor the Dealers has verified that any such Borrower has such other source of funds and none of them has obtained security over such Borrower's right in respect of any such other source of funds. The ability of a Borrower to sell or refinance the Mortgaged Property will be affected by a number of factors, including the value of the Mortgaged Property, the Borrower's equity in the Mortgaged Property, the financial condition of the Borrower, tax laws and general economic conditions at the time. Because of the greater risk relating to the refinancing of Interest-Only Mortgage Loans, a significant downturn in the property markets or the economy could lead to a greater increase in defaults. This could lead to higher delinquency rates and losses which in turn may adversely affect payments on the Notes.

Further Advances, Product Switches and Underpayment Options

A Seller or the Servicer (on behalf of the relevant Seller) may offer a Borrower, or a Borrower may request, a Further Advance, Product Switch or Underpayment Option from time to time. Any Mortgage Loan that has been the subject of a Further Advance, Tested Underpayment Option or a Product Switch following an application by the Borrower will remain in the Mortgage Portfolio. If the Issuer subsequently determines on the relevant Testing Date (as defined below that any Further Advance, Product Switch or Tested Underpayment Option does not satisfy the Eligibility Criteria or the Portfolio Criteria , and such default is not remedied in accordance with the relevant Mortgage Sale Agreement, the relevant Seller will be required to repurchase the relevant Mortgage Loan and its Related Security. See further ″The Mortgage Loans and the Mortgage Portfolio".

It should be noted that any Mortgage Loan Warranty made by the relevant Seller in relation to a Further Advance, Product Switch and/or a Tested Underpayment Option may be amended from time to time and such changes will be notified to the Rating Agencies. The consent of the Noteholders in relation to such amendments may not be obtained if the Security Trustee has given its prior consent to such amendment (and for such purpose, the Security Trustee may, but is not obliged to, have regard to any Ratings Confirmation in respect of those amendments). Where a Seller is required to repurchase because the warranties are not true, there can be no assurance that such Seller will have the financial resources to honour its repurchase obligations under the relevant Mortgage Sale Agreement. Either of these circumstances may affect the quality of the Mortgage Loans and their Related Security in the Mortgage Portfolio and accordingly the ability of the Issuer to make payments on the Notes.

Further, there may be circumstances in which a Borrower might seek to argue that any Mortgage Loan, Further Advance, Product Switch or Tested Underpayment Option is wholly or partly unenforceable by virtue of non-compliance with the FSMA or the Consumer Credit Act 1974 (as amended) (the "**CCA**") as further discussed below.

If this were to occur, then this could adversely affect the Issuer's ability to make payments due on the Notes or to redeem the Notes.

Searches, Investigations and Warranties in Relation to the Mortgage Loans

Each relevant Seller has given certain warranties to each of the Issuer and the Security Trustee regarding the Mortgage Loans and their Related Security comprising the Initial Mortgage Portfolio sold to the Issuer on the First Issuance Date (and in respect of any Additional Mortgage Loans, on the Payment Date immediately following the relevant Assignment Date) and will give similar warranties to each of the Issuer and the Security Trustee regarding any Further Advances, Product Switches and Tested Underpayment Options, in each case, on the relevant Advance Date, Switch Date or Option Date (as applicable) (see ″The Mortgage Loans and the Mortgage Portfolio" for a summary of these).

None of the Note Trustee, the Security Trustee, the Joint Arrangers, the Dealers nor the Issuer has undertaken, or will undertake, any investigations, searches or other actions of any nature whatsoever in respect of any Mortgage Loan or its Related Security in the Mortgage Portfolio and each relies instead

on the warranties given in the relevant Mortgage Sale Agreement by each Seller. The primary remedy of the Issuer against a Seller if any of the warranties made by that Seller in respect of any Mortgage Loans comprising the Mortgage Portfolio is materially breached or proves to be materially in breach, or as at the Payment Date immediately following the relevant Assignment Date in respect of any Additional Mortgage Loans or on the Testing Date in respect of any Further Advance, Product Switch or Tested Underpayment Option (as applicable), which breach is not remedied within 30 days after receiving written notice of such breach, is that the relevant Seller shall be required to repurchase the relevant Mortgage Loan and its Related Security in accordance with the repurchase provisions in the relevant Mortgage Sale Agreement. However, there can be no assurance that such Seller will have the financial resources to honour such obligations under such Mortgage Sale Agreement. This may affect the quality of the Mortgage Loans and their Related Security in the Mortgage Portfolio and accordingly the ability of the Issuer to make payments due on the Notes.

It should also be noted that any warranties made by a Seller, in relation to Further Advances, Product Switches and/or Tested Underpayment Options or, while a Sale Period is continuing, any Additional Mortgage Loans sold to the Issuer, may be amended from time to time and differ from the warranties made by that Seller on the relevant Assignment Date without the consent of the Noteholders, **provided that** the Security Trustee has given its consent to such amendments (and for such purpose, the Security Trustee may, but is not obliged to, have regard to any Ratings Confirmation in respect of those amendments). Changes to the warranties may affect the quality of Mortgage Loans in the Mortgage Portfolio and accordingly the ability of the Issuer to make payments due on the Notes.

Sellers to Initially Retain Legal Title to the Mortgage Loans and risks relating to set-off

The sale by a Seller to the Issuer of English Mortgage Loans and their Related Security (until legal title is conveyed) takes effect in equity only. The sale by a Seller to the Issuer of Scottish Mortgage Loans and their Related Security is given effect by a Scottish declaration of trust by that Seller by which the beneficial interest in such Scottish Mortgage Loans and their Related Security is held on trust by that Seller for the benefit of the Issuer (a "**Scottish Declaration of Trust**"). In each case, this means that legal title to the Mortgage Loans and their Related Security in the Mortgage Portfolio will remain with the relevant Seller until certain trigger events occur under the terms of the relevant Mortgage Sale Agreement (see ″The Mortgage Loans and the Mortgage Portfolio″ below). Until such time, the assignment to the Issuer of English Mortgage Loans and their Related Security takes effect in equity only, whereas, in respect of Scottish Mortgage Loans and their Related Security held on trust pursuant to the Scottish Declaration of Trust by the relevant Seller in favour of the Issuer, the Issuer will hold a beneficial interest only. The Issuer has not and will not apply to the Land Registry to register or record its equitable or beneficial interest in the English Mortgages and may not in any event apply to the General Register of Sasines or Land Register of Scotland (as appropriate) (together, the "**Registers of Scotland**") to register or record its beneficial interest in the Scottish Mortgages pursuant to the Scottish Declaration of Trust.

As a consequence of the Issuer not obtaining legal title to the Mortgage Loans and their Related Security or the Mortgaged Properties secured thereby, a bona fide purchaser from a Seller for value of any of such Mortgage 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 Mortgage Loan and its Related Security, and it would not be entitled to payments by a Borrower in respect of that Mortgage 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 a breach by the relevant Seller of its contractual obligations or fraud, negligence or mistake on the part of the relevant Seller or the Issuer or their respective personnel or agents. Further, the rights of the Issuer and the Security Trustee may be or become subject to the direct rights of the Borrowers against the relevant Seller. Such rights may include the rights of set-off which arise in relation to transactions made between certain Borrowers and the relevant Seller and the right of the relevant Borrowers to

redeem their Mortgage Loans by repaying the relevant Mortgage Loan directly to that Seller. These rights may result in the Issuer receiving less monies than anticipated from the Mortgage Loans.

Further, prior to the insolvency of a Seller, unless (i) notice of the assignment was given to a Borrower who is a creditor of that Seller in the context of the English Mortgage Loans and their Related Security, and (ii) an assignation of the Scottish Mortgage Loans and their Related Security is effected by that Seller to the Issuer and notice thereof is then given to a Borrower who is a creditor of that Seller, equitable or independent set-off rights may accrue in favour of the Borrower against their obligation to make payments to that Seller under the relevant Mortgage Loan. These rights may result in the Issuer receiving reduced payments on the Mortgage Loans. The transfer of the benefit of any Mortgage Loans to the Issuer will continue to be subject to any prior rights the Borrower may become entitled to after the transfer. Where notice of the assignment or assignation is given to the Borrower, however, some rights of set-off (being those rights that are not connected with or related to the relevant Mortgage Loan) may not arise after the date notice is given.

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 Mortgage Loan, or Related Security itself but would have to join the relevant Seller as a party to any legal proceedings. Borrowers will also have the right to redeem their Mortgages by repaying the relevant Mortgage Loan directly to the relevant Seller. However, the relevant Seller will undertake, pursuant to the relevant Mortgage Sale Agreement, to hold any money repaid to it in respect of relevant Mortgage Loans to the order of the Issuer.

If any of the risks described above were to occur, the Issuer may receive less money than anticipated from the Mortgage Loans, which may affect the ability of the Issuer to repay the Notes. The Required Subordination Percentage has been calculated such that it is expected to be sufficient to allow Class Z(S) VFN to cover these risks. The Required Subordination Percentage is used to calculate the Required Subordination Amount. There can be no assurance that the Required Subordination Percentage, and so the Required Subordination Amount, will be sufficient to allow the Class Z(S) VFN to cover the risks described above. If they are not sufficient, the Class A Noteholders may not receive all amounts due on the Class A Notes, or payments to the Class A Noteholders may not be made when due.

Once notice has been given to the Borrowers of the assignment or assignation of the Mortgage Loans and their Related Security to the Issuer, independent set-off rights that a Borrower has against the relevant Seller (such as set-off rights not associated with or connected to the relevant Mortgage Loan) 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. Set-off rights arising under a "transaction set-off" (which are set-off claims arising out of a transaction connected with the Mortgage Loan) will not be affected by that notice and will continue to exist.

For so long as the Issuer does not have legal title, the relevant Seller will undertake, for the benefit of the Issuer, to lend its name to, and take such other steps as may reasonably be required by the Issuer in relation to, any legal proceedings in respect of the relevant Mortgage Loans and their Related Security.

Insurance Policies

The policies of each Seller in relation to buildings insurance are described under "The Mortgage Loans and the Mortgage Portfolio – Insurance policies". 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 redeem the Notes.

Levels of arrears

There can be no assurance that the arrears experience with respect to the Mortgage Loans in the Mortgage Portfolio will correspond to the experience of the Seller's overall mortgage account portfolio or that of the residential mortgage market in general. Noteholders should note that the UK has previously experienced a "boom and bust" economic effect in the residential property market. This trend is often exacerbated at times of change to monetary policy, for example increases in interest rates. This boom-and-bust economic effect has led historically to higher levels of arrears and repossessions. There can be no assurance that the current economic environment will not lead to a similar boom-and-bust effect, with such resulting high levels of arrears and repossessions at some point in the future. Any increase in the level of defaults and repossessions could have an adverse effect on the ability of the Issuer to make payments under the Notes.

Change in characteristics of the Mortgage Portfolio

The Lending Criteria and the representations and warranties set out in the relevant Mortgage Sale Agreement may be revised and amended from time to time. If, as a result, any Additional Mortgage Loans have been originated under revised Lending Criteria and the Mortgage Loans are then sold to the Issuer in accordance with and pursuant to the terms of the relevant Mortgage Sale Agreement, the characteristics and risk profile of the Mortgage Portfolio could at such time change. If any such change in the characteristics of the Mortgage Portfolio were to lead to a deterioration in the quality of the Mortgage Portfolio, this could adversely affect the ability of the Issuer to meet its obligations under the Notes.

Limited Secondary Market for Mortgage Loans

The ability of the Issuer to redeem all of the Notes in full, including following the occurrence of an Event of Default (as defined in the Conditions) in relation to the Notes while any of the Mortgage Loans are still outstanding, may depend upon whether the Mortgage Loans can be realised to obtain an amount sufficient to redeem the Notes. There is not, at present, an active and liquid secondary market for mortgage loans of this type in the United Kingdom. None of the Notes have been, or will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, or any other applicable securities laws and they are subject to certain restrictions on the resale and other transfer thereof as set forth under "Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions". There can be no assurance that a secondary market for the Mortgage Loans will develop or, if a secondary market does develop, that it will provide sufficient liquidity of investment for the Mortgage Loans to be realised or that if it does develop it will continue for the life of the Notes. The Issuer and, following the occurrence of an Event of Default, the Security Trustee may not, therefore, be able to sell the Mortgages for an amount sufficient to discharge amounts due to the Secured Creditors (including the Noteholders) in full should they be required to do so, which would adversely affect payments on the Notes.

Changes to the Lending Criteria applicable to any Additional Mortgage Loan at the time of its origination

Pursuant to the terms of the Mortgage Sale Agreements, each Seller has represented that each of the Mortgage Loans was originated in accordance with the Lending Criteria applicable at the time of origination. The Lending Criteria consider a variety of factors such as a potential borrower's credit history, employment status and repayment ability, as well as the value of the property to be mortgaged. It should be noted that the Lending Criteria for a Mortgage Loan that has been subjected to a Product Switch prior to its sale to the Issuer (and therefore, included as a Mortgage Loan that is part of the Mortgage Portfolio) will have a relatively limited set of requirements prior to the grant of any such Product Switch (including that no further affordability checks will have been undertaken at such time). In the event of the sale of any Additional Mortgage Loans and their Related Security to the Issuer,

representations and warranties will at such time be given to the Issuer that those Additional Mortgage Loans and their Related Security were originated in accordance with the relevant Seller's Lending Criteria applicable at the time of the origination of such Additional Mortgage Loans. While any Additional Mortgage Loans and their Related Security will have to comply with the representations and warranties set out in each Mortgage Sale Agreement, the relevant Seller retains the right to revise its Lending Criteria as determined from time to time in its absolute discretion, **provided that** it acts in accordance with the standard of a Prudent Mortgage Lender, and the Lending Criteria applicable to any Additional Mortgage Loan at the time of its origination may not be the same as those in force as at the date of this Base Prospectus and such differences may be material. Any change in the characteristics of the Mortgage Loans could lead to a delay or a reduction in the payments received on the Notes or it could increase the rate of repayment of the Notes.

Repurchases of Mortgage Loans by a Seller may have the same effect as prepayments on the Mortgage Loans

Each Seller will be required to repurchase Mortgage Loans from the Issuer where those Mortgage Loans are subject to Product Switches where (i) such Product Switch causes the relevant Mortgage Loan to be in breach of the Eligibility Criteria or would cause the Mortgage Portfolio to be in breach of the Portfolio Criteria; or (ii) the relevant Switch Date did not take place while a Sale Period was continuing.

Each Seller will be required to repurchase Mortgage Loans from the Issuer where those Mortgage Loans are subject to a Further Advance and (i) such Further Advance would cause the relevant Mortgage Loan to be in breach of the Eligibility Criteria or would cause the Mortgage Portfolio to be in breach of the Portfolio Criteria, (ii) the holder of the YBS Note is unable or unwilling to advance a further drawing on the YBS Note to fund the purchase of such Further Advance, or (iii) such Further Advance was not granted while a Sale Period was continuing, each as tested on the relevant Testing Date.

In addition, each Seller may, in accordance with the terms of the Transaction Documents and the Conditions, also offer to repurchase Mortgage Loans and their Related Security in order to effect any permitted redemption of any Notes, as well as where the relevant Mortgage Loans are at least two months in arrears, provided, in each case, that the Mortgage Portfolio will continue to meet the Portfolio Criteria immediately following such repurchase. The Issuer will be required to accept any such offer. See "Assignment of the Mortgage Loans and Related Security – General ability to repurchase".

In the event that a Seller repurchases Mortgage Loans, the payment received by the Issuer pursuant to such repurchase may have the same effect as a prepayment of such Mortgage Loans. The yield to maturity of the Notes may be affected by such repurchase of Mortgage Loans. The number and timing of any such repurchases are not within the control of the Issuer. Accordingly, no assurance can be given as to the level of effective prepayments that the Mortgage Portfolio may experience as a result. See "Risks Relating to the Availability of Funds to Pay the Notes – Effects of prepayments on, or redemptions of, the Mortgage Loans on the yield to maturity of the Notes".

The Issuer will only have recourse to a Seller if there is a breach of warranty by that Seller that has a material adverse effect

The Issuer will not undertake any investigations, searches or other actions on any Mortgage Loan or its Related Security and will instead rely on the warranties given in each Mortgage Sale Agreement by the relevant Seller.

If any Mortgage Loan Warranty is untrue on the date on which such Mortgage Loan is assigned to the Issuer, or on such other date as the representations and warranties are required to be repeated pursuant to the relevant Mortgage Sale Agreement, and such breach could have a material adverse effect on such Mortgage Loan and/or its Related Security, then, in the first instance, the relevant Seller will be required to remedy the error (if capable of remedy) within 30 Business Days of that Seller becoming aware of

the same or of receipt by it of a notice from the Issuer or, following the delivery of an Enforcement Notice, the Security Trustee.

If the error is not remedied by the relevant Seller or waived within such 30 Business Day period or if the error is not capable of remedy, then that Seller will be required to repurchase from the Issuer (a) the relevant Mortgage Loan and its Related Security, and (b) any other Mortgage Loans of the relevant Borrower and their Related Security that are in the Mortgage Portfolio, for an amount (not less than zero) equal to the Current Balance thereof as at the date of completion of such repurchase.

There can be no assurance that the relevant Seller will have the financial resources to repurchase any such Mortgage Loan(s) and their Related Security. Other than as described here, the Issuer will have no recourse to the assets of the relevant Seller in relation to such material breach of warranty under the relevant Mortgage Sale Agreement.

Competition in the UK mortgage loan industry and declines in mortgage approvals could increase the risk of the occurrence of a Non-Asset Trigger Event

The mortgage loan industry in the UK is highly competitive. This competitive environment, together with the risk of a downturn or continued downturn in the UK economy, may affect the rate at which mortgage loans are originated by the Sellers and may also affect the repayment rate of the existing borrowers of the Sellers.

Regulatory changes could also impact the level of mortgage approvals. The mortgage approval rules, which require a lender to conduct a full affordability check on potential mortgage applicants, were introduced by the FCA in April 2014, and resulted in a fall in the number of mortgage approvals immediately after the new rules were implemented. On 20 June 2022, the Bank of England's Financial Policy Committee took the decision to withdraw its affordability test recommendation with effect from 1 August 2022. Although lenders are not required to make changes as a result of the withdrawal, this decision could impact the Sellers' assessment of affordability in the medium term.

If the rate at which mortgage loans are originated by the Sellers declines significantly or if existing borrowers refinance their mortgage loans with lenders other than the Sellers, then the Issuer may be unable to apply Enhanced Available Principal Receipts to purchase Additional Mortgage Loans. If (a) any amounts would have remained recorded on the Excess Principal Ledger, on a FIFO basis, as at the Payment Date immediately following the expiration of a period of 18 months following the date on which such amounts were first so recorded, or (b) amounts standing to the credit of the Excess Principal Ledger are at any time in excess of the Excess Principal Fund Threshold Amount, then a Non-Asset Trigger Event will occur, which could result in an early redemption of the Notes or a delay in the repayment of the Notes.

Market volatility

Global social, political and economic events and trends, including, but not limited to, the war between Russia and Ukraine and the ongoing conflict in the Middle East, have resulted in increased uncertainty in the currency and credit markets. The uncertainty caused by these and other events and trends has resulted in, and may continue to result in, increased volatility in the financial markets, which may affect the rate at which the Sellers originate mortgage loans. If the rate at which mortgage loans are originated declines significantly, then the Issuer may be unable to apply Enhanced Available Principal Receipts to purchase Additional Mortgage Loans. This may result in an increase in the amounts available to be applied to the credit of the Excess Principal Ledger and/or cause such amounts to be recorded on the Excess Principal Ledger for an extended period of time. This, in turn, increases the risk of a Non-Asset Trigger Event occurring due to any amounts standing to the credit of the Excess Principal Ledger being at any time greater than the Excess Principal Fund Threshold Amount or due to any amounts remaining recorded on the Excess Principal Ledger, on a FIFO basis, as at the Payment Date immediately

following the expiration of 18 months following the date on which such amounts were first so recorded, as described in "Risks Relating to the Structure and the Notes – Effect of the occurrence of a Trigger Event on the repayment of the Notes" below. The yield to maturity of the Notes can also be adversely affected.

Where (a) the amount standing to the credit of the Excess Principal Fund at any time exceeds the Excess Principal Fund Threshold Amount, or (b) on any date, any amounts would on the next succeeding Payment Date have remained recorded on the Excess Principal Ledger, on a FIFO basis, for a period of 18 months or more, where that period starts on the date on which such amounts were first so recorded, a Non-Asset Trigger Event shall occur, which could result in an early redemption of the Notes or a delay in the repayment of the Notes.

Mortgage Loans are subject to certain legal and regulatory risks

Certain regulatory risks exist in relation to the Mortgage Loans, including in relation to the legal and regulatory considerations relating to the Mortgage Loans and their Related Security, changes in law, regulation, the possibility of complaints by Borrowers in relation to terms of the Mortgage Loans and in relation to the policies and procedures of the relevant Seller. If any of these risks materialise they could have an adverse effect on the ability of the Issuer to satisfy its obligations under the Notes. Further detail on certain considerations in relation to the regulation of mortgages in the UK is set out in the section headed "Regulation of the UK Residential Mortgage Market" and certain specific risks are set out below:

Regulated Mortgage Contracts

A Borrower who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by an authorised person of the FCA rules, and 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 with that authorised person. Any such claim or set off may adversely affect the Issuer's ability to make payments on the Notes. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market – Regulated Mortgage Contracts*".

Unfair Relationships

If a court determined that there was an unfair relationship between the Seller and the Borrowers in respect of the Loans and ordered that financial redress was made in respect of such Mortgage Loans, such redress may adversely affect the ultimate amount received by the Issuer in respect of the relevant Mortgage Loans and the realisable value of the Mortgage Portfolio and/or the Issuer's ability to make payment in full on the Notes when due. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market*" below.

Distance Marketing

Distance Marketing Regulations allow, in certain specified circumstances, a borrower to cancel a credit agreement it has entered into with lenders. If a significant portion of the Mortgage Loans are characterised as being cancellable under the Distance Marketing Regulations, then there is a risk that there could be an adverse effect on the Issuer's receipts in respect of the Mortgage Loans, affecting the Issuer's ability to make payments in full on the Notes when due. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market* " below.

UTCCR and CRA

The UTCCR and the CRA provide that a consumer (which would include a borrower under all or almost all of the loans) may challenge a term in an agreement on the basis that it is "unfair" under the UTCCR

or the CRA as applicable and therefore not 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) and provide that a regulator may take action to stop the use of terms which are considered to be unfair. Where a term of a consumer contract is "unfair" it will not bind the consumer. However, the remainder of the contract, will, so far as is practicable, continue to have effect in every other respect. Where a term in a consumer contract is susceptible to multiple different 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. This can be done even where neither of the parties to proceedings has explicitly raised the issue of fairness. In general, the interpretation of each is open to some doubt, particularly in light of sometimes conflicting reported case law between the English courts and the CJEU. The broad and general wording of the UTCCR and CRA 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. It is therefore possible that any loans which have been made to borrowers covered by the UTCCR and/or CRA may contain unfair terms, which may result in the possible unenforceability of the terms of the underlying loans. If any term of the Mortgage Loans entered into between 1 July 1995 and 30 September 2015 is found to be unfair for the purpose of the UTCCR or entered into from 1 October 2015 found to be unfair for the purpose of the CRA, this may reduce the amounts available to meet the payments due in respect of the Notes, including by way of non-recovery of a Mortgage Loan, a claim made by the Borrower or the exercise by the Borrower of a right of set-off arising as a result of a term of a loan being found to be unfair (and therefore not binding on the consumer). Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market – Unfair Terms in Consumer Contracts Regulations 1994 and 1999 and the Consumer Rights Act 2015*" below.

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

The Consumer protection from Unfair Trading Regulations 2008 (the "**CPUTR**") prohibits certain practices which are deemed unfair within the terms of the CPUTR. Breach of the CPUTR does not (of itself) render an agreement void or unenforceable, but is a criminal offence punishable by a fine and/or imprisonment. Under the terms of the CPUTR, 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 and which may adversely affect the ability of the Issuer to satisfy its obligations under the Notes. In May 2024 some parts of the Digital Markets, Competition and Consumer Act 2024 (the "**DMCCA**") came into force. From 6 April 2025, the DMCCA has revoked the CPUTR rules and recreated their effect, with some amendments. The new regime has introduced new rules on consumer reviews, drip pricing and consumer vulnerability, new powers to expand the list of automatically unfair practices and a new enforcement regime. The possibility of the new regime having an adverse impact on the Loans cannot be excluded. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market – Consumer Protection from Unfair Trading Regulations 2008 and the Digital Markets, Competition and Consumers Act 2024*".

Financial Ombudsman Service

Under the FSMA, the Financial Ombudsman Service (the "**Ombudsman**") is required to make decisions on, among other things, complaints relating to activities and transactions under its jurisdiction. The Ombudsman is required to make decisions on the basis of, among other things, the principles of fairness, and may order a money award to a borrower, 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 due in respect of the Notes. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market – Financial Ombudsman Service*".

Mortgage repossessions

The protocols for mortgage repossession may have adverse effects in relation to the ability of the Seller as legal title holder to repossess properties in markets experiencing above average levels of possession claims. Delays in the initiation of responsive action in respect of the Mortgage Loans may result in lower recoveries and may adversely affect the ability of the Issuer to make payments to Noteholders. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market – Mortgage repossessions*".

FCA response to cost of living pressures

The FCA have stated that they want to build on the Mortgages Tailored Support Guidance and provide a stronger framework for lenders to protect customers facing payment difficulties; they would do this by incorporating relevant aspects of the Mortgages Tailored Support Guidance into their Handbook, as well as introducing further targeted changes. For mortgages, the FCA changed their guidance to allow lenders more scope to capitalise payment shortfalls where appropriate and to improve disclosure for all customers in payment shortfall. The new rules came into force on 4 November 2024 and the Mortgages Tailored Support Guidance was withdrawn at that time. It is worth noting that the rules will not apply to unregulated buy-to-let loans.

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 Mortgage Loans, including further amending and extending the scope of the above guidance.

Breathing Space Regulations

The Breathing Space Regulations gives eligible individuals in England and Wales the right to legal protection from their creditors, including almost all enforcement action, during a period of "breathing space". A standard breathing space will give an individual in England and Wales with problem debt legal protection from creditor action for up to 60 days; and a mental health crisis breathing space will give an individual in England and Wales protection from creditor action for the duration of their mental health crisis treatment (which is not limited in duration) plus an additional 30 days. There is a risk that delays in the initiation of enforcement action in respect of the Mortgage Loans may result in lower recoveries and may adversely affect the ability of the Issuer to make payments due under the Notes. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market – Breathing Space Regulations*".

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 standards that they will adopt when helping their regulated mortgage borrowers worried about high interest rates (the "**Mortgage Charter**"). Yorkshire Building Society is a signatory to the Mortgage Charter and has agreed that, among other things, a borrower will not be forced to leave their home without their consent unless in exceptional circumstances, in less than a year from their first missed payment. 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 Mortgage Loans, including further amending and extending the scope of the Mortgage Charter or related rules. Such developments may impact the performance of the Mortgage Loans and therefore may adversely affect the ability of the Issuer to make payments in full on the Notes when due. "*Regulation of the UK Residential Mortgage Market* ".

Assured Shorthold Tenancy (AST)

Depending on the level of ground rent payable at any one time it is possible that a long leasehold in England and Wales may also be an Assured Tenancy ("**AT**") or Assured Shorthold Tenancy ("**AST**") under the Housing Act 1988 ("**HA 1988**"). There is a risk that in certain circumstances, where a long lease is also an AT/AST due to the level of the ground rent, the long lease will come to an end and the landlord will be able to re-enter the relevant property. This may adversely affect the realisable value of the Mortgage Portfolio, and/or the ability of the Issuer to make payments in full on the Notes when due. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market*".

FCA Consumer Duty

The FCA has published final rules on the introduction of a new consumer duty on regulated firms (the "**Consumer Duty**"), which aims to set a higher level of consumer protection in retail financial markets. The FCA published its final rules on the Consumer Duty in July 2022, which provide that the Consumer Duty came into effect from 31 July 2023 for products and services that remain open to sale or renewal and from 31 July 2024 for closed products and services. The cross-cutting rules include an obligation to avoid causing foreseeable harm to the consumer and the outcomes include an obligation to ensure that the product (for example, a mortgage loan) provides fair value to the retail customer. Although the Consumer Duty will not apply retrospectively, the FCA will require firms to apply the Consumer Duty to existing products on a forward-looking basis. The FCA has its usual enforcement powers, such as issuing fines and securing redress for consumers, in relation to breaches of the Consumer Duty. If (for example) the obligations relating to fair value or not causing harm are not met in relation to the Mortgage Loans, it could adversely affect the amounts received or recoverable in relation to the Mortgage Loans. This may adversely affect the ability of the Issuer to make payments in full on the Notes when due. In addition, the implementation of and compliance with these rules may impose additional compliance costs, which may have a material adverse effect on the Servicer and/or the Issuer and their respective businesses and operations, which may in turn adversely affect the Issuer's ability to make payments of interest and/or principal due on the Notes. Further detail is included in the section headed "*Regulation of the UK Residential Mortgage Market – FCA Consumer Duty*".

Potential effects of any additional regulatory changes

In the UK and elsewhere, there is continuing political and regulatory scrutiny of the banking industry and, in particular, retail banking. In recent years there have been several issues in the UK financial services industry in which the FCA has intervened directly, including the sale of personal pensions, payment protection insurance and the sale of mortgage-related endowments. No assurance can be given that changes will not be made to the regulatory regime and developments in respect of the mortgage market in the United Kingdom. Any such action or developments, in particular, but not limited to, the cost of compliance, may have a material adverse effect on the parties involved in this transaction and their businesses and operations. This may adversely affect the Issuer's ability to make payments in full when due on the Notes.

RISKS RELATING TO THE STRUCTURE AND THE NOTES

The Notes are limited recourse obligations of the Issuer

The Notes are limited recourse obligations of the Issuer. If at any time following:

(a) the occurrence of either:

(i) the Final Maturity Date for any Series or any earlier date upon which all of the Notes of each Series and Class are due and payable; or

(ii) the service of an Enforcement Notice; and

(b) the realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Notes and all claims ranking in priority to payments under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any Series and Class of Notes, then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under such Class of Notes (and any Class of Notes junior to that Class of Notes) will, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer. The Issuer will not be obliged to pay any amounts representing a shortfall and any claims in respect of such shortfall will be extinguished, which may result in losses under the Notes.

Apart from the Security Trustee, none of the Secured Creditors, including the Noteholders will be entitled to institute against the Issuer any bankruptcy, reorganisation, arrangement, examination, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligation relating to the Notes or the other Programme Documents unless the Security Trustee, having become bound to take steps or proceedings, fails to do so within a reasonable period and such failure is continuing, and then only if and to the extent that such Secured Creditor is able to do so under applicable law.

Effect of the occurrence of a Trigger Event on the repayment of the Notes

On each Payment Date while an Asset Trigger Event has occurred and/or a Non-Asset Trigger Event is continuing, the Issuer, or the Cash Manager on its behalf, will apply Available Principal Receipts and any amount representing items (E), (F), (G) and (H) of the definition of Funding Note Principal Portion, after making the requisite payments in respect of:

(a) the Senior Fees and Expenses (to the extent not covered by the application of the Pre-Enforcement Revenue Priority of Payments);

(b) the Revenue Shortfall; and

(c) any amounts due to any Currency Swap Counterparty (including any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts, but excluding any Currency Swap Excluded Termination Amount),

to redeem:

(d) if an Asset Trigger Event has occurred, all the Class A Notes that remain outstanding in no order of priority among them but in proportion to the respective amounts due; or

(e) if a Non-Asset Trigger Event is continuing, but an Asset Trigger Event has not occurred, in the following order of priority:

(i) in the order of their Final Maturity Date, beginning with the earliest such date (and if two or more Series of Class A Notes have the same Final Maturity Date, in proportion to the respective amounts due), to redeem any Class A Notes with Final Maturity Dates falling within five years from the date on which the respective Non-Asset Trigger Event has occurred; and

(ii) in no order of priority among them but in proportion to the respective amounts due, to redeem the remaining Class A Notes with Final Maturity Dates falling five years or later from the date on which the respective Non-Asset Trigger Event has occurred:

(A) to the extent any Non-Sterling Notes remain outstanding following their Sterling Equivalent Redemption Date (after the application of any Principal Excess Amounts), to redeem any Non-Sterling Notes until they have been redeemed in full;

(B) to redeem the Class Z(S) VFN in full;

(C) to redeem the YBS Note; and

(D) any remaining amounts to be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

In addition, while an Asset Trigger Event has occurred and/or a Non-Asset Trigger Event is continuing (but prior to the delivery of an Enforcement Notice):

- each Series and Class of Bullet Redemption Notes and Controlled Amortisation Notes will become a Series and Class of Pass-Through Redemption Notes;
- following the occurrence of an Asset Trigger Event (but not following the occurrence of a Non-Asset Trigger Event), if not already so calculated, interest and principal on each Series and Class of Notes will be calculated on a monthly basis and will be due and payable by the Issuer on each applicable Payment Date; and
- the Issuer will, on each Payment Date, apply Enhanced Available Principal Receipts in redemption of the Notes in accordance with the applicable Priority of Payments (including, first, meeting the payment of the Senior Fees and Expenses).

This may cause certain Series and Classes of Notes to be repaid more rapidly than expected and other Series and Classes of Notes to be repaid more slowly than expected and may also mean that there is a risk that such Notes may not be repaid by their Final Maturity Date.

In addition, at any time other than while a Sale Period is continuing, the Issuer will be prohibited from purchasing any further Additional Mortgage Loans (whether that purchase would be funded through the application of Available Principal Receipts or the proceeds of any further drawdowns under the Class Z(S) VFN or the YBS Note), which is likely to affect the rate of amortisation of the Class A Notes.

Ability of the Issuer to procure payment of the Money Market Note Mandatory Transfer Price may affect timely payment on the Money Market Notes

The ability of the Issuer to procure payment of the relevant Money Market Note Mandatory Transfer Price for a Series and Class of Money Market Notes will be dependent upon the applicable Remarketing Agent either:

(a) agreeing terms for the sale of such Notes to investors on or prior to the applicable Money Market Note Mandatory Transfer Date for such Notes and procuring payment of the Money Market Note Mandatory Transfer Price for such Notes from those investors; or

(b) exercising the Issuer's rights under the applicable Conditional Note Purchase Agreement to require the applicable Conditional Note Purchaser to acquire some or all of such Notes.

Under the terms of the Remarketing Agreement for a Series and Class of Money Market Notes, subject to receipt of the information regarding the amount to be the Principal Amount Outstanding of such Notes on the next following Money Market Note Mandatory Transfer Date for such Notes (after giving effect to the payment of any Note Principal Payments (or any part thereof) that will be made on such date in respect of such Notes), and notice from the Issuer that no Event of Default is then outstanding, the applicable Remarketing Agent will give notice to the applicable Conditional Note Purchaser of the amount required to pay for such Notes three business days prior to the applicable Money Market Note Mandatory Transfer Date.

After the occurrence of an Automatic Remarketing Termination Event in relation to a Series and Class of Money Market Notes, such Notes will no longer be subject to any mandatory transfer under Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*) and if this were to occur, this could lead to a delay or reduction in payments on the Notes.

Each Money Market Note Mandatory Transfer may be dependent upon identification of investors interested in acquiring Money Market Notes

There can be no assurance that the Remarketing Agent for a Series and Class of Money Market Notes will be able to identify investors interested in acquiring such Notes on each Money Market Note Mandatory Transfer Date for such Notes. Each Money Market Note Mandatory Transfer may therefore be dependent upon the ability of the applicable Conditional Note Purchaser to pay the Money Market Note Mandatory Transfer Price for such Notes and acquire the relevant unplaced Money Market Notes.

The obligation of the Remarketing Agent for a Series and Class of Money Market Notes to act as the agent of the Issuer in remarketing such Notes on each Money Market Note Mandatory Transfer Date for such Notes will terminate either upon the occurrence of an Automatic Remarketing Termination Event in relation to such Notes or may be terminated at the discretion of the Remarketing Agent upon the occurrence of an optional Remarketing Termination Event in relation to such Notes (for a description of such events, see "Description of the Trust Deed and The Notes – Money Market Notes – Remarketing agreements"). While there will be no remarketing of a Series and Class of Money Market Notes upon the occurrence of an optional Remarketing Termination Event in relation to such Notes where the option to terminate has been exercised by the applicable Remarketing Agent, the applicable Conditional Note Purchaser will be required, in the absence of an Automatic Remarketing Termination Event in relation to such Notes, to purchase such Notes on the next succeeding Money Market Note Mandatory Transfer Date for such Notes that would otherwise have been remarketed. Upon the occurrence of an Automatic Remarketing Termination Event in relation to a Series and Class of Money Market Notes, the Issuer will not be obliged to procure any subsequent purchase of such Notes, the applicable Remarketing Agent will not be obliged to remarket such Notes and the applicable Conditional Note Purchaser will not be obliged to purchase any of such Notes.

If the Conditional Note Purchaser for a Series and Class of Money Market Notes defaults upon its obligation to pay the amounts otherwise due under the applicable Conditional Note Purchase Agreement on a Money Market Note Mandatory Transfer Date for such Notes, the Issuer may not be able to procure the purchase of all or any of such Notes on such date. The Issuer will not be liable for such failure to the extent such failure is a result of the failure of the applicable Remarketing Agent or the applicable Conditional Note Purchaser to perform their respective obligations under the applicable Remarketing Agreement or the applicable Conditional Note Purchase Agreement. Accordingly, in such circumstances, the failure to pay the Money Market Note Mandatory Transfer Price and complete the purchase of such Notes on any Money Market Note Mandatory Transfer Date will not constitute an Event of Default.

To the extent that there are principal amounts outstanding on a Series and Class of Money Market Notes on any Money Market Note Mandatory Transfer Date for such Notes, the payment of the Money Market Note Mandatory Transfer Price will be dependent upon the applicable Remarketing Agent, as agent of

the Issuer, agreeing terms for the sale of such Notes to third-party purchasers and arranging for the transfer of the proceeds on or prior to the relevant Money Market Note Mandatory Transfer Date and/or (on any Money Market Note Mandatory Transfer Date) the exercise of the Issuer's rights under the applicable Conditional Note Purchase Agreement, if appropriate, to require the applicable Conditional Note Purchaser to acquire some or all of such Notes.

Ratings assigned to any of the Class A Notes may be qualified, lowered or withdrawn after the Noteholders purchase those Notes, which may lower the market value of those Notes

The ratings (if any) assigned by S&P, Fitch and DBRS to a Series of the Class A Notes address their respective opinions on the likelihood of (a) timely payment of interest due to the Noteholders on each Note Payment Date for such Notes; and (b) full payment of principal by a date that is not later than the Final Maturity Date for such Notes. The ratings (if any) assigned by Moody's to a Series of the Class A Notes address the probability and the severity of credit losses that the Noteholders may suffer by the Final Maturity Date for such Notes.

The identity of the Rating Agencies rating each Series and Class of Class A Notes, and details of the expected ratings for each such Series and Class, will be specified for such Notes in the applicable Final Terms. Any Rating Agency may lower, withdraw, qualify or suspend its rating of a Series and Class of Notes at any time and for any reason, including as a result of changes in, or unavailability of, information or a revision of its relevant rating criteria or rating methodology or if, in the sole judgment of the Rating Agency, the credit quality of such Notes has declined or is in question or circumstances so warrant. If any rating assigned to a Series and Class of Notes is subsequently suspended, lowered, withdrawn or qualified, the market value of the Notes may be reduced (and, in the case of Money Market Notes, such Money Market Notes may no longer be eligible for investment by money market funds).

The Issuer is not obliged, on or following a revision by a Rating Agency of its rating criteria or rating methodology, to take steps to amend any of the Programme Documents in order to maintain the then-current rating by that Rating Agency of a Series and Class of Notes. However, the Note Trustee and the Security Trustee may, and, in certain circumstances and subject to certain conditions being met, will, be obliged to agree to such amendments (if so proposed) without the consent of the Noteholders (see "Risks relating to Changes to the Structure and the Documents – There may be a conflict between the interests of the holders of the various Classes of Notes and the interests of the holders of other Classes of Notes or other Secured Creditors", "Risks relating to Changes to the Structure and the Documents – The Note Trustee or the Security Trustee may agree to modifications to the Transaction Documents without the Noteholders' or other Secured Creditors' prior consent" and Condition 11(g) (*Exercise of Note Trustee's functions*)) or with the consent of the Noteholders provided by way of Extraordinary Resolution (see Condition 11 (*Meetings of Noteholders, modifications and waiver*)).

Ratings Modification Event

At any time after the Issuance Date of a Series of Notes rated by one or more Rating Agencies as specified in the relevant Final Terms, the Issuer may, without the consent or sanction of any Noteholder in respect of a Series of Notes or the Secured Creditors:

(a) remove any one of the Rating Agencies (a "**Removed Rating Agency**") from rating such Series of Notes together with the related ratings criteria, rating tests, rating triggers and any and all requirements specified by and/or relating to such Removed Rating Agency (an "**Existing Rating Agency Removal**"); and/or

(b) subsequently reappoint any such Removed Rating Agency or substitute any such Removed Rating Agency for one of the Rating Agencies then rating such Series of Notes to provide a rating in respect of any such Series of Notes (an "**Existing Rating Agency Reappointment**")

and include the then-current relevant ratings criteria, rating tests, rating triggers and any and all relevant requirements specified by and/or relating to the reappointed Rating Agency,

(a "**Ratings Modification Event**"), **provided that**, in each case and at all times, such Series of Notes continues to be rated by at least two Rating Agencies, and **further provided that** the Issuer has given at least 15 Business Days' notice to the holders of each relevant Series and Classes of Notes of such Ratings Modification Event.

Furthermore, the Issuer may appoint an Additional Rating Agency **provided that**, where such Additional Rating Agency is not an Initial Rating Agency, such appointment will be made in accordance with the procedure set out in Condition 11(f)(i)(S) (*Additional rights of modification*) (whereby the Noteholders representing at least 10% of the aggregate Sterling Equivalent Principal Amount Outstanding of the Most Senior Class of Notes are allowed to object to such appointment, which would make such appointment subject to the approval by an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding).

In the event of an Existing Rating Agency Removal, all ratings criteria, rating tests, rating triggers and any and all requirements specified by and/or relating to the removed Rating Agency will cease to apply as they relate to such Series of Notes, and the Issuer may make such consequential modifications to the terms and conditions applying to the relevant Notes or any Transaction Document as are necessary to implement the removal of the relevant Rating Agency and all ratings criteria, rating tests, rating triggers and any and all requirements specified by and/or relating to such removed Rating Agency.

In the event of an Existing Rating Agency Reappointment, all then-current relevant ratings criteria, rating tests, rating triggers and any and all relevant requirements specified by and/or relating to the reappointed Rating Agency will apply and the Issuer may make such consequential modifications to the terms and conditions applying to the relevant Notes or any Programme Document as are necessary to implement the reappointment of the relevant Rating Agency and all then-current relevant ratings criteria, rating tests, rating triggers and any and all relevant requirements specified by and/or relating to such reappointed Rating Agency.

Any modifications to the Conditions of any Series of Notes and/or any Programme Document to implement a Ratings Modification Event or appointment of an Additional Rating Agency will not require consent or sanction of any holder of any such Series of Notes or the Secured Creditors and will be binding on all the holders of any such Series of Notes or the Secured Creditors. There is no guarantee that any such modification will not ultimately adversely affect the rights of the holders of any such Series of Notes or the Secured Creditors, or payments on the Notes.

See further "Risks relating to Changes to the Structure and the Documents – The Note Trustee or the Security Trustee may agree to modifications to the Transaction Documents without the Noteholders' or other Secured Creditors' prior consent" below.

Changes to rating methodology and rating criteria may adversely affect the then-current ratings of the Notes

At any time any Rating Agency may revise its relevant rating methodology or revise its current ratings criteria with the result that, among other things, any rating assigned to the Notes may be lowered and/or, in order to comply with any such revised criteria or rating methodology, amendments may need to be made to the Programme Documents.

Noteholders should note that the Note Trustee and the Security Trustee will, pursuant to the Conditions, and the terms of the Trust Deed and the Deed of Charge, in certain circumstances, and subject to certain conditions being met, be required to approve any modification (other than Basic Terms Modifications), or to provide any waiver or authorisation, requested by the Issuer to the Notes, of one or more Series or

Sub-Series, the Conditions or to any Programme Documents. The Note Trustee and the Security Trustee will approve any modifications and provide any waiver or authorisation where such modification, waiver or authorisation are required in order to, amongst others, (a) comply with, implement or reflect any change in the criteria of one or more Rating Agencies, and (b) enable the relevant Swap Counterparties, an Account Bank, the Custodian, the Cash Manager, the Servicer and/or the Sellers to remain eligible to perform their respective roles in conformity with Rating Agency criteria or to avoid such entities having to take action (which they would otherwise have to take) to enable them to continue performing such role, without seeking to determine if such requested modification is materially prejudicial to the interest of Noteholders, the Secured Creditors and without seeking the direction of such Noteholders and/or Secured Creditors, **provided that** the conditions set out in Condition 11(g) (*Exercise of Note Trustee's functions*) are met including, without limitation, that the proposed modification would not adversely affect the then-current ratings of the Notes (and the Note Trustee and Security Trustee may rely on certifications to that effect from the Issuer) and that the Issuer has provided, among other things, at least 30 calendar days' notice to the Noteholders of each relevant Class and the Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have not notified the Note Trustee that such Noteholders do not consent to the modification. See "Risks relating to Changes to the Structure and the Documents – The Note Trustee or the Security Trustee may agree to modifications to the Transaction Documents without the Noteholders' or other Secured Creditors' prior consent" and Condition 11 (*Meetings of Noteholders, modifications and waiver*).

For the avoidance of doubt, the Issuer will not be obliged, following a change in rating methodology by any Rating Agency, to amend any of the Programme Documents or take any other action to maintain the then-current ratings of the Notes.

Any modification, waiver or authorisation made in accordance with the provisions described above may be adverse to the interests of the Noteholders of one or more Series or Sub-Series and Class of Notes, but if the Programme or a counterparty of the Issuer no longer complies with the revised rating methodology or criteria, any rating assigned to the Notes may be lowered, which may adversely affect the market value and/or liquidity of the Notes.

The Notes may be subject to exchange rate and interest rate risks

Repayments of principal and payments of interest on a Series and Class of Notes may be made in a currency other than Sterling but all Mortgage Loans in the Mortgage Portfolio are denominated in Sterling. In such case, to hedge its currency exchange rate exposure and/or interest rate exposure, on the Issuance Date for the related Series and Class of Notes, the Issuer will, where required, enter into an appropriate currency and/or interest rate swap transaction with a Currency Swap Counterparty (see "The Swap Agreements – The Currency Swaps").

The relevant Currency Swap Counterparty will be obliged to make payments to the Issuer under a Currency Swap only as long as the Issuer complies with its obligations under such Currency Swap to make the payments to the relevant Currency Swap Counterparty. If the relevant Currency Swap Counterparty is not obliged to make payments of, or if it defaults in its obligations to make payments of, the full amount scheduled to be paid to the Issuer on the dates for payment specified under a Currency Swap or such Currency Swap is otherwise terminated, the Issuer is exposed to changes in the exchange rates between Sterling and the Specified Currency of the relevant Notes and to changes in the relevant interest rates. Unless a replacement Currency Swap is entered into, the Issuer may have insufficient funds to make payments due and payable on the applicable Series and Class of Notes.

If the Issuer receives a Swap Termination Payment from a Currency Swap Counterparty, then the Issuer will be required to use those funds towards meeting its costs in entering into any applicable replacement hedging transactions to mitigate its exposure to currency and/or interest rate risks until a new Currency Swap Agreement and Currency Swap are entered into and/or to acquire a replacement Currency Swap.

Noteholders will not receive extra amounts (over and above interest and principal due and payable on the Notes) as a result of the Issuer receiving a Swap Termination Payment.

In addition, some of the Mortgage Loans carry variable rates of interest, some of the Mortgage Loans pay interest at a fixed rate or rates of interest, and some of the Mortgage Loans pay interest at a rate that tracks the Bank of England base rate. However, these interest rates on the Mortgage Loans will not necessarily match the rates of interest payable on the Notes, which can be fixed or as calculated pursuant to a margin under or over Sterling SONIA, EURIBOR, €STR, SOFR or such other floating reference rate and for such interest period as may be specified in the applicable Final Terms.

On the First Issuance Date the Issuer has entered into, and on each subsequent Issuance Date on which any further Series of Class A Notes that are Floating Rate Notes are issued, the Issuer will enter into one or more Interest Rate Swap Agreements and Interest Rate Swaps in respect of (a) the product of the Current Balance of the Fixed Rate Mortgage Loans in the Mortgage Portfolio and the applicable Performance Ratio multiplied by (b) the Swap Funding Note Percentage from time, to time in order to hedge its exposure against the variance between the fixed rate of interest payable in respect of the Fixed Rate Mortgage Loans and any Floating Rate Notes. However, as at the date of this Base Prospectus, the Issuer has not entered into any Interest Rate Swap Agreement with respect to any Variable Rate Mortgage Loans or Discount Variable Rate Mortgage Loans in the Mortgage Portfolio, and accordingly no assurance can be given that the Issuer will not be exposed to basis risk in respect of these Mortgage Loans. The Servicer has, however, covenanted in the Servicing Agreement that, following the occurrence of an Insolvency Event in relation to the Sellers, it will maintain the Issuer Standard Variable Rate applicable to any Mortgage Loans at an interest rate of not less than SONIA plus 2% per annum.

If any Interest Rate Swap Counterparty fails to make payments under a relevant Interest Rate Swap Agreement in respect of an Interest Rate Swap or if a relevant Interest Rate Swap otherwise terminates, the Issuer will, in addition to the basis risks outlined above, be exposed to the variance between the rates of interest payable on the Fixed Rate Mortgage Loans and the floating rate of interest payable on the Floating Rate Notes. Unless a replacement Interest Rate Swap is entered into, the Issuer may have insufficient funds to make payments due on the Notes of any Class and any Series as a consequence.

LEGAL AND REGULATORY RISKS RELATING TO THE STRUCTURE AND THE NOTES

Change of Law

The transactions described in this Base Prospectus (including the issue of the Notes) and the ratings which are to be assigned to the Class A Notes are based on the law and administrative practice in effect as at the date of this Base Prospectus as it affects the parties to the transaction and the Mortgage 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), administrative practice or tax treatment after the date of this Base Prospectus 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. In addition, it should be noted that regulatory requirements (including any applicable retention, due diligence or disclosure obligations) may be amended, and there can be no assurance that any such changes will not adversely affect the compliance position of a transaction described in this Base Prospectus or of any party under any applicable law or regulation.

Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes

In Europe, the US and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a large number of measures for increased regulation which are

currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, any Joint Arrangers, any Dealer nor the Sellers makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the relevant Issuance Date or at any time in the future.

It is not certain whether the impact of any change in law or change in any regulatory, accounting or administrative practice, or in the published practice of the UK tax authorities or tax authorities of any other relevant taxing jurisdiction, or in the interpretation or administration of any such law or practice, after the date of this Base Prospectus could adversely affect the ability of the Issuer to make payments under the Notes, the market value of the Notes, the Noteholders' ability to resell their Notes and/or the Servicer's ability to perform its obligations under the Programme Documents.

Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Notes

Investors should note in particular that the Basel Committee on Banking Supervision (the "**BCBS**") has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as Basel III, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II frameworks in Europe and the UK, both of which are under review and subject to further reform. Note that, in summer 2025, the European Commission published legislative proposals on wide ranging reforms to the prudential and non-prudential regulation of securitisation including proposals on recalibrated regulatory capital and liquidity treatment of securitisation in the banking and (re)insurance sectors ("**EC Proposals**"). The EC Proposals, if adopted, would provide certain securitisations with certain regulatory benefits provided that a prescribed set of conditions (or other applicable requirements) are met (but would result in less beneficial treatment for certain other securitisations). However, the EC Proposals do not represent the final position. The proposed reforms will now need to go through the relevant legislative process in the EU before the amendments can be finalised. The timing of this process (that is, how quickly the final position will be reached), whether the EC Proposals will be adopted in full or in part or further amended during this legislative process and whether they will benefit the Notes remains to be seen. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers, noting that such reforms could adversely affect the regulatory treatment of the Notes and the market value and/or liquidity of the Notes on the secondary market.

Non-compliance with the Securitisation Regulation regimes in the EU and/or the UK, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes

The EU Securitisation Regulation applies in general (subject to certain grandfathering) from 1 January 2019 and, from 9 April 2021, the EU Securitisation Regulation applies as amended by Regulation (EU) 2021/557. The EU Securitisation Regulation has direct effect in member states of the EU and, from 1 August 2025, it applies to the non-EU EEA member states (Iceland, Norway and Liechtenstein).

The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes). However, some legislative measures necessary for the full implementation of the EU Securitisation Regulation regime have not yet been finalised and compliance with certain requirements may be subject to the application of transitional provisions. In addition, further amendments are expected to be introduced to the EU Securitisation Regulation regime as a result of its periodic review. In this regard it should be noted that the EC Proposals described above in addition to prudential-related securitisation reforms also include proposals on amendments to the EU Securitisation Regulation (the "**EU SR Proposals**"). The EU SR Proposals, among other things, are aimed at potentially reducing the regulatory burden of compliance with the investor due diligence and transparency requirements and include the new mandate for amending the technical standards prescribing the EU reporting templates. However, the parameters for what constitutes a "public" securitisation are proposed to be broadened, potentially capturing all deals with a listing in the EU or deals that are broadly marketed. It is also proposed that all "public" and "private" securitisations are subject to mandatory reporting via an EU-registered securitisation repository, although it is unclear whether mandatory securitisation repository reporting would also apply to third country securitisations where all sell-side parties are outside the EU. The new mandate on amendments to the technical standards on the EU reporting templates anticipates that "public" securitisations become subject to a more streamlined and less burdensome reporting regime and that privately negotiated securitisations would be required to prepare only a simple supervisor-focused template and would otherwise be subject to less prescriptive asset-level and investor reporting regime with adjusted application of how and what information must be reported on a securitisation repository to protect confidentiality of the deal data. Further consultations on amendments to the relevant technical standards are expected in due course with the uncertainty remaining as to the application of any transitional or grandfathering provisions. It should also be noted that the EU SR Proposals do not represent the final position and that they will be subject to the inter-institutional trilogue negotiation process before a political agreement is reached on all amendments. The timing of this process (that is, how quickly the final position will be reached) and whether the EU SR Proposals will be adopted in full or in part or further amended during this legislative process remains to be seen. It is also unclear how and when such reforms may be implemented in the non-EU EEA member states, as it will require additional legislative procedures to be completed first before any amendments become applicable in such member states. No assurances can be made that these reforms (including amendments to any existing technical standards or the development of new ones) will not introduce new risks, new compliance challenges or will benefit the parties to this Transaction and/or the Notes.

Following the UK's withdrawal from the EU at the end of 2020, the Regulation (EU) 2017/2402 as it formed part of domestic law by virtue of the EUWA (the "**UK Securitisation Regulation**") became applicable in the UK largely mirroring (with some adjustments) the EU Securitisation Regulation as it applied in the EU at the end of 2020. However, from 1 November 2024, the UK Securitisation Regulation regime was revoked and replaced (subject to certain grandfathering and transitional provisions) with a new recast regime introduced under the Financial Services and Markets Act 2000, as amended ("**FSMA**") and related thereto (i) the Securitisation Regulations 2024 ("**SI 2024/102**"), as amended; as well as (ii) the Securitisation Part of the Prudential Regulation Authority ("**PRA**") and the Financial Conduct Authority ("**FCA**") ("**PRA Securitisation Rules**" and securitisation sourcebook ("**SECN**") of the Financial Conduct Authority ("**FCA**") Handbook (collectively, the "**UK Securitisation Framework**").

Investors should also note that in Q1 2026 the UK government, the PRA and the FCA will consult on some amendments to the requirements applicable under the UK Securitisation Framework including, but not limited to, amendments to the investor due diligence, risk retention, transparency and reporting requirements. Therefore, at this stage, not all the details are known on the implementation of the UK Securitisation Framework. Please note that some divergence between EU and UK regimes exists already. While the UK Securitisation Framework brings some alignment with the EU regime, it also introduces new points of divergence and the risk of further divergence between EU and UK regimes

cannot be ruled out in the longer term as it is not known at this stage how the ongoing reforms or any future reforms will be finalised and implemented in the UK or the EU.

The EU Securitisation Regulation and 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 certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position under Article 5 of the EU Securitisation Regulation or the relevant due diligence provisions of the UK Securitisation Framework. 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 compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements and, on transactions notified as EU STS or UK STS, compliance of that transaction with the EU STS or UK STS requirements, as applicable.

If the relevant EU- or UK-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of the requirements, as applicable to them under their respective EU or UK regime, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors.

With respect to the commitment of YBS to retain a material net economic interest in the securitisation pursuant to (i) prior to the Regulatory Effective Date, the UK Risk Retention Requirements or (ii) on and from the Regulatory Effective Date, the UK Risk Retention Requirements, and Article 6 of the EU Securitisation Regulation (as if it were applicable to it and as in force on as at the most recent Issuance Date) (which does not take into account any relevant national measures) and with respect to the information to be made available by the Issuer (or by the Servicer on the Issuer's behalf), please see the statements set out in "Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes". 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 Joint Arrangers, any Dealer, the Sellers nor any of the other transaction parties makes any representation that the information described above is sufficient for such purposes. Various parties to the securitisation transaction described in this Base Prospectus (including YBS and the Issuer) are also subject to the requirements 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", "Certain Regulatory Requirements", "The Servicer and the Servicing Agreement" for further details and should note that there can be no assurance that the information in this Base Prospectus or to be made available to investors in accordance with the UK Securitisation Framework or Article 7 of the EU Securitisation Regulation (as if it were applicable to YBS and as in force as at the most recent Issuance Date) 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 should also note that YBS will not be obliged to comply with Article 6 of the EU Securitisation Regulation (as if it were applicable to it and as in force as at the most recent Issuance Date) should there be any amendments to the EU Securitisation Regulation following the relevant Issuance Date.

Aspects of the requirements of the EU Securitisation Regulation and the UK Securitisation Framework and what is or will be required to demonstrate compliance to national regulators remain unclear. Furthermore, the EU SR Proposals, if adopted, will make failure to meet investor due diligence requirements subject to the new and additional administrative and remedial measures, including highly punitive financial sanctions. Prospective investors should therefore make themselves aware of the requirements (including any changes arising as a result of the reforms) applicable to them in their respective jurisdictions and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with such due diligence requirements, as applicable.

The UK Retention Requirement and EU Retention Requirement, the associated due diligence requirements described above and any other changes to the regulation or regulatory treatment of the Notes for some or all investors (including potential amendments to the EU Securitisation Regulation following the relevant Issuance Date) may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

Prospective investors are referred to the sections entitled "General Information" and "Certain Regulatory Requirements" for further details and should note that there can be no assurance that undertakings relating to compliance with the EU Securitisation Regulation or the UK Securitisation Framework and the information in this Base 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 (as applicable).

Non-compliance with 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.

Prospective investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect.

Simple, Transparent and Standardised Securitisations and UK STS Designation

The UK Securitisation Framework (and the UK CRR) includes provisions that implement the revised securitisation framework developed by BCBS (with adjustments) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as UK STS securitisations.

The UK STS securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment from the perspective of the applicable UK regulatory regimes, such as the prudential regulation of UK CRR firms and UK Solvency II firms, and from the perspective of the UK EMIR regime, as to which investors are referred to the risk factor entitled "**UK EMIR**".

It is intended that a UK STS Notification will be submitted to the FCA by YBS. The UK STS Notification, once notified to the FCA, will be available for download on the FCA STS Register website.

YBS has used the services of Prime Collateralised Securities (PCS) UK Limited ("**PCS UK**") to carry out the UK STS Verification and UK STS Additional Assessments. It is expected that the UK STS Verification and the UK STS Additional Assessments prepared by PCS UK will be available on its website at (https://www.pcsmarket.org/transactions/). For the avoidance of doubt, the website of PCS UK and the contents of that website do not form part of this Base Prospectus.

However, no assurance can be given that the Notes will remain compliant, because the UK STS Criteria Requirements may change over time. In addition, no assurance can be given on how the PRA will interpret and apply the UK STS Criteria Requirements or other related regulations such as the Regulation (EU) No. 575/2013 as it forms part of domestic law of the United Kingdom by virtue of EUWA (the "**UK CRR Regulation**") as amended by Regulation (EU) 2017/2401 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK CRR Amendment Regulation**") and the Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 (supplementing Regulation (EU) 575/2013 with regard to the Liquidity Coverage Requirement for Credit Institutions, as amended) as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK LCR Regulation**"), and what is or will be required to demonstrate compliance to national regulators remains unclear, any international or national regulatory guidance may be subject to change and, therefore, what is or will be required to demonstrate compliance with the UK STS Criteria Requirements to the FCA, PRA or other national regulators remains unclear.

It is important to note that the involvement of PCS UK is not mandatory and the responsibility for compliance with the UK Securitisation Framework (or, if applicable, the EU Securitisation Regulation) remains with the relevant institutional investors, originators, sponsors and issuers, as applicable in each case. A UK STS Verification (and/or UK STS Additional Assessments) will not absolve such entities from making their own assessments with respect to the UK Securitisation Framework (or, if applicable, the EU Securitisation Regulation) and other relevant regulatory provisions, and an UK STS Verification (and/or UK STS Additional Assessments) cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities.

The transaction does not (and will not) fall within the simple, transparent and standardised regime of the EU Securitisation Regulation.

The Dodd-Frank Wall Street Reform and Consumer Protection Act

Legislation and regulations adopted by the United States federal government following the financial crisis continue to create uncertainty in the credit and other financial markets. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "**Dodd-Frank Act**") and the adoption of its related regulations, which imposed a new regulatory framework over the US financial services industry and the US consumer credit markets in general. In addition, there is also uncertainty regarding the nature and timing of additional regulations that are required under the Dodd-Frank Act but have yet to be promulgated. Given the broad scope and sweeping nature of these changes and the fact that final implementing rules and regulations have not yet, in certain cases, been enacted or come into effect, the potential impact of these actions on the Issuer, any of the Notes or any owners of interests in the Notes is unknown, and no assurance can be made that the impact of such changes would not have a material adverse effect on the prospects of the Issuer or the value or marketability of the Notes.

In particular, if existing transactions are not exempted from any such new rules or regulations, the costs of compliance with such rules and regulations could have a material adverse effect on the Issuer and the Noteholders.

Pursuant to the Dodd-Frank Act, the Commodity Futures Trading Commission and the prudential regulators have each promulgated a range of recent regulatory requirements that may affect the pricing, terms and compliance costs associated with the entry into of any swap transaction by the Issuer and the availability of such swap transactions, including the Swaps. Some or all of the swap transactions that the Issuer may enter into may be affected by (i) the requirement that certain transactions be centrally cleared and in some cases traded on a designated contract market or swap execution facility, (ii) initial and variation margin requirements of any central clearing organisation (with respect to cleared swaps) or initial or variation requirements as may otherwise be required with respect to uncleared transactions, and (iii) recordkeeping obligations, and other matters. These requirements may significantly increase

the cost to the Issuer of entering into any swap transactions, including the Swaps, resulting in a material adverse effect on the Issuer and the Noteholders.

Volcker Rule

The Volcker Rule generally prohibits "banking entities" (broadly defined to include US banks, bank holding companies and foreign banking organisations, 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.

There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in the Notes should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each prospective investor must determine for itself whether it is a banking entity subject to regulation under the Volcker Rule.

None of the Issuer, the Joint Arrangers, the Dealers or any other person makes any representation to any prospective investor regarding the application of the Volcker Rule to the Issuer or to such prospective investor's investment in the Notes, as of the date hereof or at any time in the future.

See the section entitled "Certain Regulatory Requirements – US Regulatory Considerations – Volcker Rule Considerations" for information on the Issuer's status under the Volcker Rule. Any prospective investor in any Notes, including a US or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding the application and effect of the Volcker Rule.

US Credit Risk Retention

In the US, on 21 October 2014, the Federal Deposit Insurance Corporation (the "**FDIC**"), the Federal Housing Finance Agency (the "**FHFA**") and the Office of the Comptroller of the Currency (the "**OCC**") adopted a final rule implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act for asset-backed securities (the "**US Credit Risk Retention Requirements**"). The following day, the Board of Governors of the Federal Reserve System, the US Securities and Exchange Commission (the "**SEC**") and the Department of Housing and Urban Development adopted the US Credit Risk Retention Requirements. As required by the Dodd-Frank Act, the US Credit Risk Retention Requirements generally require the "sponsor" of a securitisation transaction to retain not less than 5% of the credit risk of the assets collateralising the issuance of "asset-backed securities" 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. The US Credit Risk Retention Requirements became effective for residential mortgage-backed securities on 24 December 2015. As described under "Certain Regulatory Requirements – US Credit Risk Retention", YBS will comply with this requirement by retaining and maintaining (either directly or through one or more wholly owned affiliates) a "seller's interest" (as defined in the US Credit Risk Retention Requirements), in the form of the YBS Note, which seller's interest will be in a minimum amount equal to at least 5% of the aggregate unpaid principal amount of the outstanding Notes of all Series issued by the Issuer, other than any Notes paid on a monthly basis on each Payment Date. YBS will disclose within a reasonable time after each Issuance Date the amount of the seller's interest on such Issuance Date if it is materially different from that disclosed in the relevant Final Terms.

If YBS fails to retain credit risk in accordance with the US Credit Risk Retention Requirements, the value and liquidity of the Notes may be adversely impacted. See "Certain Regulatory Requirements – US Credit Risk Retention" in this Base Prospectus for further information.

Prospective investors should make themselves aware of the changes and requirements described under the headings above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes. The matters described above and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

Risks relating to the Banking Act 2009

The Banking Act 2009 (the "**Banking Act**") includes provision for a special resolution regime 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 certain authorised 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. Relevant transaction parties for these purposes include YBS in its various capacities and as a Seller.

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. In respect of UK building societies, the relevant tools include (i) modified property transfer powers, which also refer to cancellation of shares and conferring rights and liabilities in place of such shares, (ii) modified share transfer powers, as well as a public ownership tool which may involve (among other things) arranging for deferred shares in a building society to be publicly owned, cancellation of private membership rights and the eventual winding up or dissolution of the building society, and (iii) modified bail-in powers such that exercise of the tool may be immediately preceded by the demutualisation of the building society through the conversion of it into a company or the transfer of all of the property, rights or liabilities of the building society to a company. It is possible that the 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 (among other things) affect the ability of such entities to satisfy their obligations under the Programme 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 a Seller) trigger events in respect of perfection of legal title to the relevant Mortgage 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.

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/or in the modification, cancellation or conversion of any unsecured portion of the liability of the Issuer under the Notes 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.

If the bail-in powers were used in respect of a building society (such as YBS), then pursuant to Section 84D of the Banking Act, a banking group company is defined for the purposes of such powers to be a "subsidiary" of the relevant building society (or any successor company where demutualisation has taken place). The term "subsidiary" is not defined for these purposes. As a result, it is not clear whether or not the Issuer would be regarded to be a subsidiary and, as a result, whether the bail-in powers could be used in respect of any unsecured liabilities of it. However, we would note that membership, control and/or voting rights are common features of a parent-subsidiary relationship, and neither YBS nor Accord is a member of the Issuer and they do not hold or control any voting rights in the Issuer. As a result, the Notes would not be eligible liabilities in respect of which the bail-in tool may be used if the security is sufficient to secure the Notes at the relevant time.

At present, the UK authorities have not made an instrument or order under the Banking Act in respect of the relevant 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 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 would recover compensation promptly and equal to any loss actually incurred.

Withholding Tax Under the Notes

Provided that the Class A Notes are and continue to be "listed on a recognised stock exchange" (within the meaning of Section 1005 of the Income Tax Act 2007 (the "**ITA**") for the purposes of Section 987 of the ITA), as at the date of this Base Prospectus, no withholding or deduction for or on account of United Kingdom income tax will be required on payments of interest on the Class A Notes. However, there can be no assurance that the law in this area will not change during the life of the Notes.

In the event that any withholding or deduction for or on account of any taxes is imposed in respect of payments to Noteholders of any amounts due under the Notes, neither the Issuer nor any other person is obliged to gross up or otherwise compensate Noteholders for the lesser amounts the Noteholders will receive as a result of such withholding or deduction. However, in such circumstances and if such withholding or deduction cannot be avoided taking reasonable measures available to it, the Issuer will, in accordance with Condition 5(f) (*Optional redemption for tax and other reasons* of the Notes, use its reasonable endeavours to arrange the substitution of a company incorporated in another jurisdiction approved by the Note Trustee as principal debtor under such Notes, subject to certain conditions being met.

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 "UK Tax Consequences".

US Tax Characterisation of the Notes

The Issuer has agreed and, by its acceptance of a Class A Note, each holder (and any beneficial owners of any interest therein) will be deemed to have agreed, to treat the Class A Note as debt of the Issuer for US federal income tax purposes, except as otherwise required by applicable law and for certain limited purposes. The determination of whether a Class A Note will or should be treated as debt for US federal income tax purposes is based on the facts and circumstances existing at the time the Class A Note is issued.

Prospective investors should be aware that the classification of an instrument as debt or equity is highly factual, and there can be no assurance that the US Internal Revenue Service will not seek to characterise any of the Class A Notes as something other than indebtedness. If any of the Class A Notes were treated as equity for US federal income tax purposes, adverse US federal income tax consequences might apply.

See the section entitled "Material US Tax Considerations".

Pensions Act 2004

Under the Pensions Act 2004 a person that is 'connected with' or an 'associate' of an employer under an occupational pension scheme can be subject to either a contribution notice or a financial support direction. The Issuer may be treated as associated/connected to one or more employers under an occupational pension scheme which is within YBS.

A contribution notice will require the target to pay a specified sum into the pension scheme. A contribution notice could be served on the Issuer if it was party to an act, or a deliberate failure to act: (a) which has caused a material detriment to the pension scheme (whether or not intentionally); or (b) the main purpose or one of the main purposes of which was either (i) to prevent the recovery of the whole or any part of a debt which was, or might become, due from the employer under Section 75 of the Pensions Act 1995, or (ii) otherwise than in good faith, to prevent such a debt becoming due, to compromise or otherwise settle such a debt, or to reduce the amount of such a debt which would otherwise become due.

A financial support direction will require the target to provide support to the pension scheme whether by way of a cash contribution or other means, such as a guarantee. A financial support direction could be served on the Issuer where the employer is either a service company or insufficiently resourced. An employer is insufficiently resourced if, broadly speaking, the value of its resources is less than 50% of the pension scheme's deficit calculated on an annuity buy out basis and there is a connected or associated person whose resources at least cover that difference. A contribution notice or financial support direction can only be served where the Pensions Regulator considers it is reasonable to do so, having regard to a number of factors.

As a result of the Supreme Court decision in *Re Nortel, Re Lehman Companies [2013] UKSC 52*, if the Pensions Regulator issued a financial support direction or contribution notice against the Issuer then, depending on when such a direction or notice was issued (and regardless of whether the Issuer was in liquidation or administration, as the case may be, at that time), any corresponding liability would not be treated as an expense of the administration or liquidation (as the case may be). As a result, such a claim would be treated as an ordinary unsecured debt and such claim would not rank in priority to, or *pari passu* with, the rights and claims of the Security Trustee under the Deed of Charge with respect to any charged asset.

If a contribution notice or financial support direction were to be served on the Issuer this could adversely affect the interests of the Noteholders.

Strengthening of the UK pensions regulatory regime

The Pension Schemes Act 2021, the relevant provisions of which came into force on 1 October 2021 (as to which see the Pension Schemes Act 2021 (Commencement No 3 and Transitional and Saving Provisions) Regulations 2021), amends the Pensions Act 2004 (the "**Act**") by adding two new grounds under which the UK Pensions Regulator can issue a contribution notice. Under the Act (as amended), the UK Pensions Regulator can issue a contribution notice (i) where it believes that an act or failure to act has materially reduced the amount of a debt due from the employer under Section 75 of the Pensions Act 1995 that a defined benefit scheme could have recovered if a Section 75 debt had been triggered immediately after the act or failure to act, and (ii) where the UK Pensions Regulator believes that an act or failure to act has reduced the value of the employer's resources and this reduction is material relative to a defined benefit scheme's estimated Section 75 debt.

The Act (as amended) makes it a criminal offence to fail to comply with a contribution notice. This is punishable by an unlimited fine. The Act (as amended) also introduces two standalone criminal offences in relation to defined benefit pension schemes. The first offence is where a person does an act or engages in a course of conduct, or a failure to act, which (i) prevents the pension scheme from recovering a debt due from the employer under Section 75 of the Pensions Act 1995, (ii) prevents a Section 75 debt becoming due, (iii) compromises or settles a Section 75 debt, or (iv) reduces the amount of any Section 75 debt which would otherwise become due. The person must have intended that their action would have this effect and must not have had a reasonable excuse for doing the act or engaging in the course of conduct or failure to act.

The second offence is committed where a person does an act or engages in a course of conduct, or a failure to act, which detrimentally affects in a material way the likelihood of accrued scheme benefits being received. The person must have known, or ought to have known, that their actions or failure to act would have such an effect and must not have had a reasonable excuse for doing the act or engaging in the course of conduct or failure to act.

As these offences apply to any "person" involved with the activity in question, the Issuer, the Security Trustee and/or any Noteholders (and their directors, employees and advisers) could be caught by the new offences or civil penalties if they were involved in any relevant action which constituted an offence.

The Act (as amended) also introduces new powers for the UK Pensions Regulator to issue civil penalties of up to £1 million in certain circumstances. The first is where a person engages in an act or a deliberate failure to act (or knowingly assists in the act or failure) the main purpose, or one of the main purposes of which, was (i) to prevent the pension scheme from recovering a debt due from the employer under Section 75 of the Pensions Act 1995, (ii) to prevent a Section 75 debt becoming due, (iii) to compromise or settle a Section 75 debt, or (iv) to reduce the amount of any Section 75 debt which would otherwise become due and it was not reasonable for the person to act or fail to act in the way they did.

The second circumstance in respect of which the UK Pensions Regulator can issue a civil penalty is where a person engages in an act or a deliberate failure to act (or knowingly assists in the act or failure) that materially risks accrued scheme benefits, where the person knew or ought to have known that the act or failure would have that effect and where it was not reasonable for the person to act or fail to act in that way. The UK Pensions Regulator may also issue civil fines where a person, without reasonable excuse, fails to comply with a contribution notice, as well as in respect of certain other breaches. As these civil penalties apply to any "person" involved with the activity in question, the Issuer, and/or the Security Trustee (and their directors, employees and advisers) could be caught by the new civil penalties if they were involved in any action or failure to act which constituted a civil penalty.

If the UK Pensions Regulator takes any action against the Issuer, the Security Trustee and/or any Noteholders this could adversely affect the interests of the Noteholders.

UK and EU European Market Infrastructure Regulation

The derivatives markets are subject to extensive and recently implemented regulation in a number of jurisdictions. The EU regulatory framework and legal regime relating to derivatives is primarily set out in Regulation (EU) No 648/2012 of the European Parliament and Council on over-the-counter derivatives ("**OTC derivatives**"), central counterparties and trade repositories dated 4 July 2012, as amended by Regulation (EU) 2019/834 of the European Parliament (as amended, including by Regulation (EU) 2019/834 of the European Parliament and of the Council dated 20 May 2019 ("**EMIR Refit**")) ("**EU EMIR**"). A similar regime applies in the UK under EU EMIR as it forms part of domestic law in the UK by virtue of the Withdrawal Act as may be amended, supplemented or replaced from time to time ("**UK EMIR**") and in the US under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, each as amended and supplemented from time to time.

Counterparties subject to UK EMIR and EU EMIR will be subject to certain regulatory requirements, including (i) a general obligation to clear all "eligible" OTC derivative contracts through a duly authorised or recognised central counterparty (the "**Clearing Obligation**"), unless one or both counterparties' derivatives trading activity falls below the relevant clearing threshold, (ii) a collateral exchange obligation for OTC derivatives contracts not subject to clearing (the "**Collateral Obligation**"), (iii) daily valuation and other risk-mitigation techniques for OTC derivatives contracts not subject to clearing, and (iv) certain reporting and record-keeping requirements.

Pursuant to UK EMIR and EU EMIR, counterparties can be classified as (i) financial counterparties ("**FCs**") (which, following changes made by EMIR Refit, includes a sub-category of small FCs ("**FC-s**")), (ii) non-financial counterparties ("**NFCs**"), and (iii) third country entities equivalent to FCs or NFCs. The NFC classification is further split into: (i) non-financial counterparties whose positions, together with the positions of all other non-financial counterparties in its group (as defined in the UK EMIR and EU EMIR), in OTC derivatives (excluding hedging positions) exceed a specified clearing threshold ("**NFC+s**"); and (ii) non-financial counterparties whose positions in OTC derivatives do not exceed any of the specified clearing thresholds ("**NFC-s**"). Whereas FCs and NFC+ entities may be subject to the Clearing Obligation or, to the extent that the relevant swaps are not subject to clearing, to the Collateral Obligation, such obligations do not apply in any event in respect of NFC- entities. In addition, in respect of the Reporting Obligation, UK FCs are solely responsible and legally liable for reporting the details of OTC derivative contracts concluded with UK NFC-s on behalf of both counterparties as well as for ensuring the correctness of the reported details (known as "mandatory reporting"). Note that the calculation of the UK EMIR clearing threshold (together with other aspects of UK EMIR) may be impacted in due course by reforms although the scope of any such UK EMIR reforms is yet to be confirmed.

The Issuer is currently categorised as NFC-, for the purposes of UK EMIR and a third-country equivalent to an NFC- (a "**TCE NFC-**") for the purposes of EU EMIR. As a result, neither the Clearing Obligation nor the Collateral Obligation apply to it. If the Issuer's counterparty status changes to NFC+ or FC for the purposes of UK EMIR and/or a third-country equivalent to a NFC+ or FC (a "**TCE NFC+**" or a "**TCE FC**") for the purposes of EU EMIR, then certain OTC derivatives contracts that are entered into by the Issuer may become subject to the Clearing Obligation or the Collateral Obligation. In this regard, it should be noted that it is not clear that any of the Swaps would be a relevant type of OTC derivative contract that would be subject to the Clearing Obligation under the relevant implementing measures made to date.

Notwithstanding the qualifications on application described above, the position of any of the Swaps under each of the Clearing Obligation and Collateral Obligation is not entirely clear and may be affected by further measures still to be made.

It is possible that UK EMIR and EU EMIR will increase the costs of and restrict participation in the derivatives markets, thereby increasing the costs of engaging in hedging or other transactions and

reducing liquidity and the use of the derivatives markets. If applicable in the context of the Swap Agreements, such additional requirements, corresponding increased costs and/or related limitations on the ability of the Issuer to hedge certain risks may reduce amounts available to the Issuer to meet its obligations and may result in investors receiving less interest or principal than expected.

If the classification of the Issuer changes and, to the extent relevant, one or more of the Swaps is regarded to be in-scope, then a Swap entered into or materially amended on or after the relevant application date may become subject to the Clearing Obligation or (more likely) to the Collateral Obligation. Prospective investors should note that there is some uncertainty with respect to the ability of the Issuer to comply with these obligations if applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to a Swap (possibly resulting in a restructuring or termination of the Swap) or to enter into Swaps, and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge certain risks.

As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors receiving less interest or principal than expected.

Investors should also be aware that the reporting requirements and other requirements of UK EMIR and EU EMIR currently impose obligations on the Issuer (as an NFC- for the purposes of UK EMIR and as a TCE NFC- for the purposes of EU EMIR), to the extent it enters into derivative transactions.

It should also be noted that the UK Securitisation Framework, among other things, makes provisions for the development of technical standards in connection with the UK EMIR regime specifying (i) an exemption from clearing obligations, and (ii) a partial exemption from the collateral exchange obligations for non-cleared OTC derivatives, in each case for UK STS securitisation swaps (subject to the satisfaction of the relevant conditions).

YBS may procure a UK STS Notification to be submitted to the FCA that the UK STS Criteria Requirements have been satisfied with respect to the issuance of a Series of Notes. However, until the final new technical standards referred to above are in force, no assurance can be given that the Swaps will meet the applicable exemption criteria provided therein, to the extent applicable to the issuance of a Series of Notes. Notwithstanding the UK STS designation (to the extent applicable to a Series of Notes) and the ability, as a result, to rely on the exemptions from clearing and collateral exchange obligations under the UK EMIR regime, the expectation is that the Issuer should not be required to comply with the UK EMIR collateral exchange obligations and clearing requirements for the reasons outlined above (being its NFC- status) in any event. The UK STS designation (to the extent applicable to a series of notes) and the related forthcoming exemptions from collateral exchange obligations and clearing requirements are only likely to become relevant should the status under the UK EMIR of the Issuer change from NFC- to NFC+ or FC and, if applicable, should the Swaps be regarded as a type that is subject to the UK EMIR clearing requirement. In respect of EU EMIR, the Notes (given they will not be eligible to obtain an STS designation under the EU Securitisation Regulation) will not be able to benefit from the equivalent exemption under EU EMIR should the status of the Issuer change to TCE NFC+ or TCE FC.

The Note Trustee will be obliged, without any consent or sanction of the Noteholders, or any of the other Secured Creditors, to concur with the Issuer, and to direct the Security Trustee to concur with the Issuer or any other person, in making any modifications to the Transaction Documents and/or the Conditions applying to Notes of any one or more Series to comply with UK EMIR and EU EMIR. Furthermore, certain modifications may be made to the Transaction Documents by the Note Trustee as described above under "Risks relating to Changes to the Structure and the Documents – The Note Trustee or the Security Trustee may agree to modifications to the Transaction Documents without the Noteholders' or other Secured Creditors' prior consent". In each case, such amendments may be made irrespective of whether such modifications are materially prejudicial to the interests of any Noteholder

or any other Secured Creditor and provided such modifications do not relate to a Basic Terms Modification.

Risks relating to the Rule 2a-7 suitability of the Money Market Notes

The Issuer may, from time to time, issue Money Market Notes. Any such Notes would be designated as Money Market Notes in the applicable Final Terms. Money market notes are intended to be "eligible securities" for purchase by money market funds meeting the requirements of Rule 2a-7 under the Investment Company Act.

However, the determination as to whether any applicable Series and Class of Notes will qualify as "eligible securities" under Rule 2a-7 will involve investment determinations and interpretive questions that, as with qualification and compliance with other aspects of Rule 2a-7, will be solely the responsibility of each money market fund and its investment adviser. None of the Issuer, the Sellers, each Joint Arranger, the Note Trustee, the Security Trustee, each Remarketing Agent, each Tender Agent, each Conditional Note Purchaser or any other party to the Programme Documents will make any representation as to the suitability of any Money Market Notes for investment by money market funds subject to Rule 2a-7 under the Investment Company Act. See "Description of the Trust Deed and The Notes – Money Market Notes" below for additional information regarding Money Market Notes and the remarketing arrangements related thereto.

Prospective investors should be aware that, even if Notes designated as Money Market Notes qualify at the time of issuance as "eligible securities" for the purposes of Rule 2a-7, there is no assurance that they will continue to so qualify until their maturity. Among other things, no assurance can be given that an investor in Money Market Notes will be able to confirm or satisfy the pre-condition for Rule 2a-7 eligibility that it is able to monitor readily the conditions limiting the exercise of the Money Market Note Mandatory Transfer, as there is no affirmative obligation pursuant to the terms of the Programme Documents that any information be made available to investors. To the extent Money Market Notes do not qualify as "eligible securities", an investor subject to Rule 2a-7 may be required to dispose of any such notes.

Further, no assurance can be given that any Remarketing Agent or Conditional Note Purchaser for a Series and Class of Money Market Notes will comply with and perform their respective obligations under the remarketing arrangements. Non-compliance with Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*) by reason of any failure on the part of any Remarketing Agent or any Conditional Note Purchaser to perform their respective obligations under the relevant Programme Documents will not constitute an Event of Default. Investors should therefore consider the risk posed if the relevant notes cannot be transferred on a Money Market Note Mandatory Transfer Date (or any other time) as no assurance can be given that the Conditional Note Purchaser will comply with and perform its obligations and in those circumstances.

Holders of the Class A Notes will not receive physical Notes, which may cause delays in distributions and hamper their ability to pledge or resell Class A Notes

Unless and until the note certificates representing the Class A Notes in global form (the "**Global Note Certificates**") are exchanged for note certificates representing Class A Notes in definitive form ("**Individual Note Certificates**" and, together with the Global Note Certificates, the "**Note Certificates**"), which will only occur under a limited set of circumstances, Noteholders' beneficial ownership of the Class A Notes will only be registered in book-entry form with DTC, Euroclear or Clearstream, Luxembourg (as the case may be). This means that persons acquiring Class A Notes will not be the legal owners or holders of such Class A Notes but will have rights in their capacity as participants in accordance with the rules and procedures of the either DTC, Euroclear, or Clearstream, Luxembourg (as the case may be) and, in the case of indirect participants, their agreements with direct participants (such rights, "**Book-Entry Interests**").

So long as the Class A Notes are in global form, payments of principal and interest on, and other amounts due in respect of, the Class A Notes will be made to the nominee of the Common Depositary or, as applicable, Common Safekeeper for Euroclear and Clearstream, Luxembourg and to Cede & Co as nominee of DTC (as the case may be). None of the Issuer, the Note Trustee, the Custodian, 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 holders of Individual Note Certificates, holders of the Book-Entry Interests will not have direct rights under the Trust Deed to act upon solicitations of 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, Clearstream, Luxembourg or DTC (as the case may be) and, if applicable, direct 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 or that the procedures to be implemented by Euroclear, Clearstream, Luxembourg, DTC and the DTC Custodian upon the occurrence of an Event of Default will be adequate to ensure the timely exercise of remedies under the Trust Deed.

In addition, the lack of physical notes could, among other things:

- result in payment delays on the Class A Notes because the Issuer will be sending distributions on the Class A Notes to Euroclear, Clearstream, Luxembourg or DTC (as the case may be) instead of directly to Noteholders;

- make it difficult for Noteholders to pledge or otherwise grant security over the Class A Notes if physical notes are required by the party demanding the pledge or other security; and

- hinder Noteholders' ability to resell the Class A Notes because some investors may be unwilling or unable to buy notes that are not in physical form.

COUNTERPARTY RISKS

The Issuer will rely on third parties and Noteholders may be adversely affected if they fail to perform their obligations

The Issuer is party to contracts with a number of other third parties that have agreed to perform services in relation to the Programme. In particular, the Servicer, the Cash Manager, the Account Banks, the Custodian, each Interest Rate Swap Counterparty, each Currency Swap Counterparty (if any), the Agents, the Corporate Services Provider and the Back-up Servicer Facilitator have agreed to provide the Issuer with administration services, cash management services and account bank services, payment and calculation services in relation to the Notes, certain hedges against interest rate fluctuations and currency fluctuations and certain corporate services.

Noteholders may be adversely affected if such third parties or any of their successors fail to perform their obligations under the respective agreements to which they are a party (including any failure arising from circumstances beyond their control, such as epidemics, pandemics and natural disasters). Furthermore, the Noteholders may be adversely affected if the appointment of a third party is terminated and no replacement can be found. In addition, no assurance can be given that the Issuer will be able to enter into a replacement Swap or, if one is entered into, that the credit rating of the replacement Swap Counterparty (notwithstanding the terms of the Programme Documents) will be sufficiently high to prevent a reduction, qualification or withdrawal of the then-current ratings of the Notes by the Rating Agencies. See also "Swap Termination Payments may adversely affect the funds available to make payments on the Notes" below.

The Issuer may from time to time become subject to regulatory, rating or other requirements that may require it to appoint additional third parties (or increase the level of responsibility of an existing third party) to provide relevant services and/or incur additional costs and expenses to enable it to comply with the regulatory requirements. The Issuer may be in breach of the regulatory requirements and adversely affected if it were to be unable to find a third party to provide the relevant services or (where appropriate) perform them itself. Moreover, any such regulatory requirements may give rise to additional costs and expenses for the Issuer which would be payable prior to making payments with respect to the Notes and thereby reduce amounts available to make such payments.

In the event that the Issuer were to be in breach of regulatory requirements or incur additional costs and expenses one or more Series of Notes may be adversely affected.

Swap Termination Payments may adversely affect the funds available to make payments on the Notes

If any of the Interest Rate Swaps or the Currency Swaps terminate, the Issuer may be obliged to pay a Swap Termination Payment to the relevant Swap Counterparty. The amount of any applicable Swap Termination Payment will be based on the cost of entering into a replacement Swap. The amount of such termination payment will be based on the value of any benefit that would otherwise accrue to the Issuer as a result of terminating and replacing the relevant Swap Agreement.

No assurance can be given that the Issuer will have the funds available to make any Swap Termination Payment under the relevant Swap Agreement or to make subsequent payments in respect of the Notes.

Except where termination of any Interest Rate Swap occurs as a result of any Interest Rate Swap Counterparty Default, any Swap Termination Payment due by the Issuer under the relevant Interest Rate Swap Agreement will rank in priority to payments due on the Notes. Any additional amounts required to be paid by the Issuer following termination of any Interest Rate Swap Agreement (including any extra costs incurred (for example, from entering into other hedging transactions) if the Issuer cannot immediately enter into a replacement swap), will also rank in priority to payments due on the Notes.

Except where termination of a Currency Swap Agreement occurs as a result of a Currency Swap Counterparty Default, any Swap Termination Payment due by the Issuer under a Currency Swap will rank equally with payments due on the Class A Notes. Any additional amounts required to be paid by the Issuer following termination of the relevant Currency Swap Agreement (including any extra costs incurred (for example, from entering into other hedging transactions) if the Issuer cannot immediately enter into a replacement swap), will also rank equally with payments due on the Class A Notes.

Therefore, if the Issuer is obliged to make a termination payment to a Swap Counterparty or to pay any other additional amount as a result of the termination of the relevant Swap, this may affect the amount of funds which the Issuer has available to make payments on the Notes of any Class.

Termination of the Original Currency Swap for any Series of Non-Sterling Notes

Prior to the delivery of an Enforcement Notice, the allocation of Enhanced Available Principal Receipts, if any, towards the redemption of any Series of Non-Sterling Notes will be determined on a *pro rata* basis by reference to the Sterling Equivalent Principal Amount Outstanding of such Non-Sterling Notes (as per Condition 5(b) (*Mandatory redemption of the Notes in Part*)). An allocation based on the Sterling Equivalent Principal Amount Outstanding of the Non-Sterling Notes means that the proportion of Enhanced Available Principal Receipts allocated to the Non-Sterling Notes is the same irrespective of the termination of the Original Currency Swap or the terms of any replacement Currency Swap entered into with respect to the Non-Sterling Notes.

Under this allocation arrangement, the risk of any reduction in principal amounts available to make payments in respect of the Non-Sterling Notes on any Note Payment Date following the termination of the Original Currency Swap because (a) a replacement Currency Swap is not in place and the applicable Spot Rate is less favourable to the Issuer than the Original Exchange Rate; or (b) the Replacement Exchange Rate in respect of any replacement Currency Swap Agreement is less favourable to the Issuer than the Original Exchange Rate is, prior to the delivery of a an Enforcement Notice, borne by the holders of the relevant Series and Class of Non-Sterling Notes.

If the Original Currency Swap is terminated (and irrespective of whether a replacement Currency Swap is in place), prior to the delivery of an Enforcement Notice and while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing, on any Note Payment Date falling on or following the Sterling Equivalent Redemption Date, following the application of any amounts held in the Swap Excess Reserve Account towards the redemption of the Non-Sterling Notes, any remaining Principal Amount Outstanding of the Non-Sterling Notes (being the Principal Shortfall Amounts) will only be paid subject to and in accordance with paragraph (d) of the Pre-Enforcement Pre-Trigger Principal Priority of Payments relating to the application of the Funding Note Principal Portion and paragraph (d) of the Pre-Enforcement Post-Trigger Principal Priority of Payments, and will accordingly be subordinated to, among other things, payments of principal on the other Class A Notes.

Prior to the delivery of an Enforcement Notice and following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing, any remaining Principal Amount Outstanding of the Non-Sterling Notes will only be paid subject to and in accordance with paragraph (d) of the Pre-Enforcement Post-Trigger Principal Priority of Payments.

Following the delivery of an Enforcement Notice (which constitutes a termination event under the Original Currency Swap), any remaining Principal Amount Outstanding of the Non-Sterling Notes will cease to be subordinated to the other Class A Notes and will rank *pari passu* with amounts payable in respect of any other Class A Notes in accordance with paragraph (a) of the Post-Enforcement Priority of Payments relating to the application of the Funding Note Principal Portion. Available amounts in accordance with the Post-Enforcement Priority of Payments will be allocated on a *pro rata* basis by reference to the respective Sterling Equivalent amounts of such Notes determined using the applicable prevailing Spot Rate.

An allocation on this basis means that the proportion of funds allocated to the sterling Notes and the Non-Sterling Notes will be affected by variations in the prevailing Spot Rate. If the prevailing Spot Rate is less favourable to the Issuer than the Original Exchange Rate or a previous Spot Rate, then the sterling Notes will be allocated a greater proportion of the available amounts applied towards the redemption of the Notes in accordance with the Post-Enforcement Priority of Payments.

Termination of the Servicer and appointment of a substitute servicer

YBS has been appointed by the Issuer as Servicer to service the Mortgage Loans. If the Servicer breaches the terms of the Servicing Agreement, then the Issuer will be entitled to terminate the appointment of the Servicer and will be entitled to appoint a substitute servicer with the assistance of the Back-up Servicer Facilitator.

There can be no assurance that a substitute servicer would be found who would be willing and able to service the Mortgage Loans on the terms of the Servicing Agreement. In particular, there can be no assurance that a substitute servicer would be willing to accept an appointment in consideration of the Servicing Fee, which is calculated as, broadly, a fixed percentage of the aggregate Current Balance of the Mortgage Portfolio. If a substitute servicer were required at a time when the Current Balance of the Mortgage Loans in the Mortgage Portfolio was relatively low, the amount of the servicing fee so calculated might be insufficient to obtain a substitute servicer. The Servicing Agreement provides that the Issuer and a potential substitute servicer (other than YBS or a member of its corporate group) may

agree a different servicing fee, which could be higher than the current fee. In addition, any substitute servicer will be required to be appropriately licensed under the CCA and, as described under "Regulation of the UK Residential Mortgage Market", a substitute servicer will also be required to be authorised with the appropriate permissions under the FSMA in order to administer Mortgage Loans that constitute regulated mortgage contracts. The ability of a substitute servicer fully to perform the required services would depend, among other things, on the information, software and records available at the time of the appointment. Any delay in the appointment of (if a substitute servicer can be found) or inability to appoint a substitute servicer may affect payments on the Mortgage Loans and hence the ability of the Issuer to make payments when due on the Notes.

Transfer of the Transaction Accounts

The Account Banks are required to satisfy certain criteria (including certain criteria and/or permissions set or required by the FCA from time to time and compliance by such Account Banks with the required Account Bank Minimum Required Rating), in order for deposits to continue to be made into the Transaction Accounts. If an Account Bank ceases to satisfy these criteria, then the relevant Transaction Accounts held with that Account Bank may need to be transferred to another entity which does satisfy these criteria, and/or new Transaction Accounts may need to be established with such replacement Account Bank. In these circumstances, the new Account Bank may not offer a Transaction Account on terms as favourable as those provided by the previous Account Bank.

Noteholders should be aware that, in the event of the rating of an Account Bank falling below the Account Bank Minimum Required Rating, there will be no requirement to replace such Account Bank and instead a guarantee of such Account Bank's obligations may be obtained by the Issuer from a guarantor bank or financial institution with a rating at least equal to the Account Bank Minimum Required Rating.

The failure to transfer the relevant Transaction Accounts from an Account Bank that no longer satisfies the required Account Bank Minimum Required Rating to one that does may increase the risk of losses on amounts held by the Issuer at the affected Account Bank and affect the ability of the Issuer to make payments when due on the Notes, and may have an adverse effect on the ratings assigned to the Class A Notes.

For a summary of the Account Bank Minimum Required Rating, see "Cash Management – Account Bank Agreements and Bank Accounts – Account Bank Minimum Required Rating". The Custodian will be required to hold the Account Bank Minimum Required Rating pursuant to the terms of the Custody Agreement and the Swap Collateral Custody Agreement. These criteria are subject to change by the Rating Agencies.

Certain conflicts of interest involving or relating to the Joint Arrangers, the Dealer(s) and their affiliates

The Joint Arrangers, the Dealers and their respective affiliates and their respective related entities, associates, officers or employees (the "**Relevant Entities**") have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the YBS Group. Other parties to the transaction may also perform multiple roles, including YBS, which acts as Servicer, Cash Manager, First Account Bank, Interest Rate Swap Counterparty and VFN Registrar.

Nothing in the Transaction Documents shall prevent any of the parties to the Transaction Documents from rendering services similar to those provided for in the Transaction Documents to other persons, firms or companies or from carrying on any business similar to or in competition with the business of any of the parties to the Transaction Documents.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction:

(a) having previously engaged or in the future engaging in transactions with other parties to the transaction;

(b) having multiple roles in this transaction; and/or

(c) carrying out roles in other transactions for third parties.

In the event that any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party, Noteholders may be adversely affected.

In addition to the interests described in this Base Prospectus, prospective investors should be aware that each of the Relevant Entities will play various roles in relation to the offering of the Notes and other offerings of securities or other funds, as described below.

The Relevant Entities may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and hedging transactions) and as such the Relevant Entities would expect to earn fees and other revenues from these transactions.

The Relevant Entities may act as lead managers, arrangers, placement agents and/or initial purchasers or investment managers in other transactions involving issues of residential mortgage-backed securities or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the price or value of the Notes. The Relevant Entities will not disclose specific trading positions or their hedging strategies, including whether they are in long or short positions in any Notes or obligations referred to in this Base Prospectus except where required in accordance with applicable law.

In the ordinary course of business, the Relevant Entities or customers may actively trade in and/or otherwise hold long or short positions in the Notes or enter into transactions similar to or referencing the Notes for their own accounts and for the accounts of their customers. If any of the Relevant Entities becomes an owner of any of the Notes, through market-making activity or otherwise, any actions that it takes in its capacity as owner, including voting, providing consents or otherwise will not necessarily be aligned with the interests of other owners of the Notes. To the extent any of the Relevant Entities makes a market in the Notes (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the Notes. In connection with any such activity, it will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Notes. The price at which any of the Relevant Entities may be willing to purchase Notes, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the Notes and significantly lower than the price at which it may be willing to sell the Notes.

RISKS RELATING TO CHANGES TO THE STRUCTURE AND THE DOCUMENTS

Issuance of additional Notes may affect the timing and amounts of payments in respect of the existing Notes

The Issuer is permitted to issue Notes at any time without notice to existing Noteholders and without their consent, and such Notes may be issued with different terms from the then outstanding Notes. For a description of the conditions that must be met before the Issuer can issue Notes, see "Issuance of Notes".

The payment of interest and principal on the Notes will be funded primarily from amounts received by the Issuer from the Mortgage Portfolio. The Issuer's obligation to make payments (or part thereof) in respect of a Series and Class of Notes may rank in priority to payments of interest and principal made

by the Issuer in respect of another Series and Class of Notes, subject to the terms and seniority of such payments and the dates on which they are required to be made.

The issuance of Notes by the Issuer could adversely affect the timing and amount of payments on the then outstanding Notes. For example, if Notes of the same Class as existing Notes but issued after such existing Notes have a higher interest rate than such existing Notes, this could result in a reduction in the available funds used to pay interest on the existing Notes. Also, when such Notes are issued, the voting rights of existing Notes will be diluted. Further, the issuance of Notes of the same Class as existing Notes but issued after such existing Notes which have scheduled payments on a more frequent basis than the existing Notes could result in a reduction in the available funds to make payments on the existing Notes.

The proceeds of each such issue may be used, among other things, to pay the Initial Additional Mortgage Portfolio Purchase Price to the Sellers in connection with the sale to the Issuer of any Additional Mortgage Portfolio or to refinance all or part of any Series and Class of Notes then outstanding. If any Series and Class of Notes is refinanced, in whole or in part, the relevant Noteholders could be repaid early.

The terms of any Series and Class of Notes to be issued by the Issuer may result in such Notes being repaid prior to the repayment of any Notes already outstanding at the time of such issuance. Noteholders will not have any right of prior review, nor will their consent be required, prior to the issue by the Issuer of any further Series, Class of Notes or any Sub-Series of the Class A Notes.

Principal Amount Outstanding of the YBS Note may be increased or decreased without consent of the Noteholders

The Principal Amount Outstanding of the YBS Note may be increased or decreased without consent of the Noteholders, **provided that** it is at least equal to the Minimum YBS Note Amount for so long as any Class A Notes (or any other Notes that are not at all times held by YBS (or its wholly owned affiliates)) or any Class Z VFNs remain outstanding.

It should be noted that any redemption of the YBS Note may be funded by the Issuer from consideration to which it is entitled in relation to the repurchase by YBS of Mortgage Loans in accordance with the YBS Note Permitted Repurchase Procedure. Any such reduction in the size of the YBS Note will therefore affect the amount of Principal Receipts from the Mortgage Loans, and as a result may affect the timing and amount of principal repayments under the Class A Notes.

There may be a conflict between the interests of the holders of the various Classes of Notes and the interests of the holders of other Classes of Notes or other Secured Creditors

The Trust Deed and the Conditions provide that, in connection with the exercise of its trusts, authorities, powers and discretions under the Trust Deed, the Note Trustee is to have regard to the interests of the holders of all the Classes of Notes of all Series. There may be circumstances, however, where the interests of one Class of the Noteholders of any Series conflict with the interests of another Class or Classes of the Noteholders of the same or another Series. In general, the Trust Deed provides that the Note Trustee will give priority to the interests of the holders of the Class of Notes such that the Note Trustee is to have regard only to the interests of the Class A Noteholders in the event of a conflict between the interests of the Class A Noteholders on the one hand and the VFN Holders on the other hand.

There may be circumstances where the interests of a Sub-Class of the Class A Noteholders of a Series of Notes conflict with the interests of another Sub-Class of the Class A Noteholders of that Series.

The Trust Deed and the Conditions provide that where, in the sole opinion of the Note Trustee, there is such a conflict, then a resolution directing the Note Trustee to take any action must be passed at separate meetings of the holders of each such Sub-Class of the relevant Class of Notes of that Series. A resolution may only be passed at a single meeting of the Noteholders of each Sub-Class of the relevant Class of Notes of that Series if the Note Trustee is, in its absolute discretion, satisfied that there is no conflict between them.

In certain circumstances, the Note Trustee or the Security Trustee may agree to make modifications to the Transaction Documents without the prior consent of the Noteholders. The Deed of Charge provides that the Security Trustee will not, and will not be bound to, take any steps, institute any proceedings, exercise its rights and/or take any other action under or in connection with any of the Transaction Documents (including, without limitation, enforcing the Security) unless the Security Trustee is directed to do so by the Note Trustee or, if there are no Notes outstanding, the other Secured Creditors and, in each case, subject to it being indemnified and/or secured and/or prefunded to its satisfaction. In addition, where a Secured Creditor and/or any of its affiliates act in numerous capacities there may be actual or potential conflicts between (1) the interests of such Secured Creditor and/or any such affiliates in such various capacities, and (2) the interests of the Noteholders and such other Secured Creditor and/or any such affiliates.

A Seller will only be entitled to exercise their rights in respect of the Class A Notes held by them where all of the Class A Notes of such Series are held by or on behalf of or for the benefit of one or more Relevant Persons, subject to any limited conditions set out in the definition of "outstanding". Notwithstanding the foregoing, there are no restrictions on the ability of such Seller to exercise their rights in respect of any Basic Terms Modifications. There may be circumstances where the interests of YBS as a Noteholder conflict with the interests of the other Noteholders in the same Class or Sub-Class of a Series.

Consequently, Noteholders should be aware that, in the event that any of the above conflicts of interest materialises, the relevant conflict will be resolved in accordance with the terms of the Transaction Documents and not necessarily in way that is desirable for any particular Noteholder.

The Note Trustee or the Security Trustee may agree to modifications to the Transaction Documents without the Noteholders' or other Secured Creditors' prior consent

Pursuant to the Conditions, the terms of the Trust Deed and the Deed of Charge, the Note Trustee may from time to time, without the consent or sanction of the Noteholders of any Series or other Secured Creditors, (i) concur with the Issuer or any other person or (ii) direct the Security Trustee to concur with the Issuer or any other person in making (x) any modifications to the Notes of any Series including the Conditions applicable thereto or the Transaction Documents or (y) any waiver or authorisation of any breach or proposed breach of any of the provisions of the Conditions, the Notes of any Series, or the Transaction Document (other than in respect of a Basic Terms Modification) where the Note Trustee is of the opinion that such modification, waiver or authorisation will not be materially prejudicial to the interests of any of the Noteholders of any Series or where such modification, waiver or authorisation (i) is made to correct a manifest error; or (ii) is of a formal, minor or technical nature.

In addition, the Conditions provide that, subject to certain conditions being met, the Note Trustee and the Security Trustee, acting on the direction of the Note Trustee, will be obliged, without the consent or sanction of the Noteholders or, subject to receipt of the consent from each relevant Secured Creditor (as per the Conditions), to concur with the Issuer in making and/or approving any modification (other than in respect of a Basic Terms Modification) to the Notes (including the Conditions) or to any Transaction Document to which it is a party or (as applicable) in respect of which it holds security or entering into any new, supplemental or additional documents, in each case that the Issuer (or the Cash Manager on its behalf) considers necessary, **provided that** (among other things): (a) the proposed modifications would not adversely affect the then-current ratings of the Notes; (b) the Issuer has

provided at least 30 calendar days' notice to the Noteholders which would be affected by the proposed modification; and (c) Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes have not notified the Note Trustee or the Security Trustee that they do not consent to such modification (and investors should note that if such notification has not been provided, the modification(s) will, provided the other conditions are all met, be binding on all Noteholders).

Such modification(s) include those that are made for the purpose of: (a) complying with or implementing any change in the criteria of the Rating Agencies; (b) meeting the eligibility criteria for any funding or liquidity scheme provided by a central bank; (c) enabling the Issuer and/or the relevant Swap Counterparty to comply with any obligation which applies to it under Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012, as amended (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) ("**EU EMIR**") and/or EU EMIR as it forms part of the domestic law of the UK by virtue of the Withdrawal Act ("**UK EMIR**", and together with EU EMIR, "**EMIR**"); (d) complying with any changes in the requirements under the EU Securitisation Regulation or the UK Securitisation Framework (as applicable), the UK CRR, the EU CRR Amending Regulation or the US Credit Risk Retention Requirements or any other risk retention legislation or regulations or official guidance; (e) enabling the Notes to be (or to remain) listed on the London Stock Exchange; (f) enabling the Issuer to comply (or continue to comply) with the provisions of Rule 17g-5 of the Securities Exchange Act 1934; (g) complying with any changes in the requirements of the EU CRA Regulation or the UK CRA Regulation after the relevant Issuance Date, including as a result of the adoption of regulatory technical standards in relation to the EU CRA Regulation or the UK CRA Regulation or regulations or official guidance in relation thereto; (h) enabling any of the Notes to comply with the criteria for Level 2B securitisations set out in Article 13 of the UK LCR Regulation; (i) enabling the Issuer, the Sellers or the Servicer to comply with any obligation which applies to it under the EU Securitisation Regulation or the UK Securitisation Framework, including due to adoption of technical standards for the EU Securitisation Regulation or the UK Securitisation Framework or any other such legislation or regulations or official guidance, including for enabling the Notes to comply with the criteria for simple, transparent and standardised securitisations set out in the UK Securitisation Framework or any other such legislation or regulations or official guidance; (j) complying with the applicable requirements of the UK CRR Regulation, the EU CRR Regulation, UK Solvency II or EU Solvency II after the relevant Issuance Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRR Regulation, the EU CRR Regulation, UK Solvency II or EU Solvency II or regulations or official guidance; (k) amending the Eligibility Criteria or the Portfolio Criteria solely for the purpose of the addition of a New Mortgage Product to the Mortgage Portfolio; (l) amending any Mortgage Loan Warranty made by the relevant Seller in relation to a Further Advance, Product Switch and/or a Tested Underpayment Option; (m) enabling modifications to the original Swap Agreement, the Account Bank Agreement, or the Custody Agreement in connection with the transfer of any: Swap Agreement to a replacement Swap Counterparty, Account Bank Agreement to a replacement Account Bank, or Custody Agreement to a replacement Custodian, respectively; (n) appointing additional Rating Agencies to rate any Series of Notes or any new Class of Notes (each, an "**Additional Rating Agency**") where such Additional Rating Agency is not an Initial Rating Agency; and (o) enabling the Issuer to issue Notes in the future that are subordinated to the Class A notes, but are senior to Class Z VFNs and the YBS Note; **provided that** the relevant entity has certified to the Note Trustee and Security Trustee that such modification is required for such purpose.

Furthermore, at the request of the Issuer, the Note Trustee and the Security Trustee are required to concur with the Issuer in effecting a Ratings Modification Event without the consent of the Noteholders of any Series of Notes and without the consent of the other Secured Creditors, subject to receipt by the Note Trustee and the Security Trustee of a certificate of the Issuer signed by two of its directors certifying that the requested modifications to the Conditions applying to such Notes or any Transaction

Documents are solely for that purpose, **provided that**, in each case and at all times, such Series of Notes continues to be rated by at least two Rating Agencies, and **further provided that** the Issuer has given at least 15 Business Days' notice to the holders of each relevant Series and Class of Notes of such Ratings Modification Event.

Furthermore, the Issuer may appoint any number of additional rating agencies to rate any Series of Notes or any new Class of Notes (each, an "**Additional Rating Agency**") in accordance with the procedure set out in Condition 11(f)(i)(S) (*Additional rights of modification*) (which permits a certain class of Noteholders to object to such appointment, which would make such appointment subject to the approval by an Extraordinary Resolution of the Noteholders of such class of Noteholders).

The Noteholders and other Secured Creditors will be bound by the modifications made to the Transaction Documents and/or the terms and conditions to implement any such Ratings Modification Event or the appointment of any Additional Rating Agency whether or not such modifications are materially prejudicial to the interests of Noteholders and the other Secured Creditors, **provided that** neither the Note Trustee nor the Security Trustee will be obliged to agree to any modifications made to the Transaction Documents and/or to the Conditions to implement any such Ratings Modification Event or appointment of an Additional Rating Agency which, in the sole opinion of the Note Trustee or the Security Trustee, would have the effect of (a) exposing the Note Trustee and/or the Security Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (b) increasing the obligations or duties, or decreasing the protections of the Note Trustee and/or the Security Trustee under the Transaction Documents and/or the Conditions.

Any modifications made in the manner described above will be binding on all Noteholders. There is no guarantee that any modification to the Notes of one or more Series or Sub-Series or of any Transaction Documents will not ultimately adversely affect the rights of Noteholders or payments on the Notes.

Risks relating to the replacement of the Screen Rate

Investors should note the various circumstances in which a modification may be made to the Conditions or any other Programme Documents for the purposes of making a Benchmark Rate Modification and to the Swap Agreements for the purpose of making a Swap Rate Modification. These circumstances broadly relate to the disruption or discontinuation of the screen rate (which is expected to be SONIA for Sterling, €STR for Euro or SOFR for US Dollars), but also specifically include, among other things, any public statements by the administrator of the applicable screen rate or certain regulatory bodies that EURIBOR will be discontinued or may no longer be used. A Benchmark Rate Modification or a Swap Rate Modification may also be made if the Issuer (or the Servicer on its behalf) reasonably expects any of these events to occur within six months of the proposed effective date of the Benchmark Rate Modification or the Swap Rate Modification, subject to certain conditions. Investors should note the various circumstances in which a Benchmark Rate Modification or a Swap Rate Modification may be made, which are specified in Condition 11(f) (*Additional rights of modification*) and should also note the various options permitted as an Alternative Benchmark Rate specified therein.

Investors should also be aware that:

(a) if the screen rate is discontinued or is otherwise permanently unavailable and a Benchmark Rate Modification (as described in the paragraph above) has not been made, then the rate of interest on the Notes will be determined for a period by the fall-back provisions provided for under Condition 4 (*Interest*), although such provisions, being dependent in part upon the provision by Reference Banks of offered quotations for the EURIBOR rate, may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time) and may result in the effective application of a fixed rate based on the rate which

applied in the previous period when EURIBOR was available in respect of the applicable Series;

(b) while an amendment may be made under Condition 11(f)(ii) (*Additional rights of modification*) to change the screen rate on the Notes to an Alternative Benchmark Rate under certain circumstances broadly related to EURIBOR dysfunction or discontinuation and subject to certain conditions, there can be no assurance that any such amendment will be made or, if made, that it will (i) fully or effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes; or (ii) 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 "The Note Trustee or the Security Trustee may agree to modifications to the Transaction Documents without the Noteholders' or other Secured Creditors' prior consent"); and

(c) if EURIBOR is discontinued and a Swap Rate Modification is not made, there can be no assurance that the applicable fall-back provisions under any Swap Agreements would operate so as to ensure that the rate used to determine payments under the Swap Agreements is the same as that used to determine interest payments under the Notes, or that any such amendment made under Condition 11(f)(ii) (*Additional rights of modification*) would be utilised in such a way that the transactions under the Swap Agreements to effectively mitigate interest rate risk or currency risks on the Notes in circumstances where the reference rate used in a Swap Agreement was no longer aligned with the Notes.

In addition, it should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Mortgage Loans, the Notes and/or the Swap Agreements 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 base rate as described in paragraph (b) above) or any other significant change to the setting or existence of EURIBOR or any other relevant interest rate benchmark 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, any of the Notes. Changes in the manner of administration of EURIBOR or any other relevant interest rate benchmark could result in adjustment to the Conditions, early redemption, discretionary valuation by the calculation agent, delisting or other consequences in relation to the Floating Rate Notes. There can be no assurance that any such amendments will be made, or if made, that they will (i) fully mitigate the interest rate risks or result in an effective replacement methodology for determining the reference rate on the Notes; or (ii) be made prior to any date on which any of the risks described in this risk factor may become relevant.

Ratings Confirmations

The terms of certain of the Programme Documents require that certain actions proposed to be taken by the Note Trustee, Security Trustee, the Issuer and certain other parties to the Programme Documents may not proceed unless a Ratings Confirmation is received.

A written Actual Ratings Confirmation may or may not be given at the sole discretion of that Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a written Actual Ratings Confirmation in the time available or at all, and the Rating Agency will not be responsible for the consequences thereof. Certain rating agencies have indicated that, as a matter of policy, they will no longer provide written Actual Ratings Confirmations.

An Actual Ratings Confirmation from the Rating Agencies, 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 relevant Issuance Date. An Actual Ratings Confirmation provided by a Rating Agency represents only a restatement of the opinions given by that Rating Agency as at the relevant Issuance Date and cannot be construed as advice for the benefit of any parties to the transaction. An Actual Ratings Confirmation does not confirm that such action (i) is permitted by the terms of the Transaction Documents; or (ii) is in the best interests of, or prejudicial to, the Noteholders.

To the extent that an Actual Ratings Confirmation cannot be obtained, whether or not a proposed amendment, action, determination or appointment will ultimately take place will be determined in accordance with the provisions of the relevant Transaction Documents.

Where the Transaction Documents allow the Note Trustee or the Security Trustee to seek a Ratings Confirmation and a written request for an Actual Ratings Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer and (i) one Rating Agency indicates that it does not consider an Actual Ratings Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Actual Ratings Confirmation or response, or (ii) within 30 days of delivery of such request, no Actual Ratings Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Ratings Confirmation or response could not be given, then the relevant Rating Agency will be considered a "**Non-Responsive Rating Agency**", and such condition to receive a Ratings Confirmation or response from such Rating Agency will be modified so that there will be no requirement for the Actual Ratings Confirmation or response from the Non-Responsive Rating Agency if the Issuer (or the Cash Manager on its behalf) provides to the Note Trustee and the Security Trustee a Deemed Ratings Confirmation. The Note Trustee and the Security Trustee will be entitled to rely on such Deemed Ratings Confirmation without further enquiry or liability. Any Deemed Ratings Confirmation by the Issuer (or the Cash Manager on its behalf) may or may not be given at the sole discretion of the Issuer (or the Cash Manager on its behalf).

Any Deemed Ratings Confirmation delivered by the Cash Manager (on behalf of the Issuer) does not constitute an Actual Ratings Confirmation from, and is not binding on, the Rating Agencies. There is therefore a risk that a Rating Agency may not share the opinion of the Cash Manager (on behalf of the Issuer) presented in a certificate provided by the Cash Manager (on behalf of the Issuer), and that the then-current ratings assigned to the Class A Notes (or the relevant Series of the Class A Notes to which the Ratings Confirmation is required to apply) are reduced, qualified, suspended or withdrawn.

The requirement for an Actual Ratings Confirmation from a Rating Agency will not apply to Notes which are not, at the relevant time, rated by that Rating Agency.

In addition, the terms of the Trust Deed provide that, in determining whether or not the exercise of any power, right, trust, authority, duty or discretion under or in relation to the Trust Deed or any of the other Issuer transaction documents is materially prejudicial to the interests of the Noteholders, the Note Trustee, acting in its sole discretion may (but will not be obliged to) have regard to such Ratings Confirmation.

Noteholders of each Series should also be aware that other Series of outstanding Notes may be rated by different Rating Agencies and consequently that any Ratings Confirmation requested in respect of any Programme-level amendments may be required from additional Rating Agencies to those rating their particular Series of Notes.

MACRO-ECONOMIC RISKS

Absence of secondary market; lack of liquidity

No assurance is provided that there is an active and liquid secondary market for the Notes, and no assurance is provided that a secondary market for the Notes will develop or, if it does develop, that it will provide Noteholders with liquidity of investment for the life of the Notes. Investors in the Notes must be prepared to hold their Notes, for an indefinite period of time, which may continue until the Final Maturity Date of those Notes, or alternatively that they may only be able to sell the Notes at a discount to the original purchase price of those Notes.

The secondary market for mortgage-backed securities similar to the Notes has, at times, experienced limited liquidity. 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.

Potential investors should be aware that these prevailing market conditions affecting securities similar to the Notes could lead to reductions in the market value and/or a severe lack of liquidity in the secondary market for instruments similar to the Notes. Such falls in market value and/or lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the Mortgage Loans.

The Issuer cannot predict when these circumstances will change and whether, if and when they do change, there would be an increase in the market value and/or whether there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

None of the Issuer, any Joint Arranger or any Dealer is or will be obliged to make a market for a Series of Notes issued by the Issuer.

The market continues to develop in relation to risk free rates as a reference rate for Floating Rate Notes

Where the relevant Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to SOFR, SONIA or €STR, the Rate of Interest will be determined on the basis of the relevant reference rate as described in the applicable conditions. All such rates are based on "overnight rates". Overnight rates differ from interbank offered rates, such as EURIBOR, in a number of material respects, including (without limitation) that such rates are backwards-looking, risk-free overnight rates, whereas interbank offered rates are expressed on the basis of a forward-looking term and include a risk-element based on inter-bank lending. As such, investors should be aware that overnight rates may behave materially differently as interest reference rates for notes issued under the programme described in this base prospectus compared to interbank offered rates.

Furthermore, such risk-free rates have a limited performance history and the future performance of such risk-free rates is impossible to predict. As a consequence, no future performance of the relevant risk-free rate or the Notes referencing such risk-free rate may be inferred from any of the hypothetical or actual historical performance data. Moreover, SOFR is a secured rate and, since publication of SOFR began, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates. The use of overnight rates as a reference rate for securities is developing and is subject to change in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of securities referencing such overnight rates. If the manner in which the relevant risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

Consequently, Notes referencing risk-free rates issued in the future may differ materially in terms of interest determination when compared with any previous Notes referencing risk-free rates issued under this Programme. If the market adopts a different calculation method, that could adversely affect the market value of Notes issued pursuant to this Programme. Equally in such circumstances, it may be difficult for the Issuer to find any replacement currency swap counterparty and/or interest rate swap counterparty (as the case may be) should a Currency Swap Counterparty and/or an Interest Rate Swap Counterparty need to be replaced and the relevant Floating Rate Note at that time uses an application of the risk free rate that differs from products then prepared to be hedged by any potential replacement swap counterparties. Rate of Interest on Notes which references a risk-free rate is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Note Payment Date. It may be difficult for investors in Notes which reference a risk-free rate to estimate reliably the amount of interest which will be payable on such Notes. Some investors may be unable or unwilling to trade such Notes without changes to their IT systems which could adversely impact the liquidity of such Notes.

Further, for SONIA, the Bank of England released a discussion paper in February 2020 entitled "Supporting Risk-Free Rate transition through the provision of compounded SONIA" pursuant to which the Bank of England stated its intention to publish a daily SONIA compounded index and its consideration whether to publish a set of compounded SONIA period averages, an approach similar to that already taken by the Federal Reserve Bank of New York in respect of SOFR. There is no guarantee that the Bank of England will not withdraw, modify or amend any published SONIA index or index data, or that such index or averages will be widely used in the marketplace. This means that a screen rate based on an observable publicly available average rate or index may evolve over time but there is no guarantee of this.

Each risk-free rate is published and calculated by third parties based on data received from other sources and the Issuer has no control over their respective determinations, calculations or publications.

There can be no guarantee that the relevant risk-free rate (including the Compounded Daily SONIA) will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes linked to or which reference such risk-free rate (or that any applicable benchmark fallback provisions provided for in the Conditions will provide a rate which is economically equivalent for Noteholders). None of the Bank of England, the Federal Reserve, or the European Central Bank have an obligation to consider the interests of Noteholders in calculating, adjusting, converting, revising or discontinuing the relevant risk-free rate. It may be difficult for investors in Notes which reference such risk-free rates to reliably estimate the amount of interest which will be payable on such Notes.

Notes referencing risk-free rates may have no established trading market when issued, and an established trading market may never develop or may not be very liquid which, in turn, may reduce the trading price of the Notes or mean that investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Investors should consider these matters when making their investment decision with respect to any such Floating Rate Notes.

In addition, market participants and relevant working groups continue to explore alternative reference rates based on SONIA, including compounded rates and weighted average rates and observation methodologies for such rates (including so-called 'shift', 'lag' and 'lock-out') and such groups may also explore forward-looking term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term).

Further, if Notes referencing a risk-free rate become due and payable as a result of an Event of Default, or are otherwise redeemed early on a date which is not a Note Payment Date, the final Rate of Interest

payable in respect of such Notes will only be determined immediately prior to the date on which the Notes become due and payable.

In addition, the manner of adoption or application of risk-free rates in the bond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

Risks relating to the discontinuation of EURIBOR

EURIBOR and other interest rates or other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory reform.

Separate work streams are underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fall-back by reference to a Euro risk-free rate (based on a Euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on Euro risk-free rates recommended Euro Short-term Rate ("**€STER**") as the new risk-free rate. €STER was published by the ECB for the first time on 2 October 2019. On 21 January 2019, the Euro risk free-rate working group published a set of guiding principles for fall-back provisions in new Euro-denominated cash products (including bonds) referencing EURIBOR and on 11 May 2021, the Euro risk free-rate working group published a set of guiding principles for fall-back trigger events and €STER-based EURIBOR fallback rates. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fall-back provisions) may increase the risk to the Euro area financial system.

Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they 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.

Any changes to EURIBOR and other interest rate benchmarks will also require compliance with the EU Benchmarks Regulation.

Under the EU Benchmarks Regulation, which applied as from 1 January 2018 in general, new requirements apply with respect to the provision of a wide range of benchmarks (including EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the EU. In particular, the EU Benchmarks Regulation will, among other things, (a) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks, and (b) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, deemed equivalent or recognised or endorsed). On 24 March 2025, the European Council adopted an amendment to the EU Benchmarks Regulation aimed at reducing administrative burdens for EU companies, particularly small and medium-sized enterprises. This amendment focuses on the scope of benchmark rules, the user of benchmarks from third country administrators, and certain reporting requirements. The amendment is set to take effect from 1 January 2026.

The UK 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 EU Benchmarks Regulation and the UK Benchmark Regulation could have a material impact on any Notes linked to or referencing a particular benchmark, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the UK Benchmarks Regulation or the EU 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.

The administrators of SONIA or SOFR are not currently required to obtain authorisation/registration and SONIA or SOFR do not fall within the scope of the EU Benchmarks Regulation or the UK Benchmarks Regulation by virtue of Article 2 of each of these regulations.

Changes in the manner of administration of the interest rates by EURIBOR could result in adjustment to the Conditions, 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 EURIBOR or 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.

The issuance of unsolicited ratings on the Notes could adversely affect the market value of and/or liquidity of the Notes

Credit rating agencies that have not been engaged to rate Notes issued by the Issuer (a "**Non-Hired NRSRO**") may issue unsolicited credit ratings on such Notes (or issue other commentary on one or more classes of the Notes) at any time, in each case relying on information they receive pursuant to Rule 17g-5 under the Exchange Act, or otherwise. Any unsolicited ratings (or other commentary) by a Non-Hired NRSRO in respect of the Notes may differ from the ratings expected to be assigned by the Relevant Rating Agencies in respect of such Notes and may not be reflected in any Final Terms. Any requirement for a Ratings Confirmation pursuant to the terms of the Programme Documents will not include a requirement to receive a confirmation from any Non-Hired NRSRO. Issuance of an unsolicited rating which is lower (or commentary that implies a lower rating) by a Non-Hired NRSRO than the ratings assigned by Relevant Rating Agencies in respect of the Class A Notes may adversely affect the market value and/or the liquidity of the Notes. In addition, if the Issuer fails to make available to the Non-Hired NRSROs any information provided to the Relevant Rating Agencies for the purpose of assigning or monitoring the ratings on the Notes, one or more of the Relevant Rating Agencies could withdraw their ratings on the Notes, which could adversely affect the market value of the Notes and/or the liquidity of the Notes.

The Issuer will select two or more Rating Agencies to rate each Series of Class A Notes, as specified in the related Final Terms. There can be no assurance that, had the Issuer selected other rating agencies to rate such Class A Notes, the ratings that such rating agencies would have ultimately assigned to those such Class A Notes would have been equivalent to those assigned by the Relevant Rating Agencies in respect to the relevant Series and Classes of Notes (subject to the Ratings Modification Event or appointment of an Additional Rating Agency). Neither the Issuer nor any other person or entity will have any duty to notify Noteholders if any Non-Hired NRSRO issues, or delivers notice of its intention to issue, unsolicited ratings (or other commentary) on any Notes. Furthermore, the SEC may determine that one or more of the Rating Agencies engaged by the Issuer no longer qualifies as a nationally recognised statistical rating organisation, or is no longer qualified to rate the Notes, and that

determination may have an adverse effect on the liquidity, market value and regulatory characteristics of the Notes.

RISKS RELATING TO THE ISSUER

Insolvency proceedings and subordination provisions

There is uncertainty as to the validity and/or enforceability of a provision which, based on contractual (such as the contractual Priority of Payments as contemplated in this transaction) 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, several cases have focused on provisions involving the subordination of a swap 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 included in the Transaction Documents relating to the subordination of Interest Rate Swap Excluded Termination Amounts payable in respect of the Interest Rate Swap or any replacement interest rate swap transaction.

The English Supreme Court has held in *Belmont Park Investments Pty Limited v BNY Corporate Trustee Services Ltd and Lehman Brothers Special Financing Inc* [2011] UKSC 38 that a flip clause as described above is valid under English law. Contrary to this, however, a US Bankruptcy Court has held that such a subordination provision is unenforceable in cases under the US Bankruptcy Code and that any action to enforce such provision would violate certain structures that apply under such law in the case of a US bankruptcy of the creditor. However, a subsequent 2016 decision of a US Bankruptcy Court held that in certain circumstances flip clauses are protected under the US Bankruptcy Code and therefore enforceable in bankruptcy. The 2016 decision was affirmed on 14 March 2018 by the US District Court for the Southern District of New York, which 2018 decision was further affirmed on 11 August 2020 by the US Court of Appeals for the Second Circuit. Nevertheless, the implications of this conflicting judgment are not fully resolved.

If a creditor of the Issuer (such as the Interest Rate Swap Counterparty) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited to, the US), 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 Priority of Payment which refers to the ranking of a swap provider's payment rights in respect of Interest Rate Swap Excluded Termination Amounts). In particular, based on the decision of the US Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under US bankruptcy laws. Such laws may be relevant in certain circumstances with respect to any replacement swap 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 Class A Noteholders, the market value of the Class A Notes and/or the ability of the Issuer to satisfy its obligations under the Class A Notes.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents include terms providing for the subordination of the Interest Rate Swap Excluded Termination 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 Class A Notes. If any rating assigned to the Class A Notes is lowered, the market value of the Class A Notes may reduce.

English and Scottish law security and insolvency considerations

The Issuer has entered into the Deed of Charge, pursuant to which it has granted the Security in respect of certain of its obligations, including its obligations under the Notes (as to which, see "Security for the Issuer's Obligations"). In certain circumstances, including the occurrence of certain insolvency (or certain pre-insolvency) events in respect of the Issuer, the ability to realise the Security may be delayed and/or the value of the security impaired. In particular, it should be noted that significant changes to the UK insolvency regime have been enacted under the Corporate Insolvency and Governance Act 2020. The changes include, among other things: (i) the introduction of a new moratorium regime that certain eligible companies can obtain which will prevent creditors taking certain action against the company for a specified period; (ii) a ban on the operation of or exercise of *ipso facto* clauses preventing (subject to exemptions) termination, variation or exercise of other rights under a contract due to a counterparty entering into certain insolvency or restructuring procedures; and (iii) a new compromise or arrangement under Part 26A of the Companies Act 2006 (the "**Restructuring Plan**") that provides for ways of imposing a restructuring on creditors and/or shareholders without their consent (so-called cross-class cram-down procedure), subject to certain conditions being met and with a court adjudicating on the fairness of the restructuring proposal as a whole in determining whether or not to exercise its discretionary power to sanction the Restructuring Plan. While the Issuer is expected to be exempt from the application of the new moratorium regime and the ban on *ipso facto* clauses, there is no guidance on how the new legislation will be interpreted and the Secretary of State may by regulations modify the exceptions. For the purposes of the Restructuring Plan, it should also be noted that there are currently no exemptions, but the Secretary of State may by regulations provide for the exclusion of certain companies providing financial services, while the UK government has expressly provided for changes to the Restructuring Plan to be effected through secondary legislation, particularly in relation to the cross-class cram-down procedure. It is therefore possible that aspects of the legislation may change. While the transaction structure is designed to minimise the likelihood of the Issuer becoming insolvent and/or subject to pre-insolvency restructuring proceedings, no assurance can be given that any modification of the exceptions from the application of the new insolvency reforms referred to above will not be detrimental to the interests of the Noteholders and there can be no assurance that the Issuer will not become insolvent and/or the subject of insolvency or pre-insolvency restructuring proceedings and/or that the Noteholders would not be adversely affected by the application of insolvency laws (including English insolvency laws and Scottish insolvency laws (if applicable) or the laws affecting the creditors' rights generally).

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 characterised by the courts as a floating charge), in certain circumstances under the provisions of sections 174A, 176ZA and 176A of the Insolvency Act 1986, 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 expenses of the insolvency proceeding, or the claims of unsecured creditors or creditors who otherwise take priority over floating charge recoveries. 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 will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security.

Fixed charges may take effect under English law as floating charges

Pursuant to the terms of the Deed of Charge, the Issuer has purported to grant fixed charges in favour of the Security Trustee over, among other things, its interests in the Mortgages and their respective Related Security, the Issuer's interest in its bank accounts maintained with the Account Bank and the Swap Collateral Account Bank and the Issuer's interest in all Authorised Investments purchased from time to time.

The law in England and Wales relating to the characterisation of fixed charges is unsettled. There is a risk that a court could determine that the fixed charges purported to be granted by the Issuer take effect under English law as floating charges only, if, for example, it is determined that the Security Trustee does not exert sufficient control over the charged property for the security to be said to constitute fixed charges. 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 Security Trustee in respect of the floating charge assets. Monies paid into accounts or derived from those assets could be diverted to pay preferential creditors and certain other liabilities where a receiver, liquidator or administrator is to be appointed in respect of the relevant company in whose name the account is held.

Under Scots law, the concept of fixed charges taking effect as floating charges does not arise so the Issuer has, under the Deed of Charge, granted a floating charge over all off its Scottish assets in addition to the fixed security granted or to be granted over its interests in the Scottish Mortgage Loans and their Related Security.

Liquidation expenses

On 6 April 2008, a provision in the Insolvency Act 1986 came into force which effectively reversed by statute the House of Lords' decision in the case of Leyland Daf in 2004. Accordingly, the costs and expenses of a liquidation (including certain tax charges) 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 approval of the amount of such expenses by the floating charge-holder (or, in certain circumstances, the court) pursuant to Rules 6.44 to 6.48 and Rules 7.111 to 7.116 of the Insolvency (England and Wales) Rules 2016 (as amended) in the case of voluntary winding up and compulsory winding up by the court, respectively.

As a result of the changes described above, upon the enforcement of the floating charge security granted by the Issuer, floating charge realisations which would otherwise be available to satisfy the claims of the Secured Creditors under the Deed of Charge may be reduced by at least a significant proportion of any liquidation or administration expenses. There can be no assurance that the Noteholders will not be adversely affected by such a reduction in floating charge realisations.

UK Taxation Position of the Issuer

The Issuer has been advised that it should, once the Notes have been issued and provided that the Notes are issued in accordance with the terms prescribed hereunder, fall within the permanent regime for the taxation of securitisation companies (as set out in the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (as amended) (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 in fact satisfy the conditions to be taxed in accordance with the Securitisation Tax Regulations (or subsequently ceases to satisfy those conditions), then the Issuer may be subject to tax liabilities not contemplated in the cashflows for the transaction described in this Base 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.

CERTAIN REGULATORY REQUIREMENTS

THE UK SECURITISATION FRAMEWORK

UK risk retention requirements

YBS will retain for the life of the transaction a material net economic interest of not less than 5% in the securitisation as required by the UK Securitisation Framework and, in particular Article 6(1) of Chapter 2 of the PRA Securitisation Rules. As at the Programme Date, this requirement will be satisfied by the retention of the Minimum YBS Note Amount that will not be less than 5% of the nominal value of securitised exposures in accordance with the UK Securitisation Framework and, in particular and Article 6(3)(b) of Chapter 2 of the PRA Securitisation Rules (the "**Retained Interest**"). Any change to the manner in which such interest is held will be notified to the Note Trustee and the Noteholders in accordance with the applicable Conditions and the requirements of the UK Securitisation Framework. YBS's Retained Interest will be confirmed through the disclosure in the monthly Investor Reports.

YBS has provided a corresponding undertaking with respect to the Retained Interest as specified in the introductory paragraph above to the Issuer, the Security Trustee and the Note Trustee on behalf of the Noteholders pursuant to the Deed of Charge. The Note Trustee shall have the benefit of certain protections contained in the Trust Deed in relation to the compliance by YBS with such undertaking.

UK transparency requirements

For the purposes of the UK Securitisation Framework and, in particular, SECN 6.3.1R (1) and Article 7(2) of Chapter 2 of the PRA Securitisation Rules, YBS has been designated as the entity responsible for compliance with the requirements of the UK Securitisation Framework and, in particular SECN 6.3.1R (1) and Article 7(2) of Chapter 2 of the PRA Securitisation Rules and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf, **provided that** YBS will not be in breach of such undertaking if YBS fails to so comply due to events, actions or circumstances beyond YBS's control. YBS will be responsible for compliance with the UK Securitisation Framework and, in particular, SECN6.2.1(R), SECN6.2.2(R), SECN6.2.4(R) and SECN6.2.5(R) and Article 7(1) of Chapter 2 of the PRA Rules.

For the purposes of SECN 2.2.25R to 2.2.29R (as applicable), YBS and the Issuer are responsible for compliance with SECN 6.3.1R (1) and Article 7(2) of Chapter 2 of the PRA Securitisation Rules.

The relevant regulatory and implementing technical standards, including the standardised templates which set out the form in which the relevant reporting entity is required to comply with certain of the periodic reporting requirements, have been adopted by the FCA (the "**UK Disclosure Templates**"). The Issuer will comply with the transparency and reporting requirements under the UK Securitisation Framework and will make use of such UK Disclosure Templates (as amended, varied or supplemented from time to time after the Programme Date). The information required to be made available for the purposes of the UK Securitisation Framework and, in particular, SECN 6.3.1R (1) and Article 7(2) of Chapter 2 of the PRA Securitisation Rules will be published or made otherwise available by YBS by means of the UK Securitisation Repository.

YBS will:

(a) publish a monthly investor report in respect of the relevant period, as required by and in accordance with the UK Securitisation Framework and, in particular, SECN 6.2.1R (5)(c) and Article 7(1)(e) of Chapter 2 of the PRA Securitisation Rules;

(b) publish prior to the pricing date of each Series of Notes upon request and thereafter on a monthly basis certain loan-by-loan information in relation to the Mortgage Portfolio in respect

of the relevant period as required by and in accordance with the UK Securitisation Framework and, in particular, SECN 6.2.1R (1) and Article 7(1)(a) of Chapter 2 of the PRA Securitisation Rules;

(c) make available the documents required by the UK Securitisation Framework and, in particular, SECN 6.2.1R (2) and Article 7(1)(b) of Chapter 2 of the PRA Securitisation Rules, prior to the pricing date of each Series of Notes (and in final form, if applicable, at the latest 15 days after the closing of any Series of Notes);

(d) publish details of any information required to be reported in accordance with the UK Securitisation Framework and, in particular, SECN 6.2.1R (6) or SECN 6.2.1R (7) (as applicable) and Article 7(1)(f) or Article 7(1)(g) (as applicable) of Chapter 2 of the PRA Securitisation Rules without delay; and

(e) make available each draft UK STS Notification prior to the pricing of a Series of Notes (as applicable) and the final form at the latest 15 days after the relevant Issuance Date in relation to that Series of Notes.

The reports set out in paragraphs (a) and (b) above will be simultaneously published and together with the documentation and the information set out in paragraphs (c), (d) and (e) will be published on the UK Securitisation Repository. Each such report set out in paragraphs (a) and (b) above will be made available no later than one month following the due date for the payment of interest. For the avoidance of doubt, the UK Securitisation Repository (and the contents thereof) does not form part of this Base Prospectus.

Investors to assess compliance

In accordance with the applicable investor due diligence requirements of the UK Securitisation Framework as prescribed under Article 5 of Chapter 2 of the PRA Securitisation Rules ("**PRA Due Diligence Rules**"), SECN 4 ("**FCA Due Diligence Rules**") and regulations 32B, 32C and 32D of the 2024 UK SR SI ("**OPS Due Diligence Rules",** where OPS means an occupational pension scheme as defined in section 1(1) of the Pension Schemes Act 1993 that has its main administration in the United Kingdom), collectively the "**UK Due Diligence Rules**", each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Base Prospectus and the related Final Terms generally for the purposes of complying with the UK Due Diligence Rules (respectively), and none of the Issuer, the Sellers, the Arranger or any Dealer makes any representation that the information described above or in this Base Prospectus and any Final Terms is sufficient in all circumstances for such purposes. In addition, each prospective investor should ensure that they comply with the UK Due Diligence Rules. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

See further "Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes" and "Simple, Transparent and Standardised Securitisations and UK STS Designation" below for further information on the implications of the UK Risk Retention Requirements and the UK Securitisation Framework.

Information regarding the policies and procedures of the Sellers

Each Seller has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation, as required by the UK Securitisation Framework, the FCA Securitisation Rules and, in particular, SECN 8.2 and Article 9(1) of Chapter 2 of the PRA Securitisation Rules. The policies and procedures of each Seller in this regard broadly include the following:

(a) criteria for the granting of credit and the process for approving, amending, renewing and refinancing credits, as to which see the information set out under "The Mortgage Loans and the Mortgage Portfolio – Origination channels" and "The Mortgage Loans and the Mortgage Portfolio – Lending Criteria", "The Servicer and the Servicing Agreement";

(b) systems in place to administer and monitor the various credit-risk bearing portfolios and exposures. The Mortgage Portfolio will be serviced in line with the usual servicing procedures of the relevant Seller, as to which see the information set out under "The Servicer and the Servicing Agreement";

(c) diversification of credit portfolios taking into account the relevant Seller's target market and overall credit strategy; and

(d) policies and procedures in relation to risk mitigation techniques, as to which see the information set out under "The Mortgage Loans and the Mortgage Portfolio – Origination channels" and "The Mortgage Loans and the Mortgage Portfolio – Lending Criteria", "The Servicer and the Servicing Agreement".

Each Seller has applied the same policies, procedures and sound and well-defined criteria for the Mortgage Loans as they apply to equivalent mortgage loans that are not part of the Mortgage Portfolio, as to which please see "The Mortgage Loans and the Mortgage Portfolio – Lending Criteria".

Simple, Transparent and Standardised Securitisations

YBS in its capacity as sponsor for the purposes of the UK Securitisation Framework, may procure that a UK STS Notification is submitted to the FCA, in accordance with UK Securitisation Framework and, in particular SECN 2.5, confirming that the UK STS Criteria Requirements have been satisfied with respect to the issuance of a Series and Class of Notes. UK STS securitisations appear on the FCA STS Register in accordance with Regulation 10(2) of the UK Securitisation Framework. Each UK STS Notification and accompanying explanation from YBS in respect of each relevant Series and Class of Notes' compliance with the UK STS Criteria Requirements will be available for inspection on the FCA STS Register and the UK Securitisation Repository. The STS status of any Series and Class of Notes is not static and prospective investors should verify the current status of such Notes on the FCA STS Register.

Verification of data

Prior to the issuance of any Series or Classes of Notes, the Sellers may cause a sample of the Mortgage Loans included in the Mortgage Portfolio (including the data disclosed in the applicable Final Terms in respect of the Mortgage Loans) to be subject to external verification by one or more appropriate and independent third parties (such as a review of a representative sample of loans based on agreed upon procedures and/or a verification of the stratification tables set out in the applicable Final Terms), the details of which will be set out in the applicable Final Terms.

Liability cashflow model

YBS will make available a liability cashflow model, either directly or indirectly, through one or more entities which provide such liability cashflow models to investors generally, the details of which will be set out in the applicable Final Terms. YBS will procure that such liability cashflow model (a) precisely represents the contractual relationship between the Mortgage Loans and the payments flowing between the Sellers, investors in the Notes, other third parties and the Issuer, and (b) is made available to (i) prior to pricing of the notes, potential investors, and (ii) on an ongoing basis, investors in the Notes and to potential investors in the Notes upon request.

Authorised verification agent

With respect to a UK STS Notification, YBS may obtain an assessment from an Authorised Verification Agent (a "**STS Assessment**"). If an Authorised Verification Agent is appointed to prepare an STS Assessment with respect to any Notes issued under the Programme, the name of such agent will be disclosed in the relevant UK STS Notification (and the relevant Final Terms) and the corresponding STS Assessment will be publicly available.

THE EU SECURITISATION REGULATION

EU risk retention requirements

YBS will:

(a) retain, on an ongoing basis, a material net economic interest of not less than 5% in the securitisation as required by Article 6(1) of the EU Securitisation Regulation (as if it were applicable to YBS and solely as it applies as at the most recent Issuance Date);

(b) at all relevant times comply with the requirements of Article 7(1)(e) of the EU Securitisation Regulation by confirming in the Investor Reports the risk retention of YBS as contemplated by Article 6(1) of the EU Securitisation Regulation (in each case, as if it were applicable to YBS and solely as it applies as at the most recent Issuance Date);

(c) not change the manner in which it retains such material net economic interest, except to the extent permitted by the EU Securitisation Regulation (as if it were applicable to YBS and solely as it applies as at the most recent Issuance Date); and

(d) not sell, hedge or otherwise enter into any credit risk mitigation, short position or any other credit risk hedge with respect to its retained material net economic interest, except to the extent permitted by the EU Securitisation Regulation (as if it were applicable to YBS and solely as it applies as at the most recent Issuance Date).

YBS intends to satisfy the EU Risk Retention Requirements through the retention of the Minimum YBS Note Amount which will not be less than 5% of the then nominal value of each of the securitised exposures in accordance with Article 6(3)(b) of the EU Securitisation Regulation. Any change to the manner in which such interest is held will be notified to the Issuer, the Note Trustee and the Noteholders in accordance with the Conditions.

EU transparency requirements

YBS (as the sponsor for the purposes of the EU Securitisation Regulation) has been designated, pursuant to Article 7(2) of the EU Securitisation Regulation, as the entity responsible to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first paragraph of Article 7(1) of the EU Securitisation Regulation (as if it were applicable to YBS and solely as it applies as at the most recent Issuance Date). YBS is responsible for compliance with Article 7 of the EU Securitisation Regulation (as if it were applicable to YBS and solely as it applies as at the most recent Issuance Date). The Issuer has appointed YBS to perform any obligations that the Issuer may have under Article 7 of the EU Securitisation Regulation (as if it were applicable to the Issuer and YBS and solely as it applies as at last the most recent Issuance Date). See further "The Servicer and the Servicing Agreement – Covenants and Representations and Warranties of the Servicer" and "Cash Management – Cash Management Agreement – Reporting".

The Cash Manager will:

(a) publish a monthly investor report in respect of the relevant period, as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation and Article 7(1)(e) of the EU Securitisation Regulation (in each case, as if it were applicable to the Issuer and YBS and solely as it applies as at the most recent Issuance Date);

(b) publish prior to the pricing date of each Series of Notes upon request and thereafter on a monthly basis certain loan-by-loan information in relation to the Mortgage Portfolio in respect of the relevant period as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation (as if it were applicable to the Issuer and YBS and solely as it applies as at the most recent Issuance Date);

(c) make available the documents required by Article 7(1)(b) of the EU Securitisation Regulation (as if it were applicable to the Issuer and YBS and solely as it applies as at the most recent Issuance Date) prior to the pricing date of each Series of Notes (and in final form, if applicable, at the latest 15 days after the closing of any Series of Notes); and

(d) publish details of any information required to be reported in accordance with Article 7(1)(f) or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation without delay (in each case, as if it were applicable to the Issuer and YBS and solely as it applies as at the most recent Issuance Date).

The reports set out in paragraphs (a) and (b) above will be simultaneously published and together with the documentation and the information set out in paragraphs (c) and (d), will be published on the EU Reporting Website. Each such report set out in paragraphs (a) and (b) above will be made available no later than one month following the due date for the payment of interest. For the avoidance of doubt, the EU Reporting Website (and the contents thereof) does not form part of this Base Prospectus.

Investors to assess compliance

In accordance with Article 5 of the EU Securitisation Regulation, each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Base Prospectus and the related Final Terms generally for the purposes of complying with each of Article 6, Article 7 and Article 9 of the EU Securitisation Regulation, and none of the Issuer, the Sellers, any Joint Arranger or any Dealer makes any representation that the information described above or in this Base Prospectus and any Final Terms is sufficient in all circumstances for such purposes. In addition, each prospective investor should ensure that it complies with the implementing provisions in respect of Article 6, Article 7 and Article 9 of the EU Securitisation Regulation in its relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction should seek guidance from their regulator.

See further "Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes" above for further information on the implications of the EU Risk Retention Requirements and the EU Securitisation Regulation.

Information regarding the policies and procedures of the Sellers

As required by Article 9(1) of the EU Securitisation Regulation (as if it were applicable to the Sellers and solely as it applies as at the most recent Issuance Date), each Seller has applied the same sound and well-defined credit-granting criteria for the Mortgage Loans as it has applied to equivalent Mortgage Loans that are not part of the Mortgage Portfolio. In particular:

(a) each Seller has applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing Mortgage Loans as it has applied to equivalent mortgage loans that are not part of the Mortgage Portfolio; and

(b) each Seller has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the Borrower's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Borrower meeting its obligations under the relevant Mortgage Sale Agreement,

as to which please see "The Mortgage Loans and the Mortgage Portfolio – Lending Criteria".

US CREDIT RISK RETENTION

YBS, as the "sponsor" of a "securitization transaction", is required under the US Credit Risk Retention Requirements to retain an economic interest in the credit risk of the securitized assets of the Issuer in an amount not less than 5%.

In such capacity, YBS intends to satisfy the US Credit Risk Retention Requirements by retaining and maintaining (either directly or through one or more wholly owned affiliates) a "seller's interest" (as defined in the US Credit Risk Retention Requirements) in the form of the YBS Note, which seller's interest will be in a minimum amount equal to at least 5% of the aggregate unpaid principal amount of the outstanding Notes of all Series issued by the Issuer, other than any Notes that are at all times held by YBS (or one or more of YBS's wholly owned Affiliates), calculated in all cases in accordance with the US Credit Risk Retention Requirements and measured at the Issuance Date of each issuance of Notes and on a monthly basis on each Payment Date. As used herein the term "Notes" does not include the YBS Note. For purposes of the foregoing, a "**wholly owned affiliate**" of YBS will include any entity (other than the Issuer) that, directly or indirectly, wholly controls, is wholly controlled by, or is wholly under common control with, YBS, and "**wholly controls**" means ownership of 100% of the equity of the relevant entity.

The amount of the YBS Note will be calculated as a percentage of the aggregate principal amount outstanding of all Notes issued by the Issuer, other than any Notes that are at all times held by YBS or one or more of its wholly owned affiliates, as of the Issuance Date of each issuance of Notes (after any sale of Mortgage Loans to the Issuer on that date) and on a monthly basis on each Payment Date (each, a "**Retention Calculation Date**"). If on any Retention Calculation Date, the YBS Note is less than 5% of such amount and if such percentage is not increased to at least 5% of such amount within one month after such Retention Calculation Date, the US Credit Risk Retention Requirements will not be satisfied. See "The VFNs – YBS Note" for a description of how the amount of the YBS Note is computed.

In the monthly Investor Reports, relevant information with regard to the US Credit Risk Retention Requirements will be disclosed in accordance with applicable disclosure requirements.

For each issuance of a Series and Class of Notes, the related Final Terms will specify the amount and the percentage of the YBS Note that YBS expects to hold at the issuance of such Series and Class of Notes. Such calculation will be based on the outstanding principal amount of all Notes as of the immediately preceding Note Payment Date, or such other specified date such date being not more than 60 or, where the payment dates are quarterly (or less frequent), 135 days prior to the date of first use of this Base Prospectus (together with the related Final Terms) for such Series with investors, adjusted to reflect the hypothetical issuance of Notes on such Issuance Date. Any material difference in the amount of the seller's interest retained at the Issuance Date of any offering of Notes from the expected seller's interest disclosed in the relevant Final Terms will be disclosed in the first monthly investor report following the relevant Issuance Date. For the purposes of the above calculation, YBS may exclude the amount of any Notes intended to be held at all times by YBS (or its wholly owned affiliates) as permitted under the US Credit Risk Retention Requirements. As such retention is at the Programme level, YBS

will provide details in the relevant Final Terms irrespective of whether such offering of Notes is pursuant to Regulation S or Rule 144A.

In addition to the above, YBS will not purchase, transfer or sell any Notes, or enter into any derivative, agreement or position, which in either case would reduce or limit its financial exposure in respect of the seller's interest that it will maintain to satisfy the US Credit Risk Retention Requirements to the extent such activities would be prohibited hedging activities in accordance with the US Credit Risk Retention Requirements. Subject to compliance with the US Credit Risk Retention Requirements, YBS may hedge or finance the YBS Note, but such financing must be full recourse to YBS. In the event that there is an event of default under a secured financing of the YBS Note, the YBS Note may be subject to foreclosure, and in such instance, YBS may be out of compliance with the US Credit Risk Retention Requirements.

If YBS fails to retain credit risk in accordance with the US Credit Risk Retention Requirements, the price and liquidity of the Notes in the secondary market may be adversely impacted. However, investors should note that, pursuant to Section 5(l) of the US Credit Risk Retention Requirements, the US Credit Risk Retention Requirements will not be violated following the decrease of the seller share below 5% of the aggregate outstanding principal balance of the Notes of all Series issued by the Issuer, other than any Notes that are at all times held by YBS (or one or more of its wholly owned affiliates), if, following the occurrence of an Asset Trigger Event and/or for as long as a Non-Asset Trigger Event is continuing, all Bullet Redemption Notes and Controlled Amortisation Notes have become Pass-Through Redemption Notes and YBS was in compliance with the US Credit Risk Retention Requirements at the time when such Bullet Redemption Notes and Controlled Amortisation Notes became Pass-Through Redemption Notes, and no additional Notes are issued thereafter.

In the future, YBS may elect to comply with the US Credit Risk Retention Requirements through any other means permitted thereunder. In making such election, YBS will comply with the provisions of the US Credit Risk Retention Requirements, including applicable disclosure requirements.

Notwithstanding any references in this Base Prospectus to the US Credit Risk Retention Requirements, YBS and other risk retention related matters, in the event the US Credit Risk Retention Requirements (or any relevant portion thereof) are repealed or determined by applicable regulatory agencies to be no longer applicable to the Programme, neither YBS nor any other party will be required to comply with or act in accordance with the US Credit Risk Retention Requirements (or such relevant portion thereof).

US REGULATORY CONSIDERATIONS

Volcker Rule Considerations

The Issuer is of the view that it is not now, and immediately following the issuance of the Notes and the application of the proceeds thereof, will not be, a "covered fund" as defined in the Volcker Rule. Although other statutory or regulatory exclusions or exemptions under the Investment Company Act or the Volcker Rule may be available to the Issuer, this view is based on the determination that the Issuer may rely on the exclusion from the definition of "investment company" under the Investment Company Act provided by Section 3(c)(5)(C) thereunder, and accordingly the Issuer need not rely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for its exemption from registration under the Investment Company Act and may rely on the exemption from the definition of a "covered fund" under the Volcker Rule made available to entities 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.

Rule 15Ga-2 under the Exchange Act

On 27 August 2014, the SEC approved rules and issued a release regarding third-party due diligence reports. The release relates primarily to Rule 15Ga-2 and Rule 17g-10 under the Exchange Act, each of which became effective on 10 June 2015. Rule 15Ga-2 requires any issuer or underwriter of asset-backed securities (including, for this purpose, securitisations of residential and commercial mortgage loans as well as other asset classes) rated by a nationally recognised statistical rating agency to furnish a form (a "**Form ABS-15G**") via the SEC's EDGAR database describing the findings and conclusions of any third-party due diligence report obtained by the issuer or an underwriter, at least five business days prior to the first sale of the asset-backed securities. The filing requirements apply to both publicly registered offerings and unregistered securitisations of assets offered within the United States such as those relying on Rule 144A. A third-party due diligence report is any report containing findings and conclusions relating to due diligences services, which are defined as a review of pool assets for the purposes of issuing findings on: (1) the accuracy of the asset data; (2) determining whether the assets conform to stated underwriting standards; (3) asset value(s); (4) legal compliance by the originator; and (5) any other factor material to the likelihood that the issuer will pay interest and principal as required. These due diligence services are routinely provided by third party due diligence vendors in asset-backed securities structured transactions and affect their credit ratings.

If required pursuant to Rule 15Ga-2, a Form ABS-15G containing diligence findings and conclusions with respect to any relevant third-party due diligence reports prepared for the purpose of the transactions contemplated by this Base Prospectus in respect of any Series or Classes of Notes will be prepared and furnished to the SEC by YBS no later than five business days prior to the pricing of the Notes and will be publicly available on EDGAR pursuant to Rule 15Ga-2. Any such Form ABS-15G is not and will not be, by this reference or otherwise, incorporated into this Base Prospectus or the relevant Final Terms and should not be relied upon by any prospective investor as a basis for making a decision to invest in any Notes.

Prospective investors should rely exclusively on this Base Prospectus in making their investment decisions. See "Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes".

Rule 17g-5 Compliance

In order to permit the Rating Agencies specified in the Final Terms in respect of the applicable Series or Class of Notes (subject, where applicable, to the Ratings Modification Event and the appointment of an Additional Rating Agency) to comply with their obligations under Rule 17g-5 under the Exchange Act, all information that is provided to the Rating Agencies for the purposes of determining the initial credit ratings of the Notes or undertaking credit rating surveillance of the Notes will be posted on a password-protected internet website (the "**Rule 17g-5 Website**"), at the same time as such information is provided to the Rating Agencies.

Any notices or requests to, or any other written communications with or written information provided to, the Rating Agencies, or any of their officers, directors or employees pursuant to, in connection with or related directly or indirectly to the Mortgage Portfolio, the Notes or otherwise in connection with the transaction described in this Base Prospectus will be, in each case, posted to the Rule 17g-5 Website. See also "Macro-Economic Risks – The issuance of unsolicited ratings on the Notes could adversely affect the market value of and/or liquidity of the Notes" above.

TRANSACTION OVERVIEW

The information set out below is an overview of various aspects of the transaction. This overview does not purport 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 Base Prospectus.

OVERVIEW OF TRANSACTION PARTIES

Party	Name	Address	Document under which appointed/Further Information
Issuer	White Rose Master Issuer PLC	1 King's Arms Yard, c/o Wilmington Trust SP Services (London) Limited, London EC2R 7AF, United Kingdom	N/A. See the section entitled "The Issuer" for more information.
Holdings	White Rose Master Holdings Limited	1 King's Arms Yard, c/o Wilmington Trust SP Services (London) Limited, London EC2R 7AF, United Kingdom	N/A. See the section entitled "Holdings" for more information.
Sellers	Yorkshire Building Society	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom	YBS Mortgage Sale Agreement. See the section entitled "Yorkshire Building Society" for further information.
	Accord Mortgages Limited	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom	Accord Mortgage Sale Agreement. See the section entitled "Accord Mortgages Limited" for further information.
Servicer	Yorkshire Building Society	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom	The Servicer was appointed pursuant to the Servicing Agreement. See the sections entitled "Yorkshire Building Society" and "The Servicer and the Servicing Agreement" for further information. The Servicer may delegate its duties under the Servicing Agreement.
Back-up Servicer Facilitator	Wilmington Trust SP Services (London) Limited	Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom	The Back-up Servicer Facilitator was appointed pursuant to the Servicing Agreement. See the section entitled "The Servicer and

Party	Name	Address	Document under which appointed/Further Information
			the Servicing Agreement" for further information.
Security Trustee	Citicorp Trustee Company Limited	Citigroup Centre Canada Square, London E14 5LB, United Kingdom	The Security Trustee was appointed pursuant to the Deed of Charge. See the section entitled "The Note Trustee and the Security Trustee" for more information.
Note Trustee	Citicorp Trustee Company Limited	Citigroup Centre Canada Square, London E14 5LB, United Kingdom	The Note Trustee was appointed pursuant to the Trust Deed. See the section entitled "The Note Trustee and the Security Trustee" for more information.
Share Trustee	Wilmington Trust SP Services (London) Limited	Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom	The issued share capital of Holdings is held by the Share Trustee under the terms of a discretionary trust. See the section entitled "Holdings" for more information.
Cash Manager	Yorkshire Building Society	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom	The Cash Manager was appointed pursuant to the Cash Management Agreement. See the section entitled "Cash Management" for more information.
Corporate Services Provider	Wilmington Trust SP Services (London) Limited	Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom	The Corporate Services Provider was appointed pursuant to the Corporate Services Agreement.
First Account Bank	Yorkshire Building Society	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom	The First Account Bank was appointed pursuant to the First Account Bank Agreement. See the section entitled "Cash Management – Account Bank Agreements and Bank Accounts" for more information.
Second Account Bank	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB, United Kingdom	The Second Account Bank was appointed pursuant to the Second Account Bank Agreement. See the section entitled "Cash Management – Account Bank Agreements and Bank Accounts" for more information.
Custodian	Citibank, N.A., London Branch	Citigroup Centre, Canada Square,	The Custodian was appointed pursuant to the Custody Agreement

Party	Name	Address	Document under which appointed/Further Information
		London E14 5LB, United Kingdom	and the Swap Collateral Custody Agreement. See the sections entitled "Cash Management – Custody Agreement and the Custody Accounts" and "Cash Management – Swap Collateral Custody Agreement and the Swap Collateral Custody Accounts″ for more information.
Swap Collateral Account Bank	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB, United Kingdom	The Swap Collateral Account Bank was appointed pursuant to the Swap Collateral Account Bank Agreement. See the section entitled "Cash Management – The Swap Collateral Account Bank Agreement" for more information.
Interest Rate Swap Counterparty	Yorkshire Building Society Such other Interest Rate Swap Counterparty as may be appointed pursuant to the applicable Final Terms	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom As set out in the applicable Final Terms	One or more Interest Rate Swaps will be entered into to hedge against the difference between the rates of interest payable by the Borrowers under any Fixed Rate Mortgage Loans in the Mortgage Portfolio and the interest payable on the Series of Class A Notes that are Floating Rate Notes. See the section entitled "The Swap Agreements – The Interest Rate Swap Agreements" for more information.
Currency Swap Counterparty	As set out in the applicable Final Terms	As set out in the applicable Final Terms	A Currency Swap will be entered into for any Series of Non-Sterling Notes. See the section entitled "The Swap Agreements – The Currency Swaps" for more information.
Principal Paying Agent	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB, United Kingdom	The Principal Paying Agent was appointed pursuant to the Agency Agreement.
Agent Bank	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB, United Kingdom	The Agent Bank was appointed pursuant to the Agency Agreement.
Registrar	Citibank, N.A., London Branch	Citigroup Centre, Canada Square,	The Registrar was appointed pursuant to the Agency Agreement.

Party	Name	Address	Document under which appointed/Further Information
		London E14 5LB, United Kingdom	
Exchange and Transfer Agent	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB, United Kingdom	The Exchange and Transfer Agent was appointed pursuant to the Agency Agreement.
US Paying Agent	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB, United Kingdom	The US Paying Agent was appointed pursuant to the Agency Agreement.
Joint Arrangers	HSBC Bank plc	8 Canada Square, London E14 5HQ, United Kingdom	The Joint Arrangers were appointed pursuant to the Programme Agreement. See the section entitled "Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions" for further information.
	Banco Santander, S.A.	Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte, Madrid, Spain	
Dealers	HSBC Bank plc	8 Canada Square, London E14 5HQ, United Kingdom	The Dealers were appointed pursuant to the Programme Agreement. See the section entitled "Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions" for further information.
	Banco Santander, S.A. Such other dealers as may be appointed from time to time	Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte, Madrid, Spain	
VFN Registrar	Yorkshire Building Society	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom	See the section entitled "Terms and Conditions of the Notes" for further information.
Class Z VFN Holder	Yorkshire Building Society	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom	N/A

Party	Name	Address	Document under which appointed/Further Information
Holders of the YBS Note	Yorkshire Building Society	Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ, United Kingdom	N/A
Listing Authority	Financial Conduct Authority	N/A	N/A
Stock Exchange	London Stock Exchange's regulated market	N/A	N/A
Clearing Systems	Euroclear, Clearstream, Luxembourg and DTC	N/A	N/A
Rating Agencies	Two or more (as specified in the applicable Final Terms) out of:		N/A. See further "Risk Factors – Risks Relating to the Structure and the Notes – Ratings Modification Event", including with respect to the ability to appoint Additional Rating Agencies.
	Standard & Poor's Credit Market Services Europe Limited	20 Canada Square, Canary Wharf, London E14 5LH, United Kingdom	
	Moody's Investors Service Limited	1 Canada Square, London E14 5FA, United Kingdom	
	Fitch Ratings Ltd	30 North Colonnade, Canary Wharf, London E14 5GN, United Kingdom	
	DBRS Ratings Limited	20 Fenchurch Street, 31st Floor, London EC3M 3BY, United Kingdom	

OVERVIEW OF MORTGAGE PORTFOLIO AND SERVICING

Please refer to the sections entitled "The Mortgage Loans and the Mortgage Portfolio", "Assignment of the Mortgage Loans and Related Security" *and* "The Servicer and the Servicing Agreement" *for further detail in respect of the characteristics of the Mortgage Portfolio and the sale and servicing arrangements in respect of the Mortgage Portfolio.*

Sale of Mortgage Portfolio .....

The Mortgage Portfolio consists of Mortgage Loans and their Related Security sold from time to time by the Sellers to the Issuer in accordance with the terms of the Mortgage Sale Agreements. The types of Mortgage Loans forming part of the Mortgage Portfolio will vary over time **provided that**, at the time the relevant Mortgage Loans are sold to the Issuer, the Eligibility Criteria and the Portfolio Criteria (each as described below) in respect of such Mortgage Loans are met on the relevant Assignment Date.

Each Mortgage Loan will be governed by English law or Scots law.

The Mortgage Loans comprising the Initial Mortgage Portfolio and any Additional Mortgage Portfolio may be Variable Rate Mortgage Loans, Fixed Rate Mortgage Loans or Discount Variable Rate Mortgage Loans, Offset Mortgage Loans (if originated after 27 July 2021) and/or other types of Mortgage Loans (including Tracker Rate Loans) that may be assigned to the Issuer, from time to time, in accordance with the Mortgage Sale Agreements and no Mortgage Loan is an Excluded Loan.

The terms "sale", "sell" and "sold" when used in this Base Prospectus in connection with the Mortgage Loans and their Related Security shall be construed to mean: (i) in relation to the English Mortgage Loans, each such creation of an equitable interest and such equitable assignment of such Mortgage Loans and their Related Security; and (ii) in relation to the Scottish Mortgage Loans, the creation of a beneficial interest in such Scottish Mortgage Loans and their Related Security under each Scottish Declaration of Trust. The terms "repurchase" and "repurchased" when used in this Base Prospectus in connection with a Mortgage Loan and its Related Security shall be construed to include: (A) the repurchase of the beneficial interest of the Issuer in respect of such Mortgage Loan and its Related Security (to the extent that it is an English Mortgage Loan) and the repurchase of the beneficial interest in respect of such Mortgage Loan and its Related Security (to the extent that it is a Scottish Mortgage Loan) under a Scottish Declaration of Trust and the release of such Mortgage Loan and its Related Security from the Scottish Declaration of Trust; and (B) the purchase by the relevant Seller of such Mortgage Loan and its Related Security from the Issuer pursuant to the terms of the relevant Mortgage Sale Agreement.

All of the Mortgage Loans in the Mortgage Portfolio will be secured by first ranking legal charges over freehold, leasehold or commonhold properties located in England or Wales, or by first ranking standard securities over heritable or long leasehold properties located in Scotland.

Prior to the occurrence of a Perfection Trigger Event as set out below, notice of the sale of the relevant Mortgage Loans and their Related

Security comprising the Mortgage Portfolio will not be given to the Borrowers and the Issuer will not apply to the Land Registry to register or record its equitable or beneficial interest in the English Mortgages and may not in any event apply to the Registers of Scotland to register or record its beneficial interest under any Scottish trust created by a Scottish Declaration of Trust. Prior to the occurrence of a Perfection Trigger Event, the legal title to each Mortgage Loan and its Related Security in the Mortgage Portfolio will be held by the relevant Seller on bare trust for the Issuer (and in respect of the Scottish Mortgage Loans and their Related Security, held on trust pursuant to each Scottish Declaration of Trust). Following a Perfection Trigger Event and notice of the transfer of the relevant Mortgage Loans and their Related Security to the Issuer being sent to the relevant Borrowers and (in relation to Scottish Mortgage Loans) assignations of the Scottish Mortgage Loans and Scottish Mortgages being granted by the Seller, legal title to the Mortgage Loans and their Related Security (subject to appropriate registration or recording at the Land Registry and/or the Registers of Scotland) will pass to the Issuer.

See "Assignment of the Mortgage Loans and Related Security" for further information on this.

Features of Mortgage Loans ..... The following is a summary of certain features of the Mortgage Loans as at the date of this Base Prospectus and investors should refer to, and carefully consider, the section entitled "The Mortgage Loans and the Mortgage Portfolio".

Type of Borrower	Prime
Mortgage Loan Payment Types	Repayment Mortgage Loans, Interest Only Mortgage Loans, and Part and Part Mortgage Loans
Self-Certified Mortgage Loans	Not Permitted
Buy-To-Let Mortgage Loans	Not Permitted

The Sellers may sell Interest Only Mortgage Loans to the Issuer on any subsequent Assignment Dates following the last relevant Issuance Date. In addition, certain Mortgage Loans in the Mortgage Portfolio may be Offset Mortgage Loans only if they are originated after 27 July 2021.

Additional Mortgage Loans and New Mortgage Products may be sold to the Issuer after the date of this Base Prospectus. The Mortgage Loan Warranties, Eligibility Criteria and Portfolio Criteria may be modified as required to accommodate New Mortgage Products, subject to receipt of a Ratings Confirmation.

Consideration ..... The consideration payable by the Issuer in respect of the sale of each Mortgage Portfolio is a combination of:

(a) the Initial Purchase Price in respect of the Initial Mortgage Portfolio;

(b) the Initial Additional Mortgage Portfolio Purchase Price in respect of any Additional Mortgage Portfolio; and

(c) the payment to each relevant Seller of the Relevant Seller Deferred Consideration Amount and the Relevant Seller ERC Deferred Consideration Amount (which for the avoidance of doubt will not be applied in accordance with the Priority of Payments) with respect to the Initial Mortgage Portfolio and each Additional Mortgage Portfolio.

Eligibility Criteria ..... Any Mortgage Loans and the Related Security must comply with, among other things, the following criteria as at the relevant Assignment Date or the relevant Testing Date for that Mortgage Loan:

(a) the Mortgage Loan complies with the Mortgage Loan Warranties in the applicable Mortgage Sale Agreement;

(b) no Mortgage Loan has an aggregate amount in arrears which is more than the amount of the Monthly Payment then due;

(c) the Mortgage Loan has been made to a Borrower who is a natural legal person and at least 18 years of age;

(d) each Mortgage Loan is secured by a Mortgage constituting a valid and subsisting first charge by way of legal mortgage or (in Scotland) standard security over the relevant Mortgaged Property;

(e) the Mortgage Loan has an Original LTV Ratio of no more than 95%;

(f) the Mortgage Loan has a current indexed loan to value ratio ("**Current Indexed LTV Ratio**") of no more than 90%;

(g) the Mortgage Loan was not originated prior to 1 January 2014;

(h) the Mortgage Loan has a Current Balance of no more than £2 million at the relevant Assignment Date;

(i) each Mortgage Loan in the Mortgage Portfolio is either:

(i) an SVR Mortgage Loan or a Discounted SVR Mortgage Loan or a Fixed Rate Mortgage Loan or a Reversionary Discount Mortgage Loan; or

(ii) a New Mortgage Loan Type which will not result in the then-current ratings of the Class A Notes being downgraded, withdrawn or qualified,

and no Mortgage Loan is a Capped (Variable Rate) Mortgage Loan;

(j) the Mortgage Loan is not a Self-certified Mortgage Loan or was not a Self-certified Mortgage Loan as at the date of origination of the relevant Mortgage Loan, a Buy-to-Let Mortgage Loan, a Help to Buy Mortgage Loan or a Right to Buy Mortgage Loan, a Staff Mortgage Loan or an Offset Mortgage Loan originated prior to 27 July 2021;

(k) the Mortgage Loan is not a shared ownership loan;

(l) as at the First Issuance Date or on the date when any Mortgage Loans and their Related Security are included in the Mortgage Portfolio, as applicable, each Mortgage Loan has a standardised risk weight equal to or smaller than 40% on an exposure value-weighted average basis for the Mortgage Portfolio, as such terms are described in Article 243 of the UK CRR;

(m) no Mortgage Loan is guaranteed by a third-party guarantor;

(n) the relevant Seller is not required to make any future Further Advances under any Mortgage Loan; and

(o) no Mortgage Loan is a Mortgage Loan which, so far as the relevant Seller is aware, is a Mortgage Loan to a Borrower who is a "credit-impaired obligor" as described in Article 13(2)(j) of the UK LCR Regulation or paragraph 2(k) of Article 177 of Regulation (EU) No 2015/35 (or, in each case, if different, the equivalent provisions in any such enacted version of such Commission Delegated Regulation).

The Issuer has the right to amend the Eligibility Criteria, subject to receipt of a Ratings Confirmation. The prior written consent of the Note Trustee, the Security Trustee, the Noteholders and the other Secured Creditors to the amendments will not be required.

See "Assignment of the Mortgage Loans and Related Security – Eligibility Criteria" for more information on the Eligibility Criteria.

Portfolio Criteria..... In addition, on each Assignment Date and, in relation to a Further Advance, Product Switch or Tested Underpayment Option, the applicable Testing Date, the Mortgage Portfolio (including any Mortgage Loans and the Related Security to be sold to the Issuer on that Assignment Date) must comply with, among other things, the following criteria as at that Assignment Date:

(a) the aggregate Current Balance of Mortgage Loans which are greater than three months in arrears is less than or equal to 5% of the Current Balance of the Mortgage Portfolio;

(b) no Asset Trigger Event has occurred;

(c) no Event of Default has occurred which is continuing;

(d) where the sale would include any Mortgage Loan which is a New Mortgage Product, the Issuer has received a Ratings Confirmation in respect of the inclusion of such New Mortgage Product and any modifications to the Eligibility Criteria, the Portfolio Criteria or the Mortgage Loan Warranties;

(e) the weighted average Original LTV Ratio of the Mortgage Portfolio immediately following the sale will not exceed the weighted average Original LTV Ratio of the Mortgage Portfolio measured as at the most recent Issuance Date in respect of the Class A Notes by more than 5%;

(f) the weighted average Current LTV Ratio of the Mortgage Portfolio immediately following the sale will be less than or equal to 80%;

(g) the aggregate outstanding principal balance of all Mortgage Loans to a single Borrower does not exceed 2% of the Current Balance of the Mortgage Portfolio;

(h) the aggregate of the Current Balance of all New Build Mortgage Loans in the Mortgage Portfolio immediately following the sale will be less than or equal to 15% of the Current Balance of the Mortgage Portfolio measured as at the most recent Issuance Date in respect of the Class A Notes;

(i) the aggregate of the Current Balance of each Interest Only Mortgage Loan in the Mortgage Portfolio immediately following the sale will be less than or equal to 10% of the Current Balance of the Mortgage Portfolio measured as at the most recent Issuance Date in respect of the Class A Notes;

(j) the aggregate of the Current Balance of each Mortgage Loan with an Original LTV Ratio greater than 85% in the Mortgage Portfolio immediately following the sale will be less than or equal to 37.5% of the Current Balance of the Mortgage Portfolio measured as at the most recent Issuance Date in respect of the Class A Notes; and

(k) the total amount of arrears in respect of all the Mortgage Loans in the Mortgage Portfolio does not exceed 5% of the aggregate of the Current Balance of each Mortgage Loan.

The Issuer has the right to amend the Portfolio Criteria, subject to receipt of a Ratings Confirmation. The prior written consent of the Note Trustee, the Security Trustee, the Noteholders and the other Secured Creditors to the amendments will not be required.

See "Assignment of the Mortgage Loans and Related Security – Portfolio Criteria" for more information on the Portfolio Criteria.

Representations and Warranties..... Each relevant Seller is required to give the Mortgage Loan Warranties in respect of the Initial Mortgage Portfolio and each Additional Mortgage

Portfolio sold to the Issuer. Each relevant Seller will give the relevant Mortgage Loan Warranties to the Issuer on each Assignment Date.

The Mortgage Loan Warranties include (but are not limited to) the following matters:

(a) legal nature of the Mortgage Loans and their Related Security (that is, the valid, binding and enforceable nature of the relevant Mortgage Loan and the Related Security);

(b) subject in certain appropriate cases to the completion of an application for registration or recording at the Land Registry or the Registers of Scotland, as applicable, the whole of the Current Balance on each Mortgage Loan is secured by a Mortgage or Mortgages over a residential Mortgaged Property and each Mortgage constitutes a valid and subsisting first charge by way of legal mortgage or charge or (in Scotland) first ranking standard security over the relevant Property, and subject only in certain appropriate cases to applications for registration or recording at the Land Registry of England and Wales or the Registers of Scotland which, where required, have been made and are pending and in relation to such cases the relevant Seller is not aware of any notice or any other matter that would prevent such registration or recording;

(c) each Mortgage constitutes a valid and subsisting first charge by way of legal mortgage or charge or (in Scotland) first ranking standard security over the relevant Mortgaged Property, and subject only in certain appropriate cases to applications for registration or recording at the Land Registry of England and Wales or the Registers of Scotland;

(d) each relevant Mortgaged Property is located in England, Wales or Scotland;

(e) each Borrower has a good and marketable title to the relevant Mortgaged Property;

(f) prior to the making of a Mortgage Loan, and each Initial Advance and Further Advance, the then applicable Lending Criteria were satisfied in all material respects subject only to such exceptions and waivers made on a case-by-case basis as would be acceptable to a Prudent Mortgage Lender; and

(g) each Mortgage Loan has a remaining term of less than 50 years.

See the section entitled "Assignment of the Mortgage Loans and Related Security – Representations and warranties" for a list of Mortgage Loan Warranties given by the Sellers.

Sellers' Lending Criteria..... Each of the Mortgage Loans was originated in accordance with the Lending Criteria applicable at the time of origination.

Subject to the terms of each Mortgage Sale Agreement, and **provided that** it acts in accordance with the standard of a Prudent Mortgage Lender, each Seller is entitled to change its Lending Criteria from time to time, so that Additional Mortgage Loans originated after the date of that change will be subject to such new Lending Criteria. Notwithstanding any such change to such Lending Criteria, such Additional Mortgage Loans may still be sold to the Issuer **provided that** the Mortgage Loans are able to continue to comply with the Eligibility Criteria.

Repurchase of the Mortgage Loans ..... The relevant Seller (or YBS in respect of (d) below) will repurchase the relevant Mortgage Loans and their Related Security in the following circumstances:

(a) upon material breach of the Mortgage Loan Warranties (which is either not capable of remedy or if the relevant Seller fails to remedy it within the agreed grace period); or

(b) upon the breach of the Portfolio Criteria (which is either not capable of remedy or if the relevant Seller fails to remedy it within the agreed grace period); or

(c) in certain circumstances, following the making of a Further Advance or the granting of a Product Switch to the relevant Borrower, including where the relevant Further Advance or Product Switch causes the relevant Mortgage Loan to be in breach of the Eligibility Criteria or would cause the Mortgage Portfolio to be in breach of the Portfolio Criteria on the relevant Switch Date or Advance Date (as applicable, and as tested on the relevant Testing Date); or

(d) in accordance with the YBS Permitted Repurchase Procedure when the Principal Amount Outstanding of the YBS Note is in excess of the Minimum YBS Note Amount.

The relevant Seller may also, in accordance with the terms of the Transaction Documents and the Conditions, offer to repurchase Mortgage Loans and their Related Security:

(a) in order to effect any permitted redemption of any Notes; and

(b) where such Mortgage Loans are at least two months in arrears,

provided, in each case, that the Mortgage Portfolio will continue to meet the Portfolio Criteria immediately following such repurchase. The Issuer will be required to accept any such offer. See "Assignment of the Mortgage Loans and Related Security – General ability to repurchase".

Consideration for Repurchase ..... Consideration payable by the relevant Seller in respect of the repurchase of the Mortgage Loans will be an amount (not less than zero) equal to the Current Balance thereof as at the date of completion of such repurchase.

Redress Payments ..... In the event that any Redress is required to be made in respect of a Mortgage Loan, the relevant Seller may, by a date no later than the date

by which the FCA or any other regulatory authority requires such Redress to be made, at its sole discretion, either repurchase the relevant Mortgage Loan and its Related Security or make a Redress Payment to the Issuer.

Perfection Trigger Events..... Transfer of the legal title to the relevant Mortgage Loans will be completed on the occurrence of a Perfection Trigger Event. See further "Assignment of the Mortgage Loans and Related Security – Transfer of Title to the Mortgage Loans to the Issuer" and the definition of Perfection Trigger Event set out therein.

Prior to the completion of the transfer of legal title to the Mortgage Loans, the Issuer will hold only the equitable title to those Mortgage Loans or, in the case of Scottish Mortgage Loans, will be the sole beneficiary under the grant of a declaration of trust and will therefore be subject to certain risks as set out in the section entitled "Risk Factors – Risks Relating to the Mortgage Loans – Sellers to Initially Retain Legal Title to the Mortgage Loans and risks relating to set-off".

Servicing of the Mortgage Portfolio..... The Issuer, the Security Trustee, the Sellers, the Back-up Servicer Facilitator and the Servicer entered into a servicing agreement on or about the Programme Date (the "**Servicing Agreement**").

The Servicer is appointed by the Sellers and the Issuer (and, upon the earlier to occur of (i) service of an Enforcement Notice, and (ii) enforcement or realisation of the Security, the Security Trustee) to service, on a day-to-day basis, the Mortgage Loans sold to the Issuer and their Related Security on behalf of the Issuer (or while the Scottish Mortgage Loans are held subject to a Scottish Declaration of Trust, the Servicer will agree to service such Scottish Mortgage Loans on behalf of the Sellers in its capacity as trustee thereunder acting upon the instruction of the Issuer in its capacity as beneficiary thereunder) (such services, inter alia, the "**Services**").

So long as YBS (or any member of the YBS Group) is the Servicer, the Issuer will, on each Payment Date, pay to the Servicer a servicing fee (inclusive of VAT) (the "**Servicing Fee**") totalling 0.08% per annum on the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio as determined on the last day of the calendar month before the preceding Calculation Date. If a substitute servicer from outside the YBS Group is appointed in accordance with the terms of the Servicing Agreement, the Issuer shall pay the successor servicer for its services a fee to be determined at the time of such appointment. The Servicing Fee will rank ahead of all payments on the Notes.

The appointment of the Servicer may be terminated by the Issuer (subject to the prior written consent of the Security Trustee) upon the occurrence of the following events (the "**Servicer Termination Events**"):

(a) 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 unremedied for a period of 30 Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the

Issuer, a Seller or the Security Trustee, as the case may be, requiring the same to be remedied;

(b) the Servicer defaults in the performance or observance of any of its other covenants and obligations under the Servicing Agreement, which failure in the reasonable opinion of the Issuer (prior to the delivery of an Enforcement Notice) or the opinion of the Security Trustee acting on the instructions of the Note Trustee (after the delivery of an Enforcement Notice) is materially prejudicial to the interests of the Noteholders, and the Servicer does not remedy that failure within 30 Business Days after the earlier of the Servicer becoming aware of the failure or of receipt by the Servicer of written notice from the Issuer, a Seller or the Security Trustee, as the case may be, requiring the Servicer's non-compliance to be remedied (subject to certain provisos in relation to the situation where the default occurs as a result of a default by any person to whom the Servicer has subcontracted or delegated part of its obligations);

(c) a third party becomes obliged to undertake the servicing of the Mortgage Loans (other than as master servicer) pursuant to any back-up servicing agreement contemplated by the Servicing Agreement; or

(d) an Insolvency Event occurs in relation to the Servicer.

Subject to the fulfilment of certain conditions, the Servicer may also resign upon giving 12 months' written notice, provided a replacement servicer has been appointed by the Issuer (with the consent of the Security Trustee).

In the absence of a Servicer Termination Event, Noteholders have no right to instruct the Security Trustee to terminate the appointment of the Servicer.

Delegation ..... The Servicer may delegate some or all of its servicing function to a third party **provided that** it meets the conditions as set out in the Servicing Agreement.

See "The Servicer and the Servicing Agreement".

OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES

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

General..... The Notes will be issued in Series. Series of Class A Notes will be issued from time to time and may consist of one or more Sub-Classes and one or more Sub-Series. However, there will be no more than one Series of the Class Z VFNs or the YBS Note in respect of the Programme. The Class Z VFNs consist of two Sub-Classes, being the Class Z(S) VFN and the Class Z(R) VFN, as further explained below. The Class Z(S) VFN, Class Z(R) VFN and the YBS Note were issued on the First Issuance Date. A class designation determines the relative seniority for receipt of cashflows. The Class A Notes in different Series (and the Class A Notes of differing Sub-Classes of the same Class and Series) will not necessarily have the same terms. Differences may include principal amount, interest rates, interest rate calculations, currency, permitted redemption dates and/or Final Maturity Dates.

Furthermore, the Issuer retains the right to issue notes in the future that are subordinated to the Class A Notes, but are senior to Class Z VFNs, and modify the terms of the Programme accordingly.

The Issuer will, subject to the terms of the Trust Deed, be at liberty from time to time, without the consent of the Noteholders, subject to the Issuance Tests, to create and issue further Class A Notes (and, as the case may be, further Sub-Series of the Class A Notes) having terms and conditions the same as the Class A Notes of any Series then in existence in all respects save for the amount and date of the first payment of interest thereon, issue date and/or purchase price and so that the same will be consolidated and form a single Series and Class with the outstanding Notes of such Series (including all the Sub-Series then in existence).

The Class A Notes, the Class Z(S) VFN, the Class Z(R) VFN and the YBS Note are constituted by the Trust Deed and share the same Security pursuant to the Deed of Charge.

Payment priority and ranking ..... The Notes of each Series are direct, secured unconditional obligations of the Issuer.

The payment of interest due on any Payment Date in respect of the Class Z(R) VFN and the Class Z(S) VFN is subordinated to the payment of interest due on such Payment Date in respect of the Class A Notes of all Series and the YBS Note, with the payment of interest on the Class A Notes and the YBS Note ranking *pro rata* and *pari passu*.

The payment of interest due on any Payment Date in respect of the Class Z(R) VFN and the Class Z(S) VFN is also subordinated to the replenishment of the Reserve Fund up to the Reserve Fund Required Amount. None of the VFNs has the benefit of amounts standing to the credit of the Reserve Fund.

The repayment of principal due on any Payment Date in respect of the Class Z(R) VFN is subordinated to the payment of interest due on such Payment Date in respect of the Class A Notes of all Series and the YBS Note, with the

payment of interest on the Class A Notes and the YBS Note ranking *pro rata* and *pari passu* with the payment of interest on the Class Z(R) VFN and the Class Z(S) VFN.

The repayment of principal due on any Payment Date in respect of the Class Z(S) VFN is subordinated to the repayment of principal due on such Payment Date in respect of the Class A Notes.

The repayment of principal due on any Payment Date in respect of the YBS Note (i) prior to service of an Enforcement Notice (for so long as no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing), and (ii) following service of an Enforcement Notice, will rank *pro rata* and *pari passu* with the repayment of principal on the Class A Notes.

Where an Asset Trigger Event has occurred and/or a Non-Asset Trigger Event is continuing, and **provided that** no action has been taken to enforce the security created by the Issuer under the Transaction Documents, the repayment of principal due on any Payment Date in respect of the YBS Note is subordinated to the repayment of principal on the Class A Notes and the Class Z(S) VFN.

The Note Payment Dates for a Series and Class of Notes will be the Payment Dates specified for such Notes in the applicable Final Terms.

For more information on the Priority of Payments, see "Credit Structure and Cashflows" and see also "Risk Factors – Risks Relating to the Availability of Funds to Pay the Notes – Subordination of other Classes may not protect the Class A Noteholders from all risk of loss".

Payments..... Prior to service of an Enforcement Notice, the Issuer, or the Cash Manager on its behalf, will, in accordance with the relevant Priority of Payments (and after making the appropriate hedging exchanges pursuant to the applicable Swap Agreement(s) entered into by the Issuer (as described under "The Swap Agreements")), pay interest on and repay principal of each Series of Notes using, primarily, interest payments and principal repayments received in respect of the Mortgage Loans in the Mortgage Portfolio.

Following service of an Enforcement Notice, the Security Trustee, or the Cash Manager on its behalf, will apply amounts received or recovered by it to repay all Series and Classes of outstanding Notes in accordance with the Post-Enforcement Priority of Payments.

Security..... As security for the payment of all monies payable in respect of the Notes of each Series, the Issuer has, pursuant to the Deed of Charge, created security in favour of the Security Trustee for itself and on trust for, among others, the Noteholders of each Series including the following:

- a first fixed charge over all of the Issuer's right, title, interest and benefit, present and future, in, to and under the Mortgage Portfolio in respect of the English Mortgage Loans and their Related Security and all other related rights under the same;

- an assignment by way of first fixed security of the Issuer's right, title, interest and benefit, present and future, in, to and under each of the

Transaction Documents to which it is a party (but excluding all of the Issuer's right, title, interest and benefit in the Deed of Charge, any Scottish Declaration of Trust, any Scottish Supplemental Charge and any Scottish Sub-Security (and, in respect of the Swap Agreements, after giving effect to all applicable netting and set-off provisions therein));

- a first fixed charge over the Issuer's right, title, interest and benefit in each Transaction Account, each Custody Account, each Swap Collateral Account and each other account (if any) of the Issuer and all amounts or securities standing to the credit of those accounts (including all interest or other income or distributions earned on such amounts or securities) and the debts represented by them, together with all rights and claims relating or attached thereto including, without limitation, the right to interest and the proceeds of any of the foregoing;

- a first fixed charge over the Issuer's right, title, benefit and interest, present and future in, to and under all Authorised Investments made by or on behalf of the Issuer (including all interest and other income or distributions paid or payable on such investments), any Swap Collateral in the form of securities from time to time being owned by the Issuer and all rights in respect of or ancillary to such Authorised Investments and such Swap Collateral, including the right to income, distributions and the proceeds of any of the foregoing;

- an assignment by way of first fixed security of the Issuer's rights, title, interest and benefit in any Insurance Policies;

- an assignation in security in respect of the Issuer's right, title and interest in the Scottish Mortgage Loans and their Related Security (comprising the Issuer's beneficial interest under any initial Scottish Declaration of Trust); and

- a first floating charge over all the assets and undertakings of the Issuer which are not otherwise effectively subject to a fixed charge or assignment by way of security as described in the preceding paragraphs (and also extending over all of the Issuer's Scottish assets and undertaking whether or not effectively charged or assigned by way of security as aforesaid).

See "Security for the Issuer's Obligations" for more information.

Interest provisions ..... Interest will accrue on a Series and Class of Notes from its date of issuance (or such other date specified for such Notes in the applicable Final Terms) at the interest rate specified for such Notes in the applicable Final Terms which may be a fixed or floating rate or have a combination of these characteristics (see Condition 4 (*Interest*)). Interest on a Series and Class of Notes will be due and payable on the Note Payment Dates specified for such Notes in the applicable Final Terms.

Please refer to the applicable Final Terms for a Series of Notes for the interest provisions applicable to such Notes.

Interest deferral .. The Issuer is not permitted to defer payments of interest in respect of the Class A Notes of any Series. The failure to pay interest on the Class A Notes of any Series will, subject to a five Business Day grace period, constitute an Event of Default. The Issuer may defer payments of interest on the Class Z(S) VFN, the Class Z(R) VFN and/or on the YBS Note and failure to pay interest on the Class Z(S), the Class Z(R) VFN and/or on the YBS Note will not constitute an Event of Default.

Gross-up..... None of the Issuer, the Note Trustee, the Security Trustee, any agent or any other person will be obliged to gross-up payments to the Noteholders if any withholding or deduction for or on account of taxes is required to be made in respect of the Notes.

Redemption..... The Notes are subject to the following optional or mandatory redemption events (and as fully set out in Condition 5 (*Redemption, Purchase and Cancellation*)):

- mandatory redemption in full on the Final Maturity Date for such Series;
- for Controlled Amortisation Notes, mandatory redemption in instalments on each Note Payment Date to the extent of Enhanced Available Principal Receipts in an amount up to the Controlled Amortisation Amount;
- for Pass-Through Redemption Notes, mandatory redemption on each Note Payment Date to the extent of Enhanced Available Principal Receipts;
- for Soft Bullet Redemption Notes, mandatory redemption in whole on the relevant Soft Bullet Scheduled Redemption Date, and on each Note Payment Date thereafter until the relevant Soft Bullet Final Redemption Date, in each case subject to the amount of Enhanced Available Principal Receipts then available;
- for Hard Bullet Redemption Notes, mandatory redemption in whole on the relevant Hard Bullet Redemption Date;
- optional redemption of a Series and Class of Notes in whole exercisable by the Issuer on the Step-Up Date and on any Note Payment Date thereafter;
- optional redemption of a Series of the Class A Notes in whole exercisable by the Issuer on any Note Payment Date on which the aggregate Sterling Equivalent Principal Amount Outstanding of such Series of Class A Notes is less than 10% of the aggregate Sterling Equivalent Principal Amount Outstanding of such Series of Class A Notes as at the Issuance Date for such Series of Class A Notes;
- optional redemption of a Series and Class of Notes in whole (or, where specified in the applicable Final Terms, in part (in such case to be reflected in the records of ICSDs as either a pool factor or reduction in nominal amount, at their discretion)) exercisable by the Issuer on

any date **provided that** all the Noteholders of such Notes have given prior written consent to such redemption;

- on each Note Payment Date following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing and on each Note Payment Date following the Step-Up Date (if any) in respect of a Series and Class of Notes, mandatory redemption in part on each Note Payment Date to the extent of the Enhanced Principal Receipts and applied in accordance with the Reapplication Rule and the Priority of Payments;

- optional redemption of a Series and Class of Notes in whole exercisable by the Issuer for tax and other reasons; and

- optional redemption of a series of the Class A Notes that satisfy UK STS Criteria Requirements at any time following the occurrence of a Revolving Period End Trigger Event.

Unless stated otherwise in the applicable Final Terms, any Note redeemed pursuant to the above redemption provisions 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.

In addition, following the exercise by YBS of the YBS Note Permitted Repurchase Procedure, the Issuer must redeem the YBS Note using the proceeds of the sale of the relevant Mortgage Loans.

Termination of the Original Currency Swap

As more fully set out in Condition 5(c) (*Termination of the applicable Original Currency Swap*), prior to the delivery of an Enforcement Notice, in respect of any principal due and payable in respect of any Series and Class of Non-Sterling Notes on any Note Payment Date following termination of the Original Currency Swap applicable to such Notes:

Agreement for Non-Sterling Notes

(a) the Non-Sterling Notes will be allocated a *pro rata* share of the Enhanced Available Principal Receipts which will be converted into the relevant Specified Currency at the Spot Rate or the Replacement Exchange Rate, as the case may be; and

(b) if such conversion produces:

(i) an excess over the amount required to pay principal due on the Non-Sterling Notes, then such excess will be transferred to the Swap Excess Reserve Account for the relevant Class of Non-Sterling Notes; or

(ii) a shortfall in terms of the amount required to pay principal due on the Non-Sterling Notes, then, to the extent that such shortfall cannot be compensated from amounts already standing to the credit of the Swap Excess Reserve Account for such Class of Non-Sterling Notes, the remaining principal due in respect of such Series and Class of Non-Sterling Notes will be subordinated to all other principal amounts payable in respect of the Class A Notes.

Events of Default

As fully set out in Condition 9 (*Events of Default*), an Event of Default broadly includes (where relevant, subject to any applicable grace period):

- non-payment of principal and/or non-payment of interest on the Class A Notes of any Series, provided that in relation to any Series or Sub-Series of Controlled Amortisation Notes non-payment of the applicable Controlled Amortisation Amount on the relevant Controlled Amortisation Date shall not constitute an Event of Default;
- breach of contractual obligations by the Issuer under the Programme Documents that are material to the Most Senior Class of Notes; or
- certain insolvency-related events with respect to the Issuer (unless in certain cases it is approved by the Most Senior Class of outstanding Notes).

Acceleration

All Notes will become immediately due and payable and the Note Trustee will be entitled to instruct the Security Trustee to enforce the Security upon the service on the Issuer by the Note Trustee of an Enforcement Notice. The Note Trustee will be entitled to serve an Enforcement Notice at any time after the occurrence of an Event of Default in respect of the Most Senior Class of Notes and it will do so, subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction: (i) on the written instructions of holders of not less than 25% in aggregate of the Sterling Equivalent Principal Amount Outstanding of the Most Senior Class of Notes across all Series; or (ii) if directed to do so by an Extraordinary Resolution of the Most Senior Class of Notes across all Series.

Enforcement

At any time after the Security has become enforceable (including after the service of an Enforcement Notice), the Security Trustee will be bound to take action to enforce the Security if it has been so directed by the Note Trustee, **provided that** the Security Trustee has been indemnified and/or secured and/or prefunded to its satisfaction.

The Note Trustee will not be bound to so direct the Security Trustee unless:

(a) (subject in all cases to restrictions contained in the Trust Deed to protect the interests of any higher-ranking Class of Noteholders) it will have been so directed by an Extraordinary Resolution of the Most Senior Class of Notes or so requested in writing by the holders of not less than 25% of the aggregate Sterling Equivalent Principal Amount Outstanding of the Most Senior Class of Notes across all Series; and

(b) it will have been indemnified and/or secured and/or prefunded to its satisfaction.

Any Extraordinary Resolution of the Noteholders of any Class of Notes to direct the Note Trustee to deliver an Enforcement Notice or to take any enforcement action or to instruct the Security Trustee to enforce the Security will only be capable of being passed at a single meeting of the Noteholders of all Series of such Class of Notes.

Limited recourse	All Notes are and will be limited recourse obligations of the Issuer. Where, following the occurrence of certain events, and following the realisation and application of the Charged Property, amounts outstanding under the Notes are not paid in full, any such unpaid amounts will cease to be due and payable, which is described in more detail in Condition 10(b) (*Limited Recourse*).
Non petition	The Noteholders will not be entitled to take any corporate action or other steps or legal proceedings for the winding up, dissolution, arrangement, reconstruction or reorganisation of the Issuer, unless the Note Trustee or, as applicable, the Security Trustee, has become bound to institute such proceedings but has failed to do so within 30 days of becoming so bound and the failure is continuing. See Condition 10(b) (*Limited Recourse*).
Certain ERISA and related considerations for investors	Unless otherwise specified in the applicable Final Terms, Class A Notes of any Series that are the Rule 144A Notes will be eligible for purchase by Benefit Plan Investors and by governmental, church or non-US plans that are subject to any Similar Law, subject to consideration of the issues described in this Base Prospectus under "Certain ERISA and Related Considerations". Each purchaser of any such Notes (and all subsequent transferees thereof) will be deemed to have represented and warranted that its acquisition, holding and disposition of such Notes (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law. In addition, any fiduciary of a plan subject to the fiduciary responsibility provisions of Title I of ERISA or any applicable Similar Law should consult with its counsel to determine whether an investment in the Notes satisfies the investment prudence, investment diversification and other applicable requirements of those provisions. Regulation S Notes and the VFNs will not be eligible for purchase by Benefit Plan Investors (see "Certain ERISA and Related Considerations" for further information).
Governing Law....	The Notes and any non-contractual obligations arising out of or in connection with them will be governed by and construed in accordance with English law.

OVERVIEW OF RIGHTS OF NOTEHOLDERS

Please refer to the section entitled "Terms and Conditions of the Notes" for further information in respect of the rights of Noteholders, conditions for exercising such rights and relationship with other Secured Creditors.

Convening a Meeting..... Meetings of the Noteholders to consider matters relating to the Notes of one or more Series will be convened by the Note Trustee at a place in the UK if it is requested to do so by Noteholders holding no less than one-tenth in principal amount of the Notes of any Class for the time being outstanding subject in each case to the Note Trustee having been indemnified and/or secured and/or prefunded to its satisfaction. Noteholders may also participate in any appropriate Noteholders' meeting convened by the Issuer or the Note Trustee to consider any matter affecting such Noteholders' interests.

Noteholders' meeting provisions .. **Notice Periods**

Initial meeting	No less than 21 clear days and no more than 365 clear days for the initial meeting
Adjourned meeting	No less than 13 clear days and no more than 42 clear days for the adjourned meeting

Quorum

	Initial meeting	**Adjourned meeting**
Ordinary resolution	one or more persons holding or representing not less than 25% of the aggregate Principal Amount Outstanding of the Notes of the relevant Series and Class or of the relevant one or more Series of Notes of the same Class.	one or more persons holding or representing the Notes of the relevant Series and Class of Notes or of the relevant one or more Series of Notes of the same Class whatever the aggregate Principal Amount Outstanding of the Notes so held or represented by them.

Extraordinary resolution	one or more persons holding or representing more than 50% of the aggregate Principal Amount Outstanding of the Notes of the relevant Series and Class or of the relevant one or more Series of Notes of the same Class.	one or more persons holding or representing the Notes of the relevant Series and Class of Notes or of the relevant one or more Series of Notes of the same Class whatever the aggregate Principal Amount Outstanding of the Notes so held or represented by them.
Extraordinary resolution including a Basic Terms Modification	one or more persons holding or representing not less than 75% of the aggregate principal amount of the Notes outstanding of the relevant Series and Class or of the relevant one or more Series of Notes of the same Class.	one or more persons holding or representing not less than 25% of the aggregate Principal Amount Outstanding of the Notes of the relevant Series and Class or of the relevant one or more Series of Notes of the same Class.
Programme resolution	one or more persons holding or representing more than 75% of the aggregate principal amount of the Notes	one or more persons holding or representing Notes of the relevant Class whatever the aggregate principal amount of the Notes outstanding so held or represented by them.

outstanding of the relevant Class of Notes.

Required majority

Resolution	Simple majority
Extraordinary resolution	A majority consisting of not less than 75% of votes cast for matters requiring an Extraordinary Resolution
Written resolution	A resolution signed by or on behalf of 75% of the Noteholders of the relevant Series and Class or of the relevant Class of more than one Series of Notes. A written resolution has the same effect as an Extraordinary Resolution.

Matters requiring Extraordinary Resolution ..... Broadly, the following matters, among others, require an Extraordinary Resolution:

- sanctioning a Basic Terms Modification;
- sanctioning any compromise or arrangement proposed to be made between the Issuer, the Note Trustee, any appointee of the Note Trustee and the Noteholders or any of them;
- sanctioning any abrogation, modification, compromise or arrangement in respect of the rights of the Note Trustee, any appointee of the Note Trustee, the Noteholders or the Issuer against any other or others of them or against any other party to any of the Programme Documents or against any of their property, whether such rights will arise under the Trust Deed, any other Programme Document or otherwise;
- assenting to any modification of the provisions of the Conditions, the Trust Deed or any other Programme Document which will be proposed by the Issuer, the Note Trustee, or any Noteholder or any other person;
- approving a person to be appointed as a Note Trustee or a Security Trustee and the power to remove any Note Trustee or Security Trustee for the time being;
- discharging or exonerating the Note Trustee or the Security Trustee and/or any appointee of the Note Trustee or the Security Trustee from all liability in respect of any act or omission for which the Note Trustee and/or the Security Trustee and/or such appointee may have become responsible under the Trust Deed;

- instructing the Note Trustee to deliver an Enforcement Notice following an Event of Default or to take any enforcement action or to instruct the Security Trustee to enforce the Security;

- to give any other authorisation or approval which under the Trust Deed or the Notes or any other Transaction Document is required to be given by Extraordinary Resolution; and

- the approval of certain modifications in the circumstances set out in Condition 11(f) (*Additional rights of modification*).

See Condition 11 (*Meetings of Noteholders, modifications and waiver*) for further information.

An Extraordinary Resolution of the holders of the Most Senior Class of Notes will be binding on all other classes **provided that** no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or any waiver or authorisation of any breach or proposed breach of, any of the provisions of the Transaction Documents or the Conditions will take effect unless it has been sanctioned by an Extraordinary Resolution (or written resolution) of the VFN Holders (including, for the avoidance of doubt, the holder of the YBS Note), **provided** no such sanction by the VFN Holders (including, for the avoidance of doubt, the holder of the YBS Note) will be required where the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the VFN Holders (including, for the avoidance of doubt, the holder of the YBS Note).

Relationship between Classes of Noteholders.....

The Security Trustee will be bound to exercise its rights under the Deed of Charge only in accordance with the directions of the Note Trustee, which will in turn be bound to act as directed by the Noteholders, subject to both the Security Trustee and the Note Trustee being indemnified and/or secured and/or prefunded to their satisfaction. If there is a conflict between the interests of one Class of Noteholders of one Series and the same Class of Noteholders of another Series, then a resolution directing the Note Trustee to take any action must be passed at separate meetings of the holders of each Series of the relevant Class of Notes. Where the interests of the Class A Noteholders conflict with the interests of the holders of the Class Z VFNs or the holder of the YBS Note, then the Note Trustee is to have regard only to the interests of the Class A Noteholders.

For the avoidance of doubt, a resolution may only be passed at a single meeting of the Noteholders of each Sub-Class of the relevant Class of Notes of that Series if the Note Trustee is, in its sole discretion, satisfied that there is no conflict between them.

Seller as Noteholder

A Seller will only be able to exercise voting rights in respect of any Series of Class A Notes where all of the Class A Notes of such Series are held by or on behalf of or for the benefit of one or more Relevant Persons, subject to any limited conditions set out in the definition of "outstanding" . Notwithstanding the foregoing, there are no restrictions on the ability of the Sellers to exercise their voting rights in respect of sanctioning any Basic Terms Modification.

Relationship between Noteholders and other Secured Creditors .....

While any Notes are outstanding, the Note Trustee will only take into account the interests of the Noteholders in the exercise of its powers, trusts, authorities, and discretions under the Trust Deed or any other Transaction Documents, and not the interests of any other Secured Creditors. While any Notes are outstanding, the Security Trustee will act only at the direction of the Note Trustee.

Provision of information to the Noteholders .....

Information in respect of the Mortgage Portfolio will be provided to the investors on a monthly basis. See the sections entitled "Certain Regulatory Requirements – The UK Securitisation Framework" and "Certain Regulatory Requirements – The EU Securitisation Regulation".

Communication with Noteholders ....

Any notice to be given by the Issuer or the Note Trustee to Noteholders may be given in the following manner:

- where the Notes are held in the Clearing Systems, by delivering to the relevant Clearing System for communication by it to Noteholders; and/or

- where the Notes are held in definitive form, (i) sent by first class mail (or its equivalent) or (if posted to a non-UK address) by airmail to the respective addresses on the Register or the VFN Register, and (ii) published in The Financial Times and, for so long as amounts are outstanding on the Rule 144A Notes, in a daily newspaper of general circulation in New York (which is expected to be The New York Times); or

- publication of the notice in accordance with the rules of the relevant stock exchange on or by which the relevant Notes are listed and/or admitted to trading.

In addition to the above, simultaneous notice may also be given at the relevant time to Noteholders via a regulatory information service (such as the Regulatory News Service of the London Stock Exchange).

OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS

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

General credit structure ... The general credit structure of the transaction includes, broadly speaking, the following elements:

Credit Support from Available Revenue Receipts ..... It is expected that, during the life of the Notes, the Funding Note Revenue Portion (comprising primarily the share of Revenue Receipts received from Borrowers on the Mortgage Loans in the Mortgage Portfolio and allocated to the Funding Notes in accordance with the application of the Pre-Enforcement Revenue Priority of Payments) will be greater than the sum of the interest which the Issuer will be required to pay on the Class A Notes and its other senior costs and expenses under the Programme.

Reserve Fund ..... Prior to the delivery of an Enforcement Notice, the Reserve Fund will be available to help (i) pay Senior Fees and Expenses, (ii) pay interest due and payable (if any) on the Class A Notes of each Series of Notes, and (iii) eliminate any debit entries on the Class A Principal Deficiency Sub-Ledger, on each Payment Date (and for the avoidance of doubt, the Reserve Fund will not be available to support the VFNs).

Following the delivery of an Enforcement Notice, the Reserve Fund will be utilised by the Issuer in payment of any of its other liabilities, subject to and in accordance with the relevant Priority of Payments, and may be applied in making payments of principal due under the Class A Notes.

The Reserve Fund was funded on the First Issuance Date through an initial drawdown under the Class Z(R) VFN. It will be replenished through the application of the Funding Note Revenue Portion, applied in accordance with the Pre-Enforcement Revenue Priority of Payments, the proceeds of any further drawdowns under the Class Z(R) VFN on subsequent Issuance Dates and the proceeds of any further drawdowns under the Class Z(R) VFN at any time at the sole discretion of the Class Z VFN Holder as to whether such drawdowns will be funded.

The Reserve Fund will be replenished up to the Reserve Fund Required Amount as applicable from time to time.

See the section entitled "Credit Structure and Cashflows – Reserve Fund" for more details.

Excess Principal Fund ..... The Excess Principal Fund was established in the name of the Issuer on the First Issuance Date. Funds standing to the credit of the Excess Principal Fund will be added to certain other funds of the Issuer in calculating Available Principal Receipts on each Calculation Date, and will be recorded on the Excess Principal Ledger.

Where (a) the amount standing to the credit of the Excess Principal Fund at any time exceeds the Excess Principal Fund Threshold Amount, or (b) on any date, any amounts would on the next succeeding Payment Date have remained recorded on the Excess Principal Ledger, on a FIFO basis, for a period of 18 months or more, where that period starts on the date on which such amounts were first so recorded (such event being an "**Excess Principal Fund Threshold Event**"), a Non-Asset Trigger Event shall occur.

Any amounts representing the Funding Note Principal Portion which remain following the application of the Funding Note Principal Portion towards paragraphs (a) to (f) (inclusive) in the Pre-Enforcement Pre-Trigger Principal Priority of Payments (in respect of the application of the Funding Note Principal Portion) will be credited to the Excess Principal Fund on each Payment Date, except where an Asset Trigger Event has occurred and/or a Non-Asset Trigger Event is continuing.

Following the delivery of an Enforcement Notice, the Excess Principal Fund may be utilised by the Issuer in payment of any of its other liabilities, subject to and in accordance with the relevant Priority of Payments, and may be applied in making payments of principal due under all Classes of Notes.

See the section entitled "Credit Structure and Cashflows – Excess Principal Fund" for more detail.

The YBS Note ..... The YBS Note was issued on the First Issuance Date. It can be drawn for one or more of the following purposes:

(a) maintaining the requisite level of ongoing Available Principal Receipts necessary so as to meet scheduled payments on the Controlled Amortisation Notes and the Cash Accumulation Requirement in respect of Bullet Redemption Notes;

(b) funding all or any part of the Initial Additional Mortgage Portfolio Purchase Price for Additional Mortgage Portfolios;

(c) funding the purchase by the Issuer of Additional Mortgage Loans and their Related Security in circumstances where the Actual Subordination Amount is equal to, or greater than, the Required Subordination Amount;

(d) compliance with the EU Risk Retention Requirements, the UK Risk Retention Requirements and the US Credit Risk Retention Requirements;

(e) application of the drawings thereunder as Available Principal Receipts to effect the redemption of the Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*),

and the applicable Priority of Payments and Reapplication Rule;

(f) application of the drawings thereunder to effect the redemption of the Class Z(S) VFN in accordance with Condition 5 (*Redemption, Purchase and Cancellation*), subject to maintaining the Required Subordination Amount;

(g) funding in whole or in part the purchase of any Further Advances on the applicable Mortgage Loans in the Mortgage Portfolio; and/or

(h) making up for any shortfalls caused by any payment holiday feature under the Mortgage Loan granted to Borrowers under the Mortgage Loans in the Mortgage Portfolio through the application of drawings thereunder as the Funding Note Revenue Portion and the Funding Note Principal Portion (as applicable),

provided that the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount for so long as any Class A Notes (or any other Notes that are not at all times held by YBS (or its wholly owned affiliates)) or any Class Z VFNs remain outstanding.

The Minimum YBS Note Liquidity Amount will be sized at the time of each issuance of the Class A Notes (and as specified in the then applicable Final Terms) so as to enable the Issuer to acquire additional Mortgage Loans to support the timely payment of the Class A Notes.

Application of Enhanced Available Principal Receipts to cover a Remaining Revenue Shortfall .....

If, after the application of the Reserve Fund to make up a Revenue Shortfall as described above, there remains a Remaining Revenue Shortfall, then the Cash Manager is required to apply, on behalf of the Issuer, Enhanced Available Principal Receipts, if any, to make up that deficit in accordance with the relevant Priorities of Payments.

Principal Deficiencies and the Principal Deficiency Ledger .....

The Principal Deficiency Ledger is constituted by the Funding Principal Deficiency Sub-Ledger and the YBS Note Principal Deficiency Sub-Ledger. Any Losses realised on the Mortgage Loans will be recorded on the Principal Deficiency Ledger as follows:

(a) the YBS Note Percentage of such Losses will be recorded on the YBS Note Principal Deficiency Sub-Ledger; and

(b) the Adjusted Funding Note Percentage of such Losses will be recorded on the Funding Principal Deficiency Sub-Ledgers.

In addition, the Funding Principal Deficiency Sub-Ledgers will record any application of Enhanced Available Principal Receipts to meet any Remaining Revenue Shortfall. For the avoidance of doubt, with the exception of any Losses realised on the Mortgage Portfolio, no debit entries will be made on the YBS Note Principal Deficiency Sub-Ledger.

There will be a separate Funding Principal Deficiency Sub-Ledger for each of the Class A Notes and the Class Z(S) VFN (but not, for the avoidance of doubt, for the Class Z(R) VFN). Debit entries will be recorded on each Funding Principal Deficiency Sub-Ledger for the Class A Notes and the Class Z(S) VFN in reverse sequential order, starting with the Class Z(S) VFN. Debit entries may be adjusted in the event that the Principal Amount Outstanding of any Sub-Class of Class Z VFN is increased following any further drawdowns permitted under the Programme. Debit entries may also be reduced by the application of the Funding Note Revenue Portion in accordance with the Pre-Enforcement Revenue Priority of Payments in sequential order, starting with the Class A Principal Deficiency Sub-Ledger.

See the section entitled "Credit Structure and Cashflows – Principal Deficiencies and the Principal Deficiency Ledger" for more details.

Cash Accumulation Ledger ..... The Cash Manager will maintain separate Cash Accumulation Ledgers for the Issuer, which will record amounts accumulated by the Issuer to pay each outstanding Series of Bullet Redemption Notes.

Interest on the Class Z VFNs ..... At all times, interest payments due and payable under the Class Z(R) VFN and the Class Z(S) VFN will be subordinated to the payment of interest on the Class A Notes.

Deferral of interest ..... Interest due and payable on the Class Z(S) VFN, the Class Z(R) VFN and/or the YBS Note may be deferred until sufficient funds are available. Interest due and payable on the Class A Notes may not be deferred. Interest payable on the Class A Notes and the YBS Note will rank *pro rata* and *pari passu*, in accordance with the YBS Note Revenue Portion and the Funding Note Revenue Portion.

Interest Rate Swap Agreements ..... On the First Issuance Date the Issuer has entered into, and on each subsequent Issuance Date on which any further Series of Class A Notes that are Floating Rate Notes are issued the Issuer will enter into, one or more Interest Rate Swap Agreements and Interest Rate Swaps thereunder with the relevant Interest Rate Swap Counterparty to hedge against the difference between the rates of interest payable by the Borrowers under any Fixed Rate Mortgage Loans in the Mortgage Portfolio and interest payments due by the Issuer on the Floating Rate Notes in respect of each Series of Class A Notes. See the section entitled "The Swap Agreements – The Interest Rate Swap Agreements" for more information.

Key terms of the Interest Rate Swaps ..... The Interest Rate Swaps will include the following key commercial terms:

Swap notional amount — In respect of any Swap Calculation Period an amount equal to (a) the product of the Current Balance of the Fixed Rate Mortgage Loans and the applicable Performance Ratio, multiplied by (b) the Swap Funding Note Percentage as at the Calculation Date

		immediately preceding the Payment Date in respect of such Swap Calculation Period, sized on a monthly basis.
	Issuer payment	Periodic Sterling amounts calculated by reference to a weighted average of the rates of interest applicable under the Fixed Rate Mortgage Loans in the Mortgage Portfolio.
	Interest Rate Swap Counterparty payment	Periodic Sterling amounts calculated by reference to either (a) compounded SONIA (expected to be Compounded Daily SONIA) plus relevant applicable margin (each as referenced in the latest Final Terms), or (b) fixed rate, as specified in the applicable Final Terms.
	Frequency of payment	Monthly.

Currency Swap Agreements ..... For each Series and Class of Non-Sterling Notes, the Issuer will enter into a Currency Swap with a Currency Swap Counterparty to protect the Issuer against certain currency and/or interest rate fluctuations in respect of amounts payable to the Issuer under the Mortgage Loans and/or, as applicable, the relevant Interest Rate Swap Agreement and amounts payable by the Issuer under such corresponding Classes of Notes of the relevant Series. See the section entitled "The Swap Agreements – The Currency Swaps" for more information.

Key terms of the Currency Swaps ..... Each Currency Swap will include the following key commercial terms:

Issuer initial payment	On the applicable Issuance Date, an amount in the Specified Currency equal to the proceeds of the issue of the Series and Class of Notes to which the Currency Swap relates.
Currency Swap Counterparty initial payment	On the applicable Issuance Date, the Sterling Equivalent of the proceeds of the issue of the Series and Class of Notes to which the Currency Swap relates.
Issuer notional amount	The Sterling Equivalent Principal Amount Outstanding of the Series and Class of Notes to which the Currency Swap relates from time to time.
Currency Swap Counterparty notional amount	The Principal Amount Outstanding of the Series and Class of Notes to which the Currency Swap relates from time to time.
Issuer ongoing payments	The Sterling Equivalent of the amounts of interest to be paid on the Series and Class of Notes to which the Currency Swap relates.

Currency Swap Counterparty ongoing payments	The amounts of interest to be paid on the Series and Class of Notes to which the Currency Swap relates.
Issuer repayment amounts	The Sterling Equivalent of the principal amount of the Series and Class of Notes to which the Currency Swap relates being redeemed on a given day.
Currency Swap Counterparty repayment amount	The principal amount of the Series and Class of Notes to which the Currency Swap relates being redeemed on a given day.
Frequency of payment	As described in the applicable Final Terms.

See the section entitled "The Swap Agreements" for further information.

Principal payments on Non-Sterling Notes .....

For the purposes of making payments in respect of any Series or Class of Non-Sterling Notes:

(a) the Cash Manager will transfer to the relevant Currency Swap Counterparty the relevant principal exchange amount due under the relevant Currency Swap Agreement and the relevant Currency Swap Counterparty will transfer the corresponding principal exchange amount in the currency of the relevant Class A Notes to the Principal Paying Agent for the account of the relevant Non-Sterling Noteholders; or

(b) if there is no Currency Swap Agreement in place for the relevant Series of the Class A Notes (including, without limitation, as a result of the termination of the Original Currency Swap Agreement in relation to such Series), the Cash Manager will convert an amount equal to the applicable share of the Funding Note Principal Portion into the currency of the relevant Class A Notes at the applicable Spot Rate (booked for conversion for value on that Payment Date) and will transfer the amounts received following such conversion to the Principal Paying Agent for the account of the relevant Non-Sterling Noteholders.

Issuance Tests..... The issuance of any new Series of Class A Notes, or any Sub-Series of Class A Notes, under the Programme is subject to the satisfaction of the following tests:

(a) no Event of Default has occurred and is continuing (and has not been waived) or will occur as a consequence of the issue of such Notes;

(b) no Enforcement Notice has been delivered to the Issuer by the Note Trustee;

(c) no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing;

(d) the Issuer has obtained a Ratings Confirmation in respect thereof;

(e) each of the applicable Programme Issuance Documents has been executed by the relevant parties to those documents;

(f) the Issuer having delivered the applicable solvency certificate to the Note Trustee;

(g) on the Issuance Date of such Series and after giving effect to the issuance of such Series, the Actual Subordination Amount must be equal to, or greater than, the Required Subordination Amount; and

(h) following the issuance of such Series, the Principal Amount Outstanding of the YBS Note must be at least equal to the Minimum YBS Note Amount.

See the section entitled "Issuance of Notes" for further details.

Required Subordination Amount..... The Issuer (or the Cash Manager on its behalf) will ensure at all times that the Actual Subordination Amount is not less than the Required Subordination Amount.

The Actual Subordination Amount for the Programme is initially funded through the Class Z(S) VFN. However, on an ongoing basis, the Actual Subordination Amount will reflect the aggregate of the Principal Amount Outstanding of the Class Z(S) VFN.

If the Actual Subordination Amount is in excess of the Required Subordination Amount (or will be following the application of the Funding Note Revenue Portion and the Funding Note Principal Portion on a Payment Date) the Class Z(S) VFN may, in accordance with the relevant Pre-Enforcement Principal Priority of Payments, be redeemed in an amount such that the Actual Subordination Amount is equal to the Required Subordination Amount.

See the sections entitled "Credit Structure and Cashflows" and "Class Z VFNs" for more details.

Minimum YBS Note Amount..... The Issuer (or the Cash Manager on its behalf) will ensure that, for so long as any Class A Notes (or any other Notes that are not at all times held by YBS (or one or more of its wholly owned affiliates)) or any Class Z VFNs remain outstanding, the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount. The Minimum YBS Note Amount will be the greatest of the (i) Required Retention Amount, (ii) Minimum YBS Note Liquidity

Amount and (iii) Deposit Set-Off Protection Excess Amount as determined from time to time.

If the Principal Amount Outstanding of the YBS Note is greater than the Minimum YBS Note Amount (or will be following the application of Enhanced Available Revenue Receipts and Enhanced Available Principal Receipts on a Payment Date), then:

(a) the YBS Note may, in accordance with the relevant Pre-Enforcement Principal Priority of Payments, be redeemed in an amount such that the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount; or

(b) YBS may elect to exercise the YBS Note Permitted Repurchase Procedure in order for it to repurchase Mortgage Loans and their Related Security from the Issuer, and the proceeds from such repurchase will be applied directly and exclusively towards the repayment of the YBS Note.

In addition, the Issuer may apply an amount up to the gross proceeds of the issuance of the Class A Notes of any Series (the "**Class A Note Issuance Proceeds**") (with any costs and expenses associated with such issuance being funded by a drawing made under the Class Z(R) VFN), to redeem the YBS Note, **provided that**:

(a) following such redemption, the Principal Amount Outstanding of the YBS Note would not be less than the Minimum YBS Note Amount (the amount of such redemption being the "**YBS Note Redemption Amount**"); and

(b) the YBS Note Redemption Amount shall not exceed the amount of such Class A Note Issuance Proceeds.

Any such redemption of the YBS Note shall take place on the Issuance Date in respect of the relevant Class A Notes, and shall occur otherwise than in accordance with any Priority of Payments.

If some or all of the relevant Class A Notes are subscribed for by the holder of the YBS Note (the "**Retained Class A Notes**"), then, to the extent that the YBS Note Redemption Amount is less than or equal to the Class A Note Issuance Proceeds, the YBS Note Redemption Amount shall be netted against an amount equal to the Retained Class A Notes. The holder of the YBS Note shall procure that any surplus Class A Note Issuance Proceeds relating to Retained Class A Notes left following such netting are turned over to the Issuer.

For the avoidance of doubt, YBS may exercise the YBS Note Permitted Repurchase Procedure irrespective of whether (i) an Asset Trigger Event has occurred, (ii) a Non-Asset Trigger Event is continuing, or (iii) an Event of Default has occurred and is continuing.

See the sections entitled "Credit Structure and Cashflows" and "Class Z VFNs" for more details.

Transfer of collections ..... Collections of interest and principal in respect of the Mortgage Loans in the Mortgage Portfolio are received by the Sellers into the collection account(s) and swept into the Transaction Accounts by the end of the next Business Day following the identification of such amounts as collection amounts. Payments of interest and, in the case of Repayment Mortgage Loans, principal, are predominantly payable monthly in arrear.

See the section entitled "The Servicer and the Servicing Agreement" for more details.

Transaction Accounts ..... As at the Programme Date, the Issuer holds Transaction Accounts with the First Account Bank and the Second Account Bank.

Pursuant to the terms of the First Account Bank Agreement, where the First Account Bank fails to satisfy the required Account Bank Minimum Required Rating, the Issuer will be required to move any amounts recorded to any of the Excess Principal Ledger, the Cash Accumulation Ledger and/or the Reserve Ledger (and, where the Note Payment Dates in respect of any Class A Notes that are then outstanding are less frequent than quarterly, the Interest Provision Ledger and the Principal Provision Ledger) (collectively, the "**Affected Ledgers**") maintained on the Transaction Accounts held with the First Account Bank to a replacement transaction account opened with a financial institution that complies with the required Account Bank Minimum Required Rating (which can be, for the avoidance of doubt, the Second Account Bank), and record the relevant amounts on the ledgers corresponding to the Affected Ledgers maintained with such replacement financial institution.

See the sections entitled "Cash Management" for more details.

Authorised Investments .... Amounts standing to the credit of the Transaction Accounts, including the Reserve Fund, may be invested in Authorised Investments. Authorised Investments are only required to mature or be liquidated, as applicable, to the extent that there are insufficient funds to meet the Issuer's obligations on such Payment Date standing to the credit of the Transaction Accounts. The remainder may continue to be held in Authorised Investments beyond the relevant Payment Date. Authorised Investments will be held with the Custodian in a Custody Account.

See the section entitled "Credit Structure and Cashflows" and "Cash Management" for more details.

Payment shortfalls due to arrears management..... On each Calculation Date, if the Cash Manager determines that there will be a shortfall in payment of interest and/or principal in respect of the Class A Notes on the next following Payment Date as a result of any shortfalls caused by any payment holiday feature under the Mortgage Loan granted to Borrowers under the Mortgage Loans in

the Mortgage Portfolio during the corresponding Calculation Period, the Issuer may draw down on the YBS Note in the following amounts, as applicable:

(a) an amount equal to such revenue shortfall multiplied by the then Adjusted Funding Note Percentage (such amount being the "**Arrears Management Revenue Shortfall Amount**"), to be included in the Funding Note Revenue Portion and applied in accordance with the Pre-Enforcement Revenue Priority of Payments; and/or

(b) an amount equal to such principal shortfall, multiplied by the then Adjusted Funding Note Percentage (such amount being the "**Arrears Management Principal Shortfall Amount**") to be included in the Funding Note Principal Portion and applied in accordance with the relevant Pre-Enforcement Principal Priority of Payments.

Summary of Priorities of Payments .....

The Cash Manager will apply Enhanced Available Revenue Receipts and Enhanced Available Principal Receipts on each Payment Date in accordance with the order of priority set out in the Cash Management Agreement, as summarised below. It should be noted that this is a summary of some of the main cashflows, and does not include every possible cashflow. For more information on cashflows, please refer to the sections entitled "Credit Structure and Cashflows – Application of Available Funds Following the Delivery of an Enforcement Notice", "Credit Structure and Cashflows – Available Principal Receipts" and "Credit Structure and Cashflows – Application of Available Funds Following the Delivery of an Enforcement Notice".

TRANSACTION OVERVIEW

OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS

Pre-Enforcement Revenue Priority of Payments

Prior to the split of the Available Revenue Receipts to form part of the YBS Note Revenue Portion and the Funding Note Revenue Portion:

1. Amounts due to the Security Trustee and Note Trustee and any Appointee;

2. (a) Amounts due to the Agents and (b) amounts due to the Servicer, Cash Manager, Corporate Services Provider, Back-up Servicer Facilitator, Account Banks, Custodian and any Tender Agent;

3. Amounts due to third-party creditors of the Issuer, including in respect of tax (save to the extent that such tax is corporation tax on the taxable profits of the Issuer which can be met out of the Issuer Profit Amount); and

4. Issuer Profit Amount.

The YBS Note Revenue Portion will be applied towards:

Pre-Enforcement Principal Priorities of Payments

Prior to the occurrence of an Asset Trigger Event and for so long as no Non-Asset Trigger Event is continuing, and prior to the split of the Available Principal Receipts to form part of the YBS Note Principal Portion and the Funding Note Principal Portion, Senior Fees and Expenses (to the extent not covered by the application of the Pre-Enforcement Revenue Priority of Payments).

The YBS Note Principal Portion will be applied to repay principal on the YBS Note down to the Minimum YBS Note Amount, **provided that** to the extent there is a Funding Note Principal Portion Shortfall, the YBS Note Principal Portion will be reduced by an amount equal to the Funding Note Principal Portion Shortfall and such amount will be added to the Funding Note Principal Portion.

The Funding Note Principal Portion, (which will include (i) as any amounts to be added to the Funding Note Principal Portion to make up any Funding Note Principal Portion Shortfall and (ii) any Arrears Management Principal Shortfall Amount) will be applied in the following order of priority:

Post-Enforcement Priority of Payments

Prior to the split of the Remaining Available Enforcement Receipts into the YBS Note Post-Enforcement Portion and the Funding Note Post-Enforcement Portion:

1. Amounts due to the Security Trustee and Note Trustee, any Receiver and any Appointee;

2. (a) Amounts due to the Agents and (b) amounts due to the Servicer, Cash Manager, Corporate Services Provider, Back-up Servicer Facilitator, Account Banks, Custodian and any Tender Agent; and

3. Amounts due to any Swap Counterparty (excluding any Swap Excluded Termination Amount).

The YBS Note Post-Enforcement Portion will be applied to pay interest due or overdue on, and to repay principal of, the YBS Note and thereafter to pay Deferred Consideration to the Sellers.

Pre-Enforcement Revenue Priority of Payments

1. Interest on the YBS Note;

2. Elimination of debit entries on the YBS Note Principal Deficiency Sub-Ledger; and

3. Deferred Consideration to the Sellers. The Sellers may, however, direct the Issuer, at their sole discretion, that, instead of receiving Deferred Consideration, such amounts are, in whole or in part, instead added to the Funding Note Revenue Portion.

The Funding Note Revenue Portion, (which will include (i) (at the discretion of the Sellers) any amounts to be included to the Funding Note Revenue Portion in accordance with paragraph 3 above, and (ii) any Arrears Management Revenue Shortfall Amount), will be applied in the following order of priority:

1. Amounts due to any Interest Rate Swap Counterparty (excluding any Interest Rate Swap Excluded Termination Amount);

2. Interest on the Class A Notes, amounts due to the Currency Swap Counterparties in respect of payments of interest (other than Currency Swap Excluded Termination

Pre-Enforcement Principal Priorities of Payments

1. Interest on Class A Notes (to the extent a Revenue Shortfall is present following the application of the Funding Note Revenue Portion in accordance with the Pre-Enforcement Revenue Priority of Payments);

2. In accordance with the Reapplication Rule, (a)(i) with respect to any Bullet Redemption Notes to the Cash Accumulation Ledger up to an amount equal to the Cash Accumulation Requirement (during the Cash Accumulation Period), (ii) to apply amounts standing to the credit of the relevant Cash Accumulation Ledger towards redeeming Bullet Redemption Notes, and (iii) with respect to any Soft Bullet Redemption Notes which have not been repaid in full on the relevant Soft Bullet Scheduled Redemption Date, to pay any remaining amount of principal due and payable on such Class A Notes (b) payment of principal due and payable on Controlled Amortisation Notes in an amount up to the Controlled Amortisation Amount, (c) payment of principal due and payable on Pass-Through Redemption Notes until their Sterling Equivalent Principal Amount Outstanding is zero, (d)

Post-Enforcement Priority of Payments

The Funding Note Post-Enforcement Portion will be applied in the following order of priority:

1. In no order of priority among them, interest, principal and fees due on the Class A Notes and amounts due to Swap Counterparties (other than any Swap Excluded Termination Amounts);

2. In no order of priority among them, interest due or overdue in respect of each Sub-Class of Class Z VFN;

3. In no order of priority among them but in proportion to the respective amounts due, to pay any Swap Excluded Termination Amounts to any Swap Counterparty;

4. Issuer Profit Amount;

5. Principal on the Class Z(R) VFN;

6. Principal on the Class Z(S) VFN;

7. To third-party creditors of the Issuer, including any relevant tax authorities (save to the extent that the relevant tax is corporation tax on the taxable profits of the Issuer which can be met out of the Issuer Profit Amount); and

Pre-Enforcement Revenue Priority of Payments

Amounts) and credit the Interest Provision Fund;

3. Eliminate debit entries on the Class A Principal Deficiency Sub-Ledger;

4. Credit the Reserve Fund up to the Reserve Fund Required Amount;

5. Eliminate debt entries on the Class Z(S) VFN Principal Deficiency Sub-Ledger;

6. Following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing the remainder to be applied as Available Principal Receipts in order to be applied at paragraphs 2 to 4 above inclusive of the Pre-Enforcement Post-Trigger Principal Priority of Payments, and thereafter to be applied at paragraphs 7 to 11 inclusive of the Pre-Enforcement Revenue Priority of Payments;

7. Interest on the Class Z(R) VFN;

8. Interest on the Class Z(S) VFN;

9. Principal on the Class Z(R) VFN;

10. Swap Excluded Termination Amounts; and

Pre-Enforcement Principal Priorities of Payments

payment of amounts due to any Currency Swap Counterparties (excluding any Currency Swap Excluded Termination Amount), and (e) credit the Principal Provision Fund up to the Principal Provision Fund Required Amount;

3. For so long as a Revolving Period End Trigger Event is not continuing, and **provided that** any Series of the Class A Notes that satisfy the UK STS Criteria Requirements and which were outstanding at the time of the occurrence of such Revolving Period End Trigger Event have been redeemed by the Issuer in full, the purchase by the Issuer of any Additional Mortgage Portfolio and Further Advances in respect of the applicable Mortgage Loans in the Mortgage Portfolio at such time;

4. To the extent any Non-Sterling Notes remain outstanding following their Sterling Equivalent Redemption Date (after the application of any Principal Excess Amounts), to redeem any Non-Sterling Notes until they have been redeemed in full;

5. Subject to the Required Subordination Amount, principal on the Class Z(S) VFN;

Post-Enforcement Priority of Payments

8. Deferred Consideration to the Sellers.

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priorities of Payments	Post-Enforcement Priority of Payments
11. Deferred Consideration to the Sellers.	6. Repayment of principal on the YBS Note down to the Minimum YBS Note Amount; and 7. Remainder to be credited to the Excess Principal Fund. The Reapplication Rule (as described in the section entitled "Credit Structure and Cashflows – Rules for the repayment of principal amounts due on the Notes") will apply in determining the amounts to be paid under paragraph 2 of the application of the Funding Note Principal Portion in the Pre-Enforcement Pre-Trigger Principal Priority of Payments summarised above. Following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing: 1. Senior Fees and Expenses; 2. Interest on Class A Notes (following the application of the Funding Note Revenue Portion in accordance with the Pre-Enforcement Revenue Priority of Payments); 3. (a) Amounts due to any Currency Swap Counterparties (excluding any Currency Swap Excluded Termination Amount),	

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priorities of Payments	Post-Enforcement Priority of Payments
	and (b) if an Asset Trigger Event has occurred, to redeem all the Class A Notes which remain outstanding in no order of priority among them but in proportion to the respective amounts due or, if a Non-Asset Trigger Event is continuing but an Asset Trigger Event has not occurred, in the following order of priority: (i) in the order of their Final Maturity Date, beginning with the earliest such date (and if two or more Series of Class A Notes have the same Final Maturity Date, in proportion to the respective amounts due), any Class A Notes with Final Maturity Dates falling within five years from the date on which the respective Non-Asset Trigger Event has occurred; and (ii) in no order of priority among them but in proportion to the respective amounts due, the remaining Class A Notes with Final Maturity Dates falling five years or later from the date on which the respective Non-Asset Trigger Event has occurred; 4. To the extent any Non-Sterling Notes remain outstanding following their	

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priorities of Payments	Post-Enforcement Priority of Payments
	Sterling Equivalent Redemption Date (after the application of any Principal Excess Amounts), redemption of any Non-Sterling Notes until they have been redeemed in full; 5. Repayment of the Class Z(S) VFN; 6. Repayment of the YBS Note; and 7. Remainder to be applied as Available Revenue Receipts.	

TRIGGERS TABLES

Rating Triggers Table

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached
Swap Counterparty (or any credit support provider from time to time in respect of the Swap Counterparty).	Loss of the Fitch Required Ratings, the S&P Required Ratings, the Moody's Required Ratings or the DBRS Required Ratings, as set out below. Moody's The required ratings and triggers described below (the **Moody's Required Ratings**), as well as the possible effects of the relevant trigger being breached, will apply for so long as the Notes are rated by Moody's. The relevant Moody's Required Ratings depend on the rating of the Notes with the highest rating from Moody's (the **Moody's Relevant Notes**). The Swap Counterparty (or its successor or relevant credit support provider) must satisfy the following requirements to have the Moody's Required Ratings: Qualifying Collateral Trigger Rating: A long-term counterparty risk assessment of "A3(cr)" or above (or such other rating from Moody's that will support the then current rating of the Moody's Relevant Notes), or its long term, unsecured and unsubordinated debt obligations are rated "A3" or above by Moody's (or such other rating from Moody's that will support the then current rating of the Moody's Relevant Notes).	The relevant remedial actions and relevant timing for such actions set out below are dependent on the relevant trigger that has been breached. Qualifying Collateral Trigger Rating: Subject to the terms of the Swap Agreement, the Swap Counterparty (or its successor or relevant credit support provider) must post collateral within 30 business days. The Issuer may terminate the Swaps under the Swap Agreement if the Swap Counterparty fails to post collateral in the relevant time period (to the extent it is required to do so).

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached
	Qualifying Transfer Trigger Rating: A long-term counterparty risk assessment of "Baa1(cr)" or above (or such other rating from Moody's that will support the then current rating of the Moody's Relevant Notes), or its long term, unsecured and unsubordinated debt obligations are rated "Baa1" or above by Moody's (or such other rating from Moody's that will support the then current rating of the Moody's Relevant Notes).	Qualifying Transfer Trigger Rating: Subject to the terms of the Swap Agreement, the Swap Counterparty (or its successor or relevant guarantor) must, within 30 business days, post or continue to post collateral, and use commercially reasonable efforts to, as soon as reasonably practicable (i) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement, (ii) transfer its rights and obligations under the Swap Agreement to an eligible replacement, or (iii) take such other action (which may include taking no action) as required to maintain or restore the rating of the Moody's Relevant Notes by Moody's. The Issuer may terminate the Swaps under the Swap Agreement if at least 30 business days have elapsed, the Swap Counterparty fails to comply with the above requirements and a firm offer has been made by a third party that is able to assume the obligations of the Swap Counterparty, which remains capable of becoming legally binding upon acceptance.
	Fitch The required ratings and triggers described below (the **Fitch Required Ratings**), as well as the possible effects of the relevant trigger being breached, will apply for so long as the Notes are rated by Fitch. The relevant Fitch Required Ratings depend on the rating of the Notes with the highest rating from Fitch (the **Fitch Relevant Notes**). The Swap Counterparty (or its successor or relevant credit support provider) must satisfy the following requirements to have the Fitch Required Ratings:	
	Initial Fitch Required Rating: A short-term issuer default rating or a derivative counterparty rating assigned to such entity (or, if a	Initial Fitch Rating Event: Subject to the terms of the Swap Agreement, the Swap Counterparty (or its successor or relevant

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached
	derivative counterparty rating has not been assigned, a long-term issuer default rating assigned to such entity) by Fitch at least as high as the Unsupported Minimum Counterparty Rating corresponding to the then current rating of the Fitch Relevant Notes by Fitch, in each case, as specified in Table 1 below (or such other rating from Fitch that will support the then current rating of the Fitch Relevant Notes).	credit support provider) must, within 14 calendar days, post collateral and may, within 60 calendar days, either (i) transfer its rights and obligations under the Swap Agreement to an eligible replacement, (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement or (iii) take such other action (which may include taking no action) as required to maintain or restore the rating of the Relevant Fitch Notes by Fitch. The Issuer may terminate the Swaps under the Swap Agreement if the Swap Counterparty fails to post collateral in the relevant time period (to the extent it is required to do so) and the Swap Counterparty fails to take the relevant actions set out in (i) to (iii) above in the relevant time period.
	Subsequent Fitch Required Rating: A short-term issuer default rating or a derivative counterparty rating assigned to such entity (or, if a derivative counterparty rating has not been assigned, a long-term issuer default rating assigned to such entity) by Fitch at least as high as the Supported Minimum Counterparty Rating (adjusted or unadjusted as set out in Table 1 below) corresponding to the then current rating of the Fitch Relevant Notes by Fitch, in each case, as specified in Table 1 below (or such other rating from Fitch that will support the then current rating of the Fitch Relevant Notes).	Subsequent Fitch Rating Event: Subject to the terms of the Swap Agreement, the Swap Counterparty (or its successor or relevant credit support provider) must, within 60 calendar days on a reasonable efforts basis (i) transfer its rights and obligations under the Swap Agreement to an eligible replacement, (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement or (iii) take such other action (which may include taking no action) as required to maintain or restore the rating of the Fitch Relevant Notes by Fitch, and pending taking such action must, within 14 calendar days, post or continue to post collateral. The Issuer may terminate the Swaps under the Swap Agreement if the Swap Counterparty fails to post or continue to post collateral in the relevant time period (to the extent it is required to do so) or the Swap Counterparty fails to take the relevant actions set out in (i) to (iii) above in the relevant time period.

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached

Table 1:
For the purposes of the above:

Rating of the Fitch Relevant Notes	Unsupported Minimum Counterparty Rating	Supported Minimum Counterparty Rating*	Supported Minimum Counterparty Rating (adjusted)
AAA	A or F1	BBB- or F3	BBB+ or F2
AA+, AA, AA-	A- or F1	BBB- or F3	BBB+ or F2
A+, A, A-	BBB or F2	BB+	BBB or F2
BBB+, BBB, BBB-	BBB- or F3	BB-	BBB- or F3
BB+, BB, BB-	At least as high at the Relevant Fitch Notes	B+	BB-
B+ or below	At least as high at the Relevant Fitch Notes	B-	B-

* If the Swap Counterparty (or its successor or relevant credit support provider) is not incorporated in the same jurisdiction as the Issuer and, following a request from Fitch, has not provided to Fitch a legal opinion, in a form acceptable to Fitch, confirming the enforceability of the subordination provisions against it in its jurisdiction, references to "Supported Minimum Counterparty Rating" shall be deemed to refer to "Supported Minimum Counterparty Rating (adjusted)" in respect of such entity.

S&P

The required ratings and triggers described below (the **S&P Required Ratings**), as well as the possible effects of the relevant trigger being breached, will apply for so long as the Notes are rated by S&P. The relevant S&P Required Ratings depend on the

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached
	rating of the Notes with the highest rating from S&P (the **S&P Relevant Notes**) and the applicable S&P framework elected by the Swap Counterparty from time to time (the **S&P Framework**). The Swap Counterparty (or its successor or relevant credit support provider) must satisfy the following requirements to have the S&P Required Ratings:	
	Initial S&P Required Rating: Where S&P Framework "Strong", "Adequate" or "Moderate" applies, an issuer credit rating or resolution counterparty rating assigned by S&P to the entity at least as high as the rating corresponding to the rating of the S&P Relevant Notes and the applicable S&P Framework, as specified in Table 2 below under the column "Initial S&P Rating Event" (or such other rating from S&P that will support the then current rating of the S&P Relevant Notes).	Initial S&P Rating Event: Subject to the terms of the Swap Agreement, the Swap Counterparty (or its successor or relevant credit support provider) must, within 10 business days, post collateral, and may (i) transfer its rights and obligations under the Swap Agreement to an eligible replacement, (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement, or (iii) take such other action (which may include taking no action) as required to maintain or restore the rating of the S&P Relevant Notes by S&P. The Issuer may terminate the Swaps under the Swap Agreement if the Swap Counterparty fails to post collateral in the relevant time period (to the extent it is required to do so).
	Subsequent S&P Required Rating: An issuer credit rating or resolution counterparty rating assigned by S&P to the entity at least as high as the rating corresponding to the rating of the S&P Relevant Notes and the applicable S&P Framework, as specified in Table 2 below under the column "Subsequent S&P Rating Event" (or such other rating from S&P that will support the then current rating of the S&P Relevant Notes).	Subsequent S&P Rating Event: Subject to the terms of the Swap Agreement, the Swap Counterparty (or its successor or relevant credit support provider) must, within 10 business days, post collateral (unless the applicable S&P Framework is S&P Weak, in which case no collateral posting obligation shall exist), and use commercially reasonable efforts to (i) transfer its rights and obligations under the Swap Agreement to an eligible replacement, (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement, or (iii) take such other action (which may include taking no action) as

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached
		required to maintain or restore the rating of the S&P Relevant Notes by S&P. The Issuer may terminate the Swaps under the Swap Agreement if the Swap Counterparty fails to post collateral in the relevant time period (to the extent it is required to do so) or the Swap Counterparty fails to take the relevant actions set out in (i) to (iii) above in the relevant time period.

Table 2:

For the purposes of the above:

	"S&P Strong"		"S&P Adequate"		"S&P Moderate"		"S&P Weak"	
Rating of S&P Relevant Notes	**Initial S&P Rating Event**	**Subsequent S&P Rating Event**	**Initial S&P Rating Event**	**Subsequent S&P Rating Event**	**Initial S&P Rating Event**	**Subsequent S&P Rating Event**	**Initial S&P Rating Event**	**Subsequent S&P Rating Event**
AAA	A-	BBB+	A-	A-	A	A	NA	A+
AA+	A-	BBB+	A-	A-	A-	A-	NA	A+
AA	A-	BBB	BBB+	BBB+	A-	A-	NA	A
AA-	A-	BBB	BBB+	BBB+	BBB+	BBB+	NA	A-
A+	A-	BBB-	BBB	BBB	BBB+	BBB+	NA	A-
A	A-	BBB-	BBB	BBB	BBB	BBB	NA	BBB+
A-	A-	BBB-	BBB	BBB-	BBB	BBB	NA	BBB+
BBB+	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB
BBB	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB
BBB-	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB-
BB+ and below	A-	At least as high as 3 notches below S&P Relevant Notes rating	BBB	At least as high as 2 notches below the S&P Relevant Notes rating	BBB	At least as high as 1 notch below the S&P Relevant Notes rating	NA	At least as high as the S&P Relevant Notes rating

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached
	DBRS The required ratings and triggers described below (the **DBRS Required Ratings**), as well as the possible effects of the relevant trigger being breached, will apply for so long as the Notes are rated by DBRS. The relevant DBRS Required Ratings depend on the rating of the Notes with the highest rating from DBRS (the **DBRS Relevant Notes**). The Swap Counterparty (or its successor or relevant credit support provider) must satisfy the following requirements to have the DBRS Required Ratings:	
	A public rating assigned by DBRS to the entity of "A" or higher (or such other rating from DBRS that will support the then current rating of the DBRS Relevant Notes), or its long-term, unsecured and unsubordinated debt obligations are rated "A" or higher (or such other rating from DBRS that will support the then current rating of the DBRS Relevant Notes), or in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating at least equal to "A" by DBRS (or such other rating from DBRS that will support the then current rating of the DBRS Relevant Notes).	Initial DBRS Rating Event: Subject to the terms of the Swap Agreement, the Swap Counterparty must, within 30 business days, either (i) post collateral, (ii) transfer its rights and obligations under the Swap Agreement to an eligible replacement, (iii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement, or (iv) take such other action (which may include taking no action) as required to maintain or restore the rating of the DBRS Relevant Notes by DBRS. The Issuer may terminate the Swaps under the Swap Agreement if the Swap Counterparty fails to take one of actions set out in (i) to (iv) above in the relevant time period.
	A public rating assigned by DBRS to the entity of "BBB" or higher (or such other rating from DBRS that will support the then	Subsequent DBRS Rating Event: Subject to the terms of the Swap Agreement, the Swap Counterparty must, within 30

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached
	current rating of the DBRS Relevant Notes), or its long-term, unsecured and unsubordinated debt obligations are rated "BBB" or higher (or such other rating from DBRS that will support the then current rating of the DBRS Relevant Notes), or in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating at least equal to "BBB" by DBRS (or such other rating from DBRS that will support the then current rating of the DBRS Relevant Notes).	business days, post collateral, and use commercially reasonable efforts to (i) transfer its rights and obligations under the Swap Agreement to an eligible replacement, (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement, or (iii) take such other action (which may include taking no action) as required to maintain or restore the rating of the DBRS Relevant Notes by DBRS. The Issuer may terminate the Swaps under the Swap Agreement if the Swap Counterparty fails to comply with the above requirements in the relevant time period.

For the purposes of the above:

"**DBRS Equivalent Rating**" means (a) if a Fitch public rating, a Moody's public rating and an S&P public rating are all available in respect of the senior unsecured debt obligations of an entity, (i) the remaining rating (upon conversion on the basis of the DBRS Equivalent Chart) once the highest and the lowest rating have been excluded or (ii) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart), (b) if the DBRS Equivalent Rating cannot be determined under paragraph (a) above, but public ratings by any two of Fitch, Moody's and S&P are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart), and (c) if the DBRS Equivalent Rating cannot be determined under paragraph (a) or (b) above, and therefore only a public rating by one of Fitch, Moody's and S&P is available, such rating will be the DBRS Equivalent Rating (upon conversion on the basis of the DBRS Equivalent Chart).

Transaction Party	Required Ratings/Triggers	Possible Effects of Trigger Being Breached

"**DBRS Equivalent Chart**" means:

DBRS	Moody's	S&P	Fitch
AAA	Aaa(cr)	AAA	AAA
AA (high)	Aa1(cr)	AA+	AA+
AA	Aa2(cr)	AA	AA
AA (low)	Aa3(cr)	AA-	AA-
A (high)	A1(cr)	A+	A+
A	A2(cr)	A	A
A (low)	A3(cr)	A-	A-
BBB (high)	Baa1(cr)	BBB+	BBB+
BBB	Baa2(cr)	BBB	BBB
BBB (low)	Baa3(cr)	BBB-	BBB-
BB(high)	Ba1(cr)	BB+	BB+
BB	Ba2(cr)	BB	BB
BB(low)	Ba3(cr)	BB-	BB-
B(high)	B1(cr)	B+	B+
B	B2(cr)	B	B
B(low)	B3(cr)	B-	B-
CCC(high)	Caa1(cr)	CCC+	CCC
CCC	Caa2(cr)	CCC	
CCC(low)	Caa3(cr)	CCC-	
CC	Ca(cr)	CC	
		C	
D	C(cr)	D	D

Account Banks

Fitch. A short-term issuer default rating of at least F1 by Fitch or a long-term issuer default rating (or deposit rating, if assigned) of at least A by Fitch;

Moody's. A long-term bank deposits rating of at least A3 by Moody's or a short-term issuer default rating of at least P-1 by Moody's;

S&P. A short-term unsecured, unguaranteed and unsubordinated debt rating of at least A-1 by S&P (if a short-term unsecured, unguaranteed and unsubordinated debt rating is assigned by S&P) and a long term unsecured, unguaranteed and unsubordinated debt rating of at least A by S&P, or should the relevant Account Bank not benefit from a short-term unsecured, unguaranteed and unsubordinated debt rating of at least A-1 from S&P, a long-term unsecured, unguaranteed and unsubordinated debt rating of at least A+ by S&P; and

DBRS. The higher of (A) if a COR is currently maintained in respect of the relevant Account Bank, a rating one notch below such Account Bank's COR, being a rating of "A" from DBRS, and (B) a long-term senior unsecured debt rating or deposit rating of "A" from DBRS or

Within 60 days of the breach, one of the following will occur: (a) the Transaction Account may be closed by, or on behalf of, the Issuer and all amounts standing to the credit thereof will be transferred by, or on behalf of, the Issuer to accounts held with a financial institution which satisfies the required Account Bank Minimum Required Rating, or (b) a guarantee of such Account Bank's obligations under the relevant Account Bank Agreement may be obtained from a financial institution which satisfies the required Account Bank Minimum Required Rating, or (c) a Ratings Confirmation will be obtained or the relevant Account Bank will take such other actions as may be reasonably requested by the parties to the Account Bank Agreement (other than the Security Trustee) to ensure that the rating of the Class A Notes immediately prior to the breach is not adversely affected by the breach.

(C) if none of (A) or (B) above is currently maintained in respect of the relevant Account Bank, a DBRS Equivalent Rating at least equal to "A",

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 Class A Notes.

Swap Collateral Account Bank

Fitch. A short-term issuer default rating of at least F1 by Fitch or a long-term issuer default rating (or deposit rating, if assigned) of at least A by Fitch;

Moody's. A long-term bank deposits rating of at least A3 by Moody's or a short-term issuer default rating of at least P1 by Moody's;

S&P. A short-term unsecured, unguaranteed and unsubordinated debt rating of at least A-1 by S&P (if a short-term unsecured, unguaranteed and unsubordinated debt rating is assigned by S&P) and a long-term unsecured, unguaranteed and unsubordinated debt rating of at least A by S&P, or should the relevant Swap Collateral Account Bank not benefit from a short-term unsecured, unguaranteed and unsubordinated debt rating of at least A-1 from S&P, a long-term unsecured,

Within 60 days of the breach, one of the following will occur: (a) the Swap Collateral Account may be closed by, or on behalf of, the Issuer and all amounts standing to the credit thereof will be transferred by, or on behalf of, the Issuer to accounts held with a financial institution which satisfies the required Swap Collateral Account Bank Minimum Required Rating, or (b) a guarantee of such Swap Collateral Account Bank's obligations under the relevant Swap Collateral Account Bank Agreement may be obtained from a financial institution which satisfies the required Swap Collateral Account Bank Minimum Required Rating, or (c) a Ratings Confirmation will be obtained or the relevant Swap Collateral Account Bank will take such other actions as may be reasonably requested by the parties to the Swap Collateral Account Bank Agreement (other than the Security Trustee) to ensure that the rating of the Class A Notes immediately prior to the breach is not adversely affected by the breach.

unguaranteed and unsubordinated debt rating of at least A+ by S&P; and

DBRS. The higher of (A) if a COR is currently maintained in respect of the relevant Swap Collateral Account Bank, a rating one notch below such Swap Collateral Account Bank's COR, being a rating of "A" from DBRS, and (B) a long-term senior unsecured debt rating or deposit rating of "A" from DBRS or (C) if none of (A) or (B) above is currently maintained in respect of the relevant Swap Collateral Account Bank, a DBRS Equivalent Rating at least equal to "A",

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 Class A Notes.

Custodian

Fitch. A short-term issuer default rating of at least F1 by Fitch or a long-term issuer default rating (or deposit rating, if assigned) of at least A by Fitch;

Moody's. A long-term bank deposits rating of at least A3 by Moody's;

S&P. A short-term unsecured, unguaranteed and unsubordinated debt rating of at least A-1 by S&P (if a short-term unsecured, unguaranteed and

Within 60 days of the breach, one of the following will occur: (a) the Custody Account and the Swap Collateral Custody Account may be closed by, or on behalf of, the Issuer and all amounts standing to the credit thereof will be transferred by, or on behalf of, the Issuer to accounts held with a Qualified Institution, or (b) a guarantee of the Custodian's obligations under the Custody Agreement and the Swap Collateral Custody Agreement may be obtained from a financial institution which has all the Custodian Ratings, or (c) a Ratings Confirmation will be obtained or the Custodian will take such other actions as may be reasonably requested by the parties to the Custody Agreement and the Swap Collateral Custody Agreement (other than the

unsubordinated debt rating is assigned by S&P) and a long-term unsecured, unguaranteed and unsubordinated debt rating of at least A by S&P, or should the Custodian not benefit from a short-term unsecured, unguaranteed and unsubordinated debt rating of at least A-1 from S&P, a long-term unsecured, unguaranteed and unsubordinated debt rating of at least A+ by S&P; and

DBRS. The higher of (A) if a COR is currently maintained in respect of the Custodian, a rating one notch below the Custodian's COR, being a rating of "A" from DBRS, and (B) a long-term senior unsecured debt rating or deposit rating of "A" from DBRS or (C) if none of (A) or (B) above is currently maintained in respect of the Custodian, a DBRS Equivalent Rating at least equal to "A",

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 Class A Notes.

Security Trustee) to ensure that the rating of the Class A Notes immediately prior to the breach is not adversely affected by the breach.

NON-RATING TRIGGERS TABLE

Nature of Trigger	Description of Trigger	Consequence of Trigger
Asset Trigger Event	Any amount is recorded as a debit on the Class A Principal Deficiency Sub-Ledger after the application of available funds in accordance with the applicable Priorities of Payment on a Payment Date.	Following the occurrence of an Asset Trigger Event and/or for as long as a Non-Asset Trigger Event is continuing: (i) all Bullet Redemption Notes, Controlled Amortisation Notes and Soft Bullet Redemption Notes will become Pass-Through Redemption Notes; (ii) following the occurrence of an Asset Trigger Event (but not following the occurrence of a Non-Asset Trigger Event), interest on all Class A Notes and Sub-Classes of Class A Notes in each Series will be determined and paid on a monthly basis and will be due and payable by the Issuer on each applicable Payment Date; and (iii) prior to service of an Enforcement Notice, principal on all Class A Notes and the Class Z(S) VFN will be paid in priority to the YBS Note.
Non-Asset Trigger Event	(a) An Insolvency Event in relation to a Seller or the Servicer; (b) notice is provided by the Issuer to the Servicer terminating the appointment of the Servicer following the occurrence of a Servicer Termination Event in accordance with the terms of the Servicing Agreement, and a replacement Servicer is not appointed within six months following the provision of such notice;	(i) principal on all Class A Notes and Sub-Classes of Class A Notes in each Series will be paid: (a) if an Asset Trigger Event has occurred, in no order of priority among them but in proportion to the respective amounts due; or (b) if a Non-Asset Trigger Event is continuing but an Asset Trigger Event has not occurred, in the following order of priority: (A) first, in the order of their Final Maturity Date, beginning with the earliest such date (and if two or more Series of Class A Notes have the same Final Maturity Date, in proportion to the respective amounts due), any Class A Notes with Final Maturity Dates falling within five years from the date on which the respective Non-Asset Trigger Event has occurred; and

Nature of Trigger	Description of Trigger	Consequence of Trigger
	(c) the Actual Subordination Amount continues to be less than the Required Subordination Amount for a period of two months following the date on which the Servicer became aware of the reduction of the Actual Subordination Amount below the Required Subordination Amount, and the Actual Subordination Amount is not restored to the level which is at least equal to the Required Subordination Amount by the end of such period;	(B) second, in no order of priority among them but in proportion to the respective amounts due, the remaining Class A Notes with Final Maturity Dates falling five years or later from the date on which the respective Non-Asset Trigger Event has occurred; (ii) on each Payment Date, the Issuer will be required to apply Enhanced Available Principal Receipts in accordance with the Priority of Payment set out under in the section entitled "Credit Structure and Cashflows – Available Principal Receipts – Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing but prior to the delivery of an Enforcement Notice"; (iii) at any time where a Sale Period is not continuing, the relevant Seller will be required to repurchase any Mortgage Loans in respect of which a Further Advance was granted or a Product Switch was made following the occurrence of an event which resulted in the suspension of a Sale Period; and
	(d) the Principal Amount Outstanding of the YBS Note continues to be less than the Minimum YBS Note Amount for a period of two months following the date on which the Servicer became aware of the reduction of the Principal Amount Outstanding of the YBS Note	(iii) for as long as a Non-Asset Trigger Event is continuing, and **provided that** a Sale Period is still continuing, the purchase by the Issuer of any Additional Mortgage Portfolio or any Further Advances in respect of the applicable Mortgage Loans in the Mortgage Portfolio at such time can be funded solely by drawings under the YBS Note.

Nature of Trigger	Description of Trigger	Consequence of Trigger
	below the Minimum YBS Note Amount, and the Principal Amount Outstanding of the YBS Note is not restored to the Minimum YBS Note Amount by the end of such period; or	
	(e) Excess Principal Fund Threshold Event.	
Revolving Period End Trigger Event	(a) Insolvency Event in relation to a Seller or the Servicer; or (b) Excess Principal Fund Threshold Event.	Following the occurrence of a Revolving Period End Trigger Event, the Issuer will be prohibited from applying any of the Enhanced Available Principal Receipts or the proceeds of any further drawdowns under the Class Z(S) VFN or the YBS Note towards the purchase by the Issuer of any Additional Mortgage Portfolio or any Further Advances in respect of the applicable Mortgage Loans in the Mortgage Portfolio at such time. Upon the redemption in full of all Series of Class A Notes that were both: (i) outstanding at the time that a Revolving Period End Trigger Event occurred; and (ii) designated as being in compliance with the UK STS Criteria Requirements, the Issuer will no longer be prohibited from applying Enhanced Available Principal Receipts or the proceeds of any further drawdowns under the Class Z(S) VFN or the YBS Note towards the purchase by the Issuer of any Additional Mortgage Portfolio or any Further Advances in respect of the applicable Mortgage Loans in the Mortgage Portfolio at such time. At any time following the occurrence of a Revolving Period End Trigger Event the Issuer may, having given not more than 60 nor less than 30 days' notice to the Note Trustee, the relevant Currency Swap Counterparty (if any) and the Noteholders in accordance with Condition 14 (*Notice to Noteholders*), redeem all (but not some

Nature of Trigger	Description of Trigger	Consequence of Trigger
		only) of such Series of the Class A Notes that satisfy the UK STS Criteria Requirements as of the date on which such Revolving Period End Trigger Event first occurred on the immediately succeeding Note Payment Date for such Notes at their aggregate Redemption Amount together with any accrued and unpaid interest in respect thereof.
Perfection Trigger Event	(a) The occurrence of an Event of Default and delivery of an Enforcement Notice; (b) the occurrence of an Insolvency Event in relation to the relevant Seller; (c) a breach of obligations by a Seller (or the Servicer on behalf of that Seller) under the Transaction Documents, where such breach, if capable of remedy, has not been remedied within 90 calendar days following the day on which the relevant Seller becomes aware of such breach. A Seller may amend this paragraph (c) so long as that Seller delivers a certificate to the Issuer that such amendment does not impact the designation as a 'simple, transparent and standardised' securitisation	The Issuer (with the consent of the Note Trustee) or, following the service of an Enforcement Notice, the Note Trustee may decide that the Borrowers will be notified of the sale of the relevant Mortgage Loans to the Issuer and legal title to the relevant Mortgage Loans will be transferred to the Issuer. Following the occurrence of an Insolvency Event in relation to the relevant Seller, the Servicer will not set the Issuer Standard Variable Rate below SONIA plus 2% per annum.

Nature of Trigger	Description of Trigger	Consequence of Trigger
	(within the meaning of (i) prior to the Regulatory Effective Date, the UK Securitisation Regulation and (ii) on and from the Regulatory Effective Date, the Recast Securitisation Regulation) in respect of any Series or Class of Notes then outstanding which are intended to satisfy the UK STS Criteria Requirements;	
	(d) (with certain caveats) termination of YBS's role as Servicer under the Servicing Agreement;	
	(e) the relevant Seller and/or the Issuer being required to perfect legal title to the Mortgage Loans by an order of a court of competent jurisdiction, a change in law occurring after the Programme Date, or by a regulatory authority of which the relevant Seller is a member or any organisation whose members comprise (but are not necessarily limited to) mortgage lenders	

Nature of Trigger	Description of Trigger	Consequence of Trigger
	with whose instructions it is customary for the relevant Seller to comply; (f) the Security created under or pursuant to the Deed of Charge or any material part of that security being, in the opinion of the Security Trustee, in jeopardy; and (g) an encumbrancer takes possession or a Receiver is appointed to any part of the undertaking, property and assets beneficially owned by the relevant Seller having an aggregate value in excess of 10% of the total assets of that Seller or a distress, diligence or execution is levied or enforced upon or sued out against any part of the chattels or property beneficially owned by the relevant Seller having an aggregate value in excess of 10% of the total assets of that Seller and, in the case of any of the foregoing events, is not discharged within 30 days (the "**Attached Assets**"),	

Nature of Trigger		Description of Trigger	Consequence of Trigger
		unless such Attached Assets (i) relate to a different business, in the case of YBS, to that of a building society generally or, in the case of Accord, of generating mortgage loans, and the attachment of the encumbrance over the Attached Assets did not adversely impact the credit quality of the relevant Seller and (ii) are not required by the relevant Seller to enable it to observe or perform its obligations under the Transaction Documents or the enforceability or collectability of the Mortgage Loans.	
Servicer Termination Event	(a)	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 unremedied for a period of 30 Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice	Successor servicer to be appointed in accordance with the terms of the Servicing Agreement.

Nature of Trigger	Description of Trigger	Consequence of Trigger
	from the Issuer, the Sellers or the Security Trustee, as the case may be, requiring the same to be remedied; (b) the Servicer defaults in the performance or observance of any of its other covenants and obligations under the Servicing Agreement, which failure in the reasonable opinion of the Issuer (prior to the delivery of an Enforcement Notice) or the opinion of the Security Trustee acting on the instructions of the Note Trustee (after the delivery of a Enforcement Notice) is materially prejudicial to the interests of the Noteholders, and the Servicer does not remedy that failure within 30 Business Days after the earlier of the Servicer becoming aware of the failure or of receipt by the Servicer of written notice from the Issuer, the Sellers or the Security Trustee as the case may be requiring the Servicer's non-compliance to	

Nature of Trigger	Description of Trigger	Consequence of Trigger
	be remedied (subject to certain provisos in relation to the situation where the default occurs as a result of a default by any person to whom the Servicer has sub-contracted or delegated part of its obligations);	
	(c) a third party becomes obliged to undertake the servicing of the Mortgage Loans (other than as master servicer) pursuant to any back-up servicing agreement contemplated by the Servicing Agreement; or	
	(d) Insolvency Event in relation to the Servicer.	
Cash Manager Termination Event	(a) Failure to pay which continues unremedied for a period of five Business Days;	Successor cash manager to be appointed in accordance with the terms of the Cash Management Agreement.
	(b) an unremedied breach of obligation which is material to the Class A Noteholders which continues unremedied for a period of 30 Business Days; or	

Nature of Trigger	Description of Trigger	Consequence of Trigger
	(c) an Insolvency Event in relation to the Cash Manager.	

FEES

The table below sets out the principal ongoing transaction fees to be paid by the Issuer to Transaction Parties. Each of these fees is subject to change at any time without the notification or approval of Noteholders, including upon the appointment of any successor service provider or any other successor transaction party pursuant to the applicable Programme Document.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Servicing Fee	0.08% per annum (inclusive of any VAT) of the aggregate Current Balance of the Mortgage Portfolio	Ahead of all interest payments on the Notes	Each Payment Date
Cash management fee	0.01% per annum (inclusive of any VAT) of the Principal Amount Outstanding of the Notes each year	Ahead of all interest payments on the Notes	Each Payment Date
Corporate expenses of Issuer	Estimated at £100,000 per annum (exclusive of any VAT)	Ahead of all interest payments on the Notes	Each Payment Date
Fees related to the admission of the Class A Notes to trading	Calculated by the London Stock Exchange plc depending on the principal amount outstanding of the Notes to be admitted to trading	Ahead of all interest payments on the Notes	Within 30 days following the respective Issuance Date

The corporate expenses of the Issuer are exclusive of any VAT, which is currently chargeable at 20%, so that an amount equal to any VAT may be added to such expenses. Each of the Servicing Fee and the cash management fee is inclusive of any VAT, so that the actual amount of the fee will be the amount as set out above.

DESCRIPTION OF THE NOTES

THE CLASS A NOTES

Issuance Tests ..... The Issuer may only issue a Series of Class A Notes or a Sub-Series of the Class A Notes on the satisfaction of certain conditions precedent including Issuance Tests, the details of which are set out in the section entitled "Issuance of Notes – Issuance". Under the Issuance Tests, any Class A Notes and each Sub-Series of Class A Notes may be issued only if the amount of credit enhancement on the date of issuance of those Notes (after giving effect to such issuance), in the form of the Class Z VFNs, is equal to or greater than the Required Subordination Amount applicable across all outstanding Series of Class A Notes. The Required Subordination Amount will be calculated by reference to, among other things, the Required Subordination Percentage, which will be specified in the Final Terms for each Series of Class A Notes. The Required Subordination Percentage may, subject to certain conditions, be increased or decreased without Noteholder consent.

Ratings ..... It is a condition of the issuance of each Series of Class A Notes issued by the Issuer (other than the Money Market Notes) that they be assigned the following ratings by at least two of Standard & Poor's, Moody's, Fitch or DBRS:

S&P	Moody's	Fitch	DBRS
AAA(sf)	Aaa(sf)	AAAsf	AAA(sf)

It is a condition of the issuance of any Series and Class of Money Market Notes that they be assigned a rating of A-1+, P-1, F1+ or R-1(low) by at least one of S&P, Moody's, Fitch or DBRS respectively.

The Relevant Rating Agencies and the ratings assigned by them to each Series of Class A Notes will be specified in the applicable Final Terms.

Ratings Modification Events .... At any time after the Issuance Date of a Series of Notes, the Issuer may, without the consent or sanction of Noteholders of a Series of Notes or the Secured Creditors:

(a) remove any of the Rating Agencies (a "**Removed Rating Agency**") from rating such Series of Notes (an "**Existing Rating Agency Removal**"); and/or

(b) reappoint any such Removed Rating Agency or substitute any such Removed Rating Agency for one of the Rating Agencies then rating such Series of Notes ("**Existing Rating Agency Reappointment**"),

(a "**Ratings Modification Event**"), **provided that**, in each case and at all times, such Series of Notes continues to be rated by at least two Rating Agencies, and further **provided that** the Issuer has given at least 15 Business Days' prior notice to the holders of each relevant Series and Classes of Notes of such Ratings Modification Event.

Furthermore, the Issuer may appoint any number of additional rating agencies to rate any Series of Notes (each, an "**Additional Rating Agency**") **provided that**, where such Additional Rating Agency is not an Initial Rating Agency, such appointment will be made in accordance with the procedure set out in Condition 11(f)(i)(S) (*Additional rights of modification*) (whereby the Noteholders representing at least 10% of the aggregate Sterling Equivalent Principal Amount Outstanding of the Most Senior Class of Notes will be allowed to object to such appointment, which would make such appointment subject to approval by an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding).

In the event of an Existing Rating Agency Removal, all ratings criteria, rating tests, rating triggers and any and all requirements specified by and/or relating to the removed Rating Agency will cease to apply as they relate to such Series of Notes and the Issuer may make such consequential modifications to the Conditions applying to the relevant Notes or any Transaction Document as are necessary to implement the removal of the relevant Rating Agency and all ratings criteria, rating tests, rating triggers and any and all requirements specified by and/or relating to such removed Rating Agency.

In the event of an Existing Rating Agency Reappointment, all then-current relevant ratings criteria, rating tests, rating triggers and any and all relevant requirements specified by and/or relating to the reappointed Rating Agency will apply and the Issuer may make such consequential modifications to the terms and conditions applying to the relevant Notes or any Transaction Document as are necessary to implement the reappointment of the relevant Rating Agency and all then-current relevant ratings criteria, rating tests, rating triggers and any and all relevant requirements specified by and/or relating to such reappointed Rating Agency.

Any modifications to the Conditions of any Series of Notes and/or any Transaction Document to implement a Ratings Modification Event or an appointment of an Additional Rating Agency will not require consent or sanction of any holder of any such Series of Notes or the Secured Creditors and will be binding on all the holders of any such Series of Notes or the Secured Creditors. There is no guarantee that any such modification will not ultimately adversely affect the rights of the holders of any such Series of Notes or the Secured Creditors, or payments on the Notes.

Denominations of the Notes.....	No less than £100,000 (and integral multiples of £1,000 in excess thereof) or, in respect of any Class A Note issued which has a maturity of less than a year, £100,000 (or, in each case, its equivalent in the relevant currencies as at the date of issue of such Class A Notes) or as otherwise specified in the applicable Final Terms.
Currencies.....	Sterling, US Dollar and Euro, or as otherwise specified in the applicable Final Terms.
Maturities.....	As specified in the applicable Final Terms.
Issue price	Fully paid/par, or at discount from, or premium over, par.
Selling restrictions.....	See the section entitled "Subscription and Sale and Transfer and Selling Restrictions".
Fixed Rate Notes	A Series and Class of Class A Notes which are Fixed Rate Notes will bear interest at the fixed rate specified in the applicable Final Terms, which will be calculated on the basis of the Day Count Fraction specified in the applicable Final Terms (see Condition 4(a) (*Interest on Fixed Rate Notes*)).
Floating Rate Notes.....	A Series and Class of Class A Notes which are Floating Rate Notes will bear interest at a floating rate determined on the basis of SONIA, EURIBOR, €STR, SOFR or such other reference rate appearing on the agreed screen page of a commercial quotation service specified in the applicable Final Terms. The margin (if any) will be as specified in the applicable Final Terms (see Condition 4(b) (*Interest on Floating Rate Notes*)). Floating Rate Notes may also have a Maximum Rate of Interest, a Minimum Rate of Interest, certain step-up rates and/or a combination of such rates, in each case, as may be specified for such Notes in the applicable Final Terms. Interest on a Series and Class of Floating Rate Notes will be calculated on the basis of the Day Count Fraction specified for such Notes in the applicable Final Terms.
Pass-Through Redemption Notes.....	A Series and Class of Class A Notes which are Pass-Through Redemption Notes will be issued by the Issuer with no specified maturity date other than the Final Maturity Date specified for such Notes in the applicable Final Terms and will be redeemable in full on such Final Maturity Date. Each Series and Class of Bullet Redemption Notes and each Series and Class of Controlled Amortisation Notes will become a Series and Class of Pass-Through Redemption Notes following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing.

Subject to the Reapplication Rule described in the section entitled "Credit Structure and Cashflows", the Issuer may, on each applicable Note Payment Date for a Series and Class of Pass-Through Redemption Notes, repay all or part of such Notes in accordance with the Conditions prior to their Final Maturity Date. Following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing, the Issuer will repay such Notes in accordance with the Conditions, to the extent that funds are available and subject to the conditions for repayment, on the applicable Note Payment Dates.

Controlled Amortisation Notes..... A Series and Class of Class A Notes which are Controlled Amortisation Notes will be issued by the Issuer on terms which allow for the redemption of the Sterling Equivalent Principal Amount Outstanding of such Notes on the Payment Dates specified as Controlled Amortisation Dates for such Notes in the applicable Final Terms, subject to limits on the Redemption Amount (specified as the Controlled Amortisation Amount for such Notes in the applicable Final Terms) which may be repaid on such Notes on each Controlled Amortisation Date.

To the extent that there are insufficient funds available on a Controlled Amortisation Date to repay the relevant Controlled Amortisation Amount then the Issuer will be required to pay the shortfall, to the extent it receives funds therefor, on subsequent Note Payment Dates in respect of such Notes.

Following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing in relation to a Series and Class of Controlled Amortisation Notes, such Notes will become Pass-Through Redemption Notes and the Issuer will repay such Notes to the extent that funds are available and subject to the conditions regarding repayment, on the applicable Note Payment Dates. Furthermore, on each applicable Note Payment Date following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing, the Issuer, or the Cash Manager on its behalf, will apply Enhanced Available Principal Receipts, after making the requisite payments towards the Senior Fees and Expenses, any Revenue Shortfall and any amounts due to any Currency Swap Counterparty (excluding any Currency Swap Excluded Termination Amount), to redeem, if an Asset Trigger Event has occurred, all the Class A Notes which remain outstanding in no order of priority among them but in proportion to the respective amounts due or, if a Non-Asset Trigger Event is continuing, but an Asset Trigger Event has not occurred, in the following order of priority (i) in the order of their Final Maturity Date, beginning with the earliest such date (and if two or more Series of Class A Notes have the same Final Maturity Date, in proportion to the respective amounts due), any Class A Notes with Final Maturity Dates falling within five years from the date on which the

respective Non-Asset Trigger Event has occurred, and (ii) in no order of priority among them but in proportion to the respective amounts due, the remaining Class A Notes with Final Maturity Dates falling five years or later from the date on which the respective Non-Asset Trigger Event has occurred.

If, following the occurrence of a Non-Asset Trigger Event, no Non-Asset Trigger Event is continuing, the Controlled Amortisation Notes which became Pass-Through Redemption Notes while the Non-Asset Trigger Event was continuing will revert to being Controlled Amortisation Notes, and the Issuer may make repayments on such Notes in excess of the Controlled Amortisation Amount for such Notes, or may suspend making repayments on such Notes, on each Controlled Amortisation Date until the Sterling Equivalent Principal Amount Outstanding of such Notes is equal to the expected Sterling Equivalent Principal Amount Outstanding of such Notes on a Controlled Amortisation Date.

Hard Bullet Redemption Notes..... A Series and Class of Class A Notes which are Hard Bullet Redemption Notes will be issued by the Issuer on terms which schedule the redemption of such Notes on one Note Payment Date specified as the Hard Bullet Redemption Date for such Notes in the applicable Final Terms.

The Issuer will seek to accumulate principal amounts for a Series and Class of Hard Bullet Redemption Notes over the Cash Accumulation Period for such Notes and thus to redeem the Hard Bullet Redemption Notes in full on the relevant Hard Bullet Redemption Date. A Cash Accumulation Period for a Series and Class of Hard Bullet Redemption Notes will be determined according to a formula described under the section entitled "Credit Structure and Cashflows – Calculation of the Cash Accumulation Requirement" and, subject to such formula, will be the period of time estimated to be the number of months prior to the relevant Hard Bullet Redemption Date that is required by the Issuer to accumulate sufficient Principal Receipts (derived from the Mortgage Portfolio) to redeem the Sterling Equivalent Principal Amount Outstanding of the relevant Series and Class of Hard Bullet Redemption Notes on their Hard Bullet Redemption Date.

If there are insufficient Enhanced Available Principal Receipts and there are insufficient amounts standing to the credit of each relevant Cash Accumulation Ledger to redeem the relevant Series and Class of Hard Bullet Redemption Notes in full on the relevant Hard Bullet Redemption Date, then an Event of Default will occur.

Following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing in relation to a Series and Class of Hard Bullet Redemption Notes, such Notes will become Pass-Through Redemption Notes and the Issuer will repay such Notes to the extent that funds are available and

subject to the conditions regarding repayment, on the applicable Note Payment Dates. Furthermore, on each applicable Note Payment Date following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing, the Issuer, or the Cash Manager on its behalf, will apply Enhanced Available Principal Receipts, after making the requisite payments towards the Senior Fees and Expenses, any Revenue Shortfall and any amounts due to any Currency Swap Counterparty (excluding any Currency Swap Excluded Termination Amount), to redeem, if an Asset Trigger Event has occurred, all the Class A Notes which remain outstanding in no order of priority among them but in proportion to the respective amounts due or, if a Non-Asset Trigger Event is continuing, but an Asset Trigger Event has not occurred, in the following order of priority (i) in the order of their Final Maturity Date, beginning with the earliest such date (and if two or more Series of Class A Notes have the same Final Maturity Date, in proportion to the respective amounts due), any Class A Notes with Final Maturity Dates falling within five years from the date on which the respective Non-Asset Trigger Event has occurred, and (ii) in no order of priority among them but in proportion to the respective amounts due, the remaining Class A Notes with Final Maturity Dates falling five years or later from the date on which the respective Non-Asset Trigger Event has occurred.

If, following the occurrence of a Non-Asset Trigger Event, no Non-Asset Trigger Event is continuing, the Hard Bullet Redemption Notes which became Pass-Through Redemption Notes while the Non-Asset Trigger Event was continuing will revert to being Hard Bullet Redemption Notes.

Soft Bullet Redemption Notes..... A Series and Class of Class A Notes which are Soft Bullet Redemption Notes will be issued by the Issuer on terms which schedule the redemption of such Notes on one Note Payment Date specified as the Soft Bullet Scheduled Redemption Date for such Notes in the applicable Final Terms.

The Issuer will seek to accumulate principal amounts for a Series and Class of Soft Bullet Redemption Notes over the relevant Cash Accumulation Period for such Notes and thus to redeem such Soft Bullet Redemption Notes in full on their Soft Bullet Scheduled Redemption Date. A Cash Accumulation Period for a Series and Class of Soft Bullet Redemption Notes will be determined according to a formula described under the section entitled "Credit Structure and Cashflows – Calculation of the Cash Accumulation Requirement" and, subject to such formula, will be the period of time estimated to be the number of months prior to the relevant Soft Bullet Scheduled Redemption Date that is required by the Issuer to accumulate sufficient Principal Receipts (derived from the Mortgage Portfolio) to redeem the Sterling Equivalent Principal Amount Outstanding of the relevant Series and Class of Soft Bullet Redemption Notes on their Soft Bullet Scheduled Redemption Date.

The Issuer will apply Enhanced Available Principal Receipts and the amounts standing to the credit of the relevant Cash Accumulation Ledger in accordance with the applicable Principal Priority of Payments in redemption of the relevant Soft Bullet Redemption Notes on the relevant Soft Bullet Scheduled Redemption Date to the extent that the Issuer has sufficient Enhanced Available Principal Receipts to do so. Thereafter, on each subsequent Note Payment Date up to and including the relevant Soft Bullet Final Redemption Date, the Issuer will, to the extent it has sufficient Enhanced Available Principal Receipts to do so, pay any remaining shortfall in accordance with the Principal Priority of Payments. If there are insufficient funds available to redeem any Soft Bullet Redemption Notes in full on any Soft Bullet Final Redemption Date, then an Event of Default will occur.

Following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing in relation to a Series and Class of Soft Bullet Redemption Notes, such Notes will become Pass-Through Redemption Notes and the Issuer will repay such Notes to the extent that funds are available and subject to the conditions regarding repayment, on the applicable Note Payment Dates. Furthermore, on each applicable Note Payment Date following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing, the Issuer, or the Cash Manager on its behalf, will apply Enhanced Available Principal Receipts, after making the requisite payments towards the Senior Fees and Expenses, any Revenue Shortfall and any amounts due to any Currency Swap Counterparty (excluding any Currency Swap Excluded Termination Amount), to redeem, if an Asset Trigger Event has occurred, all the Class A Notes which remain outstanding in no order of priority among them but in proportion to the respective amounts due or, if a Non-Asset Trigger Event is continuing, but an Asset Trigger Event has not occurred, in the following order of priority (i) in the order of their Final Maturity Date, beginning with the earliest such date (and if two or more Series of Class A Notes have the same Final Maturity Date, in proportion to the respective amounts due), any Class A Notes with Final Maturity Dates falling within five years from the date on which the respective Non-Asset Trigger Event has occurred, and (ii) in no order of priority among them but in proportion to the respective amounts due, the remaining Class A Notes with Final Maturity Dates falling five years or later from the date on which the respective Non-Asset Trigger Event has occurred.

If, following the occurrence of a Non-Asset Trigger Event, no Non-Asset Trigger Event is continuing, the Soft Bullet Redemption Notes which became Pass-Through Redemption Notes while the relevant Non-Asset Trigger Event was continuing will revert to being Soft Bullet Redemption Notes.

Money Market Notes ..... The Issuer may, from time to time, issue a Series and Class of Bullet Redemption Notes, Controlled Amortisation Notes or Pass-Through Redemption Notes that are designated as Money Market Notes in the applicable Final Terms. Money Market Notes are intended to be "eligible securities" for purchase by money market funds meeting the requirements of Rule 2a-7 under the Investment Company Act.

However, the determination as to whether any applicable Series and Class of Notes will qualify as "eligible securities" under Rule 2a-7 will involve investment determinations and interpretive questions that, as with qualification and compliance with other aspects of Rule 2a-7, will be solely the responsibility of each money market fund and its investment adviser. None of the Issuer, the Seller, the Note Trustee, the Security Trustee, the Cash Manager, each Remarketing Agent, each Tender Agent, each Paying Agent, the Agent Bank, the Registrar, the Exchange and Transfer Agent, each Conditional Note Purchaser or any other party to the Programme Documents will make any representation as to the suitability of such Notes as "Money Market Notes" for investment by money market funds subject to Rule 2a-7.

The Final Maturity Date of any Money Market Notes will always be less than 397 days from the Issuance Date on which such Notes were issued unless the Issuer has entered into remarketing arrangements in relation to such Notes. Under such remarketing arrangements, a Remarketing Agent will agree to seek purchasers of the relevant Notes on specified dates throughout the term of such Notes and a Conditional Note Purchaser will agree to purchase any such Notes on such specified dates if purchasers for such Notes have not been found, **provided that** certain events have not then occurred. Such Money Market Notes will also be subject to the terms of Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*).

For more information on the Money Market Notes and the remarketing arrangements applicable thereto, see the sections entitled "Description of the Trust Deed and The Notes – Money Market Notes", "Risk Factors – Risks relating to the Rule 2a-7 suitability of the Money Market Notes", "Risks Relating to the Structure and the Notes – Ability of the Issuer to procure payment of the Money Market Note Mandatory Transfer Price may affect timely payment on the Money Market Notes" and "Risks Relating to the Structure and the Notes – Each Money Market Note Mandatory Transfer may be dependent upon identification of investors interested in acquiring Money Market Notes".

THE VFNS

The Class Z VFNs ..... The Class Z VFNs were issued to the Class Z VFN Holder on the First Issuance Date. The Class Z VFNs consist of two separate Sub-Classes: the Class Z(R) VFN and the Class Z(S) VFN.

The Class Z(R) VFN ..... The Class Z(R) VFN was issued and can be drawn down at any time (a) to fund and, at the sole discretion of the Class Z VFN Holder, if necessary, to replenish the Reserve Fund, (b) to pay the start-up expenses of the Issuer and to pay the fees, costs and expenses of the Issuer incurred in connection with the issuance of each Series of Notes, (c) at the sole discretion of the Class Z(R) VFN Holder, to be applied as additional Available Revenue Receipts for the purposes of eliminating any debit entries on any Principal Deficiency Sub-Ledger, and (d) to fund the upfront premium under a Swap Agreement.

If at any time the Reserve Fund Required Amount is reduced, and there is a Revenue Shortfall at such time, any amount in excess of the Reserve Fund Required Amount will be applied in accordance with the relevant Priority of Payments. If at any time the Reserve Fund Required Amount is reduced, and there is no Revenue Shortfall at such time, any amount in excess of the Reserve Fund Required Amount may be applied directly to repay the Class Z(R) VFN or be paid directly to YBS.

The Class Z(S) VFN..... The Class Z(S) VFN was issued for the purposes of funding and maintaining the Required Subordination Amount for the Programme. The Principal Amount Outstanding under the Class Z(S) VFN at any time is required to be an amount equal to or greater than the Required Subordination Amount.

The Class Z VFN Holder may offer to advance, and the Issuer will accept, a drawing under the Class Z(S) VFN, in order to ensure that the Actual Subordination Amount is not less than the Required Subordination Amount. The Issuer will apply any drawings under the Class Z(S) VFN in one or more of the following ways:

(a) to pay all or any part of the Initial Additional Mortgage Portfolio Purchase Price for any Additional Mortgage Portfolio;

(b) to purchase Additional Mortgage Loans and Related Security from a Seller pursuant to the terms of the relevant Mortgage Sale Agreement in order to maintain the Required Subordination Amount;

(c) as Available Principal Receipts to effect the redemption of any relevant Class A Notes on the next following Payment Date in accordance with Condition 5(b)

(*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule; and

(d) to effect the redemption of the YBS Note in accordance with Condition 5 (*Redemption, Purchase and Cancellation*), **provided that** any such redemption will not cause the Principal Amount Outstanding of the YBS Note to be less than the Minimum YBS Note Amount.

The Class Z(S) VFN ranks junior to the Class A Notes and the Class Z(R) VFN with respect to payments of interest.

If, on any Payment Date, the Actual Subordination Amount is in excess of the Required Subordination Amount (or will be following the application of Available Revenue Receipts and Available Principal Receipts on such Payment Date), then the Class Z(S) VFN may, in accordance with the relevant Pre-Enforcement Principal Priority of Payments, be repaid to an amount such that the Actual Subordination Amount is equal to the Required Subordination Amount.

Interest on the Class Z VFNs..... Compounded Daily SONIA.

YBS Note..... The YBS Note was issued and can be drawn down for one or more of the following purposes:

(a) maintaining the requisite level of ongoing Principal Receipts necessary so as to meet scheduled payments on the Controlled Amortisation Notes and the Cash Accumulation Requirement in respect of Bullet Redemption Notes;

(b) funding all or any part of the Initial Additional Mortgage Portfolio Purchase Price for any Additional Mortgage Portfolio;

(c) funding the purchase by the Issuer of Additional Mortgage Loans and their Related Security in circumstances where the Actual Subordination Amount is greater than the Required Subordination Amount;

(d) compliance with the EU Risk Retention Requirements, the UK Risk Retention Requirements and the US Credit Risk Retention Requirements;

(e) application of the drawings thereunder as Available Principal Receipts to effect the redemption of the Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule;

(f) application of the drawings thereunder to effect the redemption of the Class Z(S) VFN in accordance with Condition 5 (*Redemption, Purchase and Cancellation*), subject to maintaining the Required Subordination Amount;

(g) funding in whole or in part the purchase of any Further Advances on the applicable Mortgage Loans in the Mortgage Portfolio; and/or

(h) making up for any shortfall caused by any payment holiday feature under the relevant Mortgage Loan granted to Borrowers under the Mortgage Loans in the Mortgage Portfolio,

provided that the Issuer (or the Cash Manager on its behalf) will ensure that, for so long as any Class A Notes (or any other Notes that are not at all times held by YBS (or its wholly owned affiliates)) or any Class Z VFNs remain outstanding, the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount.

On each Payment Date, the YBS Note may be repaid **provided that**, after such repayment, the Principal Amount Outstanding of the YBS Note is not less than the Minimum YBS Note Amount.

If the Principal Amount Outstanding of the YBS Note is in excess of the Minimum YBS Note Amount (or will be following the application of available funds in accordance with the applicable Priorities of Payment on a Payment Date), then:

(a) the YBS Note may, in accordance with the relevant Pre-Enforcement Principal Priority of Payments, be redeemed in an amount such that the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount; or

(b) YBS may elect to exercise the YBS Note Permitted Repurchase Procedure in order for it to repurchase Mortgage Loans and their Related Security from the Issuer, and the proceeds from such repurchase will be applied directly and exclusively towards the repayment of the YBS Note.

In addition, the Issuer may apply the Class A Note Issuance Proceeds (with any costs and expenses associated with such issuance being funded by a drawing made under the Class Z(R) VFN) to redeem the YBS Note, **provided that**:

(a) following such redemption, the Principal Amount Outstanding of the YBS Note would not be less than the Minimum YBS Note Amount; and

(b) the YBS Note Redemption Amount shall not exceed the amount of such Class A Note Issuance Proceeds.

If some or all of the relevant Class A Notes are Retained Class A Notes, then, to the extent that the YBS Note Redemption Amount is less than or equal to the Class A Note Issuance Proceeds, the YBS Note Redemption Amount shall be netted against an amount equal to the Retained Class A Notes. The holder of the YBS Note shall procure that any surplus Class A Note Issuance Proceeds relating to Retained Class A Notes left following such netting are turned over to the Issuer. Any such redemption of the YBS Note shall take place on the Issuance Date in respect of the relevant Class A Notes, and shall occur otherwise than in accordance with any Priority of Payments.

It should be noted that, at any time when the Principal Amount Outstanding of the YBS Note is in excess of the Minimum YBS Note Amount, YBS may, at its discretion, exercise the YBS Note Permitted Repurchase Procedure. For the avoidance of doubt, YBS may exercise the YBS Note Permitted Repurchase Procedure irrespective of whether an Asset Trigger Event has occurred or whether a Non-Asset Trigger Event is continuing and/or an Event of Default has occurred and is continuing.

Interest on the YBS Note..... The lower of (a) Compounded Daily SONIA; and (b) the weighted average portfolio yield in respect of the Mortgage Loans comprised in the Mortgage Portfolio from time to time, less 0.2%.

THE ISSUER

The Issuer was incorporated in England and Wales on 28 February 2024 (registered number 15528386) and is a public limited company under the Companies Act 2006 (as amended). The registered office of the Issuer is at 1 King's Arms Yard, c/o Wilmington Trust SP Services (London) Limited, London EC2R 7AF.

The issued share capital of the Issuer is £50,000 consisting of 50,000 ordinary shares of £1 each, of which one share is fully paid and the remaining 49,999 shares are paid up to £0.25 and all of which are beneficially owned by Holdings (see the section entitled "Holdings" below).

The Issuer was established as a special purpose vehicle for the purposes of issuing the Notes. The Issuer has no subsidiaries. Neither Seller owns, directly or indirectly, any of the share capital of Holdings or the Issuer. Except for the purpose of hedging interest-rate or currency risk, the Issuer will not enter into derivative contracts for the purposes of the UK Securitisation Framework and SECN 2.2.16 in particular.

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 issue of the Notes and the authorisation of the other Transaction Documents referred to in this Base Prospectus to which it is or will be a party and other matters which are incidental or ancillary to the foregoing. Save as disclosed in this Base Prospectus, the Class Z VFNs and the YBS Note (in each case as issued on the First Issuance Date), the Issuer has no loan capital, borrowings or material contingent liabilities (including guarantees) as at the date of this Base Prospectus. The Issuer has no employees.

The accounting reference date of the Issuer is 31 December and its first statutory accounts were drawn up on 31 December 2024. The entry into of the Programme Documents and the issue of the Notes was authorised pursuant to a resolution of the Board of Directors of the Issuer passed on 21 October 2024.

Under the Corporate Services Agreement, the Corporate Services Provider has agreed to provide to the Issuer certain directors and other corporate services for the Issuer in consideration for the payment of an annual fee to the Corporate Services Provider.

Directors and secretary

The directors of the Issuer and their respective business addresses and occupations are:

Name	Business Address	Business Occupation
Ioannis Kyriakopoulos	Third Floor, 1 King's Arms Yard, London, EC2R 7AF	Director
Wilmington Trust SP Services (London) Limited	Third Floor, 1 King's Arms Yard, London, EC2R 7AF	Corporate Director

The directors of Wilmington Trust SP Services (London) Limited and their principal activities are as follows:

Name	Business Address	Principal Activities/Business Occupation
Alexander James Rowland Pashley	Third Floor, 1 King's Arms Yard, London EC2R 7AF	Director
Daniel Jonathan Wynne	Third Floor, 1 King's Arms Yard, London EC2R 7AF	Director
Susannah Louise Aliker	Third Floor, 1 King's Arms Yard, London EC2R 7AF	Director

The company secretary of the Issuer is Wilmington Trust SP Services (London) Limited whose principal office is at Third Floor, 1 King's Arms Yard, London EC2R 7AF.

HOLDINGS

Holdings was incorporated in England and Wales on 21 February 2024 (registered number 15509517) as a private limited company under the Companies Act 2006 (as amended). The registered office of Holdings is Third Floor, 1 King's Arms Yard, London EC2R 7AF.

The issued share capital of Holdings comprises one ordinary share of £1.

The entire beneficial interest in the share of Holdings is owned by Wilmington Trust SP Services (London) Limited (the "**Share Trustee**") on a discretionary charitable trust.

Holdings holds the entire beneficial interest in the issued share capital of the Issuer.

Neither Seller owns, directly or indirectly, any of the share capital of Holdings and neither Seller nor any company connected with either Seller can direct the Share Trustee and none of such companies has any control, direct or indirect, over Holdings or the Issuer or any other similar vehicle.

Holdings has not engaged in any other activities since its incorporation other than those incidental to the authorising of the Transaction Documents to which it is or will be a party and other matters which are incidental to those activities. Holdings has no employees.

Directors

The directors of Holdings and their respective business addresses and occupations are:

Name	Business Address	Business Occupation
Ioannis Kyriakopoulos	Third Floor, 1 King's Arms Yard, London EC2R 7AF	Director
Wilmington Trust SP Services (London) Limited	Third Floor, 1 King's Arms Yard, London EC2R 7AF	Corporate Director

The directors of Wilmington Trust SP Services (London) Limited and their respective business addresses and principal activities are as follows:

Name	Business Address	Business Occupation
Alexander James Rowland Pashley	Third Floor, 1 King's Arms Yard, London EC2R 7AF	Director
Daniel Jonathan Wynne	Third Floor, 1 King's Arms Yard, London EC2R 7AF	Director
Susannah Louise Aliker	Third Floor, 1 King's Arms Yard, London EC2R 7AF	Director

The company secretary of Holdings is Wilmington Trust SP Services (London) Limited whose principal office is at Third Floor, 1 King's Arms Yard, London EC2R 7AF.

The accounting reference date of Holdings is 31 December.

YORKSHIRE BUILDING SOCIETY

Introduction

Yorkshire Building Society's ("**YBS**" and the "**Society**") principal office is at Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ (telephone number: 01274 740740). The Society and its subsidiaries (the "**YBS Group**") was, in terms of total assets, at 30 June 2025, the third-largest building society in the United Kingdom with total assets of £65.9 billion (source: 2025 Half-Yearly Financial Report).

The Society was formed in 1884 as The Bradford Self-Help Permanent Building Society. It was incorporated in England in 1885 under the Building Societies Act 1874. In 1975, it merged with the Huddersfield Building Society (incorporated in 1864) to become the Huddersfield and Bradford Building Society. The present name was adopted following a further merger with the West Yorkshire Building Society in 1982. The engagements of Haywards Heath Building Society were transferred to the Society on 31 December 1992. On 31 December 2001 the Gainsborough Building Society merged with the Society. The engagements of Barnsley Building Society were transferred to the Society on 31 December 2008, on 1 April 2010 the engagements of Chelsea Building Society were transferred to the Society and on 1 November 2011 the engagements of Norwich and Peterborough Building Society were transferred to the Society, in each case under section 94 of the Building Societies Act 1986.

The Society has significantly more than five years of experience in the origination, underwriting and servicing of mortgage loans similar to those included in the Mortgage Portfolio.

Except as otherwise stated, financial information contained herein is either (i) extracted from the audited consolidated annual accounts or the unaudited 2025 Half-Yearly Financial Report of the Society and its subsidiaries or (ii) calculated using financial information extracted from such accounts.

Constitution

The Society is regulated by the FCA and the PRA and operates in accordance with the Building Societies Act and the Society's memorandum (the "**Memorandum**") and rules (the "**Rules**"). It is an authorised building society within the meaning of the Building Societies Act and is registered under the FSMA, Registered Number 66B.

The Society, as a building society, is a mutual organisation and, unlike a company incorporated under the Companies Act 1985 or the Companies Act 2006, does not have equity shareholders in the usual sense. A share in the Society is not the same as a share in a company and voting power is not weighted according to the number or value of shares held. No individual member is entitled to more than one vote on any resolution proposed at a general meeting. Holders of investment shares may withdraw funds from their share accounts subject to the rules of the Society and the terms upon which their shares are issued. Depositors with and lenders to the Society are not members and accordingly have no voting rights.

A building society may, subject to the approval of its members (by a requisite shareholders' resolution of investing members and a borrowing members' resolution) and confirmation by the relevant regulatory authority, transfer its business to a specially formed public company limited by shares incorporated in the United Kingdom which has power to offer its shares or debentures to the public in a procedure commonly referred to as "conversion" or to an existing successor company which is a public company limited by shares incorporated in the United Kingdom with power to offer its shares or debentures to the public in a procedure commonly referred to as a "takeover".

The Mutual Societies Transfer Order modifies section 97 of the Building Societies Act to permit a building society to transfer the whole of its business to a relevant subsidiary of a building society,

friendly society or registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014 incorporated in the United Kingdom (as defined in that legislation).

The Society is committed to its existing status as a mutual building society run for the benefit of its current and future members. During 1998, the Society announced the establishment of a charitable foundation. Since the date of its establishment, new members of the Society have to agree to assign to the foundation their rights to any windfall benefits arising from a conversion to plc status during the period of five years from commencement of their membership. Members retain their full rights to vote on any conversion resolution during the five-year assignment period.

The affairs of the Society are conducted and managed by a board of directors who are elected by members of the Society and who serve in accordance with the rules of the Society. The board is responsible to the members for the proper conduct of the affairs of the Society and appoints and supervises the senior executives of the Society who are responsible to the board for the day-to-day management of the Society. Eligibility to vote at general meetings is governed by the Building Societies Act and the rules of the Society.

Board of Directors

The directors of the Society and their responsibilities within the Society, their business occupations outside the Society (if any), their other directorships, their dates of birth and the dates that they were appointed as directors, as of the date hereof, are as set out below:

Director name and date of birth	Business occupation	Date of appointment	Other Directorships
A V F Durbin, BComm LLB MSc 9 October 1963	Chair of the Board	18 December 2023	Persimmon PLC
S M Allen, OBE, BA Hons (Econ) ACIB ACT 1 September 1966	Chief Executive	2 March 2023	Alzheimer's Society TheCityUK
G L T Bainbridge, MA (Cantab), ACA 13 September 1960	Non-Executive Director	1 January 2019	ICE Clear Europe Limited Manulife Financial Corporation The Manufacturers Life Insurance Company 71-72 Oakley Street Limited
P D Bole, MA Chartered Accountant 16 October 1969	Non-Executive Director	1 September 2024	Esure Group plc Esure Broker Limited Esure Finance Limited Esure Holdings Limited Esure Insurance Limited Esure Property Limited Esure Services Limited
A J Darlington, BSC FIA 7 May 1968	Non-Executive Director	26 April 2022	Rothesay Life Plc Rothesay Limited
D J Davies, BA (Hons) 8 February 1963	Non-Executive Director	26 July 2023	AXA UK Plc AXA PPP Healthcare Limited AXA Insurance UK Plc Intrum AB (Sweden)
D Matta, BSc, BA 15 May 1962	Non-Executive Director	27 April 2021	Fat Fractal Inc
M A Parsons, BA, FCMA 24 October 1961	Non-Executive Director	20 October 2020	Fairstone Capital Group Limited Fairstone Private Wealth Limited
J E Pope BSC Econ, MSC Economics, MBA 2 September 1960	Non-Executive Director	29 October 2024	CAF Bank Limited Foundation for Credit Counselling Department for Culture Media and Sport
T A Ranger BA Hons 20 November 1977	Chief Financial Officer and Executive Director	18 June 2024	Accord Mortgages Ltd
E Bucknor 6 July 1966	Technologist and Non-Executive Director	26 September 2025	Hoptroff London Limited Currys PLC Reed Global Limited

The business address of the Society's Directors is at Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ.

Management

Whilst the Society's board of directors is responsible for strategy and policy, the implementation of policy and day-to-day management is delegated to the following senior executives:

S M Allen OBE BA Hons, ACIB, ACT	*Chief Executive Officer*
T A Ranger, BA Hons	*Chief Financial Officer and Executive Director*
J F Ingram, MBA, FCIB	*Chief Operating Officer*
R Bowles, MSc, BSc	*Chief Risk Officer*
J Heslip	*Chief Internal Audit Officer*
H Rankin FCIPD	*Chief People Officer*
S Watson	*Chief Customer Officer*
F Cannon, OBE	*Chief Strategy and Sustainability Officer*

The business address of the Society's senior executives is at Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ.

There exists no potential conflicts of interest between (i) any duties owed to the Society by any member of the board of directors or any of the senior executives listed above and (ii) their private interests and/or other duties.

Business and Strategy of the Society

YBS exists to provide its members and customers Real Help with Real Life. All of the Society's actions are ultimately aligned to, or in service of, achieving this purpose as best it can. Underpinning this purpose are three key priorities: helping people to have a place to call home, helping to support and build greater financial wellbeing, and delivering long-term value for members.

As a member-owned mutual, the Society has a duty to its members and customers to operate a financially secure, sustainable business with robust controls and risk management processes in place.

The Society's business model is to provide its savers with a safe place to keep their deposits and build their financial resilience. These savings balances are then used to fund mortgage lending (both direct and intermediary via its wholly-owned subsidiary Accord Mortgages Limited), enabling customers to secure a home of their own. Alongside retail savings deposits, the Society raises additional funds through the wholesale markets and Government funding schemes, which helps to diversify its funding base and provides further stability and flexibility. The majority of the Society's mortgage lending is focused on the residential property market, though the YBS Group also lends to the buy-to-let and commercial sectors.

The Society’s profits help further strengthen its reserves and support its growth ambitions. The Society’s strong capital and liquidity position allows it to continue investing to make a real difference for its members and customers.

To deliver its purpose, in 2023 the Society launched a new strategy with four distinct pillars that will set it up for greater success by 2030. They reflect the external environment, the Society's current capabilities, and what the Society feels it needs to focus on to better support both its existing members, customers and colleagues, and to attract new people it can help with its savings and mortgage needs.

Double reach and deepen our impact

The Society reinvests all profits for the benefit of its members and customers by providing products that overcome real-life challenges, support communities, and improves the Society as a whole. Through the introduction of new savings and mortgage accounts, combined with campaigns to educate, and community programmes, the Society is determined to help more people find a place to call home.

Create joyful experiences

The second pillar sees the Society aspire to create joyful experiences for its customers that are simple and free from stress whether they are interacting with the Society in person, online, or by phone.

Cultivate an ambitious culture

The third pillar ensures the Society makes a real effort to promote an ambitious culture within the Society that enables the Society to move together at pace. Its four existing behaviours sit within this pillar to guide its actions on a day-to-day basis. They remain a key component of how it will unlock its cultural potential.

Building a future-ready Society

Lastly, the fourth pillar focuses on building an organisation that is ready for what is to come. This includes improving the Society's ability to scale, as well as simplify some of its processes and procedures that it has not yet optimised. It also sees the Society focusing on improving the maturity of its governance, risk, and controls procedures. Its refreshed strategy will see it grow even further, ensuring that it is well prepared for the future and even better at serving the generations to come to support the Society's growth ambitions.

Recent Developments

In line with the purpose of providing Real Help with Real Life, the Society has continued to work on developing products and propositions. 2024 saw the launch of two purpose-aligned additions to the range of products available, both of which are targeted to support aspiring homeowners with the challenges they face. The First Home Saver provides a regular savings tool which is specifically for first-time buyers, and the £5,000 Deposit Mortgage serves to bring savings goals closer within reach and makes the prospect of home ownership much more achievable for a greater number of people. In 2025, the £5,000 Deposit Mortgage proposition has been extended to flats which is expected to be particularly beneficial for people in areas like London and the South East.

The Society also widened its lending criteria for new builds and expanded the Cascade Score mortgage proposition, which helps borrowers with a smaller deposit to secure a mortgage where they may previously have been declined. This proposition can now accommodate lending on new builds at a loan-to-value of up to 90 per cent.

Following the change to stamp duty thresholds, the Society introduced a number of products with a cashback of between £2,750 and £6,250, designed to offer help to first-time buyers who may as a consequence of this change, struggle with their cashflow following the completion of their mortgage.

International Financial Reporting Standards

With effect from 1 January 2005, the YBS Group has been required to prepare its financial statements in accordance with International Financial Reporting Standards as adopted by the UK ("**IFRS**"). Previously the Group had prepared its financial statements in accordance with United Kingdom Generally Accepted Accounting Principles.

YBS Group Income

The total interest revenue for the half-year ended 30 June 2025 amounted to £1,625.5 million. The net interest income was £429.6 million, net fee and commission expense was £13.0 million, net losses from financial instruments held at fair value was £28.8 million, net realised gains on disposal of financial instruments was £0.9 million, and other operating income was £0.6 million giving a total income of £389.3 million. The statutory profit before tax was £187.9 million.

YBS Group Lending

YBS Group lending can be summarised as follows:

	Half-year ended 30 June	Year ended 31 December	
	2025	2024	2023
Average loans and advances to customers (£m)	50,138.6	48,260.7	46,009.8
Interest receivable on loans secured on residential property (£m)	1,013.0	1,867.7	1,366.2
Average yield (%), annualised where applicable	4.0	3.9	3.0

The Group's gross lending for the period ended 30 June 2025 was £4.3 billion and its net lending was £0.9 billion.

Mortgage Losses

The following table shows for the period ended 30 June 2025 and the years ended 31 December 2024 and 31 December 2023, shows charges for impairment of loans and advances to customers:

	(Release)/Charge for impairment for the period recognised in the income statement net of recoveries relating to amounts previously written off as a percentage of loans and advances to customers (%)	Loans and advances to customers (£m)[(1)]
Year ended 31 December 2023	0.0079	46,815.9
Year ended 31 December 2024	0.0010	49,705.5
Period ended 30 June 2025	0.0049	50,571.7

(1) Excluding Fair Value adjustment for hedged risk on loans and advances to customers

Liquidity

Building societies are required to hold a proportion of their assets in a readily realisable form. At 30 June 2025, the Group held liquid assets of £14,290.5 million, being 23.9% of total shares and borrowings as calculated below. At 30 June 2025 the Liquidity Coverage Ratio is 228.5%.

The types of investment in which building societies may invest funds are laid down in rules and guidance issued by the United Kingdom regulatory authorities.

Funding Activities

Savings from the personal sector are the primary source of funds for the building society industry. However, since 1981 societies have been permitted to raise funds from the wholesale money markets, principally in the form of certificates of deposit, time deposits, loans from banks and note issues.

The proportion of shares and borrowings not in the form of shares held by individuals at 30 June 2025 was 13.3% compared with the statutory limit of 50%.

The statutory limits are as laid down under the Building Societies Act 1986 (as amended by the Building Societies Act 1997 and secondary legislation) and ensure that the principal purpose of a building society is that of making loans which are secured on residential property and are funded substantially by its members.

The wholesale funding of the Group at 30 June 2025, 31 December 2024 and 31 December 2023 was:

	Half-year ended 30 June	Year ended 31 December	
	2025	**2024**	**2023**
Amounts owed to credit institutions (£m)	952.8	1,168.9	1,886.3
Debt securities in issue (£m)	5,554.0	5,019.3	4,919.4
Other Deposits[(1)] (£m)	485.3	354.2	379.4
Total	6,992.1	6,542.4	7,185.1

Notes:
(1) Other Deposits relates to fixed term Time Deposits transacted through the wholesale markets.

The retail funding of the Group at 30 June 2025, 31 December 2024 and 31 December 2023 was:

	Half-year ended 30 June	Year ended 31 December	
	2025	2024	2023
		(£m)	
Shares	51,769.4	52,044.4	47,056.7
Deposits[1]	944.4	842.6	604.2
Total	52,713.8	52,887.0	47,660.9

Notes:
(1) Deposits relates to retail accounts where the customer does not have Society voting rights.

Investing shareholders and borrowers automatically become members of the Society and such membership ceases on withdrawal in full of funds by investing shareholders or redemption of all loans by borrowers. Depositors do not become members of the Society on making deposits.

At the end of June 2025, December 2024 and December 2023, the gross and free capital ratios of the Society for the purposes of the Building Societies (Accounts and Related Provisions) Regulations 1998 were as follows:

	Half year ended 30 June	Year ended 31 December	
	2025	2024	2023
Gross capital as a percentage of shares and borrowings[1]	7.0	9.1	9.7
Free capital as a percentage of shares and borrowings[2]	6.8	8.9	9.5

Notes:
(1) Gross capital percentage is calculated as total equity attributable to members plus subordinated debt as a percentage of shares and borrowings.
(2) Free capital percentage is calculated as Gross capital less Tangible Fixed Assets less Intangible Assets as a percentage of shares and borrowings.

Gross capital represents the Group's total equity attributable to members (£4,105.5 million as at 30 June 2025) plus existing subordinated liabilities of £1,489.7 million. Free capital represents the gross capital less the book value of fixed assets plus the collective impairment provision.

On 30 June 2025 the Common Equity Tier 1 ratio was 18.5% and the UK leverage ratio was 6.9%. Both ratios are above the regulatory minimum.

Other Financial Information

The financial measures in this section are not defined in accordance with IFRS accounting standards. However, the Group believes that these measures provide useful supplementary information to both investors and the Group's management, as they facilitate the evaluation of the Group's performance. It is to be noted that, since not all companies calculate financial measurements in the same manner, these are not always comparable to measurements used by other companies (even if similarly labelled). Accordingly, these financial measures should not be seen as a substitute for measures defined according to IFRS. The list below presents alternative performance measures, along with their reconciliation to the extent that such information is not defined according to IFRS.

Financial Information

	Year ended 31 December		Half-year ended 30 June		
Financial Measure	**2024**	**2023**	**2025**	**Definition**	**Rationale for Inclusion**
Core operating profit (£m)	345.7	449.9	215.4	Core operating profit measures underlying performance by excluding non-core items, both positive and negative, such as timing differences that reverse over time (e.g. fair value adjustments) or items of a one-off nature (e.g. asset sales).	Measures underlying performance.
Net interest margin (%)	1.16	1.31	1.31	For full-year calculations, this ratio calculates the net interest income as a percentage of mean total assets.	Measure of the interest margin being a key indicator of margin performance.
Liquidity ratio (%)	24.6	23.3	23.9	An amount as defined by the Building Societies (Accounts and Related Provisions) Regulations 1998. This comprises cash in hand and balances with the Bank of England, loans and advances to credit institutions and debt securities as a percentage of shares and borrowings.	Measure of readily available liquidity.

Cost to core income ratio (%)	51	42	48	A ratio that represents management expenses as a percentage of total income excluding fair value.	Measure of the efficiency of the business.

Core operating profit is derived as follows:

	Half-year ended 30 June	Year ended 31 December	
	2025	**2024**	**2023**
		(£m)	
Statutory profit before tax	187.9	383.7	450.3
Reverse out:	28.8	-36.2	
Net gains/losses from fair value volatility on financial instruments[(1)]	-1.0	-2.4	2.2
Mergers – adjustments to balances acquired[(2)]	0.1	0.8	(2.3)
Restructuring costs[(3)]	-0.4	-0.2	(0.2)
Other non-core items[(4)]		—	—
Core operating profit	**215.4**	**345.7**	450.3

Notes:

(1) Removed fair value volatility, i.e. gains and losses on derivatives, and on non-core equity investments.

(2) Historical fair value credit adjustments on acquired loans.

(3) Non-core elements of the restructuring provision.

(4) Profit/(loss) on the sale of fixed assets and on the disposal of intangible assets.

Net interest margin as at 30 June 2025 is derived as follows:

	(£m)		*%*
Interest revenue	3,251.0		
Interest expense	-2,391.8		
Net interest income		**859.2**	
Net interest income expressed as a percentage of mean assets:			
Assets as at 31 December 2024	65,544.4		
Assets as at 30 June 2025	65,905.5		
Mean		**65,725.0**	
Annualised Net interest margin			**1.31%**

Liquidity as at 30 June 2025 is derived as follows:

	(£m)	*%*
Cash in Hand & Balances with the Bank of England	6,417.4	
Loans and Advances to Credit Institutions	651.0	
Debt Securities	7,222.3	
Total Liquid Assets	**14,290.7**	
as a percentage of Shares and borrowings:		
Shares	51,769.4	
Amounts Owed to Credit Institutions	952.8	
Other Deposits	1,429.7	
Debt Securities in Issue	5,554.0	
Total Shares and borrowings	**59,705.9**	
Liquidity ratio		**23.9**

The Funding limit is derived as follows:

	(£m)
Amounts Owed to Credit Institutions	952.8
Other Deposits	1,429.7
Debt Securities in Issue	5,554.0
Total shares and borrowings not in the form of Shares	**7,936.5**
as a percentage of Shares and borrowings:	
Shares	51,769.4
Amounts Owed to Credit Institutions	952.8
Other Deposits	1,429.7
Debt Securities in Issue	5,554.0
Total Shares and borrowings	**59,705.9**
Total shares and borrowings not in the form of Shares (%)	**13.3**

(£m)

Cost/core income ratio as at 30 June 2025 is derived as follows:

	(£m)	
Management Expenses		
Administrative expenses	191.9	
Depreciation and amortisation	7.3	
Total management expenses	**199.2**	
as a percentage of total income		
Core net interest income[(1)]	428.6	
Net realised gains on disposal of financial instruments	0.9	
Fees and commission revenue	5.6	
Fees and commission expense	-18.6	
Core other operating income and income from investments[(2)]	0.2	
Total core income	**416.7**	
Cost/core income (%)		**47.8**

ACCORD MORTGAGES LIMITED

Accord is a Seller under the Programme. Accord is a wholly owned subsidiary of YBS. Accord was incorporated and registered under the laws of England and Wales as a private limited company with company registration number 02139881. The registered address of Accord is Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire BD5 8LJ. Accord was established by YBS in 2003 to deal with borrowers introduced through financial intermediaries for the purpose of originating residential mortgage loans to borrowers in England, Wales, Scotland and Northern Ireland. It is the dedicated intermediary-only brand of the YBS Group and is a well-established force in the UK intermediary market. Accord's borrowers do not become borrowing members of YBS.

Accord is authorised and regulated by the FCA and is entered in the Financial Services Register with registration number 305936.

Accord has significantly more than five years of experience in the origination and underwriting of mortgage loans similar to those included in the Mortgage Portfolio.

Accord offers a range of products which are made available to borrowers through its intermediary partners. Further details of the products offered from time to time by Accord are available on the Accord website at www.accordmortgages.com (this website and the contents thereof do not form part of this Base Prospectus). Accord's approach is to recognise the intermediary's relationship with its customers and to work in partnership with the intermediary to meet the customers' needs through the provision of competitive products and service excellence. As at 31 December 2024, Accord had 209,815 mortgage accounts (2023: 198,162).

Directors

Accord's directors are:

Thomas A Ranger

Jeremy M Duncombe

Simon Martin

Benjamin Merritt

Nikki L Young

As a wholly owned subsidiary of YBS, Accord utilises the YBS Group's shared services, which delivers processing and first line quality control, and the Accord marketing teams, strategic product development and sales teams are integrated within the YBS Group. Accord is also subject to YBS risk management policies and techniques using its Enterprise Risk Management Framework ("**ERMF**"), and therefore appropriate risk management activity is deployed wherever risks arise. For further information on the ERMF, please refer to the annual report and accounts of the Society. The Society's Board Risk Committee, consisting of non-executive directors, oversees risk strategy, appetite and oversight for the key prudential, operational and conduct risks, ensuring regulatory compliance and supporting the long-term sustainable success of the YBS Group . In January 2021, a new function was created which has aligned Intermediary and Direct Mortgage Distribution teams under the remit of the Director of Mortgage Distribution, who formerly held the role of Director of Intermediary Distribution. This enhances the ability to initiate the use of resources across channels, the refinement of processes and the ability to react to market conditions.

CORPORATE SERVICES PROVIDER AND BACK-UP SERVICER FACILITATOR

Wilmington Trust SP Services (London) Limited (registered number 02548079), having its principal address at Third Floor, 1 King's Arms Yard, London EC2R 7AF, is appointed to provide corporate services to the Issuer and Holdings pursuant to the Corporate Services Agreement.

Wilmington Trust SP Services (London) Limited has served and is currently serving as corporate service provider for numerous securitisation transactions and programmes involving pools of mortgage loans.

The Corporate Services Provider will be entitled to terminate its respective appointment under the Corporate Services Agreement on 30 days' written notice to the Issuer, the Security Trustee and each other party to the Corporate Services Agreement, **provided that** a substitute corporate services provider has been appointed on substantially the same terms as those set out in the Corporate Services Agreement.

The Issuer or, following delivery of an Enforcement Notice, the Security Trustee can terminate the appointment of the Corporate Services Provider on 30 days' written notice so long as a substitute corporate services provider has been appointed on substantially the same terms as those set out in the Corporate Services Agreement.

In addition, the appointment of the Corporate Services Provider may be terminated immediately upon notice in writing given by the Issuer or, following delivery of an Enforcement Notice, the Security Trustee, if the Corporate Services Provider breaches its obligations under the terms of the Corporate Services Agreement and/or certain insolvency-related events occur in relation to the Corporate Services Provider.

THE NOTE TRUSTEE AND THE SECURITY 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 UK's Financial Conduct Authority.

THE SECOND ACCOUNT BANK, THE SWAP COLLATERAL ACCOUNT BANK AND THE CUSTODIAN

Citibank, N.A., 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 is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

USE OF PROCEEDS

The Class A Notes

An amount equal to the gross proceeds of the issuance of the Class A Notes of each Series will (following, where applicable, the conversion into Sterling of the proceeds of any Class of Notes of such Series issued in a currency other than Sterling, pursuant to the terms of the relevant Currency Swap Agreement) be used by the Issuer:

- to pay to the relevant Seller (in whole or in part) the Initial Additional Mortgage Portfolio Purchase Price for any Additional Mortgage Portfolios to be assigned, from time to time, by the Sellers to the Issuer;

- to redeem (in part) the YBS Note on the respective Issuance Date **provided that** following such redemption, the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount. Any such redemption of the YBS Note shall take place on the Issuance Date in respect of the relevant Class A Notes, and shall occur otherwise than in accordance with any Priority of Payments; and/or

- to refinance any existing Series or Class of Notes.

The Class Z VFNs

The Issuer has issued the Class Z VFNs on the First Issuance Date, which can be drawn down for one or more of the following purposes:

- in the case of the Class Z(S) VFN:

    - to fund all or any part of the Initial Additional Mortgage Portfolio Purchase Price for any Additional Mortgage Portfolios;

    - to purchase Additional Mortgage Loans and their Related Security in order to maintain the Required Subordination Amount;

    - to be applied as Available Principal Receipts to effect the redemption of the Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule; and

    - to be applied to effect the redemption of the YBS Note in accordance with Condition 5 (*Redemption, Purchase and Cancellation*), **provided that** the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount for so long as any Class A Notes (or any other Notes that are not at all times held by a Seller (or its wholly owned affiliates)) or any Class Z VFNs remain outstanding; and

- in the case of the Class Z(R) VFN:

    - to fund and, at the sole discretion of the holder of the Class Z(R) VFN, if necessary to replenish the Reserve Fund;

    - to pay the start-up expenses of the Issuer and to pay the fees, costs and expenses of the Issuer incurred in connection with the issuance of each Series of the Notes;

- at the sole discretion of the holder of the Class Z(R) VFN, to be applied as Available Revenue Receipts for the purposes of eliminating any debit entries on any Principal Deficiency Sub-Ledger; and

- to fund the upfront premium under a Swap Agreement.

The YBS Note

The Issuer has issued the YBS Note on the First Issuance Date, which can be drawn down for one or more of the following purposes:

- to maintain the requisite level of ongoing Principal Receipts necessary to meet scheduled payments on the Controlled Amortisation Notes and the Cash Accumulation Requirement in respect of Bullet Redemption Notes;

- to fund all or any part of the Initial Additional Mortgage Portfolio Purchase Price for any Additional Mortgage Portfolios;

- funding the purchase of Additional Mortgage Loans and their Related Security in circumstances where the Actual Subordination Amount is greater than the Required Subordination Amount;

- complying with the EU Risk Retention Requirements, the UK Risk Retention Requirements and the US Credit Risk Retention Requirements;

- application of the drawings thereunder as Available Principal Receipts to effect the redemption of the Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule;

- application of the drawings thereunder to effect the redemption of the Class Z(S) VFN in accordance with Condition 5 (*Redemption, Purchase and Cancellation*), subject to maintaining the Required Subordination Amount;

- funding in whole or in part the purchase of any applicable Further Advances on the applicable Mortgage Loans in the Mortgage Portfolio at such time, in each case, following the application of any Principal Receipts available for such purposes in accordance with the applicable Priority of Payments; and/or

- making up for any shortfall caused by any payment holiday feature under the relevant Mortgage Loan granted to Borrowers under the Mortgage Loans in the Mortgage Portfolio,

provided that the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount, for so long as any Class A Notes (or any other Notes that are not at all times held by YBS (or its wholly owned affiliates)) or any Class Z VFNs remain outstanding.

ISSUANCE OF NOTES

The following summary and the information set out in the sections entitled "Description of the Trust Deed and The Notes" and "Terms and Conditions of the Notes" summarise the material terms of the Notes and the Trust Deed. These summaries do not purport to be complete and are subject to the provisions of the Trust Deed and the Conditions.

General

The Notes will be issued in Series. Series of Class A Notes will be issued from time to time, and may consist of one or more Sub-Classes. However, there will be no more than one Series of Class Z VFNs or the YBS Note in respect of the Programme. The Class Z VFNs consist of two Sub-Classes, being the Class Z(S) VFN and the Class Z(R) VFN, as further explained below. The Class Z(S) VFN, Class Z(R) VFN and the YBS Note were issued on the First Issuance Date. The Notes of a particular Class in different Series (and the Notes of differing Sub-Classes of the same Class and Series) will not necessarily have all the same terms. Differences may include principal amount, interest rates, interest rate calculations, currency, dates, Final Maturity Dates and ratings. Each Series and Class of Notes will be secured by the same assets, being the Mortgage Portfolio. Noteholders holding certain Notes may have the benefit of remarketing and conditional purchase arrangements or similar arrangements. The terms of each Series of Notes (and, as applicable, each Sub-Series of the Class A Notes) will be set forth in the applicable Final Terms. Existing Noteholders will be informed of further issues via the regulatory news service on the London Stock Exchange website.

The Notes issued on the First Issuance Date were in excess of £5,000,000.

Issuance

The Issuer may issue new Series of Class A Notes without obtaining the consent of existing Noteholders. The Issuer may only issue a new Series of Class A Notes if sufficient subordination is provided for new Series through the Class Z(S) VFN, and the required amounts with respect to the YBS Note and the Reserve Fund are met. The Required Subordination Percentage and the Reserve Fund Series Percentage, which is used to calculate the Required Subordination Amount and the Reserve Fund Required Amount, respectively, will be set forth in the relevant Final Terms. The issuance tests are set out below.

On the Issuance Date of any Series or, as the case may be, Sub-Series, of Class A Notes the "**Issuance Tests**" necessary to issue such Series or, as the case may be, such Sub-Series are as follows:

- no Event of Default has occurred and is continuing (and has not been waived) or will occur as a consequence of the issue of such Notes;
- no Enforcement Notice has been delivered to the Issuer by the Note Trustee;
- no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing;
- the Issuer has obtained a Ratings Confirmation in respect thereof;
- each of the applicable Programme Issuance Documents has been executed by the relevant parties to those documents;
- the Issuer having delivered the applicable solvency certificate to the Note Trustee;

- on the Issuance Date of such Series and after giving effect to the issuance of the Notes of that Series, the Actual Subordination Amount must be equal to, or greater than, the Required Subordination Amount; and

- following the issuance of such Series, the Principal Amount Outstanding of the YBS Note must be at least equal to the Minimum YBS Note Amount.

In relation to the above, the amounts available on any date for the payment of principal on the Notes will be calculated in accordance with the relevant Pre-Enforcement Principal Priority of Payments (as set out in the section entitled "Credit Structure and Cashflows – Available Principal Receipts") and will be calculated with reference to the rules for the application of Available Principal Receipts (as set out in the section entitled "Credit Structure and Cashflows – Available Principal Receipts – Rules for the repayment of principal amounts due on the Notes").

For the avoidance of doubt, where the relevant Step-Up Date has occurred in relation to any Series of Pass-Through Redemption Notes or Controlled Amortisation Notes, and such Notes remain outstanding, the Issuer will retain the right to issue additional Series of Pass-Through Redemption Notes but will be precluded from issuing any additional Series of Controlled Amortisation Notes or Bullet Redemption Notes.

THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO

Introduction

The following is a description of some of the characteristics of the Mortgage Loans originated by the Sellers and comprised in the Initial Mortgage Portfolio or any Additional Mortgage Portfolios to be assigned (other than Tracker Mortgage Loans, which are not eligible for inclusion in the Mortgage Portfolio as at the date of this Base Prospectus), including details of loan types, the underwriting process, lending criteria and selected statistical information.

Each relevant Seller has selected the Mortgage Loans for transfer into the Initial Mortgage Portfolio using a system containing defined data on each of the qualifying loans in each Seller's overall portfolio of loans available for selection. This system allows the setting of exclusion criteria corresponding to, inter alia, relevant Mortgage Loan Warranties that each Seller makes in the relevant Mortgage Sale Agreement in relation to the Mortgage Loans (see the section entitled "Assignment of the Mortgage Loans and Related Security – Representations and warranties"). This system also allows a limit to be set on some criteria. Once the criteria have been determined, the system identifies all loans owned by the relevant Seller that are consistent with the criteria. From this subset, loans are selected at random until the target balance for Mortgage Loans has been reached, or the subset has been exhausted. After a pool of Mortgage Loans is selected in this way, the constituent Mortgage Loans are monitored to ensure their compliance with the Mortgage Loan Warranties on each Issuance Date. No Mortgage Loans originated by YBS were available for selection for transfer into the Initial Mortgage Portfolio. No Mortgage Loans in the Mortgage Portfolio will be selected with the aim of rendering losses on the Mortgage Loans sold to the Issuer, measured over a period of four years, higher than the losses over the same period on comparable assets held on the balance sheet of the relevant Seller.

Unless otherwise indicated, the description that follows relates to types of loans that have been or could be sold to the Issuer as part of the Mortgage Portfolio on an Issuance Date.

Any Mortgage Loans sold to the Issuer on an Issuance Date will be selected from the Mortgage Portfolio as at the applicable Cut-Off Date.

In addition, **provided that** a Sale Period is still continuing, the Sellers may sell Additional Mortgage Loans to the Issuer on any Assignment Date. The Mortgage Loan Warranties in respect of such Additional Mortgage Loans (other than any Additional Mortgage Loans repurchased by the relevant Seller) on the Payment Date immediately following the relevant Assignment Date will be given on the Payment Date immediately following the relevant Assignment Date. See the section entitled "Repurchase of the Mortgage Loans" below for more details.

In addition, a Seller or the Servicer (on behalf of that Seller) may offer a Borrower under a Mortgage Loan comprised in the Mortgage Portfolio, or a Borrower may request, a Product Switch. If this occurs, the loan which the original Mortgage Loan is switched into may have mortgage terms different from those Mortgage Loans forming the Mortgage Portfolio (including characteristics that are not currently being offered to Borrowers or that have not yet been developed) and may have been originated according to different Lending Criteria. All Product Switches will be required to comply with the Eligibility Criteria set out in the relevant Mortgage Sale Agreement on their Switch Date and the Portfolio Criteria on the relevant Testing Date. The material warranties in the relevant Mortgage Sale Agreement given as at the First Issuance Date (or, in respect of the relevant Additional Mortgage Loans, as at the Payment Date immediately following the relevant Assignment Date) and the Eligibility Criteria (which include satisfaction of the warranties) and the Portfolio Criteria, which must be met on each Switch Date and applicable Testing Date, respectively, are described in this Base Prospectus. See the section entitled "Repurchase of the Mortgage Loans" below for more details.

The Sellers are not permitted to sell newly originated Mortgage Loans to the Issuer at any time after it ceases to originate new loans that are capable of meeting the predetermined credit quality requirements set out in the relevant Mortgage Sale Agreement and complying in all material respects with the applicable Mortgage Loan Warranties.

There has been no revaluation of any Mortgaged Properties for the purposes of the issuance of the Notes and the valuations quoted are those obtained prior to the origination of the Mortgage Loans in accordance with the relevant Lending Criteria.

Characteristics of the Mortgage Loans

Repayment Terms

Mortgage Loans may combine one or more of the features listed in this section. Other customer incentives may be offered with the product, for example, free valuations and payment of legal fees. Additional features such as payment deferrals (temporary suspension of monthly payments) and the ability to make underpayments are also available to borrowers under certain circumstances on selected products. Overpayments are allowed on all products, within certain limits. See the section entitled "Overpayments, Underpayments, Payment Deferrals, Restructurings and Credit Arrears Positions" and "Underpayment Option" below.

Mortgage Loans in the Initial Mortgage Portfolio and any Additional Mortgage Portfolio are "**Repayment Mortgage Loans**", whereby the Borrower makes monthly payments of both interest and principal so that, when the Mortgage Loan matures, the full amount of the principal of the Mortgage Loan will have been repaid and "**Interest-Only Mortgage Loans**", whereby the Borrower makes monthly payments of interest-only during the term of the Mortgage Loan.

The required accrued rate of interest on the Mortgage Loans will vary from month to month as a result of changes in interest rates. However, as a result of the operation of the Annual Review (as to which see the section entitled "Annual Interest Rate Review" below) the amount paid by a Borrower in respect of its Monthly Payment will only change on an annual basis unless the Borrower has opted out of the Annual Review.

Principal prepayments may be made in whole or in part at any time during the term of a Mortgage Loan, subject to the payment of any Early Repayment Charges (as described in the section entitled "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).

Various methods are available to Borrowers for making payments on the Mortgage Loans, including:

- direct debit instruction from a bank or building society account; and
- standing order from a bank or building society account.

Interest payments and interest rate setting

The Sellers have responded to the competitive mortgage market by developing a range of products that are used to attract new borrowers and retain existing customers. Interest on the Mortgage Loans is charged on one of the following bases and the Sellers are able to combine these to suit the requirements of the Borrower:

- **SVR Mortgage Loans** are Mortgage Loans which are subject to the **Standard Variable Rate** or **SVR**, including Discounted SVR Mortgage Loans.

- **Discounted SVR Mortgage Loans** are Mortgage Loans which are subject to an interest rate at a discount to the Sellers' SVR.

- **Reversionary Discount Mortgage Loans** are Fixed Rate Mortgage Loans that will subsequently become Discounted SVR Mortgage Loans.

- **Fixed Rate Mortgage Loans** are Mortgage Loans which are subject to a fixed rate of interest for a specified period of time, usually, but not exclusively, for two, three or five years.

- **Tracker Mortgage Loans** are Mortgage Loans, to the extent that, for such period that their Mortgage Conditions provide that they are subject to a rate of interest linked to or tracking a rate set by the Bank of England and, at the expiration of that period, generally convert to Variable Rate Mortgage Loans or any other rate as specified in the relevant Mortgage Conditions.

The Standard Variable Rate and some fixed rates may apply for the life of the Mortgage Loan. Otherwise, each of the above rates is offered for a predetermined period, usually between two and five years, but in some cases up to 15 years. Fixed rates and some discounted SVR rates are typically offered at the commencement of the Mortgage Loan (the "**Product Period**"). At the end of the Product Period, the rate of interest charged will either (a) move to some other interest rate type, such as a discounted SVR rate or a capped rate, for a predetermined period or (b) revert to, or remain at, the Discretionary Rate (which at the date of this Base Prospectus is SVR), a fixed rate of interest or to some other interest rate type. The Sellers may introduce other or alter the Discretionary Rate in the future. In certain instances, early repayment charges are payable by the Borrower if the Mortgage Loan is redeemed within the Product Period. See the section entitled "Early Repayment Charges" below.

Some of the Mortgage Loans in the Mortgage Portfolio are Offset Mortgage Loans originated after 27 July 2021. Offset Mortgage Loans are issued to Borrowers on a repayment basis and an interest-only basis and are linked to a savings account. Interest due on Offset Mortgage Loans is offset to the value of the notional interest due on the savings balance, and the Borrower can opt either to see the benefit of this through faster repayment of the Offset Mortgage Loans (as the payments are maintained but the interest bill is reduced) or through a lower payment being claimed, reflecting the lower interest charged in the period. Offset Mortgage Loans are underwritten under the same lending criteria as other-owner occupied Mortgage Loans, with affordability, loan to value and other metrics calculated on the loan amount, and without any netting of the balance on the savings account.

All loans originated by the Sellers provide for interest to be calculated on a daily basis. The interest calculated at the end of each day on the outstanding balance of the loan is added to the amount of the loan . Consequently, any payment by the Borrower will immediately reduce the Borrower's balance on which interest will be calculated

Except in limited circumstances as set out in the section entitled "The Servicer and the Servicing Agreement – Covenants and Representations and Warranties of the Servicer", the Servicer is responsible for setting the Discretionary Rates on the Mortgage Loans in the Mortgage Portfolio that are sold to the Issuer. Under the applicable version of the Mortgage Loan Terms, each Seller has a right to vary the interest rate (where they reasonably believe the increase (which will be reasonable and proportionate)) is needed for any one or more of the following reasons:

- to take account of any change in the costs reasonably incurred by a Seller in managing its mortgage business and, in particular, providing and administering its mortgage accounts;

- to take account of changes or anticipated changes in the law or the interpretation of the law, regulatory requirements, decisions or recommendations of an ombudsman, regulator or similar person, or any code of practice applicable to the conduct of a Seller's business;

- to take account of changes to the cost of money which a Seller has to borrow from time to time in order to finance its lending;
- to take account of changes in the Bank of England base rate or the nearest equivalent rate set by the Bank of England or any body which may, in the future, take over responsibility for interest rate setting from the Bank of England;
- to take account of changes in interest rates charged by the Sellers' competitors in the mortgage industry;
- to reflect a change in the credit risk in relation to a Seller's mortgage loans generally; and
- to enable each Seller to manage its business (and its growth) prudently.

These reasons may relate to circumstances existing at the time or which the Sellers reasonably expect to apply in the near future.

If a Seller wishes to increase the interest rate applicable to an SVR Mortgage Loan or a Discounted SVR Mortgage Loan, that Seller will notify Borrowers of the change by advertisement or personally either before or as soon as possible after the increase is to take effect. If the Borrower does not agree to the increase, they may repay the loan but if they do so they may incur early repayment charges and other charges. Such change will however, in practice, only result in a change in the Monthly Payments made by a Borrower as a result of and following the next following Annual Review unless the Borrower has opted out of the Annual Review.

In addition to changes to the Discretionary Rates there may be circumstances where a Seller charges more interest to the Borrower as a result of action by the Borrower. For example, the rate of interest charged to a Borrower would rise by up to 1% for authorised lettings and up to 2% for unauthorised lettings (in each case subject to the Annual Review) of the property by the Borrower. YBS has originated mortgage loans for over 160 years and Accord has originated mortgage loans since April 2003 under a number of standard conditions, with the applicable Mortgage Loan Terms representing the most recent origination policy of the relevant Seller relating to the Mortgage Loans comprised in the Mortgage Portfolio and dictate the specified reasons to change the interest rate.

Early Repayment Charges

The Borrower may be required to pay an early repayment charge (an "**Early Repayment Charge**") if certain events occur during the predetermined Product Period and the loan agreement states that the Borrower is liable for Early Repayment Charges and the relevant Seller has not waived or revised its policy with regard to the payment of Early Repayment Charges. These events include a full or partial unscheduled repayment of principal, or an agreement between the relevant Seller and the Borrower to switch to a different mortgage product. If all or part of the principal owed by the Borrower, other than the scheduled monthly payments, is repaid before the end of the Product Period or the Borrower switches to another product, the Borrower may be liable to pay to the relevant Seller an Early Repayment Charge based on the amount repaid or switched to another product. If the Borrower has more than one product attached to the mortgage loan, the Borrower may choose under which product the principal should be allocated.

Each Seller permits Borrowers during a fixed/special rate period to make a lump sum repayment to reduce the loan amount in each 12-month period up to a maximum of 10%, 50% or 99.9% (depending on the product type) of the balance outstanding on the loan amount without incurring an Early Repayment Charge.

If the Borrower repays its mortgage during an Early Repayment Charge period to move house, the Borrower may not have to pay the charge if the Borrower takes out a new loan for the new home with the Seller, subject to certain qualifying criteria.

Some mortgage products do not include any provisions for the payment of an Early Repayment Charge by the Borrower.

Overpayments, Underpayments, Payment Deferrals, Restructurings and Credit Arrears Positions

Delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment deferrals, losses, charge-offs, recoveries and other asset performance remedies are defined in accordance with the Servicer's servicing policies and procedures. The relevant Seller would initiate its contact strategy with a borrower at the point where a loan is in arrears in an amount equal to or greater than £100 or is one month in arrears (whichever is the smaller in value) and at this point would consider a loan to be delinquent. Each Seller considers a loan to be in default when it is three months in arrears.

- **Overpayments** – Overpayments are allowed on all products, although an Early Repayment Charge may be payable (as described in the section entitled "Early Repayment Charges" above). Borrowers may either increase their regular monthly payments above the normal monthly payment then applicable or make lump sum payments at any time.

  Since interest is calculated on a daily basis, if Borrowers pay more than the scheduled monthly payment, the balance on their mortgage loan will be reduced. The relevant Seller will charge interest on the reduced balance, which reduces the amount of interest the Borrower must pay.

- **Underpayments and Payment Holidays** –The terms of the mortgage loans provide that the Borrower can (with the relevant Seller's prior written approval) make underpayments or take payment holidays for as long as there is a credit reserve (an "**Overpayment Reserve**") which is equal to or greater than the proposed underpayment or stopped payments. In some instances, approval may also be subject to conditions set by YBS and Accord, respectively, from time to time. See the section entitled "Underpayment Option" below.

- **Restructurings** – The Sellers offer a range of forbearance options to support customers in or facing financial difficulty based on their individual circumstances, including promise to pay agreements, arrangement plans and term extensions. Payment plans are reviewed regularly with Borrowers, and YBS and Accord respectively do not alter an agreed plan until such plan is reviewed with the Borrower, unless the Borrower requests a change or there is a significant change in circumstances.

Further Advances

If a Borrower wishes to take out a further loan secured by the same mortgage or standard security, the Borrower will need to make a further advance application and the relevant Seller will use the lending criteria applicable to further advances at that time in determining whether to approve the application. The original mortgage deed or standard security is expressed to cover all amounts due under the relevant loan which would cover any Further Advances. (See the section entitled "Risk Factors – Risks Relating to the Mortgage Loans – Further Advances, Product Switches and Underpayment Options").

Some Mortgage Loans in the Mortgage Portfolio may have Further Advances made on them prior to their being sold to the Issuer on the applicable Assignment Date.

If a Mortgage Loan is subject to a Further Advance after being sold to the Issuer, the relevant Seller will be required to repurchase the Mortgage Loan and its Related Security from the Issuer to the extent

that the Issuer does not have sufficient funds from the Principal Ledger or from a drawing under the Class Z(S) VFN or YBS Note to fund the purchase of such Further Advance.

(See the section entitled "Risk Factors – Risks Relating to the Mortgage Loans – Further Advances, Product Switches and Underpayment Options").

Product Switches

From time to time, Borrowers may request, or the Servicer may send, an offer of a variation in the financial terms and conditions applicable to the Borrower's loan. In limited circumstances, if a Mortgage Loan is subject to a Product Switch as a result of a variation, then the relevant Seller may be required to repurchase the Mortgage Loan or Mortgage Loans and their Related Security from the Issuer. (See the section entitled "Risk Factors – Risks Relating to the Mortgage Loans – Further Advances, Product Switches and Underpayment Options").

Underpayment Option

From time to time, a Borrower whose account has an Overpayment Reserve in respect of its loan may request an underpayment which is less than the amount of its monthly repayment in respect of such loan (an "**Underpayment Option**"). If a Mortgage Loan is subject to an Underpayment Option in an amount greater than £25 (a "**Tested Underpayment Option**"), then the relevant Seller may be required to repurchase the related Mortgage Loan or Mortgage Loans and their Related Security from the Issuer. (See the section entitled "Risk Factors – Risks Relating to the Mortgage Loans – Further Advances, Product Switches and Underpayment Options").

Annual Interest Rate Review

In respect of floating rate Mortgage Loans, the terms and conditions of the Mortgage Loans provide that a Borrower's monthly payments in respect of their mortgage will remain fixed (the "**Fixed Monthly Amount**") for a period of 12 months (each, a "**Fixed Payment Period**") irrespective of any interest rate changes during such period. The amount of a Borrower's Fixed Monthly Amount will only vary on an annual basis in accordance with the terms of an annual interest rate review (the "**Annual Review**") (although a Borrower may opt out of the Annual Review).

During any Fixed Payment Period, although a Borrower's monthly payments remain fixed, the Mortgage Loan will continue to accrue interest at the "**Accrual Rate**" (being the actual rate of interest chargeable on a Mortgage Loan as determined on a daily basis). The difference between the amounts calculated using the Accrual Rate (the "**Monthly Accrual Amount**") and the Fixed Monthly Amount will be taken into account during the Annual Review in recalculating the Fixed Monthly Amounts due by Borrowers during the next Fixed Payment Period.

If, due to decreasing interest rates, the aggregate Fixed Monthly Amounts paid by a Borrower during a Fixed Payment Period is greater than the aggregate Monthly Accrual Amounts due in respect of their Mortgage Loan during such period, then, in effect, the Borrower has overpaid during such Fixed Payment Period. During the next Annual Review, the Borrower's Fixed Monthly Amount will be recalculated taking into account the overpayments made during the previous Fixed Payment Period which may result in lower Fixed Monthly Amounts being due from the Borrower during the next Fixed Payment Period.

If, due to increasing interest rates, the aggregate Fixed Monthly Amounts paid by a Borrower during a Fixed Payment Period is less than the aggregate Monthly Accrual Amounts due in respect of their Mortgage Loan (the "**Contractual Difference**") during such period, then, in effect, the Borrower has underpaid during such Fixed Payment Period. The amount of such Contractual Difference will be capitalised and added to the outstanding balance of the Mortgage Loan on each monthly payment date

under the relevant Mortgage Loan. During the next Annual Review, the Borrower's Fixed Monthly Amounts will be recalculated taking into account the Contractual Difference during the previous Fixed Payment Period, which will result in higher Fixed Monthly Amounts being due from the Borrower during the next Fixed Payment Period (and potentially over future Fixed Payment Periods).

Origination channels

The Sellers currently derive the majority of their mortgage-lending business through a network of intermediaries throughout the United Kingdom and from internet and telephone sales.

Once an application for a mortgage loan is received from a prospective new customer (through whichever origination channel) it is processed by the channel staff and the Servicer's New Business Department. The details of the application are entered into the Servicer's relevant computer system, and arrangements are made to obtain such references and/or other proof of income, valuation, survey or other evidence of value (if any and as appropriate) that may be required by the relevant Seller under its lending policy. A mortgage offer may then be issued to the prospective new customer and instructions are despatched to the relevant solicitor or licensed or qualified conveyancer to investigate title and issue a report on the same to the relevant Seller. Once a satisfactory certificate of title has been received (if appropriate) and no other matters in relation to the application are outstanding, mortgage funds can be released to the solicitor or licensed or qualified conveyancer.

Each Seller is subject to the FSMA, MCOB (and other rules under the FSMA) and the Financial Ombudsman Service, which is a statutory scheme under the FSMA.

Underwriting

The underwriting approach of the Sellers has changed over time. Mortgage Loans in the Mortgage Portfolio may have been originated in accordance with different underwriting criteria from those set out here, depending on their date of origination.

The lending assessment undertaken by the Sellers is made with reference to a number of components including:

- credit score: calculation of propensity to default based on a combination of customer supplied, internal performance and credit bureau data; and

- affordability: calculation of an individualised lending amount that reflects the applicant's income net of tax, credit commitments and assumed living expenses, which vary according to income, number of applicants and dependants. However, some older Mortgage Loans in the Mortgage Portfolio will not take specific account of assumed living expenses.

All mortgage applications are currently underwritten by an underwriter that has an appropriate mandate, with the assistance of system referrals where a policy rule has triggered. The level of mandate that an underwriter has is dependent upon their experience and performance, and is monitored on an ongoing basis. All underwriters have a mandate to approve applications outside of the YBS Group's lending standards providing that the application meets the YBS Group's lending principles and the underwriter provides supporting rationale. No underwriter has a mandate to step outside of the YBS Group's Policy rules or Mandatory Standards. That mandate is held by a lending specialist only and there is 100% visibility of these as they are tracked and reported on a monthly basis through the Outside Lending Policy monitoring. All underwriters retain the right to decline applications and ask for additional supporting verification, regardless of the minimum standards set out in the lending criteria.

Quality control checks are performed on underwriters by an independent team within the Operational Risk & Control function. This is a risk-based sample of all lending and while it will report errors at the

individual underwriter level, it is aimed at providing a view of the lending risk on the book, and not underwriter competency. To support assessment of competency, underwriters are part of a defined Training & Competency Scheme which sets out minimum oversight requirements. These checks are completed by their line manager, or another suitably qualified alternative. The number of checks that are performed on each underwriter depends on the respective underwriter's experience and performance.

Lending Criteria

On each Issuance Date (and in respect of Additional Mortgage Loans, on the Payment Date immediately following the relevant Assignment Date), the relevant Seller will represent that each Mortgage Loan being sold to the Issuer was originated according to the lending criteria of the relevant Seller at the time the Mortgage Loan was offered (the "**Lending Criteria**"), in all material respects, subject only to exceptions made on a case-by-case basis as would be acceptable to a Reasonable, Prudent, Residential Mortgage Lender. Policy and risk appetite varies in line with a number of internal and external factors, in particular expectations of the housing market and wider economy and each Seller retains the right to revise its lending criteria from time to time, so the criteria applicable to any Mortgage Loans which are the subject of a Further Advance, Product Switch or an Underpayment Option may not be the same as those currently used or used at the time of the Initial Advance in relation to such mortgage loan.

The summary below and in this Base Prospectus reflects the lending criteria applied for originations as at the date of this Base Prospectus. Each Seller's current policy reflects the uncertainty of the economy and in certain areas is more restrictive than the historic lending criteria.

Type of property

Mortgaged Properties may be either freehold or leasehold, or (in Scotland) heritable or long leasehold. In the case of leasehold properties, there must be at least 85 years left on inception of the mortgage. The property must be used solely as a single residential dwelling. Mortgaged Properties must be of good quality, in sound structural condition and in a reasonable state of repair. House boats, mobile homes, and any property on which buildings insurance cannot be arranged are not acceptable. All persons who are to be legal owners of the property on completion must be named as Borrowers under the Mortgage. Each Seller's policy requires all Mortgaged Property to be: (i) residential property (i.e. not buy-to-let); (ii) the Borrower's main residence; (iii) suitable for immediate occupation; (iv) readily marketable; and (v) Mortgaged Property on which that Seller can obtain a first charge by way of legal mortgage or charge or (in Scotland) a first ranking standard security.

All properties have been valued by a valuer approved by the relevant Seller or on the basis of an AVM or Desktop Valuation. Further Advances may (but will not in all circumstances) have been assessed using house price index statistics or other evidence, including the relevant Borrower's estimate of value, to the standards of a Reasonable, Prudent, Residential Mortgage Lender.

Term of loan

The minimum term of a loan is generally five years for new residential mortgages and homeowner loans. The maximum term for residential loans is generally 40 years. A repayment period for a Further Advance that would extend beyond the term of the original advance may also be accepted at the relevant Seller's discretion. However, Further Advances will be required to be repurchased from the Issuer by the relevant Seller where such Further Advance would cause the relevant Mortgage Loan to be in breach of the Eligibility Criteria.

Details of applicant

All Borrowers must be aged 18 years or over and the mortgage term must normally end before the Borrower reaches 80. If the Borrower is within 15 years of planned retirement and the mortgage term

will extend into the borrower's retirement, the relevant Seller will consider the Borrower's income in retirement within the affordability assessment. If the relevant Seller determines the Borrower will not be able to afford the mortgage into retirement, the application will be declined.

The maximum number of applicants on any one residential mortgage application is two.

Under each Seller's current Lending Criteria, to be accepted for a mortgage, generally all applicants must be UK or EU nationals or non-UK/EU nationals who are resident in the UK with a permanent residence, or a right to reside in the UK for up to 90% LTV lending, subject to minimum income criteria. For earlier originations, borrowers had to have a legal right to reside in the UK but the length of that right varied.

Loan to value (or LTV) ratio

Normally, the maximum Original LTV ratio of loans in the Mortgage Portfolio would be 95%. Where fees were added to the loan, they may have taken the total lending over the specified LTV limit.

When a Seller makes a loan on a property which requires repairs, the property must be valued on a "when done" basis and the loan retained until works have been completed, or if the property is acceptable security in its existing condition, it may be valued on that basis and the loan released prior to works commencing.

Status of applicant(s)

Lending assessment is currently made using the lending system outlined in the underwriting section.

Employed applicant(s):

Where an applicant is in PAYE employment and the income of that applicant is required to support the loan, each Seller generally requires the applicant to be in a permanent position and not under notice of termination. However, fixed term/temporary workers are accepted where the applicant meets certain minimum requirements. Each Seller requires, with certain limited exceptions, either the employer's reference or pay slips as evidence of income.

Self-Employed Applicant(s):

The applicant must have been trading for at least two years which is a lending standard, however, an underwriter has the discretion to appeal for a lower trading period where they consider it appropriate and with full rationale, for example with a supporting projection of earnings. Each Seller requires (with certain limited exceptions) evidence of income (for example, accounts, accountant's projections, tax assessments or other suitable evidence).

Credit history

The current policy is as follows:

Credit search:

A credit search is carried out in respect of all new applicants (and in relation to Further Advances, to existing Borrowers) with a bureau of the relevant Seller's choice at a level of the relevant Seller's choice.

With certain limited exceptions approved by the relevant Seller acting as a Reasonable, Prudent, Residential Mortgage Lender (including loans to existing borrowers and investors), all applications must pass the Seller's credit score test which will be carried out at the same time as the credit search.

Applications may be declined where an adverse credit history is revealed (for example, certain unsatisfied or material (in quantum) county court judgments (or the Scottish equivalent) and bankruptcy notices).

Existing lender's reference:

Any reference must satisfy the relevant Seller that the account has been properly conducted and that no history of material arrears exists.

Applicants in rented accommodation:

Where applicants currently reside in rented accommodation, the relevant Seller may seek sight of a bank statement or rent record book.

Bank reference/Proof of income

Subject to the results of the relevant Seller's credit score test (where applied) and subject to certain exceptions applied by that Seller acting as a Reasonable, Prudent, Residential Mortgage Lender in accordance with that Seller's practice and procedures from time to time, that Seller will seek and review satisfactory bank statements and references from existing or previous lenders. Additionally, under the current policy, the relevant Seller will require applicants to produce pay slips or similar documentation to prove income received. A formal reference may be requested from the applicant's employer. If the applicant is self-employed, normally a reference from a qualified accountant will be obtained.

Scorecard

Under the current policy, each Seller uses some of the criteria described here and various other criteria to produce an overall score for the application that reflects a statistical analysis of the risk of advancing the mortgage loan. The lending policies and processes are determined centrally to ensure consistency in the management and monitoring of credit risk exposure. Full use is made of software technology in credit scoring new applications. Credit scoring applies statistical analysis to publicly available data and customer-provided data to assess the likelihood of an account going into arrears.

Each Seller reserves the right to decline an application that has received a passing score. Each Seller does have an appeals process if a potential borrower believes their application has been unfairly denied. It is each Seller's policy to allow only authorised individuals to exercise discretion in granting variances from the scorecard.

Changes to the underwriting policies and the Lending Criteria

Each Seller's underwriting policies and Lending Criteria were and are subject to change within that Seller's sole discretion. Mortgage Loans were and are originated by way of exception to the lending criteria where each Seller determined that the exception would have been acceptable to a Reasonable, Prudent, Residential Mortgage Lender. Additional Mortgage Loans, Further Advances, Product Switches and Underpayment Options that are originated under Lending Criteria that are different from the criteria set out here may be sold to the Issuer.

Any material changes from each Seller's prior underwriting policies and Lending Criteria shall be disclosed without undue delay to the extent required under the UK Securitisation Framework.

The assessment of a Borrower's creditworthiness is conducted in accordance with the Lending Criteria and, where appropriate, meets the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.

Insurance policies

Insurance on the property

Each mortgaged property is required to be insured with buildings insurance. The property may be insured by the relevant Seller at the expense of the Borrower, or the insurance may be purchased by the Borrower or (in the case of leasehold property) by a landlord or by a property management company. If the relevant Seller becomes aware that no adequate insurance is in place, it has the power to arrange insurance on the property and charge the premiums for this to the Borrower's mortgage account.

Subject as set out above, each Seller only insures a property once it has repossessed the property from a defaulting Borrower.

Borrower-arranged buildings insurance

Each Seller requires that a Borrower maintains home insurance for the duration of the mortgage and the Borrower's solicitor checks that such insurance is in place at the time when the mortgage commences. Each Seller issues warnings on each annual statement to Borrowers that home insurance must be in place. Each Seller maintains a policy which indemnifies them for losses incurred due to the failure of a Borrower to maintain home insurance subject to the payment of excess and compliance with policy conditions.

Title and search insurance

Search insurance is obtained in some instances on remortgage cases; in these instances a solicitor does not undertake a local search. Local searches are undertaken on all new mortgages.

Title insurance is obtained in respect of certain limited title defects (e.g. restrictive covenants, absence of rights of way) from all solicitors on new mortgages and remortgages. An investigation of title is always undertaken and insurance obtained if a defect in title is discovered.

Arrears policy

Each Seller identifies a Mortgage Loan as being in arrears where any amount remains unpaid on its due payment date. The Borrower will receive an initial arrears letter from the relevant Seller where the arrears are equal to or greater than £100 or one month in arrears (whichever is the smaller in value). Arrears letters are created either seven or ten days after the due payment date, dependent upon the risk categorisation. The relevant Seller will attempt to contact the Borrower initially by letter and then by telephone and text message if such payments remain unpaid. The relevant Seller will, upon establishing the Borrower's circumstances, offer options specifically tailored to return the account to order, where possible. These options may include loan modification, concessionary payment and repayment plans. A field agent may also be used to establish contact with a Borrower. Where a satisfactory arrangement cannot be reached or maintained, possession proceedings may be instigated to enable the relevant Seller to enforce its security.

Each Seller considers write-offs to include the loss that materialises post-repossession (i.e. the shortfall from recovery proceeds from the sale of the property in relation to the debt plus costs). The borrower will be provided with a completion statement once a sale has been completed, setting out how all final figures have been calculated. If there is a shortfall the Servicer will comply with the UK Finance voluntary shortfall agreement and will only pursue the borrower for five years from the date of the last payment on the account.

Environmental performance

The administrative records of the Sellers do not contain any information related to the environmental performance of any Mortgaged Property and, accordingly, there is no available information to be published related to the environmental performance of any Mortgaged Property. Such information will be published in future to the extent it becomes available.

Other characteristics

All Mortgage Loans comprised in the Mortgage Portfolio are homogeneous for purposes of the UK Securitisation Framework and SECN 2.2.9R in particular, on the basis that all such Mortgage Loans: (a) have been underwritten by the relevant Seller in accordance with similar underwriting standards applying similar approaches with respect to the assessment of a potential borrower's credit risk; (b) are repayment loans or Interest-Only Mortgage Loans or a combination of both entered into substantially on the terms of similar standard documentation for residential mortgage loans; (c) are serviced by the Servicer pursuant to the Servicing Agreement in accordance with the same servicing procedures with respect to monitoring, collections and administration of cash receivables generated from such Mortgage Loans; and (d) form one asset category, namely residential loans secured with one or several mortgages on residential immovable property in England, Wales or Scotland.

The Mortgage Loans comprised in the Mortgage Portfolio will not include: (i) any transferable securities for purposes of the UK Securitisation Framework and SECN 2.2.9R in particular; (ii) any securitisation positions for purposes of the UK Securitisation Framework and SECN 2.2.10R in particular; or (iii) any derivatives for the purposes of the UK Securitisation Framework and SECN 2.2.16R in particular, in each case on the basis that such Mortgage Loans have been entered into substantially on the terms of similar standard documentation for residential mortgages loans. The Mortgage Loans comprised in the Mortgage Portfolio will be transferred to the Issuer after selection for inclusion in the Mortgage Portfolio without undue delay for purposes of the UK Securitisation Framework and SECN 2.2.12R in particular.

Governing law

Each of the Scottish Mortgage Loans and the Related Security is governed by Scots law, and each of the English Mortgage Loans and the Related Security is governed by English law.

ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY

Pursuant to the terms of the Mortgage Sale Agreements entered into on or about the Programme Date between, inter alios, the Sellers and the Issuer, each Seller has agreed to sell Mortgage Loans and their Related Security to the Issuer from time to time. The following section describes, in summary, the material terms of each Mortgage Sale Agreement. The description does not purport to be complete and is subject to the provisions of each Mortgage Sale Agreement.

As at the date of this Base Prospectus, the assets to be sold by each Seller to the Issuer to support the Issuer's obligations under the Notes will comprise residential mortgage loans originated by a Seller and secured over Mortgaged Properties situated in England, Wales or Scotland.

Sale by the Sellers of Mortgage Loans and Related Security

The Mortgage Portfolio consists of Mortgage Loans and their Related Security sold from time to time by the Sellers to the Issuer on any Assignment Date in accordance with the terms of the Mortgage Sale Agreements. The types of Mortgage Loans forming part of the Mortgage Portfolio will vary over time **provided that**, at the time the relevant Mortgage Loans are sold to the Issuer, the Eligibility Criteria and the Portfolio Criteria (each as described below) are met on the relevant Assignment Date. Accordingly, the Mortgage Portfolio may, at any time, include Mortgage Loans with different characteristics to Mortgage Loans sold to the Issuer on previous Assignment Dates.

For so long as a Sale Period is continuing, the Issuer will be permitted to acquire Mortgage Loans and their Related Security from the Sellers in the four circumstances described below:

(a) in relation to the issue of Notes from time to time in accordance with the Programme;

(b) in relation to further drawdowns under the Class Z(S) VFN in an amount sufficient to maintain the Required Subordination Amount;

(c) the Issuer may use Enhanced Available Principal Receipts to acquire Additional Mortgage Loans and their Related Security from the Sellers; and

(d) where further drawdowns under the YBS Note are made from time to time in accordance with the Transaction Documents, either to ensure the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount or if YBS has decided at its sole discretion to advance that drawdown (including for so long as a Non-Asset Trigger Event is continuing).

In consideration for the sale of the Initial Mortgage Portfolio to the Issuer:

(a) the relevant Seller will receive the applicable portion of the Initial Purchase Price, being a cash payment made by the Issuer from the proceeds of the issuance of the Series 2024-1 Class A Notes, as well as from the proceeds of initial drawings under the Class Z(S) VFN and the YBS Note, in an amount equal to the Current Balance of those Mortgage Loans sold by it as at the relevant Assignment Date; and

(b) the payment to each relevant Seller of the Relevant Seller Deferred Consideration Amount and the Relevant Seller ERC Deferred Consideration Amount (which for the avoidance of doubt will not be applied in accordance with the Priority of Payments) with respect to the Initial Mortgage Portfolio and each Additional Mortgage Portfolio.

Additional Mortgage Portfolios

The Sellers may sell Additional Mortgage Portfolios comprising Additional Mortgage Loans and their Related Security to the Issuer for as long as a Sale Period is continuing.

Pursuant to the terms of the relevant Mortgage Sale Agreement, a Seller may deliver to the Issuer a notice identifying the Additional Mortgage Portfolio offered thereunder (an "**Additional Mortgage Portfolio Sale Notice**"). Pursuant to, and on the Assignment Date specified in, such Additional Mortgage Portfolio Sale Notice, the relevant Seller will offer to sell to the Issuer with full title guarantee or, in the case of any Scottish Mortgage Loans and their Related Security, with absolute warrandice, and the Issuer will agree to purchase the relevant Additional Mortgage Portfolio set out therein. The relevant Seller will receive from the Issuer, as consideration for the sale of each Additional Mortgage Portfolio, a combination of:

(a) the Initial Additional Mortgage Portfolio Purchase Price; and

(b) Deferred Consideration, payable by the Issuer to YBS on each Payment Date falling after the relevant Assignment Date, in accordance with the applicable Priority of Payments.

For as long as a Sale Period is continuing, the Issuer will pay the Initial Additional Mortgage Portfolio Purchase Price to the relevant Seller by:

(a) for so long as no Non-Asset Trigger Event is continuing:

  (i) if the relevant Assignment Date is the same as the Issuance Date of the issuance of any Class A Notes, applying the proceeds from such issuance of the Class A Notes on the relevant Issuance Date; and/or

  (ii) applying Available Principal Receipts (to the extent available for such purpose), and/or further amounts drawn down under the Class Z(S) VFN and/or, as applicable, the YBS Note on the Payment Date which is the same as, or immediately follows, the relevant Assignment Date; and

(b) for so long as a Non-Asset Trigger Event is continuing, drawing down further amounts under the YBS Note on the Payment Date which is the same as, or immediately follows, the relevant Assignment Date.

At any time other than while a Sale Period is continuing, the Sellers may not sell any Additional Mortgage Portfolios to the Issuer.

The obligation of the Issuer to purchase any Additional Mortgage Portfolio will be conditional upon the Eligibility Criteria and the Portfolio Criteria (as described below) being met with respect to the Mortgage Loans comprised in such Additional Mortgage Portfolio on the relevant Assignment Date.

The relevant Seller will be required to repurchase Mortgage Loans and their Related Security sold to the Issuer in the circumstances described below under the section entitled "Repurchase of the Mortgage Loans".

Any "sale" or "equitable assignment" of loans referred to in this Base Prospectus will, in relation to the Scottish Mortgage Loans, be given effect by a Scottish Declaration of Trust.

Eligibility Criteria

The sale of a Mortgage Loan and its Related Security to the Issuer will be subject to that Mortgage Loan satisfying the following "**Eligibility Criteria**" as at the relevant Assignment Date:

(a) the Mortgage Loan complies with the Mortgage Loan Warranties in the applicable Mortgage Sale Agreement;

(b) no Mortgage Loan has an aggregate amount in arrears which is more than the amount of the Monthly Payment then due;

(c) the Mortgage Loan has been made to a Borrower who is a natural legal person and at least 18 years of age;

(d) each Mortgage Loan is secured by a Mortgage constituting a valid and subsisting first charge by way of legal mortgage or (in Scotland) standard security over the relevant Mortgaged Property;

(e) the Mortgage Loan has an Original LTV Ratio of no more than 95%;

(f) the Mortgage Loan has a Current Indexed LTV Ratio of no more than 90%;

(g) the Mortgage Loan was not originated prior to 1 January 2014;

(h) the Mortgage Loan has a Current Balance of no more than £2 million at the relevant Assignment Date;

(i) each Mortgage Loan in the Mortgage Portfolio is either:

  (a) an SVR Mortgage Loan or a Discounted SVR Mortgage Loan or a Fixed Rate Mortgage Loan or a Reversionary Discount Mortgage Loan; or

  (b) a New Mortgage Loan Type which will not result in the then-current ratings of the Class A Notes being downgraded, withdrawn or qualified,

  and no Mortgage Loan is a Capped (Variable Rate) Mortgage Loan;

(j) the Mortgage Loan is not a Self-certified Mortgage Loan or was not a Self-certified Mortgage Loan as at the date of origination of the relevant Mortgage Loan, a Buy-to-Let Mortgage Loan, a Help to Buy Mortgage Loan or a Right to Buy Mortgage Loan, a Staff Mortgage Loan or an Offset Mortgage Loan originated prior to 27 July 2021;

(k) the Mortgage Loan is not a shared ownership loan;

(l) as at the First Issuance Date or on the date when any Additional Mortgage Loans and their Related Security are included in the Mortgage Portfolio, as applicable, each Mortgage Loan has a standardised risk weight equal to or smaller than 40% on an exposure value-weighted average basis for the Mortgage Portfolio, as such terms are described in Article 243 of the UK CRR;

(m) no Mortgage Loan is guaranteed by a third party guarantor;

(n) the relevant Seller is not required to make any future Further Advances under any Mortgage Loan; and

(o) no Mortgage Loan is a Mortgage Loan which, so far as the relevant Seller is aware, is a Mortgage Loan to a Borrower who is a "credit-impaired obligor" as described in Article 13(2)(j) of the UK LCR Regulation or paragraph 2(k) of Article 177 of Regulation (EU) No 2015/35 (or, in each case, if different, the equivalent provisions in any such enacted version of such Commission Delegated Regulation).

The Mortgage Loan Warranties will be given by a Seller in respect of the Mortgage Loans and their Related Security sold by that Seller to the Issuer on the relevant dates as set out in the section entitled "Representations and warranties" below.

The Issuer has the right to amend the Eligibility Criteria, subject to receipt of a Ratings Confirmation. The prior written consent of the Note Trustee, the Security Trustee, the Noteholders and the other Secured Creditors to the amendments will not be required.

Portfolio Criteria

In addition, the sale of a Mortgage Loan and its Related Security to the Issuer will be subject to the satisfaction of the following "**Portfolio Criteria**" as at the relevant Assignment Date:

(a) the aggregate Current Balance of Mortgage Loans which are greater than three months in arrears is less than or equal to 5% of the Current Balance of the Mortgage Portfolio;

(b) no Asset Trigger Event has occurred;

(c) no Event of Default has occurred which is continuing;

(d) where the sale would include any Mortgage Loan which is a New Mortgage Product, the Issuer has received a Ratings Confirmation in respect of the inclusion of such New Mortgage Product and any modifications to the Eligibility Criteria, the Portfolio Criteria or the Mortgage Loan Warranties;

(e) the weighted average Original LTV Ratio of the Mortgage Portfolio immediately following the sale will not exceed the weighted average Original LTV Ratio of the Mortgage Portfolio measured as at the most recent Issuance Date in respect of the Class A Notes by more than 5%;

(f) the weighted average Current LTV Ratio of the Mortgage Portfolio immediately following the sale will be less than or equal to 80%;

(g) the aggregate outstanding principal balance of all Mortgage Loans to a single Borrower does not exceed 2% of the Current Balance of the Mortgage Portfolio;

(h) the aggregate of the Current Balance of all New Build Mortgage Loan in the Mortgage Portfolio immediately following the sale will be less than or equal to 15% of the Current Balance of the Mortgage Portfolio measured as at the most recent Issuance Date in respect of the Class A Notes;

(i) the aggregate of the Current Balance of each Interest Only Mortgage Loan in the Mortgage Portfolio immediately following the sale will be less than or equal to 10% of the Current Balance of the Mortgage Portfolio measured as at the most recent Issuance Date in respect of the Class A Notes;

(j) the aggregate of the Current Balance of each Mortgage Loan with an Original LTV Ratio greater than 85% in the Mortgage Portfolio immediately following the sale will be less than or

equal to 37.5% of the Current Balance of the Mortgage Portfolio measured as at the most recent Issuance Date in respect of the Class A Notes; and

(k) the total amount of arrears in respect of all the Mortgage Loans in the Mortgage Portfolio does not exceed 5% of the aggregate of the Current Balance of each Mortgage Loan.

The Issuer has the right to amend the Portfolio Criteria, subject to receipt of a Ratings Confirmation. The prior written consent of the Note Trustee, the Security Trustee, the Noteholders and the other Secured Creditors to the amendments will not be required.

Transfer of Title to the Mortgage Loans to the Issuer

The English Mortgage Loans will be sold by the Sellers to the Issuer by way of equitable assignment. The Scottish Mortgage Loans will be sold by the Sellers to the Issuer by way of a Scottish Declaration of Trust under which the beneficiary's interest in such trust will be vested in the Issuer. In relation to the Scottish Mortgage Loans, references in this document to a "sale" or "equitable assignment" of Mortgage Loans or Mortgage Loans having been "sold" are to be read as references to the making of such Scottish Declaration of Trust. Such beneficiary's interest (as opposed to the legal title) cannot be registered or recorded in HM Land Registry or the Registers of Scotland. As a result, legal title to the Mortgage Loans and their Related Security will remain with the relevant Seller until legal assignments (in relation to English Mortgage Loans) or assignations (in relation to Scottish Mortgage Loans) are delivered by that Seller to the Issuer and notice of the sale is given by that Seller to the Borrowers. Legal assignment or assignation (as appropriate) of the Mortgage Loans and their Related Security (including, where appropriate, their registration or recording in the relevant property register) to the Issuer will be deferred and will only take place in the limited circumstances described below.

Legal assignment or assignation (as appropriate) of the Mortgage Loans and their Related Security to the Issuer (including any notification of such legal assignment or assignation (as appropriate) to the Borrowers) will be completed on or before the 30th Business Day after the earliest of the following (a "**Perfection Trigger Event**"):

(a) the occurrence of an Event of Default and delivery of an Enforcement Notice;

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

(c) a breach of obligations by the relevant Seller (or the Servicer on behalf of that Seller) under the Transaction Documents, where such breach, if capable of remedy, has not been remedied within 90 calendar days following the day on which that Seller becomes aware of such breach. The relevant Seller may amend this paragraph (c) so long as that Seller delivers a certificate to the Issuer that such amendment does not impact the designation as a 'simple, transparent and standardised' securitisation (within the meaning of (i) prior to the Regulatory Effective Date, the UK Securitisation Regulation or (ii) on and from the Regulatory Effective Date, the UK Securitisation Framework) in respect of any Series or Class of Notes then outstanding which are intended to satisfy the UK STS Criteria Requirements or the Recast UK STS Criteria Requirements (as applicable);

(d) unless otherwise agreed by the Security Trustee, the termination of YBS's role as Servicer under the Servicing Agreement, unless as at the relevant date of termination any substitute servicer is a member of the YBS Group;

(e) the relevant Seller and/or the Issuer being required to perfect legal title to the Mortgage Loans by an order of a court of competent jurisdiction or a change in law occurring after the Programme Date, or by a regulatory authority of which the relevant Seller is a member or to whose authority the relevant Seller is subject or any organisation whose members comprise (but

are not necessarily limited to) mortgage lenders with whose instructions it is customary for the relevant Seller to comply;

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

(g) an encumbrancer takes possession or a Receiver is appointed to any part of the undertaking, property and assets beneficially owned by the relevant Seller having an aggregate value in excess of 10% of the total assets of that Seller or a distress, diligence or execution is levied or enforced upon or sued out against any part of the chattels or property beneficially owned by the relevant Seller having an aggregate value in excess of 10% of the total assets of that Seller and, in the case of any of the foregoing events, is not discharged within 30 days (the "**Attached Assets**"), unless such Attached Assets (i) relate to a different business, in the case of YBS, to that of a building society generally or, in the case of Accord, of originating mortgage loans, and the attachment of the encumbrance over the Attached Assets did not adversely impact the credit quality of the relevant Seller and (ii) are not required by the relevant Seller to enable it to observe or perform its obligations under the Transaction Documents or the enforceability or collectability of the Mortgage Loans.

Pending completion of the legal assignment or assignation (as appropriate), the right of the Issuer to exercise the powers of the legal owner of, or (in Scotland) the heritable creditor under, the Mortgages will be secured by, or (in Scotland) supported by, an irrevocable power of attorney granted by the relevant Seller in favour of the Issuer and the Security Trustee.

The Title Deeds and Mortgage Loan Files relating to the Mortgage Loans in the Mortgage Portfolio will be held by or to the order of the relevant Seller or the Servicer, as the case may be, or by solicitors, licensed conveyancers or (in Scotland) qualified conveyancers acting for the relevant Seller in connection with the creation of the Mortgage Loans and their Related Security. The relevant Seller or the Servicer, as the case may be, will undertake that all the Title Deeds and Mortgage Loan Files relating to the Mortgage Loans in the Mortgage Portfolio which are at any time in their possession or under their control or held to their order will be held to the order of the Security Trustee or as the Security Trustee may direct.

Representations and warranties

Each relevant Seller will represent and warrant to the Issuer and the Security Trustee in the relevant Mortgage Sale Agreement on the terms of the Mortgage Loan Warranties (as defined below) in each case subject to certain additional amendments and conditions as set out in the relevant Mortgage Sale Agreement:

(a) in respect of each Mortgage Loan and its Related Security comprised in the Initial Mortgage Portfolio, on the First Issuance Date;

(b) in respect of each Additional Mortgage Loan and its Related Security (other than any Additional Mortgage Loans repurchased on the Payment Date immediately following the relevant Assignment Date) sold to the Issuer while a Sale Period is continuing, as at the Payment Date immediately following the relevant Assignment Date;

(c) in relation to any Further Advance, as at the relevant Advance Date;

(d) in relation to each Mortgage Loan which is subject to a Product Switch, as at the relevant Switch Date; and

(e) in relation to each Mortgage Loan which is subject to a Tested Underpayment Option, as at the relevant Option Date.

If it is determined on the relevant Testing Date that any of the Mortgage Loan Warranties or Product Switch Warranties (as applicable) are materially breached in respect of a Mortgage Loan comprised in the Initial Mortgage Portfolio as at the First Issuance Date, or in respect of an Additional Mortgage Loan as at the relevant Assignment Date, or in respect of a Further Advance, Product Switch or Tested Underpayment Option, as at the relevant Advance Date, Switch Date or Option Date (as applicable), such Mortgage Loan will be repurchased by the relevant Seller in accordance with the provisions of the relevant Mortgage Sale Agreement. (See the section entitled "Repurchase of the Mortgage Loans" below for more details.)

In this Base Prospectus, "**Testing Date**" means, in relation to any Further Advance, Product Switch or Tested Underpayment Option, the last day of the Calculation Period in which the relevant Advance Date, Switch Date or Option Date occurred (as applicable).The Mortgage Loan Warranties to be given by each relevant Seller will include, inter alia, the following warranties:

(a) (i) in relation to loans comprised in the Initial Mortgage Portfolio, the particulars of the Mortgage Loans comprised in the Initial Mortgage Portfolio set out in the notice attaching or setting out data in respect of the Mortgage Loans in the Initial Mortgage Portfolio (the "**Initial Mortgage Portfolio Notice**") are true, complete and accurate in all material respects in respect of the data fields described in the Schedule to the Initial Mortgage Portfolio Notice as at the Initial Mortgage Portfolio creation date and in relation to all such Mortgage Loans the details of such loans as recorded in the computer system of the relevant Seller, to the extent that they relate to data fields in the relevant Initial Mortgage Portfolio Notice, are complete, true and accurate in all material respects as at the Initial Mortgage Portfolio creation date; and

(ii) in relation to any Additional Mortgage Loans, the particulars of any Additional Mortgage Loans set out in any notice made by the relevant Seller to sell Additional Mortgage Loans on an Assignment Date attaching or setting out data in respect of such Additional Mortgage Loans (the "**Additional Mortgage Loans Notice**") are true, complete and accurate in respect of the data fields described in the Schedule to the Additional Mortgage Loans Notice as at the relevant Assignment Date and in relation to all such Additional Mortgage Loans the details of such loans as recorded in the computer system of the relevant Seller, to the extent they relate to data fields in the relevant Additional Mortgage Loans Notice, are complete, true and accurate in all material respects as at the relevant Assignment Date;

(b) each Mortgage Loan and its Related Security is valid, binding and enforceable in accordance with its terms and is non-cancellable, **provided however that**:

(i) this warranty will not be deemed to have been breached if the reason for the invalidity, non-binding nature or enforceability is a failure to comply with the Unfair Terms in Consumer Contracts Regulations 1994 or 1999, the Consumer Rights Act 2015, the Consumer Credit Act 1974 (where such legislation applies to a particular Mortgage Loan) or the FSMA (where such legislation applies to a particular Mortgage Loan);

(ii) the relevant Seller makes no representation as to the fairness or otherwise of terms which relate to its ability to vary the rate of interest;

(iii) enforceability may be limited by bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the courts' discretion in relation to equitable remedies; and

(iv) this representation will not apply in respect of any early repayment charges or redemption fees;

(c) to the extent that any Mortgage Loan constitutes a regulated mortgage contract for the purposes of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, at the time it was made, such Mortgage Loan complied with all applicable provisions of MCOB and any other applicable rules and guidance of the FCA or PRA and, prior to the sale of such Mortgage Loan to the Issuer pursuant to the terms of the Mortgage Sale Agreement, such Mortgage Loan was administered in accordance with the provisions of MCOB and any other applicable rules and guidance of the FCA or PRA;

(d) subject in certain appropriate cases to the completion of an application for registration or recording at the Land Registry or the Registers of Scotland, as applicable, the whole of the Current Balance on each Mortgage Loan is secured by a Mortgage or Mortgages over a residential Mortgaged Property and each Mortgage constitutes a valid and subsisting first charge by way of legal mortgage or charge or (in Scotland) first ranking standard security over the relevant Mortgaged Property, and subject only in certain appropriate cases to applications for registration or recording at the Land Registry of England and Wales or the Registers of Scotland which, where required, have been made and are pending;

(e) all of the Mortgaged Properties are in England, Wales or Scotland;

(f) each Mortgaged Property constitutes a separate dwelling unit and is (in England and Wales) either freehold or leasehold, commonhold or (in Scotland) heritable or long leasehold;

(g) all steps necessary to perfect the relevant Seller's title to each Mortgage Loan and its Related Security were duly taken at the appropriate time or are in the process of being taken with all due diligence;

(h) immediately prior to the purchase of any Mortgage Loan and the Related Security by the Issuer, and subject to registration or recording at the Land Registry or the Registers of Scotland (as the case may be), the relevant Seller has good title to, and is the absolute unencumbered legal and beneficial owner of, all property, interests, rights and benefits in relation to the Mortgage Loans and Related Security agreed to be sold and/or assigned and/or held in trust by the relevant Seller to or for the Issuer pursuant to the relevant Mortgage Sale Agreement free and clear of all security interests, claims and equities (including, without limitation, rights of set-off or counterclaim and unregistered dispositions which override first registration and unregistered interests which override registered dispositions (as listed in Schedule 1 and Schedule 3 respectively of the Land Registration Act 2002) save in relation to the Unfair Terms in Consumer Contracts Regulations 1994 or the Unfair Terms in Consumer Contracts Regulations 1999 and save in relation to section 150 of the FSMA in the case of any property, interests or rights governed by English law, or any overriding interest (as defined in Section 28(1) of the Land Registration (Scotland) Act 1979) in the case of any property, interests or rights governed by Scots law), subject in each case only to the relevant Mortgage Sale Agreement and the Borrower's equity of redemption (or, in the case of Scottish Mortgage Loans, the Borrower's reversionary rights) and the relevant Seller is not in breach of any covenant or warranty implied by reason of its selling the Mortgage Portfolio with full title guarantee or, in the case of any Scottish Mortgage Loans and their Related Security, with absolute warrandice (or which would be implied if the relevant Land Registry transfers or Scottish assignations (the "**Scottish Transfers**"), as applicable, were completed and registered or recorded, as appropriate);

(i) prior to making a Mortgage Loan to a Borrower, the relevant Seller:

(i) caused its approved solicitors or approved conveyancers to carry out in relation to the relevant Mortgaged Property all investigations, searches and other actions and enquiries which a Reasonable, Prudent, Residential Mortgage Lender or its solicitors normally make when lending to an individual on the security of residential property, as the case may be, in England, Wales or Scotland; and

(ii) received a certificate of title from approved solicitors or approved conveyancers relating to such Mortgaged Property and the results thereof were such as would be acceptable to a Reasonable, Prudent, Residential Mortgage Lender in order to proceed with the Mortgage Loan;

(j) the Lending Criteria are consistent with the criteria that would be used by a Reasonable, Prudent, Residential Mortgage Lender;

(k) each Borrower has a good and marketable title to the relevant Mortgaged Property free from any encumbrance which:

(i) would materially adversely affect such title; and

(ii) a Prudent Mortgage Lender would regard as unacceptable for security purposes;

(l) prior to the granting of each Mortgage Loan, the relevant Seller received a Valuation Report from a Valuer on the relevant Mortgaged Property (or such other form of valuation as would be acceptable to a Reasonable, Prudent, Residential Mortgage Lender), the contents of which were such as would be acceptable to a Reasonable, Prudent, Residential Mortgage Lender;

(m) prior to the making of a Mortgage Loan, each Initial Advance and Further Advance, the then applicable Lending Criteria were satisfied in all material respects subject only to such exceptions and waivers made on a case by case basis as would be acceptable to a Prudent Mortgage Lender;

(n) each Mortgage Loan was made and its Related Security taken or received on the terms of the Standard Documentation of the relevant Seller without any material variation thereto and nothing has been done subsequently to add to, lessen, modify or otherwise vary the express provisions of any of the same in any material respect subject only to such exceptions as are made on a case by case basis and which would be acceptable to a Reasonable, Prudent, Residential Mortgage Lender;

(o) no agreement for any Mortgage Loan is in whole or in part a regulated agreement or consumer credit agreement (as defined in section 8 of the Consumer Credit Act 1974 (as amended, extended or re-enacted from time to time)) or, to the extent that any Mortgage Loan is in whole or in part a regulated agreement or consumer credit agreement, the procedures and requirements set out in the Consumer Credit Act 1974 have been complied with in all material respects;

(p) the rate of interest under each Mortgage Loan is charged in accordance with the Standard Documentation, subject to the terms of any Mortgage Loan Agreement in relation thereto;

(q) the relevant Seller is not aware of any fraud in relation to any Mortgage Loan or Related Security;

(r) each Borrower has made at least one Monthly Payment;

(s) where any Borrower is or was entitled to repayment of any Early Repayment Charge in respect of any mortgage previously held by the Borrower with the relevant Seller, that repayment has been or will be made by such Seller;

(t) so far as the relevant Seller is aware each Mortgaged Property is insured (from the date of completion of the relevant Mortgage Loan):

(i) under the Third Party Buildings Policies;

(ii) against all risks usually covered by a Reasonable, Prudent, Residential Mortgage Lender in England and Wales and Scotland, advancing money on the security of residential property; and

(iii) to an amount not less than the full reinstatement cost as determined by the relevant valuer;

(u) so far as the relevant Seller is aware, if a Mortgaged Property is leasehold or long leasehold, written notice has been given to the landlord of the creation of the Mortgage;

(v) in relation to each English Mortgage, every person who, at the date upon which the relevant Mortgage Loan was made, had attained the age of 18 and who had been notified to the relevant Seller as residing or being about to reside in a Mortgaged Property subject to a Mortgage, is either the relevant Borrower or has signed a Deed of Consent;

(w) in relation to each Scottish Mortgage, all necessary MH/CP Documentation has been obtained so as to ensure that neither the relevant Mortgaged Property nor the relevant Mortgage is subject to or affected by any statutory rights of occupancy under the Matrimonial Homes (Family Protection) (Scotland) Act 1981 or (as applicable) the Civil Partnership Act 2004;

(x) the relevant Seller has, since the making of each Mortgage Loan, kept or procured the keeping of full and proper accounts, books and records as are necessary to show all material transactions, payments, receipts, proceedings and notices relating to such Mortgage Loan;

(y) neither the relevant Seller nor (as far as the relevant Seller is aware) any of its agents has received written notice of any litigation, claim, dispute or complaint (in each case, subsisting, threatened or pending) in respect of any Borrower, Mortgaged Property, Mortgage Loan or Related Security which (if adversely determined) might have a material adverse effect on the value of the Mortgage Portfolio or any part of it;

(z) the Mortgage Loan Files relating to each of the Mortgage Loans and their Related Security are held by, or are under the control of:

(i) the relevant Seller; or

(ii) the Servicer;

(aa) all formal approvals, consents and other steps necessary to permit an equitable or beneficial transfer of, or a declaration of trust over, and a transfer of servicing away from the relevant Seller of, the Mortgage Loans and their related Mortgages to be sold under the Mortgage Sale Agreement whenever required under the Transaction Documents have been obtained or taken and there is no requirement in order for such transfer or declaration of trust to be effective to notify the Borrower before, on, or after any such equitable or beneficial transfer or declaration of trust. Neither the entry by the relevant Seller into the Mortgage Sale Agreement, nor any sale, transfer, assignment, assignation or creation of trust contemplated by the Mortgage Sale

Agreement and its related agreements, materially adversely affects or will materially adversely affect any of the Mortgage Loans and their Related Security and the relevant Seller may enter into the Mortgage Sale Agreement and, as applicable, freely sell, transfer, assign and enter into trust arrangements in respect of all its respective rights, title, interests and benefits therein as contemplated in the Transaction Documents without breaching any term or condition applying to any of the Mortgage Loans or their Related Security;

(bb) so far as the relevant Seller is aware, none of the terms in any Mortgage Loan and its related Mortgage are unfair terms within the meaning of the Unfair Terms in Consumer Contracts Regulations 1994, the Unfair Terms in Consumer Contracts Regulations 1999 or the Consumer Rights Act 2015 in any material respect save those which impose Early Repayment Charges;

(cc) each Mortgage Loan in the Mortgage Portfolio is either a Variable Rate Mortgage Loan, Discount Variable Rate Mortgage Loan, Fixed Rate Mortgage Loan or an Offset Mortgage Loan (if originated after 27 July 2021) and no Mortgage Loan is an Excluded Loan;

(dd) each Mortgage Loan was originated by the relevant Seller in the ordinary course of business pursuant to underwriting standards that are no less stringent than those the relevant Seller applied at the time of origination to similar loans that are not securitised and was denominated in pounds sterling upon origination;

(ee) the relevant Seller has full recourse to the relevant Borrower under the relevant Mortgage Loans;

(ff) the relevant Seller has not knowingly waived or acquiesced in any breach of any of its rights in respect of a Mortgage Loan or its Related Security, other than waivers and acquiescence such as a Reasonable, Prudent, Residential Mortgage Lender might make on a case-by-case basis;

(gg) none of the provisions of the Mortgage Loans have been waived, altered or modified in any way by the relevant Seller other than:

(i) any variation agreed with a Borrower to control or manage arrears on a Mortgage Loan or, following a request from a Borrower, the agreement to grant a payment deferral, underpayment or other action pursuant to applicable law or regulatory guidance;

(ii) any variation in the maturity date of a Mortgage Loan unless the maturity date is later than three years earlier than the Final Maturity Date of any Series or Class of Notes then outstanding;

(iii) any variation imposed by statute or as a result of UK government policy changes or initiatives aimed at assisting homeowners (including Borrowers) in meeting payments on their mortgage loans;

(iv) any variation to the interest rate as a result of the Borrowers switching to a different rate;

(v) any change to a Borrower under the Mortgage Loan or the addition of a new Borrower under a Mortgage Loan or removal of a Borrower;

(vi) any change in the repayment method of the Mortgage Loan; or

(vii) any partial release of security where, after such release, the Mortgage Loan continues to satisfy the applicable LTV ratio requirements set out in the Rating Agency tests,

provided that this Mortgage Loan Warranty does not apply to Product Switches;

(hh) to the best of the relevant Seller's knowledge, at the time of origination of the relevant Mortgage Loan, no Borrower either (i) appeared on a register available to the relevant Seller of persons with an adverse credit history or (ii) had a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made was significantly higher than for comparable exposures held by the relevant Seller which are not included in the Mortgage Portfolio;

(ii) to the best of the relevant Seller's knowledge, no Borrower has filed for bankruptcy, been sequestrated, entered into an individual voluntary arrangement, or debt management scheme, or had a non-appealable county court judgment (or, in Scotland, decree) or bankruptcy order entered or made against them or been found liable for material damages as a result of a missed payment within six years prior to the original loan advance, or has undergone a debt-restructuring process with regard to his/her non-performing exposures within three years prior to the relevant Assignment Date in respect of Mortgage Loans comprised in the Mortgage Portfolio or, in respect of each Further Advance or Product Switch, the relevant Advance Date or Switch Date (as applicable);

(jj) no Mortgage Loan was marketed and underwritten on the premise that the loan applicant or, as applicable, any intermediary, was made aware that the information provided might not be verified by the relevant Seller nor by its affiliates;

(kk) no Mortgage Loan is considered by the relevant Seller as being in default within the meaning of Article 178(1) of the UK CRR, as further specified by the commission delegated regulation (EU) 2018/171 on the materiality threshold for credit obligations past due (as it forms part of the current domestic law of the United Kingdom by virtue of the Withdrawal Act) developed in accordance with Article 178 of the UK CRR;

(ll) so far as the relevant Seller is aware, no Borrower is in breach of any obligation under a Mortgage Loan other than in respect of Monthly Payments;

(mm) each Mortgage Loan has a remaining term of less than 50 years;

(nn) no Mortgage Loan has a maturity date that is less than three years prior to the latest Final Maturity Date in respect of any Series and Class of Notes outstanding on the applicable Assignment Date;

(oo) no Mortgage Loan or Related Security is or consists of "stock" or "marketable-securities" (in either case for the purposes of Section 122 of the Stamp Act 1891), "chargeable securities" (for the purposes of Section 99 of the Finance Act 1986) or a "chargeable interest" for the purposes of Section 4 of the Land and Buildings Transaction Tax (Scotland) Act 2013, Section 48 of the Finance Act 2003 or Section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017;

(pp) the Related Security consists solely of mortgages, insurance policies, guarantees, rights under certain documents relating to the Mortgage Loans and rights against certain individuals in connection with the origination and completion of the Mortgage Loans;

(qq) the Mortgages and any Related Security are interests or rights (other than a rent charge) held for the purposes of securing the payment of money or the performance of another obligation;

(rr) the Mortgage Loans are and will consist only of financial assets as defined for the purposes of generally accepted accounting principles; and

(ss) no Mortgage Loan is a Mortgage Loan which, so far as the relevant Seller is aware, is a Mortgage Loan to a Borrower who is a "credit-impaired debtor" as described in (A) prior to the Regulatory Effective Date, Article 20(11) of the UK Securitisation Regulation, and (B) on and from the Regulatory Effective Date, the UK Securitisation Framework and SECN 2.2.12R in particular, and, in each case, in accordance with any official guidance issued in relation thereto.

"**AVM**" means an automated programme that estimates a property's value based on an analysis of property characteristics against public record data;

"**Buy-to-Let-Mortgage Loans**" means Mortgage Loans taken out by Borrowers in relation to the purchase or remortgage of properties for letting purposes;

"**Deed of Consent**" means a deed whereby residents at a Mortgaged Property in relation to that Mortgaged Property agree with the relevant Seller that any rights which they have in that Mortgaged Property will rank after the sums secured by the relevant Mortgage;

"**Desktop Valuation**" means an estimation of a property's value using a desktop valuation programme that would be acceptable to a Reasonable, Prudent, Residential Mortgage Lender;

"**Discounted SVR Mortgage Loans**" means those Mortgage Loans or any sub-account(s) of such Mortgage Loans to the extent that and for such period that their Mortgage Conditions provide that they are subject to a rate of interest at a discount to the relevant Sellers' SVR which may at any time be varied in accordance with the relevant Mortgage Conditions (and shall, for the avoidance of doubt, exclude Mortgage Loans or any sub-account(s) of such Mortgage Loan during the period that they are Fixed Rate Mortgage Loans);

"**Fixed Rate Mortgage Loan**" means a Mortgage Loan or any sub-account(s) of such Mortgage Loan to the extent that and for such time as the interest rate payable by the relevant Borrower on all or part of the outstanding balance does not vary and is fixed for a certain period of time by the relevant Seller and will revert to an interest rate that may be varied according to the Mortgage Conditions;

"**Further Advance**" means, in relation to a Mortgage Loan, any advance of further money to the relevant Borrower (including any commitment to fund any further amount which has not yet been advanced or any further amount advanced but not yet drawn) following the making 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;

"**Halifax House Price Index**" means the index of increases or decreases in house prices issued by Halifax plc in relation to residential properties in the United Kingdom;

"**Indexed LTV**" means the ratio of the Current Balance of the relevant Mortgage Loan divided by (i) where the latest recorded valuation of the Mortgaged Property was made prior to 30 June 2016, the indexed valuation of the relevant Mortgaged Property based on the average of the Halifax House Price Index and the Nationwide House Price Index as at 30 June 2016 increased or decreased as appropriate by the increase or decrease in the UK House Price Index since 30 June 2016 and (ii) where the latest recorded valuation of the Mortgaged Property was made on or following 1 July 2016, the latest valuation of that Mortgaged Property increased or decreased as appropriate by the increase or decrease in the UK House Price Index since the date of that latest valuation;

"**Interest-Only Mortgage Loan**" means the Borrower makes monthly payments of interest but not of principal so that, when the Mortgage Loan matures, the entire principal amount of the Mortgage Loan is still outstanding and is payable in one lump sum;

"**LTV**" or "**LTV Ratio**" means the ratio (expressed as a percentage) of the outstanding balance of a Mortgage Loan to the value of the Mortgaged Property securing that Mortgage Loan;

"**MH/CP Documentation**" means an affidavit, declaration, consent or renunciation granted in terms of the Matrimonial Homes (Family Protection) (Scotland) Act 1981 and/or (as applicable) the Civil Partnership Act 2004 in connection with a Scottish Mortgage or relating to a Scottish Mortgage Loan or its relevant Scottish Mortgaged Property;

"**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 Mortgage Loan;

"**Mortgage Conditions**" means all the terms and conditions applicable to a Mortgage Loan, including without limitation those set out in the relevant Seller's relevant mortgage conditions booklet and the applicable Seller's relevant general conditions, each as varied from time to time by the relevant Mortgage Loan Agreement and the relevant Mortgage Deed;

"**Mortgage Deed**" means, in respect of any Mortgage, the deed in written form creating that Mortgage (being, in respect of any Scottish Mortgage Loans, a standard security);

"**Mortgage Loan Agreement**" means, in relation to a Mortgage Loan, the loan agreement entered into between the relevant Borrower and the relevant Seller, as amended and/or restated from time to time (including the Offer Letter in relation to such Mortgage Loan);

"**Mortgage Loan Files**" means the file or files relating to each Mortgage 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 and the relevant Seller and including mortgage documentation applicable to the Mortgage Loan, each letter of offer for that Mortgage Loan, the Valuation Report (if applicable) and, to the extent available, the solicitor's or licensed or qualified conveyancer's certificate of title;

"**Nationwide House Price Index**" means the index of increases or decreases in house prices issued by Nationwide Building Society in relation to residential properties in the United Kingdom;

"**New Build Mortgage Loan**" means a Mortgage Loan in respect of a property whose construction date is within 24 months of the mortgage application date;

"**New Mortgage Loan Type**" means a new type of mortgage loan originated by the relevant Seller, which the relevant Seller intends to transfer to the Issuer, the terms and conditions of which are materially different (in the opinion of the relevant Seller, acting reasonably) from the Mortgage Loans comprised in the Mortgage Portfolio (and, for the avoidance of doubt, a mortgage loan will not constitute a New Mortgage Loan Type if it differs from the Mortgage Loans due to it having different interest rates and/or interest periods and/or time periods for which it is subject to a fixed rate or any other interest rate or the benefit of any discounts, cash backs, caps and/or rate guarantees or if it has flexible features, **provided that** the relevant Mortgage Loan must at all times have an interest rate that is based on generally accepted market or sectoral interest rates reflective of cost of funds and shall not reference complex formulae or derivatives);

"**Offer Letter**" means, in relation to a Mortgage Loan, the letter from the relevant Seller to the Borrower offering the Mortgage Loan to the Borrower and in which certain terms of the Mortgage Loan are set out;

"**Offset Mortgage Loan**" means a Mortgage Loan which permits the Borrower to offset the amount of monies standing to the credit of specified savings account(s) against the current balance of their Mortgage Loan for the purposes of reducing the interest-bearing balance of their Mortgage Loan;

"**Option Date**" means the date that the Underpayment Option or Tested Underpayment Option, as applicable, is made;

"**Reasonable, Prudent Residential Mortgage Lender**" means a reasonably prudent residential mortgage lender lending to borrowers in England, Wales and/or Scotland that generally satisfies the lending criteria of traditional sources of residential mortgage capital;

"**Reversionary Discount Mortgage Loan**" means any Fixed Rate Mortgage Loan that will subsequently become a Discounted SVR Mortgage Loan;

"**Scottish Transfers**" means, in relation to Scottish Mortgages, title to which is recorded or registered in the General Register of Sasines or the Land Register of Scotland, an assignation thereof granted by the relevant Seller in favour of the Issuer pursuant to the relevant Mortgage Sale Agreement in substantially the relevant form scheduled thereto;

"**Self-certified Mortgage Loan**" means a Mortgage Loan that was marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the lender;

"**Standard Documentation**" means the standard documentation, a list of which is set out in Exhibit 1 to the relevant Mortgage Sale Agreement, or any update or replacement therefor as the relevant Seller may from time to time introduce, acting in accordance with the standards of a Reasonable, Prudent, Residential Mortgage Lender;

"**SVR**" means the relevant Seller's standard variable rate;

"**SVR Mortgage Loans**" means those Mortgage Loans, or any sub-account(s) of such Mortgage Loan(s), to the extent and for such period that their Mortgage Conditions provide that they are subject to a rate of interest which may at any time be varied in accordance with the relevant Mortgage Conditions, including Discounted SVR Mortgage Loans (and shall, for the avoidance of doubt, exclude Mortgage Loans or any sub-account(s) of such Mortgage Loan(s) during the period that they are Fixed Rate Mortgage Loans);

"**Switch Date**" means the date that the Product Switch is made;

"**Third Party Buildings Policies**" means the buildings insurance policies referable to each Mortgaged Property;

"**Title Deeds**" means, in relation to each Mortgage Loan and its Related Security the agreement or agreements for such Mortgage Loan, the deed constituting the relevant Mortgage and any documents of title (including in dematerialised form) to the relevant Mortgaged Property;

"**UK House Price Index**" means the index of increases or decreases in house prices in relation to residential properties in the United Kingdom, published by the Office for National Statistics;

"**UK Regulator**" means:

(a) in respect of the period before 1 April 2013, the FSA; and

(b) in respect of the period on or after 1 April 2013:

(i) the FCA; or

(ii) the PRA and the FCA,

as applicable;

"**Valuation Report**" means the valuation report or reports for mortgage purposes, in the form of one of the pro forma reports contained in the Standard Documentation, obtained by the relevant Seller from a valuer in respect of each Mortgaged Property or a valuation report in respect of a valuation made using a methodology which would be acceptable to a Reasonable, Prudent, Residential Mortgage Lender and which has been approved by the relevant officers of the relevant Seller.

None of the Issuer, the Security Trustee or the Note Trustee has made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the Mortgage Loans and their Related Security to be sold to the Issuer. Instead, each is relying entirely on the Mortgage Loan Warranties. The parties to the Mortgage Sale Agreement may, with the prior written consent of the Security Trustee (which will be given if the Rating Agencies have confirmed it would not adversely affect the then-current ratings of the Notes), amend the Mortgage Loan Warranties.

If New Mortgage Products are to be sold to the Issuer, then the Mortgage Loan Warranties may be modified as required to accommodate these New Mortgage Products, subject to the Rating Agencies confirming that such New Mortgage Product may be sold to the Issuer. The prior written consent of the Noteholders to the amendments will not be required.

Further Advances

Under each Mortgage Sale Agreement, the Issuer has agreed that the relevant Seller may accept application for, or make offers to Borrowers of, a Further Advance. If the relevant Seller accepts applications for, or makes offers to Borrowers of, Further Advances under a Mortgage Loan, the relevant Seller will be solely responsible for funding that Further Advance and the relevant Seller will be responsible for offering and documenting that Further Advance. Provided that a Sale Period is continuing, any Further Advance made to a Borrower will (subject to the conditions below) be purchased by the Issuer on the date on which that Further Advance is made by the relevant Seller to the relevant Borrower (the "**Advance Date**").

The purchase price for the relevant Further Advance will be an amount equal to the amount of the Further Advance (the "**Further Advance Purchase Price**"). While a Sale Period is continuing, the Cash Manager (on behalf of the Issuer) will, to the extent that the Issuer has sufficient funds to make such payment, fund the payment of the Further Advance Purchase Price to the relevant Seller by:

(a) for so long as a Non-Asset Trigger Event is not continuing, a combination of:

  (i) applying the proceeds from a drawing under the YBS Note; and

  (ii) if any Enhanced Available Principal Receipts are available for such purpose, and to the extent that the payment of the relevant Further Advance Purchase Price has not been satisfied pursuant to paragraph (i) above, applying Enhanced Available Principal Receipts standing to the credit of the Transaction Accounts,

  on the Payment Date immediately following the Calculation Period in which the relevant Advance Date occurred; or

(b) for so long as a Non-Asset Trigger Event is continuing, drawing down further amounts under the YBS Note on the Payment Date immediately following the Calculation Period in which the relevant Advance Date occurred.

The obligation of the Issuer to purchase any Further Advances will be subject to satisfaction of the following conditions:

(a) delivery by the relevant Seller to the Issuer of notice prior to the Calculation Date in respect of the Calculation Period in which any Further Advance has been made with details of the Further Advances made in that Calculation Period and specifying the Further Advance Purchase Price due and payable;

(b) no Event of Default will have occurred and be continuing on the relevant Advance Date;

(c) the relevant Advance Date having occurred while a Sale Period is continuing;

(d) for as long as a Non-Asset Trigger Event is continuing, either:

(i) the holder of the YBS Note having notified the Issuer in writing that it is willing to permit the Issuer to make a further drawing under the YBS Note to pay the Further Advance Purchase Price either in whole or in part; and/or

(ii) where the Further Advance Purchase Price has been paid in part by applying the proceeds of a drawing under the YBS Note, there being sufficient Enhanced Available Principal Receipts standing to the credit of the Transaction Accounts and available to be applied in accordance with the Pre-Enforcement Post-Trigger Principal Priority of Payments on the Payment Date immediately following the Calculation Period in which the relevant Advance Date occurred to enable the Issuer to pay the part of the Further Advance Purchase Price that has not been paid for by the proceeds from such drawing under the YBS Note,

on the Payment Date immediately following the Calculation Period in which the relevant Advance Date occurred;

(e) for as long as a Non-Asset Trigger Event is not continuing, there being sufficient Enhanced Available Principal Receipts standing to the credit of the Transaction Accounts and available to be applied in accordance with the Pre-Enforcement Pre-Trigger Principal Priority of Payments on the Payment Date immediately following the Calculation Period in which the relevant Advance Date occurred to enable the Issuer to pay the Further Advance Purchase Price on the Payment Date immediately following the Calculation Period in which the relevant Advance Date occurred;

(f) the Eligibility Criteria being satisfied with respect to a Mortgage Loan subject to a Further Advance on the relevant Advance Date and the Portfolio Criteria being satisfied with respect to the Mortgage Portfolio including the Further Advance on the relevant Testing Date;

(g) the making of the Further Advance would not 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 where the Issuer would be required to be authorised under the FSMA to do so; and

(h) the Mortgage Loan Warranties in respect of a Mortgage Loan subject to a Further Advance to be made on the relevant Advance Date being materially true as at such date.

If any of the above conditions are not satisfied, or if the Servicer determines on the relevant Testing Date that the Eligibility Criteria were not satisfied with respect to a Mortgage Loan to which a Further Advance relates on the relevant Advance Date or the Portfolio Criteria were not satisfied with respect to the Mortgage Portfolio including the Further Advance on the relevant Testing Date, then the relevant Seller will, upon receipt of notice from the Issuer, and **provided that** such conditions continue not to be satisfied, be required to repurchase the entire Mortgage Loan and its Related Security (including the Further Advance that has been purchased by the Issuer) from the Issuer on the next Payment Date after

receipt of such notice by the relevant Seller (or such other date as the Issuer may direct in that notice, **provided that** such date is no later than 30 days after receipt by the relevant Seller of such notice). The consideration for any such repurchase will be an amount equal to the aggregate Current Balance(s) of the Mortgage Loan(s) (including the amount of any Further Advance(s) that have been purchased by the Issuer) subject to repurchase, and will be provided in cash.

Product Switches

Under each Mortgage Sale Agreement, the relevant Seller may offer a Borrower (and the Borrower may accept), or a Borrower may request, a Product Switch. If a Borrower requests, or the relevant Seller offers, a Product Switch under a Mortgage Loan, the relevant Seller will be solely responsible for offering and documenting that Product Switch and such Product Switch will be effective from the date stated in the relevant request or offer (the "**Switch Date**").

On the relevant Switch Date, the Mortgage Loan subject to the Product Switch must satisfy the Eligibility Criteria, and on the relevant Testing Date the Mortgage Portfolio, including the Mortgage Loan subject to the Product Switch, must satisfy the Portfolio Criteria. Further, the relevant Seller must, in relation to the Mortgage Loan which is subject to the Product Switch, give the Product Switch Warranties in respect of such Mortgage Loan on the relevant Switch Date (such Product Switch Warranties being given in relation to the relevant Mortgage Loan as at the date of origination).

If the Servicer determines, on the relevant Testing Date:

(a) any of the Eligibility Criteria were not satisfied with respect to a Mortgage Loan subject to a Product Switch on the relevant Switch Date or the Portfolio Criteria were not satisfied on the relevant Testing Date;

(b) an Event of Default had occurred on or prior to the relevant Switch Date and was continuing;

(c) a Sale Period was not continuing on the relevant Switch Date;

(d) if a Mortgage Loan becomes a Fixed Rate Mortgage Loan as a result of the relevant Product Switch, the Issuer has not entered into an Interest Rate Swap in respect of the Swap Funding Note Percentage of such Fixed Rate Mortgage Loan;

(e) the granting of a Product Switch 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 where the Issuer would be required to be authorised under the FSMA to do so; or

(f) any of the Product Switch Warranties given in respect of a Mortgage Loan subject to a Product Switch to be made on the relevant Switch Date were materially untrue as at such date,

then the relevant Seller must, upon receipt of notice from the Issuer, repurchase the relevant Mortgage Loan(s) and its Related Security from the Issuer. Completion of such repurchase will occur on the next Payment Date after receipt of such notice by the relevant Seller (or such other date as the Issuer may direct in that notice, **provided that** such date is no later than 30 days after receipt by the relevant Seller of such notice). The consideration for any such repurchase will be an amount equal to the aggregate Current Balance of the Mortgage Loan(s) subject to repurchase, and will be provided in cash.

Repurchase of the Mortgage Loans

If a Seller receives a notice from the Issuer or, following the delivery of an Enforcement Notice, the Security Trustee identifying (a) a Mortgage Loan or its Related Security in the Mortgage Portfolio

which did not, as at the relevant Assignment Date, comply with the Mortgage Loan Warranties and such non-compliance could have a material adverse effect on the relevant Mortgage Loan or its Related Security, or (b) that the Mortgage Portfolio did not comply with the Portfolio Criteria as at the relevant Assignment Date, then, in the first instance, that Seller will be required to remedy the error (if capable of remedy) within 30 Business Days of that Seller becoming aware of the same or of receipt by it of the notice from the Issuer or, following the delivery of an Enforcement Notice, the Security Trustee.

If the error is not remedied by the relevant Seller or waived by the Issuer or, following the delivery of an Enforcement Notice, the Security Trustee within such 30-Business Day period or if the error is not capable of remedy, then that Seller will be required to repurchase from the Issuer, in the case of paragraph (a) above (i) any such Mortgage Loan and its Related Security and (ii) any other Mortgage Loans made to the relevant Borrower and their Related Security that are included in the Mortgage Portfolio, or, in the case of paragraph (b) above, Mortgage Loans and their Related Security selected, if and to the extent applicable, on a random basis to ensure that the Mortgage Portfolio complies with the Portfolio Criteria.

In addition to the foregoing circumstances, the relevant Seller (and, where such repurchase is made under the Accord Mortgage Sale Agreement, YBS) will be required to repurchase a Mortgage Loan or Mortgage Loans and its or their Related Security sold by it to the Issuer in the circumstances described in the sections entitled "Further Advances" and "Product Switches" above.

Each Seller's rights and obligations to sell Mortgage Loans and their Related Security to the Issuer and/or repurchase Mortgage Loans and their Related Security from the Issuer pursuant to the applicable Mortgage Sale Agreement do not constitute active portfolio management for the purposes of (i) prior to the Regulatory Effective Date, Article 20(7) of the UK Securitisation Regulation, and (ii) on and from the Regulatory Effective Date, the UK Securitisation Framework and SECN 2.2.8R in particular.

Repurchase of Non-Compliant Loans

In addition, the relevant Seller may, but will not be required to, repurchase from the Issuer any Mortgage Loan (including any Mortgage Loan subject to a Further Advance or a Product Switch) sold to the Issuer pursuant to the relevant Mortgage Sale Agreement which is:

(a) not of a type described in Article 13 of the UK LCR Regulation;

(b) not of a type described as eligible collateral under the guidelines relating to the financing schemes promulgated by the Bank of England;

(c) not of a type described in the UK Solvency II;

(d) not compliant with Article 243 of the UK CRR Regulation or (i) prior to the Regulatory Effective Date, the UK Securitisation Regulation, and (ii) on and from the Regulatory Effective Date, the UK Securitisation Framework; or

(e) any Mortgage Loan subject to a Further Advance funded from the proceeds from a drawing under the YBS Note;

(or if different, the equivalent provisions in any such enacted versions of such regulations) (and each such loan, a "**Non-Compliant Loan**").

In this case, the relevant Seller may offer to repurchase the relevant Non-Compliant Loan and its Related Security from the Issuer at a repurchase price equal to the then Current Balance of the relevant Non-Compliant Loan as at the date of such repurchase by delivering a notice to the Issuer and the Security Trustee substantially in the form set out in the relevant Mortgage Sale Agreement. The Issuer may at

its absolute discretion accept such offer by delivering a duly signed notice and the provisions of relevant Mortgage Sale Agreement will apply.

Redress Payments

In the event that any Redress is required to be made in respect of a Mortgage Loan, the relevant Seller may, by a date no later than the date by which the FCA or any other regulatory authority requires such Redress to be made, at its sole discretion, either repurchase the relevant Mortgage Loan and its Related Security or make a Redress Payment to the Issuer.

General ability to repurchase

In order to effect any permitted redemption of any Notes in accordance with the terms of the Transaction Documents and the Conditions, a Seller may from time to time offer to repurchase:

(a) randomly selected Mortgage Loans and their Related Security from the Issuer for a purchase price equal to the Current Balance of the relevant Mortgage Loans;

(b) any Mortgage Loan and its Related Security where such Mortgage Loan is at least one month in arrears; or

(c) in the event that FCA (or other regulatory authority) requires Redress to be made in respect of a Mortgage Loan,

provided, in each case, that the Mortgage Portfolio will continue to meet the Portfolio Criteria immediately following such repurchase. The Issuer will be required to accept any such offer.

Repurchase price

The repurchase price payable for each Mortgage Loan repurchased by a Seller in accordance with the relevant Mortgage Sale Agreement is an amount (not less than zero) equal to the Current Balance thereof as at the date of completion of such repurchase. The repurchase proceeds received by the Issuer will be applied (i) as Principal Receipts in accordance with the relevant Pre-Enforcement Principal Priority of Payments, or (ii) in the case of Accrued Interest and Arrears of Interest, as Revenue Receipts and in accordance with the Pre-Enforcement Revenue Priority of Payments (see the section entitled "Credit Structure and Cashflows"), or (iii) in relation to repurchases made by YBS in accordance with the YBS Note Permitted Repurchase Procedure, to make repayments on the YBS Note.

If, pursuant to the terms of the relevant Mortgage Sale Agreement, a Seller assigns Mortgage Loans together with their Related Security to the Issuer on any date on which that Seller is obliged to repurchase any Mortgage Loan or Mortgage Loans, that Seller will be entitled to set off the amount of any Initial Additional Mortgage Portfolio Purchase Price payable for any such Additional Mortgage Loans against the repurchase price payable by it and will pay or be paid a net amount.

YBS Guarantee

YBS has provided a guarantee to the Issuer in respect of the repurchase obligations of Accord under the Accord Mortgage Sale Agreement. If Accord is required to repurchase a Mortgage Loan pursuant to the terms of the Accord Mortgage Sale Agreement and fails to do so, then YBS will procure that it or one of its subsidiaries repurchases such Mortgage Loan on the relevant Calculation Date at a repurchase price equal to its Current Balance determined as at the day before such Calculation Date.

Governing law

The Mortgage Sale Agreements are governed by English law and have been entered into by way of a deed. Any terms of the Mortgage Sale Agreements which are particular to the laws of Scotland will be construed in accordance with Scots law. Each Scottish Declaration of Trust to be entered into pursuant to each Mortgage Sale Agreement is governed by and will be construed in accordance with Scots law.

THE SERVICER AND THE SERVICING AGREEMENT

The following section describes, in summary, the material terms of the Servicing Agreement. The description does not purport to be complete and is subject to the provisions of the Servicing Agreement.

Servicing Agreement

Pursuant to the terms of the Servicing Agreement entered into on or about the Programme Date between the Issuer, the Sellers, the Servicer, the Back-up Servicer Facilitator and the Security Trustee, the Servicer agrees to service, on behalf of the Issuer, the Mortgage Loans and their Related Security to be sold by the Sellers to the Issuer.

Covenants and Representations and Warranties of the Servicer

Pursuant to the terms of the Servicing Agreement, the Servicer will, in relation to the Mortgage Loans and their Related Security, inter alia:

(a) administer the relevant Mortgage Loans and their Related Security as if the same had not been sold to the Issuer but had remained on the books of the relevant Seller and in accordance with the relevant Seller's Policy as it applies to the Mortgage Loans from time to time;

(b) provide the Services in such manner and with the same level of skill, care and diligence as would a Reasonable, Prudent Residential Mortgage Lender;

(c) comply with any proper directions, orders and instructions which the Issuer and/or, following the service of an Enforcement Notice, the Security Trustee may from time to time give to it in accordance with the provisions of the Servicing Agreement and, in the event of any conflict, those of the Security Trustee (following the service of an Enforcement Notice) shall prevail;

(d) determine on each Payment Date:

(i) the income which the Issuer would expect to receive during the next succeeding Calculation Period;

(ii) the Issuer Standard Variable Rate and the margins in respect of the relevant Mortgage Loans which the Servicer proposes to set under the Servicing Agreement; and

(iii) all other resources available to the Issuer including the Reserve Fund,

and notify the Cash Manager of such amounts;

(e) keep in force all approvals, authorisations, permissions and consents required in order to properly service the Mortgage Loans and their Related Security and to perform or comply with its obligations under the Servicing Agreement, and to prepare and submit all necessary applications and requests for any further approvals, authorisations, permissions, registrations and consents required in connection with the performance of the Services under the Servicing Agreement, and in particular any necessary notification under Regulation (EU) 2016/679 as it forms part of the domestic law of the UK by virtue of the Withdrawal Act and/or the Data Protection Act 2018, and any authorisation and permissions under the FSMA to the extent applicable;

(f) save as otherwise agreed with the Issuer, provide, upon written request free of charge to the Issuer, office space, facilities, equipment and staff sufficient to enable the Issuer to perform its obligations under the Servicing Agreement;

(g) not knowingly fail to comply with any legal or regulatory requirements in the performance of the Services;

(h) calculate the amount of Early Repayment Charges received in the prior Calculation Period and will calculate the amount of Relevant Seller ERC Deferred Consideration due to each Seller and notify the Cash Manager of the Relevant Seller ERC Deferred Consideration payable.

(i) make all payments required to be made by it pursuant to the Servicing Agreement on the due date for payment thereof in Sterling (or as otherwise required under the Transaction Documents) in immediately available funds for value on such day without set-off (including, without limitation, in respect of any fees owed to it) or counterclaim but subject to any deductions required by law;

(j) use reasonable endeavours to procure that each Seller makes payments in respect of the Mortgage Loans into the Transaction Accounts not later than one Business Day following receipt and identification of the same by that Seller;

(k) keep records and accounts on behalf of the Issuer in relation to the Mortgage Loans;

(l) keep the Mortgage Loan Files and Title Deeds in its possession or under its control in safe custody (including, where relevant, in de-materialised form) and maintain records necessary to enforce each Mortgage and to provide the Issuer and the Security Trustee with access to the Title Deeds and other records relating to the administration of the Mortgage Loans and their Related Security;

(m) as soon as reasonably practicable upon becoming aware of any event which may reasonably give rise to an obligation of a Seller to repurchase any Mortgage Loan sold by that Seller to the Issuer pursuant to the relevant Mortgage Sale Agreement, notify the Issuer in writing of such event;

(n) if required under the Servicing Agreement, use best efforts to appoint a back-up servicer on terms similar to those set out in the Servicing Agreement, taking into account the then-current market conditions;

(o) make available to the Issuer and the Security Trustee a report on a monthly basis containing information, on an anonymised basis, about the Mortgage Loans and their Related Security comprised in the Mortgage Portfolio;

(p) assist the Cash Manager (through provision of the relevant information) in the preparation of the Loan Level Report and the Investor Report in accordance with the Cash Management Agreement;

(q) take all reasonable steps to collect and recover all sums due to the Issuer, including instituting proceedings and enforcing any relevant Mortgage Loan using the discretion of a Prudent Mortgage Lender in applying the enforcement procedures forming part of the relevant Seller's Policy or, to the extent that such enforcement procedures are not applicable or appropriate having regard to the nature of the default in question, using the other procedures forming part of the relevant Seller's Policy;

(r) following the occurrence of an Insolvency Event in relation to the relevant Seller, maintain Issuer Standard Variable Rate applicable to any Mortgage Loans at an interest rate of not less than SONIA plus 2% per annum;

(s) immediately notify the Issuer and the Security Trustee if it becomes aware of any Event of Default;

(t) provide any assistance to the Issuer needed to implement a repurchase of Mortgage Loans and their Related Security pursuant to the Mortgage Sale Agreement; and

(u) provide such other information to the Issuer and the Security Trustee as they may reasonably request.

Setting of interest rates and margins

In accordance with relevant Mortgage Conditions applicable to certain of the Mortgage Loans, each Seller has prescribed policies relating to interest rate setting, arrears management and handling of complaints which the Issuer (and any subsequent purchaser thereof) will be required to adhere to following the transfer of Mortgage Loans and their Related Security. Such arrears management and handling of complaints policies are consistent with those to be applied by the Servicer under the terms of the Servicing Agreement. The interest rate setting policy specified in each Mortgage Sale Agreement is only applicable to Mortgage Loans with interest rates which may be varied from time to time at the discretion of the lender and requires that such interest rates should be set in accordance with any applicable statement of good practice of the FCA or any other requirements or recommendations of the FCA with which it is customary to comply.

In addition to the undertakings described above, the Servicer has also undertaken in the Servicing Agreement to determine and set in relation to all the Mortgage Loans in the Mortgage Portfolio the standard variable rate applicable to Mortgage Loans in the Mortgage Portfolio as set, other than in limited circumstances, by the Servicer, in accordance with the terms of the Servicing Agreement (the "**Issuer Standard Variable Rate**") and any other discretionary rates and margins (in accordance with the policy to be adhered to by the Issuer above) except in the limited circumstances when the Issuer will be entitled to do so (described below in this subsection). The Servicer may not at any time without the prior written consent of the Issuer and, following the delivery of an Enforcement Notice, the Security Trustee, set or maintain:

(a) the Issuer Standard Variable Rate applicable to the Mortgage Loans sold by a Seller to the Issuer and in the Mortgage Portfolio at a rate which is higher than (although it may be equal to) the then prevailing Standard Variable Rate of that Seller which applies to mortgage loans beneficially owned by that Seller outside the Mortgage Portfolio; and

(b) any other discretionary rate or margin (together with the Standard Variable Rates, the "**Discretionary Rates**") in respect of any other Mortgage Loan sold by a Seller to the Issuer and in the Mortgage Portfolio which is higher than (although it may be lower than or equal to) the interest rate or margin which applies to that type of mortgage loan beneficially owned by that Seller outside the Mortgage Portfolio.

In particular, the Servicer shall determine as of each Calculation Date immediately preceding each Payment Date, having regard to the aggregate of:

(a) the revenue which the Issuer would expect to receive during the next succeeding Calculation Period;

(b) the Discretionary Rates or margins applicable in respect of the loans which the Servicer proposes to set under the Servicing Agreement; and

(c) the other resources available to the Issuer, including the Interest Rate Swap and the Reserve Fund,

whether the Issuer would receive an amount of revenue during the relevant Interest Period which is less than the amount which is the aggregate of the amount of interest which would be payable in respect of the Notes on the Payment Date falling at the end of that Interest Period and amounts which rank in priority thereto under the Priority of Payments.

Prior to the delivery of an Enforcement Notice, the Issuer (with the prior written consent of the Security Trustee) and, following delivery of a Enforcement Notice, the Security Trustee may terminate the authority of the Servicer under the Servicing Agreement to determine and set the Discretionary Rates on or after the occurrence of a Servicer Termination Event (as defined under the section entitled "Removal or resignation of the Servicer" below) (**provided that** neither the Issuer nor the Security Trustee will be entitled to terminate such authority if the Servicer has been appointed as substitute servicer under any master servicing agreement), in which case the Issuer shall set the Discretionary Rates itself in accordance with the above provisions.

The Servicer has agreed to take all reasonable steps necessary under the Mortgage Conditions and applicable law to notify Borrowers of each change in interest rates, whether due to a change in the Issuer Standard Variable Rate or any other rate or margin (including any such change effected at the request of the Issuer) or as a consequence of the Mortgage Conditions. The Servicer will also notify the Issuer and the Security Trustee of any change in the Issuer Standard Variable Rate.

Any of the Issuer and, following the delivery of an Enforcement Notice, the Security Trustee may terminate the authority of the Servicer to set the interest rates applicable to Mortgage Loans included in the Mortgage Portfolio in certain limited circumstances set out in the Servicing Agreement, including upon the occurrence of any Servicer Termination Event (as described below).

Collection of payments

The Servicer has undertaken to ensure that all payments due under the Mortgage Loans in the Mortgage Portfolio will be made by the relevant Borrower by direct debit, automated debit or standing order or, if such payment is late or Borrowers choose not to pay by direct debit, automated debit or standing order, by cheque or other means into accounts in the name of the relevant Seller in accordance with the Servicing Agreement.

Subject to the terms of the Servicing Agreement, amounts standing to the credit of the collection account(s) of the Sellers that represent amounts collected in respect of Mortgage Loans in the Mortgage Portfolio ("**Collection Amounts**") are required to be transferred to the Transaction Accounts by the end of the next London Business Day following the identification of such amounts as Collection Amounts.

Servicer's liability

The Servicer will indemnify each of the Issuer and the Security Trustee on demand on an after-tax basis for any loss, liability, claim, expense or damage suffered or incurred by it in respect of the negligence, fraud or wilful default of the Servicer or any of its sub-contractors or delegates in carrying out its functions as Servicer under, or as a result of a breach by the Servicer of the terms and provisions of, the Servicing Agreement or such other Transaction Documents to which the Servicer is a party (in its capacity as such) in relation to such functions.

Compensation

The Servicer receives a fee for servicing the Mortgage Loans and their Related Security. So long as YBS (or any member of the YBS Group) is the Servicer, the Issuer pays to the Servicer on each Payment Date the Servicing Fee. The fee is payable monthly in arrears on each Payment Date in the manner contemplated by, and in accordance with, the Pre-Acceleration Revenue Priority of Payments or, as the case may be, the Post-Acceleration Priority of Payments. If a substitute servicer from outside the YBS

Group is appointed in accordance with the terms of the Servicing Agreement, the Issuer shall pay to the successor servicer for its services a fee to be determined at the time of such appointment (which may be higher than the fee payable to YBS (or any member of the YBS Group) as Servicer).

Removal or resignation of the Servicer

The Issuer (subject to the prior written consent of the Security Trustee) may, upon written notice to the Servicer, terminate the Servicer's appointment under the Servicing Agreement if any of the following events (each, a "**Servicer Termination Event**") occurs and while such event continues:

(a) 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 unremedied for a period of 30 Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Issuer, Accord or the Security Trustee, as the case may be, requiring the same to be remedied;

(b) the Servicer defaults in the performance or observance of any of its other covenants and obligations under the Servicing Agreement, which failure in the reasonable opinion of the Issuer (prior to the delivery of an Enforcement Notice) or the opinion of the Security Trustee acting on the instructions of the Note Trustee (after the delivery of an Enforcement Notice) is materially prejudicial to the interests of the Noteholders, and the Servicer does not remedy that failure within 30 Business Days after the earlier of the Servicer becoming aware of the failure or of receipt by the Servicer of written notice from the Issuer, Accord or the Security Trustee requiring the Servicer's non-compliance to be remedied, **provided that** where the relevant default occurs as a result of a default by any person to whom the Servicer has sub-contracted or delegated part of its obligations under the Servicing Agreement, such default shall not constitute a Servicer Termination Event if, within such period of 30 Business Days of receipt of such notice from the Issuer and the Security Trustee, the Servicer terminates the relevant sub-contracting or delegation arrangements and takes such steps as the Issuer and the Security Trustee may in their absolute discretion (in the case of the Security Trustee, on the instructions of the Note Trustee) specify to remedy such default or to indemnify the Issuer and/or the Security Trustee against the consequences of such default; or

(c) a third party becomes obliged to undertake the servicing of the Mortgage Loans (other than as master servicer) pursuant to any back-up servicing agreement contemplated under the Servicing Agreement; or

(d) an Insolvency Event occurs in relation to the Servicer.

Subject to the fulfilment of a number of conditions, the Servicer may voluntarily resign by giving not less than 12 months' written notice to, among others, the Security Trustee and the Issuer (or such shorter time as may be agreed between the Servicer, the Issuer and the Security Trustee) with a copy to each Rating Agency, **provided that** a substitute servicer qualified to act as such under the FSMA and with a management team with experience of servicing residential mortgages in the United Kingdom has been appointed and enters into a servicing agreement with the Issuer substantially on the same terms as the Servicing Agreement. The resignation of the Servicer is conditional on the resignation having no adverse effect on the then-current ratings of the Notes unless the Noteholders agree otherwise by Extraordinary Resolution.

If the appointment of the Servicer is terminated or the Servicer resigns, the Servicer must deliver the Mortgage Loan Files relating to the Mortgage Loans comprised in the Mortgage Portfolio in its possession to, or at the direction of, the Issuer. The Servicing Agreement will terminate at such time as the Issuer has no further interest in any of the Mortgage Loans or their Related Security serviced under the Servicing Agreement that have been comprised in the Mortgage Portfolio.

Neither the Note Trustee nor the Security Trustee is obliged to act as servicer in any circumstances.

"**Insolvency Event**" means, in respect of any Seller, the Servicer, the Cash Manager or the Issuer (each, for the purposes of this definition, a "**Relevant Entity**"):

(a) an order is made or an effective resolution passed for the winding up of the Relevant Entity or the appointment of a liquidator or administrator or building society liquidator or building society special administrator or similar officer over the relevant entity (except, in any such case, a winding up or dissolution for the purpose of a reconstruction or amalgamation the terms of which have been previously approved by the Security Trustee);

(b) the Relevant Entity ceases or threatens to cease to carry on its business or stops payment or threatens to stop payment of its debts or is deemed unable to pay its debts within the meaning of section 123(a), (b), (c) or (d) of the Insolvency Act or becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amounts of its liabilities (taking into account, for both these purposes, contingent and prospective liabilities) or otherwise becomes insolvent;

(c) (i) proceedings are initiated against the Relevant Entity under any applicable liquidation, insolvency, composition, reorganisation (other than a reorganisation where the relevant entity is solvent) or other similar laws (including, but not limited to, application or pending application for an administration order or presentation of a petition for a winding up order), except where these proceedings are being contested in good faith;

(i) an administration order being granted, or an administrative or other receiver, administrator, liquidator or other similar official is appointed in relation to the whole or any substantial part of the undertaking or assets of the Relevant Entity;

(ii) a bank insolvency order or a bank administration order is made pursuant to the Banking Act 2009;

(iii) a distress, execution, diligence or other process is enforced upon the whole or any substantial part of the undertaking or assets of the Relevant Entity and in any of the foregoing cases it is not discharged within 30 Business Days; or

(iv) if the Relevant Entity initiates or consents to judicial proceedings relating to itself under any applicable liquidation, administration, insolvency, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally.

Governing law

The Servicing Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

REGULATION OF THE UK RESIDENTIAL MORTGAGE MARKET

The following discussion is a summary of the material laws and regulations governing the UK residential mortgage market. This discussion does not purport to be an exhaustive analysis of the relevant law. Any prospective investor in any Notes should consult its own legal advisers regarding the effect of the applicable laws and regulations.

Unfair relationships

Under the CCA, the earlier "extortionate credit" regime was replaced by an "unfair relationship" test. The "unfair relationship" test applies to all existing and new credit agreements, except Regulated Mortgage Contracts, and also applies to (as described below) "consumer credit back book mortgage contracts". 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 the relevant originator, or any assignee such as 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 (each as defined below)). The courts may, but are not obliged to, look solely to the CCA for guidance. The principle of "treating customers fairly" under the FSMA, and guidance published by the FSA and, subsequently, the FCA on that principle and by the OFT 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 Personal Finance Limited [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.

In the context of the above discussion, the Sellers have not sold or funded payment protection insurance in respect of any Borrower's payment obligations under any Mortgage Loan.

Regulated Mortgage Contracts

In the UK, regulation of residential mortgage business under the FSMA came into force on 31 October 2004 (the date known as the "**Regulation Effective Date**"). Entering into a regulated mortgage contract as a lender, arranging a regulated mortgage contract or advising in respect of a regulated mortgage contract and administering a regulated mortgage contract (or agreeing to do any of those activities) are (subject to applicable exemptions) regulated activities under the FSMA and RAO requiring authorisation and permission from the FCA.

The original definition of a regulated mortgage contract was such that if a mortgage contract was entered into on or after the Regulation Effective Date but prior to 21 March 2016, it will be a regulated mortgage contract under the RAO if: (i) the lender provides credit to an individual or to trustees; (ii) the obligation of the Borrower to repay was secured by a first legal mortgage (or, in Scotland, a first ranking standard security) on land (other than timeshare accommodation) in the UK; and (iii) at least 40% of which was used, or was intended to be used, as or in connection with a dwelling by the Borrower or (in the case of credit provided to trustees) by an individual who was a beneficiary of the trust, or by a related person. A related person is: (1) that person's spouse or civil partner; (2) a person (whether or not of the opposite sex) whose relationship with that person has the characteristics of the relationship between husband and wife; or (3) that person's parent, brother, sister, child, grandparent or grandchild (a "**Related Person**").

There have been incremental changes to the definition of Regulated Mortgage Contract over time, including the removal of the requirement for the security to be first ranking and the extension of the territorial scope to cover residential property in the EEA rather than just the UK. The current definition of a regulated mortgage contract ("**Regulated Mortgage Contract**") is such that if the mortgage contract was entered into on or after 21 March 2016, it will be a Regulated Mortgage Contract if it meets the following conditions (when read in conjunction with and subject to certain relevant exclusions): (a) the borrower is an individual or trustee; and (b) the contract which provides for the obligation of the borrower to repay is secured by a mortgage (or, in Scotland, heritable security) on land, at least 40% of which is used, or is intended to be used: (i) in the case of credit provided to an individual, as or in connection with a dwelling; or (ii) (in the case of credit provided to a trustee who is not an individual) as or in connection with a dwelling by an individual who is a beneficiary of the trust, or by a Related Person. In relation to a contract entered into before 23:00 on 31 December 2020, 'land' means land in the United Kingdom or within the territory of an EEA state, and in relation to a contract entered into on or after 23:00 on 31 December 2020, 'land' means land in the United Kingdom. Credit agreements that were originated before 21 March 2016, which were regulated by the CCA, and that would have been Regulated Mortgage Contracts had they been entered into on or after 21 March 2016, are "consumer credit back book mortgage contracts" and are also therefore Regulated Mortgage Contracts.

On and from the Regulation Effective Date, subject to any exemption, persons carrying on any specified regulated mortgage-related activities by way of business must be authorised under the FSMA. The specified activities currently are: (a) entering into a Regulated Mortgage Contract as lender; (b) "administering" a Regulated Mortgage Contract (administering in this context broadly means notifying borrowers of changes in mortgage payments and/or taking any necessary steps for the purposes of collecting payments due under the mortgage loan); (c) advising in respect of Regulated Mortgage Contracts; and (d) arranging Regulated Mortgage Contracts. Agreeing to carry on any of these activities is also a regulated activity. If requirements as to the authorisation of lenders and brokers are not complied with, a Regulated Mortgage Contract will be unenforceable against the borrower except with the approval of a court and the unauthorised person may commit a criminal offence. An unauthorised person who carries on the regulated mortgage activity of administering a Regulated Mortgage Contract that has been validly entered into may commit an offence, although this will not render the contract unenforceable against the borrower. The regime under the FSMA regulating financial promotions covers the content and manner of the promotion of agreements relating to qualifying credit and who can issue or approve financial promotions. In this respect, the FSMA regime not only covers financial promotions of Regulated Mortgage Contracts but also promotions of certain other types of secured credit agreements under which the lender is a person (such as an originator) who carries on the regulated activity of entering into a Regulated Mortgage Contract. Failure to comply with the financial promotion regime (as regards who can issue or approve financial promotions) is a criminal offence and will render the Regulated Mortgage Contract or other secured credit agreement in question unenforceable against the borrower except with the approval of a court.

The Servicer is required to hold and does hold authorisation and permission to enter into and to administer Regulated Mortgage Contracts. Brokers are in certain circumstances required to hold authorisation and permission to arrange and, where applicable, to advise in respect of Regulated Mortgage Contracts. The Issuer is not, and does not propose to be, an authorised person under the FSMA. Under the RAO, the Issuer does not require authorisation in order to acquire legal or beneficial title to a Regulated Mortgage Contract. The Issuer does not carry on the regulated activity of administering Regulated Mortgage Contracts by having them administered pursuant to a servicing agreement by an entity having the required authorisation and permission under the FSMA. If such a servicing agreement terminates, the Issuer will have a period of not more than one month (beginning with the day on which such arrangement terminates) in which to arrange for mortgage administration to be carried out by a replacement servicer having the required FSMA authorisation and permission.

The Issuer will only hold beneficial title to the Mortgage Loans and their Related Security. In the event that legal title to the relevant Mortgage Loans is transferred to the Issuer upon the occurrence of a Perfection Trigger Event, the Issuer will have arranged for a servicer to administer these Mortgage Loans and is not expected to enter into any new Regulated Mortgage Contracts as lender under article 61(1) of the RAO. However, in the event that a mortgage is varied, such that a new contract is entered into and that contract constitutes a Regulated Mortgage Contract, then the arrangement of, advice on, administration of and entering into of such variation would need to be carried out by an appropriately authorised entity.

The FCA's Mortgages and Home Finance: Conduct of Business sourcebook ("**MCOB**"), which sets out the FCA's rules for regulated mortgage activities, came into force on 31 October 2004. These rules 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. Further rules for prudential and authorisation requirements for mortgage firms, and for extending the appointed representatives regime to mortgages, came into force on 31 October 2004.

Distance Marketing

In the United Kingdom, the Financial Services (Distance Marketing) Regulations 2004 (the "**Distance Marketing Regulations**") apply to contracts for financial services entered into on or after 31 October 2004 by a "consumer" within the meaning of the Distance Marketing Regulations and by means of distance communication (i.e. without any substantive simultaneous physical presence of the originator and the borrower).

The Distance Marketing Regulations require suppliers of financial services by way of distance communication to provide certain information to consumers. This information generally has to be provided before the consumer is bound by the contract and includes, but is not limited to, general information in respect of the supplier and the financial service, the contractual terms and conditions, and whether or not there is a right of cancellation.

A regulated mortgage contract under the FSMA, if originated by a United Kingdom lender (who is authorised by the FCA) from an establishment in the United Kingdom, will not be cancellable under the Distance Marketing Regulations, but will be subject to related pre-contract disclosure requirements in MCOB. Failure to comply with MCOB pre-contract disclosure rules could result in, among other things, disciplinary action by the FCA and claims for damages under Section 138D of the FSMA.

Certain other agreements for financial services will be cancellable under the Distance Marketing Regulations if the borrower does not receive the prescribed information at the prescribed time. Where the credit agreement is cancellable under the Distance Marketing Regulations, the borrower may send notice of cancellation at any time before the expiry of 14 days beginning with: (i) the day after the day on which the contract is made (where all of the prescribed information has been provided prior to the contract being entered into); or (ii) the day after the day on which the last of the prescribed information is provided (where all of the prescribed information was not provided prior to the contract being entered into).

Compliance with the Distance Marketing Regulations may be secured by way of injunction (interdict in Scotland) obtained by an enforcement authority, granted on such terms as the court thinks fit to ensure such compliance, and certain breaches of the Distance Marketing Regulations may render the originator or intermediaries (and their respective relevant officers) liable to a fine. If the borrower cancels the contract under the Distance Marketing Regulations, then: (a) the borrower is liable to repay the principal and any other sums paid by or on behalf of the originator to the borrower, under or in relation to the contract, within 30 calendar days of cancellation, beginning with the day of the borrower sending notice of cancellation or, if later, the lender receiving notice of cancellation; (b) the borrower is liable to pay

interest, early repayment charges and other charges for services actually provided in accordance with the contract only if: (i) the amount is in proportion to the extent of the service provided before cancellation (in comparison with the full coverage of the contract) and is not such that it could be construed as a penalty; (ii) the borrower received certain prescribed information at the prescribed time about the amounts payable; and (iii) the originator did not commence performance of the contract before the expiry of the relevant cancellation period (unless requested to do so by the borrower); and (c) any security provided in relation to the contract is to be treated as never having had effect.

Unfair Terms in Consumer Contracts Regulations 1994 and 1999 and the Consumer Rights Act 2015

In the UK, the Unfair Terms in Consumer Contracts Regulations 1999 as amended (the "**1999 Regulations**"), and (insofar as applicable) the Unfair Terms in Consumer Contracts Regulation 1994 (together with the 1999 Regulations, the "**UTCCR**"), apply to business-to-consumer agreements made on or after 1 July 1995 and before 1 October 2015 where the terms have not been individually negotiated (and the "consumer" for these purposes falls within the definition provided in the UTCCR). The Consumer Rights Act 2015 ("**CRA**") has revoked the UTCCR in respect of contracts made on or after 1 October 2015. In respect of contracts that: (a) were entered into on or after 1 October 2015; or (b) were, since 1 October 2015, subject to a material variation such that they are treated as new contracts falling within the scope of the CRA, the CRA applies. The CRA is also applicable on or after 1 October 2015 to notices of variation, such as variation of interest rates under contracts.

The FCA has stated that the finalised FCA guidance "Fairness of variation terms in financial services consumer contracts under the Consumer Rights Act 2015" applies equally to factors that firms should consider to achieve fairness under the UTCCR.

The UTCCR and the CRA provide that a consumer (which would include a borrower under all or almost all of the Mortgage Loans) may challenge a term in an agreement on the basis that it is "unfair" within the UTCCR or the CRA, as applicable, and therefore not 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) and provide that a regulator may take action to stop the use of terms which are considered to be unfair.

(i) UTCCR

The UTCCR will not generally affect terms which define the main subject matter of the contract, such as the borrower's obligation to repay the principal, **provided that** these terms are written in plain and intelligible language and are drawn adequately to the consumer's attention. The UTCCR may affect terms that are not considered to be terms which define the main subject matter of the contract, such as the lender's power to vary the interest rate and certain terms imposing early repayment charges and mortgage exit administration fees. For example, if a term permitting the lender to vary the interest rate (as the originator is permitted to do) is found to be unfair, the borrower will not be liable to pay interest at the increased rate or, to the extent that the borrower has paid it, will be able, as against the lender, or any assignee such as the Issuer, to claim repayment of the extra interest amounts paid or to set off the amount of the claim against the amount owing by the borrower under the loan or any other loan agreement that the borrower has taken with the lender.

(ii) CRA

The main provisions of the CRA came into force on 1 October 2015 and apply to agreements made on or after that date. The CRA significantly reforms and consolidates consumer law in the UK. The CRA involves the creation of a single regime out of the Unfair Contract Terms Act 1977 (which essentially deals with attempts to limit liability for breach of contract) and the UTCCR. The CRA has revoked the UTCCR in respect of contracts made on or after 1 October 2015 and introduced a new regime for dealing with unfair contractual terms as follows:

Under Part 2 of the CRA, an unfair term of a consumer contract (a contract between a trader and a consumer) is not binding on a consumer (an individual acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession). 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 will be unfair where, contrary to the requirement of good faith, it causes significant imbalance in the parties' rights and obligations under the contract to the detriment of the consumer. In determining whether a term is fair, it is necessary to: (i) take into account the nature of the subject matter of the contract; (ii) refer to all the circumstances existing when the term was agreed; and (iii) refer to all of the other terms of the contract or any other contract on which it depends.

Schedule 2 of the CRA contains an indicative and non-exhaustive "grey list" of terms of consumer contracts that may be regarded as unfair. Notably, paragraph 11 lists "a term which has the object or effect of enabling the trader to alter the terms of the contract unilaterally without a valid reason which is specified in the contract", although paragraph 22 of Schedule 2 provides that this does not include a term by which a supplier of financial services 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" may nevertheless be regarded as unfair.

Where a term of a consumer contract is "unfair", it will not bind the consumer. However, the remainder of the contract, will, so far as is practicable, continue to have effect in every other respect. Where a term in a consumer contract is susceptible of multiple different 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. This can be done even where neither of the parties to proceedings have explicitly raised the issue of fairness.

(iii) Regulatory Developments

MCOB rules for Regulated Mortgage Contracts require that (a) charges for a payment shortfall can be objectively justified as equal to or lower than a reasonable calculation of the cost of the additional administration required as a result of the customer having a payment shortfall, and (b) from 15 December 2016, when a payment is made which is not sufficient to cover a payment shortfall and the firm is deciding how to allocate the payment between (i) the current month's periodic instalment of capital or interest (or both), (ii) the payment shortfall, and (iii) interest or charges resulting from the payment shortfall, the firm must set the order of priority in a way that will minimise the amount of the payment shortfall once the payment has been allocated. In October 2010, the FSA issued a statement that, in its view, early repayment charges are likely to amount to the price paid by the borrower in exchange for services provided and may not be reviewable for fairness under the UTCCR, **provided that** they are written in plain and intelligible language and are adequately drawn to the borrower's attention. In January 2012, the FSA issued a further statement intended to raise awareness of issues that it commonly identifies under the UTCCR (such statement has since been withdrawn – *see below*).

Historically, the OFT, FSA and FCA (as appropriate) have issued guidance on the UTCCR. This has included: (i) OFT guidance on fair terms for interest variation in mortgage contracts dated February 2000; (ii) an FSA statement of good practice on fairness of terms in consumer contracts dated May 2005; (iii) an FSA statement of good practice on mortgage exit administration fees dated January 2007; and (iv) FSA finalised guidance on unfair contract terms and improving standards in consumer contracts dated January 2012.

On 2 March 2015, the FCA updated its online unfair contract terms library by removing some of its material (including the abovementioned guidance) relating to unfair contract terms. The FCA stated that such material "no longer reflects the FCA's views on unfair contract terms" and that firms should no longer rely on the content of the documents that have been removed.

On 19 December 2018, the FCA published finalised guidance: "Fairness of variation terms in financial services consumer contracts under the Consumer Rights Act 2015" (FG 18/7), outlining factors the FCA consider firms should have regard to when drafting and reviewing variation terms in consumer contracts. This follows developments in case law, including at the Court of Justice of the EU ("**CJEU**"). The finalised guidance relates to all financial services consumer contracts entered into since 1 July 1995. The FCA stated that firms should consider both this guidance and other rules that apply when they draft and use variation terms in their consumer contracts. The FCA stated that the finalised guidance will apply to FCA authorised persons and their appointed representative in relation to any consumer contracts which contain variation terms.

The Unfair Contract Terms and Consumer Notices Regulation Guide (UNFCOG in the FCA handbook) explains the FCA's policy on how it uses its powers under the CRA and the CMA published guidance on the unfair terms provisions in the CRA on 31 July 2015 (the "**CMA Guidance**"). The CMA indicated in the CMA Guidance that the fairness and transparency provisions of the CRA are regarded to be "effectively the same as those of the UTCCR" (save in applying the consumer notices and negotiated terms). The document further notes that "the extent of continuity in unfair terms legislation means that existing case law generally, and that of the Court of Justice of the EU particularly, is for the most part as relevant to the Act as it was the UTCCRs". In general, the interpretation of the UTCCR and/or the CRA is open to some doubt, particularly in the light of sometimes conflicting reported case law between English courts and the CJEU. The extremely broad and general wording of the CRA 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. It is therefore possible that any Mortgage Loans which have been made to Borrowers covered by the UTCCR and/or the CRA may contain unfair terms which may result in the possible unenforceability of the terms of the underlying loans. The guidance issued by the FSA (and as of 1 April 2013, the FCA), the OFT and the CMA has changed over time and it is possible that it may change in the future.

In general, there is little reported case law on the UTCCR and/or the CRA and the interpretation of each is open to some doubt. The broad and general wording of the CRA 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. It is therefore possible that any Mortgage Loans which have been made to Borrowers covered by the CRA may contain unfair terms, which may result in the possible unenforceability of the terms of the underlying loans.

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

The Consumer Protection from Unfair Trading Regulations 2008 (the CPUTR) came into force on 26 May 2008. The CPUTR prohibit certain practices which are deemed "unfair" within the terms of the CPUTR. Breach of the CPUTR does not (of itself) render an agreement void or unenforceable, but is a criminal offence punishable by a fine and/or imprisonment. 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. Most of the provisions of the Consumer Protection (Amendment) Regulations 2014 came into force on 1 October 2014 and amended the CPUTR. In certain circumstances, these amendments to the CPUTR give consumers a right to redress for misleading or aggressive commercial practices (as defined in the CPUTR), including a right to unwind agreements.

From 6 April 2025, the CPUTR have been revoked and replaced by the Digital Market, Competition and Consumers Act 2024 (DMCCA). However, CPUTR will still apply to any conduct occurring prior to 6 April 2025.

In addition to some minor amendments to the CPUTR rules, the new regime introduces new rules on consumer reviews, drip pricing and consumer vulnerability. In addition, the DMCCA largely replicates

the list of specified banned practices contained in the CPUTR and creates new powers to expand the list of automatically unfair practices. Under the DMCCA, the unfair commercial practices regime, along with all other consumer protection legislation, has become subject to a new enforcement regime under which the CMA has new direct enforcement powers, which will operate in parallel with a court-based enforcement regime.

It cannot be excluded that the new rules and enforcement regime under the DMCCA will have an adverse impact on the Mortgage Loans.

FCA Consumer Duty

Rules relating to the introduction of a new consumer duty on regulated firms (the "**Consumer Duty**") have been published by the FCA, which aims to set a higher level of consumer protection in retail financial markets. The FCA published its final rules on the Consumer Duty in July 2022, which provide that the Consumer Duty applied from 31 July 2023 for products and services that remain open to sale or renewal and from 31 July 2024 for closed products and services.

The Consumer Duty applies to the regulated activities and ancillary activities of all firms authorised under the FSMA.

There are three main elements to the new 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 not only at origination of a product but throughout its subsistence (so in the case of a mortgage loan, throughout the period the mortgage loan is outstanding). The cross-cutting rules include an obligation to avoid causing foreseeable harm to the consumer and the outcomes include an obligation to ensure that the product (for example, a mortgage loan) provides fair value to the retail customer. These obligations (as with the remainder of the Consumer Duty) must be assessed on a regular basis throughout the life of the product.

The Consumer Duty applies in respect of Regulated Mortgage Contracts (as well as loans falling within the consumer credit regime). It applies to product manufacturers and distributors, which include purchasers of in scope mortgage loans, as well as firms administering or servicing those mortgage loans. Although the Consumer Duty does not apply retrospectively, the FCA requires firms to apply the Consumer Duty to existing products on a forward-looking basis. If (for example) the obligations relating to fair value or not causing harm are not met in relation to the Loans, it could adversely affect the amounts received or recoverable in relation to the Loans. This may adversely affect the ability of the Issuer to make payments in full on the debt when due. The FCA has its usual enforcements powers, such as issuing fines and securing redress for consumers, in relation to breaches of the Consumer Duty.

In addition, the implementation of and compliance with these rules may impose additional compliance costs, which may have a material adverse effect on the relevant Servicer and/or the Issuer and their respective businesses and operations, which may in turn adversely affect the Issuer's ability to make payments of interest and/or principal due on the debt.

Mortgage repossessions

There is a protocol for mortgage repossession cases in England and Wales which sets out the steps that judges will expect any lender to take before starting a claim. A number of mortgage lenders have confirmed that they will delay the initiation of repossession action for at least three months after a borrower, who is an owner-occupier, is in arrears. The application of such a moratorium is subject to the wishes of the relevant borrower and may not apply in cases of fraud. In addition, under the protocol

the lender must consider whether to postpone the start of a possession claim where the borrower has made a genuine complaint to the Financial Ombudsman Service about the potential possession claim.

In addition, MCOB rules for Regulated Mortgage Contracts from 25 June 2010 prevent the lender from: (a) repossessing the mortgaged property unless all other reasonable attempts to resolve the position have failed, which include considering whether it is appropriate to offer an extension of the term or change in product type; and (b) automatically capitalising a payment shortfall.

Part I of the Home Owner and Debtor Protection (Scotland) Act 2010 came into force on 30 September 2010 and imposes additional requirements on heritable creditors (the Scottish equivalent to a mortgagee) in relation to the enforcement of standard securities over residential property in Scotland. Under Part I of this Act, the heritable creditor, which may be the relevant Seller or, in the event of it taking legal title to the Scottish Mortgage Loans and their Related Security, the Issuer, has to obtain a court order to exercise its power of sale (in addition to initiating the enforcement process by the service of a two-month "calling up" notice), 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 relevant Seller (or Issuer, as applicable) as heritable creditor in respect of the Scottish Mortgage Loans and their Related Security to exercise its power of sale. The Home Owner and Debtor Protection (Scotland) Act 2010 may have adverse effects in markets experiencing above average levels of possession claims.

Breathing Space Regulations

The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 (SI 2020/1311) ("**Breathing Space Regulations**") (which came into force on 4 May 2021) give eligible individuals in England and Wales the right to legal protection from their creditors, including almost all enforcement action, during a period of "breathing space". A standard breathing space will give an individual in England and Wales with problem debt legal protection from creditor action for up to 60 days; and a mental health crisis breathing space will give an individual in England and Wales protection from creditor action for the duration of their mental health crisis treatment (which is not limited in duration) plus an additional 30 days.

However, the Breathing Space Regulations do not apply to mortgages, except for arrears which are uncapitalised at the date of the application under the Breathing Space Regulations. Interest can still be charged on the principal secured debt during the breathing space period, but not on the arrears. Any mortgage arrears incurred during any breathing space period are not protected from creditor action. The Borrower must continue to make mortgage payments in respect of any mortgage secured against their primary residence (save in respect of arrears accrued prior to the moratorium) during the breathing space period, otherwise the relevant debt adviser may cancel the breathing space period.

In February 2021, the FCA issued a policy statement (PS21/1) on the application of the Breathing Space Regulations, in which they confirm that no changes are currently being made to the rules under MCOB, in relation to how mortgage lenders should treat a "breathing space" as an indicator of payment difficulties. The FCA's view is that this is something that firms should take into account, but should not be treated more specifically than other potential indicators of payment difficulties.

In Scotland, eligible individuals are afforded similar legal protection under the Bankruptcy (Scotland) Act 2016 although the moratorium period of six months is longer than in England and Wales and does not make any accommodation for a mental health crisis. The Scottish Government has however introduced The Bankruptcy and Diligence (Scotland) Act 2024 which permits regulations to be made for the introduction of a similar form of moratorium in Scotland as currently exists under the Breathing Space Regulations. The timescale for the introduction of the regulations on the proposed moratorium is currently unknown.

Land Registration Reform in Scotland

The Land Registration etc. (Scotland) Act 2012 (the "**2012 Act**") received Royal Assent on 10 July 2012 and the majority of its provisions came into force in Scotland 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.

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 sets out, in provisions which are being brought into effect in stages, additional circumstances which will trigger first registration of properties recorded in the General Register of Sasines, including (i) the recording of a standard security (which would extend to any standard security granted by the Issuer in favour of the Security Trustee over Scottish Mortgages in the Mortgage Portfolio recorded in the General Register of Sasines, pursuant to the terms of the Deed of Charge following a transfer to the Issuer of legal title to the Scottish Mortgage Loans and their Related Security pursuant to the Mortgage Sale Agreements (a "**Scottish Sasine Sub Security**")), or (ii) the recording of an assignation of a standard security (which would extend to any assignation granted by the relevant Seller in favour of the Issuer in respect of Scottish Mortgages in the Mortgage Portfolio recorded in the General Register of Sasines, pursuant to the terms of the Mortgage Sale Agreements (a "**Scottish Sasine Transfer**")).

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. As a result of this, if a Scottish Sasine Sub Security is granted by the Issuer this may lead to higher legal costs and a longer period being required to complete registration than would previously have been the case. Notwithstanding the provisions of the 2012 Act mentioned above, for the time being other deeds such as assignations of standard securities (including Scottish Sasine Transfers) will continue to be accepted in the General Register of Sasines indefinitely (although Registers of Scotland have reserved the right to consult further on this issue in the future).

As noted above, such events will only occur following a trigger event to perfect legal title of the loans and, given that the proportion of residential properties in Scotland which remain recorded in the General Register of Sasines continues to decline, and the Registers of Scotland estimate that, as at January 2025, approximately 87% of functional property titles in Scotland were registered in the Land Register of Scotland, it is likely that, in relation to the current portfolio, only a minority of the Scottish Mortgages will be recorded in the General Register of Sasines.

Mortgage Charter

On 26 June 2023, HM Treasury published the 'Mortgage Charter' in light of the 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**"). YBS is a signatory to the Mortgage Charter and has agreed that among other things, a borrower will not be forced to leave their home without their consent unless in exceptional circumstances, in less than a year from their first missed payment. 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. The Mortgage Charter commitments do not apply to buy-to-let mortgages.

With effect on and from 30 June 2023, the FCA has amended the Mortgages and Home Finance: Conduct of Business Sourcebook (MCOB) to allow (rather than require) lenders to give effect to the MC Interest-only Agreement and the MC Extension Agreement. The amendments made by the FCA do not apply to second ranking mortgages or bridging loans.

The charter is voluntary and adhering to it will be a decision for lenders to make individually.

Assured Shorthold Tenancy (AST)

Depending on the level of ground rent payable at any one time it is possible that a long leasehold in England and Wales may also be an AT or AST under the HA 1988. If it is, this could have the consequences set out below.

A tenancy or lease in England and Wales will be an AT if granted after 15 January 1989 and:

(a) the tenant, or as the case may be, each of the joint tenants, is an individual;

(b) the tenant, or as the case may be, at least one of the joint tenants, occupies the dwelling-house as their only or principal home; and

(c) if granted before 1 April 1990:

  (i) the property had a rateable value at 31 March 1990 lower than £1,500 in Greater London or £750 elsewhere; and

  (ii) the rent payable for the time being is greater than 2/3rds of the rateable value at 31 March 1990;

(d) if granted on or after 1 April 1990 the rent payable for the time being is between £251 and £100,000 inclusive (or between £1,001 and £100,000 inclusive in Greater London).

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 will automatically be ASTs (unless the landlord serves notice to the contrary) which gives landlords the right to recover the property at the end of the term of the tenancy. The HA 1988 also entitles a landlord to obtain an order for possession and terminate an AT/AST during its fixed term on proving one of the grounds for possession specified in section 7(6) of the HA 1988. The ground for possession of most concern in relation to long leaseholds is Ground 8 – namely that if the rent is payable yearly (as most ground rents are), at least three months' rent is more than three months in arrears both at the date of service of the landlord's notice and the date of the hearing.

Most leases give the landlord a right to forfeit the lease if rent is unpaid for a certain period of time but the courts normally have power to grant relief, cancelling the forfeiture as long as the arrears are paid off. There are also statutory protections in place to protect long leaseholders from unjustified forfeiture action. However, an action for possession under Ground 8 is not the same as a forfeiture action and the court's power to grant relief does not apply to Ground 8. In order to obtain possession, the landlord will have to follow the notice procedure in section 8 of the HA 1988 and, if the tenant does not leave on expiry of the notice, apply for a court order. However, as ground 8 is a mandatory ground, the court will have no discretion and will be obliged to grant the order if the relevant conditions are satisfied. This issue is addressed and resolved (bringing to an end the so-called "AST trap") in the Renters' Rights Bill which is expected to come into effect towards the end of 2025 or the beginning of 2026.

Currently, however, there is a risk that where:

(i) a long lease is also an AT/AST due to the level of the ground rent;

(ii) the tenant is in arrears of ground rent for more than three months;

(iii) the landlord chooses to use the HA 1988 route to seek possession under Ground 8; and

(iv) the tenant does not manage to reduce the arrears to below three months' ground rent by the date of the court hearing,

the long lease will come to an end and the landlord will be able to re-enter the relevant property.

Private Housing (Tenancies) (Scotland) Act 2016

The Private Housing (Tenancies) (Scotland) Act 2016 (the "**2016 Act**") introduced, from 1 December 2017, a form of tenancy in Scotland known as a "private residential tenancy" which (except in a very limited number of exceptions) provides tenants with security of tenure by restricting a landlord's ability to regain possession of the property to a number of specific eviction grounds.

Accordingly, 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 legislation applies. It should be noted though 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.

A rent cap, which was introduced by the Scottish Parliament in response to rapid increases in inflation and the cost of living that have been affecting the UK since the beginning of the energy crisis in the first half of 2022, ended on 31 March 2024. From 1 April 2024, transitional regulations implemented by the Scottish Parliament introduced a replacement rent adjudication scheme which temporarily amends the rent adjudication process for 12 months (with the option to extend for a further 12 months). Under the modified process, tenants wishing to dispute a rent increase notice can apply to a rent officer at Rent Service Scotland or to the First Tier Tribunal for rent adjudication. Any changes in rent must be based on one of three comparators: (i) the open market rent; (ii) a landlord's proposed rental increase; and (iii) a new taper calculation that will specify a maximum 'reasonable' increase for that tenancy.

The Housing (Scotland) Bill was introduced by the Scottish Government on 26 March 2024. The Bill includes proposals for long-term rent controls for private tenancies, including provisions relating to the designation of rent control areas and related restrictions on the amount by which rents can be increased in those areas within a 12 month period (both within and between tenancies). The Bill also includes proposals to provide greater protection to tenants during the eviction process, including a requirement on the First Tier Tribunal and the Sheriff Court to consider whether a delay to eviction should occur based on the individual circumstances of a case, including in relation to seasonal pressures.

Restrictions on a landlord's ability to increase rent during the period in which these temporary rent adjudication protections are in place.

The effects of the 2016 Act (as amended) is restricted to any buy-to-let Mortgage Loans secured over Scottish mortgaged property.

Financial Ombudsman Service

Under the FSMA, the Financial Ombudsman Service (the "**Ombudsman**") is required to make decisions on, among other things, complaints relating to the activities and transactions under its jurisdiction on the basis of what, in the Ombudsman's opinion, would be fair and reasonable in all

circumstances of the case, taking into account law and guidance, rather than making determinations strictly on the basis of compliance with law.

Complaints properly brought before the Ombudsman 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 and 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 Ombudsman.

As the Ombudsman is required to make decisions on the basis of, among other things, the principles of fairness, and may order a money award to the 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.

CREDIT STRUCTURE AND CASHFLOWS

General Credit Structure

The Notes will be the obligations of the Issuer only and will not be obligations of, or the responsibility of, or guaranteed by, any other party. However, the following are the main features of the Programme which will enhance the likelihood of timely receipt of payments to Noteholders:

- Enhanced Available Revenue Receipts are expected to exceed interest and fees payable by the Issuer;

- the Reserve Fund will be available to meet Revenue Shortfalls;

- a Remaining Revenue Shortfall may be made up by use of Enhanced Available Principal Receipts;

- with respect to payments of interest, payments on the Class Z(R) VFN and the Class Z(S) VFN will be subordinated to payments on the Class A Notes (with payments on the YBS Note ranking *pro rata* and *pari passu* with the Class A Notes, as described below);

- with respect to repayments of principal, (a) repayments on the Class Z(S) VFN will be subordinated to payments on the Class A Notes, (b) repayments on the YBS Note (i) prior to service of an Enforcement Notice (for so long as no Asset Trigger Event has occurred and/or no Non-Asset Trigger Event is continuing), and (ii) following service of an Enforcement Notice, will rank *pro rata* and *pari passu* with the repayment of principal on the Class A Notes. Where an Asset Trigger Event has occurred and/or a Non-Asset Trigger Event is continuing, and **provided that** no action has been taken to enforce the security created by the Issuer under the Transaction Documents, the repayment of principal due on any Payment Date in respect of the YBS Note will be subordinated to the repayment of principal on the Class A Notes and the Class Z(S) VFN;

- the Issuer will be able to draw down amounts under the Class Z(S) VFN and to apply the proceeds of such drawdowns as Available Principal Receipts to effect the redemption of the Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule;

- the Issuer will be able to draw down amounts under the Class Z(S) VFN and to apply the proceeds of such drawdowns to effect the redemption of the YBS Note in accordance with Condition 5 (*Redemption, Purchase and Cancellation*) and the applicable Priority of Payments, **provided that** the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount for so long as any Class A Notes (or any other Notes that are not at all times held by YBS (or its wholly owned affiliates)) or any Class Z VFNs remain outstanding;

- the Issuer will be able to draw down amounts under the Class Z(R) VFN from time to time to fund, among other things, any required increase to the Reserve Fund and start-up expenses and to pay the fees, costs and expenses of the Issuer incurred in connection with any issuance of Notes (the Class Z VFN Holder having sole discretion as to whether such drawdown will be funded, and subject to the conditions for further drawdowns set out in Condition 18 (*Increasing the Principal Amount Outstanding of the VFNs*)) and to fund the upfront premium under a Swap Agreement;

- the Issuer will be able to draw down amounts under the YBS Note and to apply the proceeds of such drawdown to effect the redemption of the Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule;

- the Issuer will be able to draw down amounts under the YBS Note and to apply the proceeds of such drawdown to effect the redemption of the Class Z(S) VFN in accordance with Condition 5 (*Redemption, Purchase and Cancellation*) and in accordance with the applicable Priority of Payments, subject to maintaining the Required Subordination Amount;

- the Maximum Rate of Interest under the YBS Note will be capped at the percentage rate equal to the lower of (a) Compounded Daily SONIA; and (b) the weighted average portfolio yield in respect of the Mortgage Loans comprised in the Mortgage Portfolio from time to time, less 0.2%; and

- in the case of any Bullet Redemption Notes, the Funding Note Principal Portion will be credited to each Cash Accumulation Ledger in priority to repayments of principal on the Class Z(S) VFN.

- Subject to the provisions set out in Condition 5(g) (*Mandatory redemption of the Class Z(S) VFN and the YBS Note in part*), payments of principal in respect of the Class Z(S) VFN will be paid subordinate to payments of principal on the Class A Notes, subject to and in accordance with the relevant Priorities of Payments.

Each of these factors is considered more fully in the remainder of this section. Any changes to these features after the date of this Base Prospectus will be made in accordance with the provisions of the relevant Transaction Documents.

Credit support for the Notes provided by Enhanced Available Revenue Receipts

The interest rates charged on the Mortgage Loans vary according to product type. It is expected, however, that during the life of the Notes, the Funding Note Revenue Portion (comprising primarily the share of Revenue Receipts received from Borrowers on the Mortgage Loans in the Mortgage Portfolio and allocated to the Funding Notes in accordance with the application of the Pre-Enforcement Revenue Priority of Payments) will be greater than the sum of the interest which the Issuer will be required to pay on the Notes and its other senior costs and expenses under the Programme.

The actual amount of Revenue Receipts will vary from time to time during the life of the Notes. The key factors determining such variation will be as follows:

- the weighted average interest rate on the Mortgage Loans in the Mortgage Portfolio;

- the level of arrears experienced; and

- the availability of any hedging.

On any Payment Date, item (iii) of the YBS Note Revenue Portion alongside any excess Funding Note Revenue Portion will be available to meet the other payments set out in the Pre-Enforcement Revenue Priority of Payments, and ultimately to pay Deferred Consideration to the Sellers.

Interest Rate Swaps

The Issuer has entered on the First Issuance Date, and has agreed to enter on each subsequent Issuance Date on which any further Series of Class A Notes that are Floating Rate Notes are issued, into one or

more Interest Rate Swap Agreements and Interest Rate Swaps thereunder with respect to, in respect of each Swap Calculation Period under such Interest Rate Swaps, the product of (a) the Current Balance of the Fixed Rate Mortgage Loans in the Mortgage Portfolio (as determined in accordance with the terms of the relevant Interest Rate Swap) as at the relevant Monthly Calculation Date and the applicable Performance Ratio, multiplied by (b) the applicable Swap Funding Note Percentage from time to time, in order to hedge against the variances on the rates payable in respect of the Fixed Rate Mortgage Loans in the Mortgage Portfolio and interest payments due by the Issuer on the Floating Rate Notes in respect of each Series of Class A Notes. The notional amount under each Interest Rate Swap Agreement will be recalculated on a monthly basis. Where some or all of the initial Calculation Period pre-dates the issuance of the relevant Notes, the notional amount for the initial Swap Calculation Period under a relevant Interest Rate Swap may be agreed between the parties. See the section entitled "The Swap Agreements" for further information.

Currency Swaps

The Issuer has agreed to enter into a Currency Swap Agreement with respect to any Series and Class of Non-Sterling Notes issued from time to time, in order to provide currency and/or interest rate hedging in respect of any Series of Notes with a Specified Currency other than Sterling. See the section entitled "The Swap Agreements" for further information.

Reserve Fund

Application and purpose

The Reserve Fund was established in the name of the Issuer on the First Issuance Date to help (i) pay Senior Fees and Expenses, (ii) pay interest due and payable (if any) on the Class A Notes of each Series of Notes, and (iii) eliminate any debit entries on the Class A Principal Deficiency Sub-Ledger on each Payment Date (and for the avoidance of doubt, the Reserve Fund will not be available to support the YBS Note, the Class Z(S) VFN or the Class Z(R) VFN).

On each Payment Date, funds standing to the credit of the Reserve Fund will be added to certain other funds of the Issuer in calculating Available Revenue Receipts and if applicable the Funding Note Principal Portion. In making any withdrawals from the Reserve Fund described above, the Issuer (or the Cash Manager on its behalf) will only withdraw the amount actually needed for the purpose. To the extent that the Reserve Fund is held in Authorised Investments, any portion of the Reserve Fund not required for these purposes may remain invested in Authorised Investments. See the section entitled "Authorised Investments" below.

Funding and Replenishment

The Reserve Fund was funded and, as applicable, will be replenished up to the Reserve Fund Required Amount from time to time from:

- an initial drawing under the Class Z(R) VFN on the First Issuance Date and the proceeds of any further drawdowns under the Class Z(R) VFN on subsequent Issuance Dates if required;
- the proceeds of any further drawdowns under the Class Z(R) VFN at any time at the sole discretion of the Class Z VFN Holder as to whether such drawdown will be funded; and
- the Funding Note Revenue Portion in accordance with paragraph (d) of the Pre-Enforcement Revenue Priority of Payments in respect of the application of the Funding Note Revenue Portion.

The Class Z VFN Holder also has the right, at its sole discretion, but not the obligation, to fund the Reserve Fund in an amount in excess of the Reserve Fund Required Amount, by way of making further advances under the Class Z(R) VFN. The Class Z VFN Holder shall only exercise such discretion following receipt by it of a certificate from the Sellers (copied to the Issuer) confirming that, having taken appropriate advice from reputable tax and/or legal advisers in relation to the requirements of regulation 11 or any other relevant provision of the Securitisation Tax Regulations, the proposed funding of the Reserve Fund in an amount in excess of the Reserve Fund Required Amount could not result in the Issuer failing to meet the requirements of regulation 11 or any other relevant provision of the Securitisation Tax Regulations at that time or at any time in the future.

Adjustment of Reserve Fund Required Amount

The Cash Manager may modify, at any time (including, without limitation, on each Issuance Date), the Reserve Fund Series Percentage or the method of computing the Reserve Fund Required Amount without the consent of any Noteholders, **provided that**:

- the Reserve Fund Required Amount is calculated by reference to the highest Reserve Fund Series Percentage applicable from time to time with respect to all Class A Notes which are outstanding and have not been repaid in full; and

- for so long as any Series and Class of Notes that remain outstanding are Rule 144A Notes, the Issuer has obtained an opinion of counsel that for US federal income tax purposes (i) the change will not adversely affect the tax characterisation as debt of any outstanding Class A Notes that were characterised as debt for US tax purposes at the time of their issuance and (ii) such change will not cause or constitute an event in which gain or loss would be recognised by any holder of such Notes.

If at any time the Reserve Fund Required Amount is reduced, and there is a Revenue Shortfall at such time, any amount in excess of the Reserve Fund Required Amount will be applied in accordance with the relevant Priority of Payments. If at any time the Reserve Fund Required Amount is reduced, and there is no Revenue Shortfall at such time, any amount in excess of the Reserve Fund Required Amount may be applied directly to repay the Class Z(R) VFN or be paid directly to YBS. It is anticipated that the Reserve Fund Series Percentage for each new Series of Notes will be provided in the relevant Final Terms. If the Reserve Fund Series Percentage changes with respect to a Series of Notes, any such change will be notified to the Noteholders in an Investor Report.

Following the delivery of an Enforcement Notice, the Reserve Fund will be utilised by the Issuer in payment of any of its other liabilities, subject to and in accordance with the Post-Enforcement Priority of Payments, and may be applied in making payments of principal due under the Class A Notes.

The monies credited to the Reserve Fund will be deposited into the Transaction Accounts. The Cash Manager may invest such funds in Authorised Investments from time to time in accordance with and pursuant to the terms of the Cash Management Agreement. The Reserve Ledger is maintained by the Cash Manager in the name of the Issuer to record amounts standing to the credit of the Reserve Fund from time to time and withdrawals from and deposits into the Reserve Fund.

Excess Principal Fund

Application and purpose

The Excess Principal Fund was established in the name of the Issuer on the First Issuance Date. Funds standing to the credit of the Excess Principal Fund are recorded on the Excess Principal Ledger and will be added to certain other funds of the Issuer in calculating Available Principal Receipts on each Calculation Date.

Crediting the Excess Principal Fund

Any Enhanced Available Principal Receipts which remain following the application of such amounts towards paragraphs (a) to (f) (inclusive) in the application of the Funding Note Principal Portion of the Pre-Enforcement Pre-Trigger Principal Priority of Payments will be credited to the Excess Principal Fund on each Payment Date.

The Issuer may retain any amounts of Enhanced Available Principal Receipts credited to the Excess Principal Fund for a period not exceeding 18 months following the date on which such amounts were first recorded.

Where, on any date, any amounts would, on the next succeeding Payment Date, have remained recorded on the Excess Principal Ledger, on a FIFO basis, for a period of 18 months or more, where that period starts on the date on which such amounts were first so recorded, a Non-Asset Trigger Event shall occur. All amounts credited to the Excess Principal Fund must be released and distributed as Available Principal Receipts in accordance with the applicable Pre-Enforcement Principal Priority of Payments on the occurrence of a Non-Asset Trigger Event.

Excess Principal Fund Threshold Amount

The Excess Principal Fund Threshold Amount will be calculated by reference to the Excess Principal Fund Threshold Percentage, which will be specified in each set of Final Terms. If the amount standing to the credit of the Excess Principal Fund at any time exceeds the Excess Principal Fund Threshold Amount, then a Non-Asset Trigger Event will occur.

The monies credited to the Excess Principal Fund will be deposited into the Transaction Accounts. The Excess Principal Ledger is maintained by the Cash Manager in the name of the Issuer to record amounts standing to the credit of the Excess Principal Fund from time to time and the date of any withdrawals from and deposits into the Excess Principal Fund.

Interest Provision Fund and Principal Provision Fund

Application and purpose

The Interest Provision Fund and the Principal Provision Fund were established in the name of the Issuer on the First Issuance Date and are maintained in the Transaction Accounts to help provide for the payment of interest and principal on the Notes in respect of which payments are not made on a monthly basis. The balance of the Interest Provision Fund and the Principal Provision Fund will be recorded on sub-ledgers in respect of each Series and Class of Notes that are not Monthly Notes.

On each Note Payment Date in respect of a Series and Class of Notes that are not Monthly Notes, funds standing to the credit of the Interest Provision Fund and the Principal Provision Fund in respect of that Series and Class of Notes will be added to certain other funds of the Issuer in calculating Available Revenue Receipts and Available Principal Receipts, respectively.

Funding and Replenishment

The Interest Provision Fund and the Principal Provision Fund are required to be maintained in an amount not less than the Interest Provision Fund Required Amount and the Principal Provision Fund Required Amount respectively.

The Interest Provision Fund will be funded from time to time from the Funding Note Revenue Portion in accordance with paragraph (b)(iii) of the application of the Funding Note Revenue Portion under the Pre-Enforcement Revenue Priority of Payments.

The Principal Provision Fund will be funded from time to time from the Funding Note Principal Portion in accordance with paragraph (b)(v) of the application of the Funding Note Principal Portion under the Pre-Enforcement Pre-Trigger Principal Priority of Payments or paragraph (c)(ii) of the application of the Funding Note Principal Portion under the Pre-Enforcement Post-Trigger Principal Priority of Payments.

Use of Principal Receipts to pay Remaining Revenue Shortfall

On the Calculation Date immediately preceding each Payment Date, the Cash Manager is required to calculate whether there will be a Remaining Revenue Shortfall, being a deficit of Enhanced Available Revenue Receipts to pay Senior Fees and Expenses and paragraphs (a) and (b) of the Funding Note Revenue Portion of the Pre-Enforcement Revenue Priority of Payments following any application of the Reserve Fund as described under the section entitled "Reserve Fund – Application and purpose" above.

If there is such a Remaining Revenue Shortfall, then the Cash Manager is required to pay or provide for that deficit by the application of Enhanced Available Principal Receipts , if any and, if any of such amounts are so applied, the Cash Manager will make a corresponding debit entry in the relevant Funding Principal Deficiency Sub-Ledger or YBS Note Principal Deficiency Sub-Ledger (as applicable), as described under the section entitled "Principal Deficiencies and the Principal Deficiency Ledger" below. In so doing, the Cash Manager will apply (a) *first*, amounts standing to the credit of the Principal Ledger, and (b) *second*, if the amounts standing to the credit of the Principal Ledger are insufficient, any amounts standing to the credit of each Cash Accumulation Ledger.

Principal Deficiencies and the Principal Deficiency Ledger

The Principal Deficiency Ledger is constituted by way of the Funding Principal Deficiency Sub-Ledgers and the YBS Note Principal Deficiency Sub-Ledger. The Principal Deficiency Ledger is maintained in the name of the Issuer to record any Losses realised on the Mortgage Loans as follows:

- the YBS Note Percentage of such Losses will be recorded on the YBS Note Principal Deficiency Sub-Ledger; and

- the Adjusted Funding Note Percentage of such Losses will be recorded on the Funding Principal Deficiency Sub-Ledgers.

Any Losses realised on the Mortgage Loans on account of Borrowers exercising any right of set-off will be recorded on the YBS Note Principal Deficiency Sub-Ledger in amounts equal to the relevant Mortgage Loan Deposit Excess Amounts.

In addition, the Funding Principal Deficiency Sub-Ledgers will record any application of the Funding Note Principal Portion to meet any Remaining Revenue Shortfall (as described under the section entitled "Use of Principal Receipts to pay Remaining Revenue Shortfall" above). For the avoidance of doubt, with the exception of any Losses realised on the Mortgage Portfolio, no other debit entries will be made on the YBS Note Principal Deficiency Sub-Ledger.

There is a separate Funding Principal Deficiency Sub-Ledger for each of the Class A Notes and the Class Z(S) VFN (but not, for the avoidance of doubt, the Class Z(R) VFN). Debit entries will be recorded on each Funding Principal Deficiency Sub-Ledger for the Class A Notes and the Class Z(S) VFN in reverse sequential order, starting with the Class Z(S) VFN. Debit entries may be adjusted in the event that the Principal Amount Outstanding of any Sub-Class of Class Z VFN is increased following any further drawdowns permitted under the Programme. Debit entries may also be reduced by the application of the Funding Note Revenue Portion in accordance with the Pre-Enforcement

Revenue Priority of Payments in sequential order starting with the Class A Principal Deficiency Sub-Ledger.

The Funding Note Percentage of Losses on the Mortgage Loans, as well as the application of Enhanced Available Principal Receipts in respect of any Remaining Revenue Shortfall or any Enhanced Available Principal Receipts to replenish the Reserve Fund are required to be recorded on the Funding Principal Deficiency Sub-Ledgers as follows:

(a) *first*, on the Class Z(S) VFN Principal Deficiency Sub-Ledger, until the balance of that sub-ledger is equal to the then-current Principal Amount Outstanding of the Class Z(S) VFN; and

(b) *second*, on the Class A Principal Deficiency Sub-Ledger, at which point there will be a Trigger Event.

Amounts recorded as debit entries on the Funding Principal Deficiency Sub-Ledgers may be reduced through the subsequent application of the Funding Note Revenue Portion in accordance with the Pre-Enforcement Revenue Priority of Payments, with the debit entries being reduced in the following order:

(a) *first*, on the Class A Principal Deficiency Sub-Ledger; and

(b) *second*, on the Class Z(S) VFN Principal Deficiency Sub-Ledger.

In addition, the Issuer may apply the proceeds of any further drawdowns under the Class Z(R) VFN as Available Revenue Receipts for the purposes of reducing any debit entries on any Funding Principal Deficiency Sub-Ledger. The Class Z VFN Holder has sole discretion over whether any such further drawdowns will be funded, and any such drawdown will be subject to satisfaction of the drawdown tests set out in Condition 18 (*Increasing the Principal Amount Outstanding of the VFNs*).

Amounts recorded as debits on the YBS Note Principal Deficiency Sub-Ledger may be reduced through the application of the YBS Note Revenue Portion of Available Revenue Receipts.

Priority of interest payments among the Class A Notes and the Class Z VFNs

The order of payments of interest to be made on the Classes of Notes is prioritised so that, on any Payment Date:

(a) interest payments due on the Class Z(S) VFN will be subordinated to interest payments due on the Class Z(R) VFN and the Class A Notes; and

(b) interest payments due on the Class Z(R) VFN will be subordinated to interest payments due on the Class A Notes,

in each case in accordance with the Pre-Enforcement Revenue Priority of Payments.

Prior to the delivery by the Note Trustee of an Enforcement Notice, the payment of interest due on any Note Payment Date in respect of the Class Z(R) VFN and the Class Z(S) VFN is also subordinated to the replenishment of the Reserve Fund up to the Reserve Fund Required Amount.

Priority of interest payments among the Class A Notes and the YBS Note

The order of payments of interest to be made on the Classes of Notes is prioritised so that, on any Payment Date, interest due on the Class A Notes and the YBS Note will rank *pro rata* and *pari passu*, in accordance with the Funding Note Revenue Portion and the YBS Note Revenue Portion. On any date after the Calculation Date falling in November 2025 that Class A Notes are issued or the Principal

Amount Outstanding of any VFN is increased, (including on any date that is not a Payment Date or a Calculation Date), the Funding Note Revenue Portion and the YBS Note Revenue Portion will be recalculated to take into account those newly issued Notes in accordance with the applicable calculation.

Deferral of interest

Any interest amounts due but unpaid in respect of the Class Z(S) VFN, the Class Z(R) VFN and/or on the YBS Note on any Note Payment Date will be deferred until the immediately succeeding Note Payment Date on which such amounts fall due. On that Note Payment Date, the amount of interest due on the Class Z(S) VFN, the Class Z(R) VFN and/or on the YBS Note will be increased to take account of any deferred interest. If on that Note Payment Date there is still a shortfall in amounts available to pay interest due on that Sub-Class of Class Z(S) VFN, the Class Z(R) VFN and/or on the YBS Note that interest will be deferred again in the same way.

The Issuer will not be able to defer payments of interest due on any Note Payment Date in respect of the Class A Notes. Failure to pay interest due on any Class A Notes on any Note Payment Date will (following the expiry of any grace period) be an Event of Default.

Redemption of a Series and Class of Notes on or after their Step-Up Date

The Issuer may redeem a Series and Class of Notes on or after their Step-Up Date in accordance with Condition 5(e) (*Optional redemption in full or in part*), including by applying the proceeds of a further issuance of Notes or consideration received for the repurchase of Mortgage Loans in accordance with a Seller's general right of repurchase (see further the section entitled "Assignment of the Mortgage Loans and Related Security – General ability to repurchase"). Any proceeds of such issuance or repurchase will be applied directly in the redemption of the relevant Series and Class of Notes and will not form part of Available Principal Receipts or the Funding Note Principal Portion.

Cashflows

Under the Cash Management Agreement, the Cash Manager is responsible for distributing Available Revenue Receipts, the YBS Note Revenue Portion and the Funding Note Revenue Portion and Available Principal Receipts, the YBS Note Principal Portion and the Funding Note Principal Portion. on behalf of the Issuer on each Payment Date in accordance with the orders of priorities described in the following section. For further information on the role of the Cash Manager, see the section entitled "Cash Management".

Any change in the Priority of Payments and any events which trigger such a change shall be disclosed without undue delay to the extent required under Article 21(9) of the EU Securitisation Regulation and/or (i) prior to the Regulatory Effective Date, Article 21(9) of the UK Securitisation Regulation, and (ii) on and from the Regulatory Effective Date, the UK Securitisation Framework and SECN 2.2.23R in particular.

Transaction Accounts

As at the Programme Date, the Issuer holds Transaction Accounts with the First Account Bank and the Second Account Bank pursuant to the terms of the First Account Bank Agreement and the Second Account Bank Agreement. The Issuer may, from time to time after the Programme Date, hold additional Transaction Accounts with Account Banks.

For details, see the section entitled "Cash Management – Account Bank Agreements and Bank Accounts".

Authorised Investments

Pursuant to the terms of the Cash Management Agreement, the Cash Manager may invest amounts in the Transaction Accounts, including the Reserve Fund and amounts standing to the credit of each Cash Accumulation Ledger, in Authorised Investments. Prior to the occurrence of an Asset Trigger Event and for as long as no Non-Asset Trigger Event is continuing, the Cash Manager will be required to determine on each Calculation Date the amount of Authorised Investments that will need to be liquidated for the purposes of applying Available Revenue Receipts to pay the Senior Fees and Expenses, the Enhanced Available Revenue Receipts to pay interest due on the Class A Notes and for the purposes of applying Enhanced Available Principal Receipts to repay any principal due and payable in respect of the Notes and any other amounts payable in accordance with paragraphs (a) to (d) of the Pre-Enforcement Revenue Priority of Payments prior to the splitting the remaining Available Revenue Receipts to form part of the Funding Note Revenue Portion and the YBS Note Revenue Portion, and will only be required to liquidate that amount on the relevant Payment Date. See the section entitled "Reserve Fund – Application and purpose" above. Authorised Investments will be held with the Custodian in a Custody Account.

Arrears Management

On each Calculation Date, if the Cash Manager determines that there will be a shortfall in payment of interest and/or principal in respect of the Class A Notes on the next following Payment Date as a result of any shortfalls caused by any payment holidays feature under the Mortgage Loan granted to Borrowers under the Mortgage Loans in the Mortgage Portfolio during the corresponding Calculation Period, the Issuer may draw down on the YBS Note in the following amounts, as applicable:

(a) an amount equal to such revenue shortfall multiplied by the then Adjusted Funding Note Percentage (such amount being the "**Arrears Management Revenue Shortfall Amount**"), to be added to the Funding Note Revenue Portion and applied in accordance with the Pre-Enforcement Revenue Priority of Payments; and/or

(b) an amount equal to such principal shortfall, multiplied by the then Adjusted Funding Note Percentage (such amount being the "**Arrears Management Principal Shortfall Amount**") to be added to the Funding Note Principal Portion and applied in accordance with the relevant Pre-Enforcement Principal Priority of Payments.

AVAILABLE REVENUE RECEIPTS

Available Revenue Receipts in respect of any Payment Date are required to be calculated by the Cash Manager on the Calculation Date immediately preceding such Payment Date. When calculating the Available Revenue Receipts and Enhanced Available Revenue Receipts on any Calculation Date and applying such Enhanced Available Revenue Receipts on any Payment Date, the Cash Manager will withdraw from the Reserve Fund only such amounts as are actually required to meet a relevant Revenue Shortfall as at such Payment Date, and in calculating the amount available to be actually withdrawn from or the amount standing to the credit of the Reserve Fund at any time, the Cash Manager will include (without double-counting) funds that have been withdrawn from the Transaction Accounts and invested in Authorised Investments at the discretion of the Cash Manager pursuant to and in accordance with the Cash Management Agreement.

Pre-Enforcement Revenue Priority of Payments

Prior to the delivery by the Note Trustee of an Enforcement Notice, on each Payment Date, the Cash Manager is required to apply Available Revenue Receipts or Enhanced Available Revenue Receipts (as the case maybe) in the following order of priority (the "**Pre-Enforcement Revenue Priority of Payments**"):

(a) *first*, in no order of priority among them but in proportion to the amounts due, to pay amounts due to the Note Trustee and the Security Trustee and any of their respective Appointees and to provide for any amounts due or to become due prior to the next following Payment Date to the Note Trustee and the Security Trustee, under the Trust Deed and/or the Deed of Charge, as applicable;

(b) *second*, in no order of priority among them but in proportion to the respective amounts due:

(i) to pay amounts due to the Agent Bank, the Paying Agents, the Exchange and Transfer Agent, the VFN Registrar and/or the Registrar and to provide for any amounts due, or to become due prior to the next following Payment Date, to the Agent Bank, the Paying Agents, the Exchange and Transfer Agent, the VFN Registrar and/or the Registrar, under the Agency Agreement; and

(ii) in no order of priority among them but in proportion to the respective amounts due, to pay amounts due to the Servicer and/or the Back-up Servicer Facilitator under the Servicing Agreement, to the Cash Manager under the Cash Management Agreement, to the Corporate Services Provider under the Corporate Services Agreement, to any Tender Agent under a Remarketing Agreement, to the Account Banks under the Account Bank Agreements, to the Custodian under the Custody Agreement and the Swap Collateral Custody Agreement and to provide for any amounts due, or to become due prior to the next following Payment Date, to the Servicer under the Servicing Agreement, to the Cash Manager under the Cash Management Agreement, to the Corporate Services Provider under the Corporate Services Agreement, to any Tender Agent under a Remarketing Agreement, to the Account Banks under the Account Bank Agreements and to the Custodian under the Custody Agreement and the Swap Collateral Custody Agreement;

(c) *third*, to pay amounts due to any third party creditors of the Issuer (other than those referred to elsewhere in this Pre-Enforcement Revenue Priority of Payments) of which the Cash Manager has notice prior to the relevant Payment Date, which amounts have been incurred without breach in any material respect by the Issuer of the terms of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) and to provide for any such amounts expected to become due and payable by the Issuer prior to the next following Payment Date and to pay or discharge any liability of the Issuer for tax (save to the extent that tax is corporation tax on the taxable profits of the Issuer and can be met out of the Issuer Profit Amount); and

(d) *fourth*, to retain an amount equal to the Issuer Profit Amount as profit,

(the amounts referred to in paragraphs (a) to (d) are collectively referred to as the "**Senior Fees and Expenses**").

The Cash Manager will determine (without double-counting):

(a) any amounts referred to in paragraphs (a), (c) and (f) of the definition of Available Revenue Receipts (such amounts being, the "**Core Revenue Receipts**");

(b) the amounts referred to in paragraphs (b), (d), (e), (g), (h), (i), and (j) of the definition of Available Revenue Receipts (such amounts being, the "**Other Revenue Receipts**");

(c) the Core Revenue Receipts that remain following the payment of the Senior Fees and Expenses (the "**Remaining Core Revenue Receipts**"); and

(d) the Other Revenue Receipts that remain following the payment of the Senior Fees and Expenses (the "**Remaining Other Revenue Receip**ts");

if there would be a shortfall on such Payment Date, where the Core Revenue Receipts are not sufficient to pay the Senior Fees and Expenses in full (with the Remaining Core Revenue Receipts therefore being, on such Payment Date, zero) and the Cash Manager will be required to apply the Other Revenue Receipts in order to pay the Senior Fees and Expenses in full (such shortfall being a "**Core Revenue Receipts Shortfall Event**".

Upon such determination, the Cash Manager will calculate YBS's entitlement to a portion of the Remaining Core Revenue Receipts (the "**YBS Note Revenue Portion**") in accordance with the following formula:

$$A \times YBS\ Note\ Revenue\ Percentage$$

where:

A = (i) if a Core Revenue Receipts Shortfall Event has occurred, zero; or

(ii) if a Core Revenue Receipts Shortfall Event has not occurred, the then Remaining Core Revenue Receipts.

The Cash Manager will then allocate amounts to the holders of the Funding Notes (the "**Funding Note Revenue Portion**") on the basis of the following formula:

$$A + B + C + D + E$$

where:

A = the then Remaining Core Revenue Receipts less the then YBS Note Revenue Portion;

B = the then Remaining Other Revenue Receipts;

C = amounts received or to be received by the Issuer on or before such Payment Date under or in connection with any Swap Agreement, including any early termination amount received in connection with the relevant Swap Agreement and which is not required to fund any related Swap Replacement Premium payable by the Issuer, and any Swap Collateral Account Surplus which is to form part of the Funding Note Revenue Portion in accordance with the Swap Collateral Account Priority of Payments;

D = to the extent applicable and at the discretion of the Sellers, such portion of the YBS Note Revenue Portion that has been added to the Funding Note Revenue Portion in lieu of paying Deferred Consideration as described in item (iii) below in relation to the application of the YBS Note Revenue Portion to the Sellers; and

E = any Arrears Management Revenue Shortfall Amount.

The Cash Manager will apply such YBS Note Revenue Portion as follows:

(i) *first*, to pay interest due on the YBS Note;

(ii) *second*, to eliminate any debits on the YBS Note Principal Deficiency Sub-Ledger; and

(iii) *third*, to pay the remainder as Deferred Consideration to the Sellers. The Sellers may, however, direct the Issuer, at their sole discretion, that, instead of receiving such Deferred Consideration,

such amounts are, in whole or in part, instead added to the Funding Note Revenue Portion and applied as described in more detail immediately below.

The Cash Manager will apply such Funding Note Revenue Portion as follows:

(a) *first*, (to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments), to pay amounts (including such part of any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts) due to any Interest Rate Swap Counterparty under each Interest Rate Swap Agreement (excluding any Interest Rate Swap Excluded Termination Amount);

(b) *second*, in no order of priority among them but in proportion to the respective amounts due:

(i) (to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments) to pay amounts due and payable to the relevant Currency Swap Counterparty (if any) in respect of interest due and payable (if any) on the Class A Notes of each Series of Notes (including any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts, but excluding any Currency Swap Excluded Termination Amount) in accordance with the terms of the relevant Currency Swap Agreement(s);

(ii) to pay interest due and payable (if any) on the Class A Notes of each Series of Notes; and

(iii) in respect of the Class A Notes of each Series of Notes in respect of which such Payment Date is not a Note Payment Date, to credit the Interest Provision Fund in an amount equal to the Interest Provision Fund Required Amount;

(c) *third*, to eliminate any debit entry on the Class A Principal Deficiency Sub-Ledger;

(d) *fourth*, to credit the Reserve Fund up to the Reserve Fund Required Amount;

(e) *fifth*, to eliminate any debit entry on the Class Z(S) VFN Principal Deficiency Sub-Ledger;

(f) *sixth*, following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing, the remainder to be applied as Available Principal Receipts in order to provide for payment of paragraphs (c) and (d) of the Pre-Enforcement Post-Trigger Principal Priority of Payments, and thereafter to be applied at paragraphs (g) to (k) inclusive of the application of the Funding Note Revenue Portion under the Pre-Enforcement Revenue Priority of Payments;

(g) *seventh*, to pay interest due and payable on the Class Z(R) VFN;

(h) *eighth*, to pay interest due and payable on the Class Z(S) VFN;

(i) *ninth*, to pay principal due and payable under the Class Z(R) VFN;

(j) *tenth*, in no order of priority among them but in proportion to the respective amounts due, to pay Swap Excluded Termination Amounts to any Interest Rate Swap Counterparty or any Currency Swap Counterparties; and

(k) *eleventh*, to pay the remainder as Deferred Consideration to the Sellers in respect of the sale of the Mortgage Loans under the relevant Mortgage Sale Agreement.

AVAILABLE PRINCIPAL RECEIPTS

Available Principal Receipts and Enhanced Available Principal Receipts in respect of a Payment Date will be calculated by the Cash Manager on behalf of the Issuer on the Calculation Date immediately preceding the relevant Payment Date. All Principal Receipts received by the Issuer will be deposited in the Transaction Accounts, will be credited by the Cash Manager to the Principal Ledger and will form part of the Available Principal Receipts.

The "**Pre-Enforcement Principal Priority of Payments**" means, together, the priorities of payments set out under the following sub-headings:

- "Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice"; and

- "Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing but prior to the delivery of an Enforcement Notice".

Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice

On each Payment Date while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing but prior to the delivery by a Note Trustee of an Enforcement Notice, subject to the Reapplication Rule, the Cash Manager will apply Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) (other than, for the avoidance of doubt, Swap Collateral Excluded Amounts due to a Swap Counterparty and any Swap Collateral Available Amounts to be applied by the Cash Manager (on behalf of the Issuer) in accordance with the Swap Collateral Account Priority of Payments) to pay, firstly, the Senior Fees and Expenses (to the extent not covered by the application of the Pre-Enforcement Revenue Priority of Payments).

The Cash Manager will determine the remaining Available Principal Receipts after paying any Senior Fees and Expenses (to the extent not covered by the application of the Pre-Enforcement Revenue Priority of Payments) (the "**Remaining Available Principal Receipts**"). Upon such determination the Cash Manager will calculate YBS Note Portion of such Remaining Available Principal Receipts (the "**YBS Note Principal Portion**") in accordance with the following formula:

$$A \times \left(\frac{B}{C}\right)$$

where:

A = amounts representing items (a) and (f) of the definition of Available Principal Receipts minus amounts applied in accordance with paragraph (a) of the Pre-Enforcement Principal Priority of Payments (subject to a floor of zero);

B = the aggregate, as at (i) the relevant Calculation Date or (ii) on or after the Calculation Date falling in November 2025, if there has been an issuance of any Class A Notes or the Principal Amount Outstanding of any VFN is increased during the Payment Period immediately prior to such Calculation Date, then the date of issuance of such Notes, of the Sterling Equivalent Principal Amount Outstanding of the YBS Note; and

C = the aggregate, as at (i) the relevant Calculation Date or (ii) on or after the Calculation Date falling in November 2025, if there has been an issuance of any Class A Notes or

the Principal Amount Outstanding of any VFN is increased during the Payment Period immediately prior to such Calculation Date, then the date of issuance of such Notes, of the Sterling Equivalent Principal Amount Outstanding of each of the Class A Notes, the Class Z(S) VFN and the YBS Note.

The Cash Manager will then calculate the Funding Notes Principal Portion on the basis of the following formula:

$$A \times \left(1 - \left(\frac{B}{C}\right)\right) + D + E + F + G + H$$

where:

A = Amounts representing items (a) and (f) of the definition of Available Principal Receipts minus amounts applied in accordance with item (a) of the Pre-Enforcement Principal Priority of Payments (subject to a floor of zero);

B = the aggregate, as at (i) the relevant Calculation Date or (ii) on or after the Calculation Date falling in November 2025, if there has been an issuance of any Class A Notes or the Principal Amount Outstanding of any VFN is increased during the Payment Period immediately prior to such Calculation Date, then the date of issuance of such Notes, of the Sterling Equivalent Principal Amount Outstanding of the YBS Note;

C = the aggregate, as at (i) the relevant Calculation Date or (ii) on or after the Calculation Date falling in November 2025, if there has been an issuance of any Class A Notes or the Principal Amount Outstanding of any VFN is increased during the Payment Period immediately prior to such Calculation Date, then the date of issuance of such Notes, of the Sterling Equivalent Principal Amount Outstanding of each of the Class A Notes, the Class Z(S) VFN and the YBS Note;

D = Available Principal Receipts other than amounts referred to in items (a) and (f) of the definition of Available Principal Receipts;

E = all other principal amounts standing to the credit of the Principal Ledger on the Transaction Accounts including any Available Principal Receipts previously credited to the Principal Ledger on a Payment Date in accordance with the relevant Pre-Enforcement Principal Priority of Payments;

F = any amounts standing to the credit of the Reserve Fund which may be applied in repayment of the Funding Notes;

G = amounts applied from the YBS Note Principal Portion in respect of any Funding Note Principal Portion Shortfall; and

H = any Arrears Management Principal Shortfall Amount,

(the "**Funding Note Principal Portion**") **provided that**, while no Asset Trigger Event has occurred and for long as no Non-Asset Trigger Event is continuing, amounts standing to the credit of each Cash Accumulation Ledger can be applied to redeem the relevant Series of Bullet Redemption Notes only.

The application of any Remaining Available Principal Receipts attributable to the YBS Note Principal Portion will not take into account, nor have the benefit of any payment made by, any Interest Rate Swap Counterparty.

The Cash Manager will apply such YBS Note Principal Portion to repay principal on the YBS Note down to the Minimum YBS Note Amount, **provided that**, to the extent there is a shortfall in Funding Note Principal Portion (other than any amounts referred to paragraph (G) of the definition of Funding Note Principal Portion) in respect of the payment of paragraph (b)(ii) below ("**Funding Note Principal Portion Shortfall**"), the YBS Note Principal Portion will be reduced by an amount equal to the Funding Note Principal Portion Shortfall and such amount will be added to the Funding Note Principal Portion and applied as described in more detail immediately below.

The Cash Manager will apply such Funding Note Principal Portion, as follows:

(a) *first,* to the extent there is a Revenue Shortfall following the application of the Funding Note Revenue Portion, to pay interest due and payable (if any) on the Class A Notes of each Series of Notes;

(b) *second*, in accordance with the Reapplication Rule where applicable but otherwise in no order of priority amongst them but in accordance with the respective amounts due:

(i) (a) during the relevant Cash Accumulation Period, pro rata and *pari passu*, to credit the relevant Cash Accumulation Ledger towards the payment of principal due and payable on the relevant Class A Notes which are Bullet Redemption Notes up to an amount equal to the Cash Accumulation Requirement in respect of the relevant Class A Notes, (b) on any Payment Date which is the Bullet Redemption Date for any relevant Bullet Redemption Notes, to apply amounts standing to the credit of the relevant Cash Accumulation Ledger towards redeeming such Bullet Redemption Notes, and (c) with respect to any Soft Bullet Redemption Notes which have not been repaid in full on the relevant Soft Bullet Scheduled Redemption Date, to pay any remaining amount of principal due and payable on such Class A Notes;

(ii) towards the payment of principal due and payable on the Class A Notes which are Controlled Amortisation Notes in an amount up to the Controlled Amortisation Amount on such Payment Date;

(iii) towards the payment of principal due and payable on the Class A Notes which are Pass-Through Redemption Notes until their Sterling Equivalent Principal Amount Outstanding is zero;

(iv) towards the payment of amounts due and payable to the relevant Currency Swap Counterparty (if any) in respect of principal due and payable (if any) on non-Sterling denominated Class A Notes of each Series of Notes (including any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts, but excluding any Currency Swap Excluded Termination Amount) in accordance with the terms of the relevant Currency Swap Agreement(s); and

(v) in respect of the Class A Notes of each Series of Notes in respect of which such Payment Date is not a Note Payment Date, to credit the Principal Provision Fund up to the Principal Provision Fund Required Amount,

(c) *third,* for so long as a Revolving Period End Trigger Event is not continuing, and **provided that** any Series of the Class A Notes that satisfy the UK STS Criteria Requirements and which were outstanding at the time of the occurrence of such Revolving Period End Trigger Event have been redeemed by the Issuer in full:

(i) towards the purchase by the Issuer of any Additional Mortgage Portfolios; and

(ii) towards payment of further consideration in respect of the purchase of any Further Advances granted in respect of any of the Mortgage Loans in the Mortgage Portfolio at such time,

provided that the amount so applied shall be determined after taking into account any amount advanced by the VFN Holder under the Class Z(S) VFN or the YBS Note in respect of Additional Mortgage Portfolios, or Further Advances, as applicable, in each case on such Payment Date;

(d) *fourth*, to the extent any Non-Sterling Notes remain outstanding following their Sterling Equivalent Redemption Date (after the application of any Principal Excess Amounts) to redeem any Non-Sterling Notes until they have been redeemed in full;

(e) *fifth*, to repay principal amounts due on the Class Z(S) VFN, in order to reduce the Principal Amount Outstanding of the Class Z(S) VFN such that it is no less than the Required Subordination Amount and if, after giving effect to principal amounts due on the Class Z(S) VFN and the payment to be made on such date in respect of the Class A Notes, the Actual Subordination Amount is equal to or greater than the Required Subordination Amount;

(f) *sixth*, to repay principal on the YBS Note **provided that**, following such repayment, the Principal Amount Outstanding on the YBS Note shall be not less than the Minimum YBS Note Amount; and

(g) *seventh*, to credit the Excess Principal Fund.

In the applicable circumstances, the Reapplication Rule will apply to the Priority of Payments described above.

YBS may, at any time, give written notice to the Issuer that YBS intends to repurchase Mortgage Loans (selected at random by the Servicer) with an aggregate Current Balance less than or equal to the YBS Note Permitted Principal Repayment Amount and repurchase the relevant Mortgage Loans (and their Related Security) from the Issuer. The proceeds of such repurchase will be used solely and exclusively in order to reduce the YBS Note (subject always to the Reapplication Rule and **provided that** the Principal Amount Outstanding of the YBS Note may not, after such repurchase and reduction, be less than the Minimum YBS Note Amount) (the "**YBS Note Permitted Repurchase Procedure**"). YBS may exercise the YBS Note Permitted Repurchase Procedure irrespective of whether an Asset Trigger Event has occurred or a Non-Asset Trigger Event is continuing or an Event of Default has occurred and is continuing. For these purposes, the "**YBS Note Permitted Principal Repayment Amount**" will be calculated in accordance with the following formula:

$$A = B - C$$

where:

A = YBS Note Permitted Principal Repayment Amount;
B = Principal Amount Outstanding of the YBS Note;
C = the Minimum YBS Note Amount.

Calculation of the Cash Accumulation Requirement

On each Calculation Date, the Cash Manager is required to determine whether the immediately following Payment Date is within a Cash Accumulation Period relating to any Bullet Redemption Notes. The "**Cash Accumulation Period**" means, in relation to any Series of Bullet Redemption Notes (the "**Relevant Bullet Redemption Notes**"), the period beginning on the earlier to occur of:

(a) the date determined after counting back in time from the Bullet Redemption Date for the Relevant Bullet Redemption Notes, the number of months calculated in respect of the Anticipated Cash Accumulation Period relating to the Relevant Bullet Redemption Notes; and

(b) the Cash Accumulation Start Date,

and ending (i) with respect to the Hard Bullet Redemption Notes, on the relevant Hard Bullet Redemption Date, and (ii) with respect to the Soft Bullet Redemption Notes, on the relevant Soft Bullet Scheduled Redemption Date.

"**Anticipated Cash Accumulation Period**" means, for any Relevant Bullet Redemption Notes, the anticipated number of months required to accumulate sufficient Principal Receipts to pay the Sterling Equivalent Redemption Amount for such Notes on the Hard Bullet Redemption Date or, as applicable, the Soft Bullet Scheduled Redemption Date–for the relevant Series, which will be equal to:

$$\frac{A + B - C}{D \times E \times F}$$

calculated in months and rounded up to the nearest whole number, where:

A = the Sterling Equivalent Redemption Amount for the Relevant Bullet Redemption Notes;

B = the aggregate, as at the Calculation Date, of the Sterling Equivalent Principal Amount Outstanding of each other Series of Bullet Redemption Notes where the relevant Hard Bullet Redemption Date or, as applicable, Soft Bullet Scheduled Redemption Date falls on or before the Bullet Redemption Date of the Relevant Bullet Redemption Notes;

C = the amounts standing to the credit of each Cash Accumulation Ledger at the relevant Calculation Date which are available to repay the relevant Bullet Redemption Amounts;

D = the lowest of (i) the Monthly PPR on the most recent Calculation Date, (ii) the sum of each Monthly PPR on the three most recent Calculation Dates divided by three, (iii) the sum of each Monthly PPR on the 12 most recent Calculation Dates divided by 12 and (iv) (in the case of Money Market Notes) any alternative PPR if specified in the applicable Final Terms;

E = 85%; and

F = the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio at the beginning of the immediately preceding Calculation Period.

On each Calculation Date, the Cash Manager will additionally calculate the Cash Accumulation Requirement.

Rules for the repayment of principal amounts due on the Notes

The Cash Management Agreement sets out the rules for the application by the Issuer, or the Cash Manager on its behalf, of principal amounts respect of paragraph (b) of the application of the Funding Note Principal Portion under the Pre-Enforcement Pre-Trigger Principal Priority of Payments (the "**Reapplication Rule**"):

(a) the Cash Manager will allocate the Funding Note Principal Portion available to be applied in accordance with paragraph (b) of the application of the Funding Note Principal Portion under the Pre-Enforcement Pre-Trigger Principal Priority of Payments to each of the Controlled Amortisation Notes in proportion to the respective amounts due on such Controlled Amortisation Notes on the relevant Payment Date expressed as a percentage of the aggregate Sterling Equivalent Principal Amount Outstanding of such Controlled Amortisation Notes as at the relevant Calculation Date (each, a "**Note Principal Allocation Amount**");

(b) the Cash Manager will apply each Note Principal Allocation Amount towards the payment of principal due and payable on such Payment Date on each of the Controlled Amortisation Notes in an amount up to the Controlled Amortisation Amount in respect of such Controlled Amortisation Notes on such Payment Date, where:

(i) the Note Principal Allocation Amount exceeds the Controlled Amortisation Amount in respect of any Controlled Amortisation Note (such excess, a "**Note Principal Allocation Excess**"); or

(ii) the Controlled Amortisation Amount exceeds the Note Principal Allocation Amount in respect of any Controlled Amortisation Note (such shortfall, a "**Note Principal Allocation Shortfall**");

(c) the Cash Manager will allocate the aggregate of any Note Principal Allocation Excess to each Note Principal Allocation Shortfall in proportion to the respective Principal Amount Outstanding of the relevant Controlled Amortisation Note following payments in accordance with paragraph (b) above;

(d) the Cash Manager will apply aggregate of remaining Note Principal Allocation Excess amounts in accordance with paragraphs (b) and (c) again until either the aggregate Note Principal Allocation Excess or the Note Principal Allocation Shortfall is reduced to zero; and

(e) the Cash Manager will then apply any remaining amount available to be applied in accordance with paragraph (b)(ii) of the application of the Funding Note Principal Portion under the Pre-Enforcement Pre-Trigger Principal Priority of Payments towards the payment of principal due and payable on the Class A Notes that are Pass-Through Redemption Notes in proportion to their respective aggregate Sterling Equivalent Principal Amount Outstanding.

Trigger Events

An "**Asset Trigger Event**" will occur if any amount is recorded as a debit on the Class A Principal Deficiency Sub-Ledger after the application of available funds in accordance with the applicable Priorities of Payment on a Payment Date.

Any of the following events is a "**Non-Asset Trigger Event**" (and, together with an Asset Trigger Event, a "**Trigger Event**"):

(a) the occurrence of an Insolvency Event in relation to a Seller or the Servicer;

(b) notice is provided by the Issuer to the Servicer terminating the appointment of the Servicer following the occurrence of a Servicer Termination Event in accordance with the terms of the Servicing Agreement, and a replacement Servicer is not appointed within six months following such termination;

(c) the Actual Subordination Amount continues to be less than the Required Subordination Amount for a period of two months following the date on which the Cash Manager became aware of the reduction of the Actual Subordination Amount below the Required Subordination Amount, and the Actual Subordination Amount is not restored to the level which is at least equal to the Required Subordination Amount by the end of such period;

(d) the Principal Amount Outstanding of the YBS Note continues to be less than the Minimum YBS Note Amount for a period of two months following the date on which the Cash Manager became aware of the reduction of the Principal Amount Outstanding of the YBS Note below

the Minimum YBS Note Amount, and the Principal Amount Outstanding of the YBS Note is not restored to the Minimum YBS Note Amount by the end of such period; or

(e) the occurrence of an Excess Principal Fund Threshold Event.

Each of the Non-Asset Trigger Events set out at paragraphs (a) and (e) above is also a "**Revolving Period End Trigger Event**".

Following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing the following will occur:

- all Bullet Redemption Notes and Controlled Amortisation Notes will become Pass-Through Redemption Notes;

- following the occurrence of an Asset Trigger Event (but not following the occurrence of a Non-Asset Trigger Event), interest on all Class A Notes and Sub-Classes of Class A Notes in each Series will be determined and paid on a monthly basis and will be due and payable by the Issuer on each applicable Payment Date; and

- on each Payment Date, the Issuer will be required to apply Enhanced Available Principal Receipts in accordance with the Priority of Payment set out under the section entitled "Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing but prior to the delivery of an Enforcement Notice" below.

At any time where a Sale Period is not continuing, the relevant Seller will be required to repurchase any Mortgage Loans in respect of which a Further Advance was granted or a Product Switch was made following the occurrence of an event which resulted in the suspension of a Sale Period.

For as long as a Non-Asset Trigger Event is continuing, and **provided that** a Sale Period is still continuing, the purchase by the Issuer of any Additional Mortgage Portfolio or any Further Advances in respect of the applicable Mortgage Loans in the Mortgage Portfolio at such time, can be funded solely by drawings under the YBS Note.

Upon the redemption in full of all Series of Class A Notes that were both (i) outstanding at the time that a Revolving Period End Trigger Event occurred; and (ii) designated as being in compliance with the UK STS Criteria Requirements, the Issuer will no longer be prohibited from applying Enhanced Available Principal Receipts or the proceeds of any further drawdowns under the Class Z(S) VFN or the YBS Note towards the purchase by the Issuer of any Additional Mortgage Portfolio or any Further Advances in respect of the applicable Mortgage Loans in the Mortgage Portfolio at such time.

At any time following the occurrence of a Revolving Period End Trigger Event the Issuer may, having given not more than 60 nor less than 30 days' notice to the Note Trustee, the relevant Currency Swap Counterparty (if any) and the Noteholders in accordance with Condition 14 (*Notice to Noteholders*), redeem all (but not some only) of such Series of the Class A Notes that satisfy the UK STS Criteria Requirements as of the date on which such Revolving Period End Trigger Event first occurred on the immediately succeeding Note Payment Date for such Notes at their aggregate Redemption Amount together with any accrued and unpaid interest in respect thereof.

If, following the occurrence of a Non-Asset Trigger Event, no Non-Asset Trigger Event is continuing:

- the Bullet Redemption Notes which became Pass-Through Redemption Notes while the relevant Non-Asset Trigger Event was continuing will revert to being Hard Bullet Redemption Notes or Soft Bullet Redemption Notes, as applicable;

- the Controlled Amortisation Notes which became Pass-Through Redemption Notes while the relevant Non-Asset Trigger Event was continuing will revert to being Controlled Amortisation Notes, **provided that** on each subsequent Note Payment Date or, as the case may be, Controlled Amortisation Date, until such time as the Sterling Equivalent Principal Amount Outstanding of such Controlled Amortisation Notes immediately prior to such Note Payment Date or, as the case may be, such Controlled Amortisation Date, is greater than or equal to the Target Balance (i) on such Note Payment Date, or (ii) if no such Target Balance is specified in respect of such Note Payment Date, the next Controlled Amortisation Date for such Controlled Amortisation Notes, the Issuer will not apply any amounts in redemption of such Controlled Amortisation Notes on such Note Payment Date or, as the case may be, such Controlled Amortisation Date; and

- on each Payment Date, the Issuer will be required to apply Enhanced Available Principal Receipts in accordance with the Priority of Payment set out under the section entitled "Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice" above,

provided that if such Non-Asset Trigger Event was also a Revolving Period End Trigger Event, paragraph (c) of the application of the Funding Note Principal Portion under the Pre-Enforcement Pre-Trigger Principal Priority of Payments will not apply.

Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing but prior to the delivery of an Enforcement Notice

On each Payment Date following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing (but prior to the delivery of an Enforcement Notice) the Cash Manager (on behalf of the Issuer) will apply Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) (other than, for the avoidance of doubt, Swap Collateral Excluded Amounts due to any Swap Counterparty and any Swap Collateral Available Amounts to be applied by the Cash Manager (on behalf of the Issuer) in accordance with the Swap Collateral Account Priority of Payments) and together with items (E), (F), (G) and (H) of the definition of Funding Note Principal Portion in the following order of priority:

(a) *first*, to pay the Senior Fees and Expenses (to the extent not covered by the application of the Pre-Enforcement Revenue Priority of Payments);

(b) *second*, following the determination of and application of the Funding Note Revenue Portion, to pay interest due and payable (if any) on the Class A Notes of each Series of Notes;

(c) *third*, in no order of priority among them but in proportion to the respective amounts due:

  (i) to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments, to pay amounts due and payable to the relevant Currency Swap Counterparty (if any) in respect of principal due and payable (if any) on non-Sterling denominated Class A Notes of each Series of Notes (including any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts, but excluding any Currency Swap Excluded Termination Amount) in accordance with the terms of the relevant Currency Swap Agreement(s); and

  (ii) if an Asset Trigger Event has occurred, to redeem all the Class A Notes which remain outstanding in no order of priority among them but in proportion to the respective

amounts due or, if a Non-Asset Trigger Event is continuing, but an Asset Trigger Event has not occurred, in the following order of priority:

(A) first, in the order of their Final Maturity Date, beginning with the earliest such date (and if two or more Series of Class A Notes have the same Final Maturity Date, in proportion to the respective amounts due), to redeem any Class A Notes with Final Maturity Dates falling within five years from the date on which the respective Non-Asset Trigger Event has occurred; and

(B) second, in no order of priority among them but in proportion to the respective amounts due, to redeem the remaining Class A Notes with Final Maturity Dates falling five years or later from the date on which the respective Non-Asset Trigger Event has occurred,

provided that, in respect of any Series of Class A Notes for which the relevant Payment Date is not a Note Payment Date, the Cash Manager (on behalf of the Issuer) will credit the Principal Provision Fund up to the Principal Provision Fund Required Amount, and **provided further that**, for the purposes of making any payments in respect of any Series or Class of Non-Sterling Notes:

(A) the Cash Manager will transfer to the relevant Currency Swap Counterparty the relevant principal exchange amount due under the relevant Currency Swap Agreement and the relevant Currency Swap Counterparty will transfer the corresponding principal exchange amount in the currency of the relevant Class A Notes to the Principal Paying Agent for the account of the relevant Non-Sterling Noteholders; or

(B) if there is no Currency Swap Agreement in place for the relevant Series, the Cash Manager will convert an amount equal to the applicable share of Enhanced Available Principal Receipts into the currency of the relevant Class A Notes at the applicable Spot Rate (booked for conversion for value on that Payment Date) and will transfer the amounts received following such conversion to the Principal Paying Agent for the account of the relevant Non-Sterling Noteholders;

(d) *fourth*, to the extent any Non-Sterling Notes remain outstanding following their Sterling Equivalent Redemption Date (after the application of any Principal Excess Amounts) to redeem any Non-Sterling Notes until they have been redeemed in full;

(e) *fifth*, to redeem the Class Z(S) VFN in full;

(f) *sixth*, to redeem the YBS Note in full; and

(g) *seventh*, any remaining amounts to be applied as Available Revenue Receipts.

Principal Payments in respect of Non-Sterling Notes

For the purposes of making payments in respect of any Series or Class of Non-Sterling Notes:

(a) the Cash Manager will transfer to the relevant Currency Swap Counterparty the relevant principal exchange amount due under the relevant Currency Swap Agreement and the relevant Currency Swap Counterparty will transfer the corresponding principal exchange amount in the currency of the relevant Class A Notes to the Principal Paying Agent for the account of the relevant Non-Sterling Noteholders; or

(b) if there is no Currency Swap Agreement in place for the relevant Series, the Cash Manager will convert an amount equal to the applicable share of Enhanced Available Principal Receipts into the currency of the relevant Class A Notes at the applicable Spot Rate (booked for conversion for value on that Payment Date) and will transfer the amounts received following such conversion to the Principal Paying Agent for the account of the relevant Non-Sterling Noteholder.

If the Original Currency Swap relating to any Series or Class of Non-Sterling Notes has been terminated, then, on each Payment Date prior to the delivery of an Enforcement Notice:

(a) if, on such Payment Date, the pro rata share of the Enhanced Available Principal Receipts available under the relevant Pre-Enforcement Principal Priority of Payments to repay principal of the Non-Sterling Notes in accordance with Condition 5(c) (*Termination of the applicable Original Currency Swap*) following conversion into the Specified Currency at:

(i) if no replacement Currency Swap is in force, the Spot Rate (as determined by the Cash Manager); or

(ii) if a replacement Currency Swap is in force, the Replacement Exchange Rate,

is less than the amount that would have been payable in the Specified Currency by the original Currency Swap Counterparty in respect of principal if the Original Currency Swap Agreement had not been terminated, the shortfall amounts (such amounts being "**Principal Shortfall Amounts**") will only be paid from any Principal Excess Amounts (as defined below);

(b) if, on such Payment Date, the pro rata share of the Enhanced Available Principal Receipts available under the relevant Pre-Enforcement Principal Priority of Payments to pay principal of the Non-Sterling Notes in accordance with Condition 5(c) (*Termination of the applicable Original Currency Swap*) following conversion into Specified Currency at:

(i) if no replacement Currency Swap is in force, the Spot Rate (by the Cash Manager); or

(ii) if a replacement Currency Swap is in force, the Replacement Exchange Rate,

is greater than the amount that would have been payable in the Specified Currency by the original Currency Swap Counterparty in respect of principal if the original Currency Swap Agreement had not been terminated, then:

(i) if no replacement Currency Swap is in force, excess amounts (such amounts being "**Principal Excess Amounts**") will be used to pay any Principal Shortfall Amounts, with any excess being transferred to the Swap Excess Reserve Account for application (subject to the terms of the Transaction Documents) on subsequent Payment Dates to pay any future Principal Shortfall Amounts; and

(ii) if a replacement Currency Swap is in force, Principal Excess Amounts will be used to pay any Principal Shortfall Amounts, but any excess shall be released (and for the avoidance of doubt any amounts of such excess already held in the Swap Excess Reserve Account will also be released) and will be transferred to a Transaction Account (after conversion into Sterling at the applicable Spot Rate) and credited to the Revenue Ledger for application in accordance with the Pre-Enforcement Revenue Priority of Payments; and

(c) if that Payment Date falls on or following the Sterling Equivalent Redemption Date for the relevant Series or Class of Non-Sterling Notes:

(i) if the relevant Series or Class of Non-Sterling Notes has not been redeemed in full, following application of any amounts held in the Swap Excess Reserve Account, any remaining Principal Amount Outstanding of the relevant Non-Sterling Notes will only be paid subject to and in accordance with paragraph (d) of the Pre-Enforcement Pre-Trigger Principal Priority of Payments in respect of the application of the Funding Note Principal Portion or, following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing, paragraph (d) of the Pre-Enforcement Post-Trigger Principal Priority of Payments; or

(ii) if the relevant Series or Class of Non-Sterling Notes has been redeemed in full, any amounts held in the Swap Excess Reserve Account will be transferred to a Transaction Account (after conversion into Sterling by the Cash Manager at the applicable Spot Rate) and credited to the Revenue Ledger for application in accordance with the Pre-Enforcement Revenue Priority of Payments.

On or after the delivery of an Enforcement Notice, any amounts held in the Swap Excess Reserve Account will be transferred to a Transaction Account (after conversion into Sterling by the Cash Manager at the applicable Spot Rate) and applied in accordance with the Post-Enforcement Priority of Payments.

APPLICATION OF AVAILABLE FUNDS FOLLOWING THE DELIVERY OF AN ENFORCEMENT NOTICE

Following the delivery by the Note Trustee of an Enforcement Notice to the Issuer, but prior to the Security Trustee (or a Receiver appointed on its behalf) exercising any rights to enforce the Security, YBS will have the right to exercise the YBS Note Permitted Repurchase Procedure in order to repurchase Mortgage Loans from the Issuer, and the proceeds from such repurchase will be applied directly and exclusively towards the repayment of the YBS Note down to the Minimum YBS Note Amount (as determined on the date of the delivery of the Enforcement Notice). If YBS intends to exercise such right, it will provide a notice of such intention to the Security Trustee before the date falling 30 days after the date YBS receives the copy of the Enforcement Notice, specifying the date on which YBS intends to exercise its right (the "**Post-Enforcement Repurchase Date**") and setting out the aggregate value of the Mortgage Loans that YBS will repurchase. YBS shall then repurchase the relevant Mortgage Loans on the Post-Enforcement Repurchase Date, and the Security Trustee (or the Cash Manager on its behalf) will apply the proceeds of such repurchase directly towards the redemption of the YBS Note.

Following such exercise of the YBS Note Permitted Repurchase Procedure on the Post-Enforcement Repurchase Date, or if YBS has not provided notice of its intention to exercise the YBS Note Permitted Repurchase Procedure within the 30-day period specified above, the Security Trustee (or a Receiver appointed on its behalf) will be permitted to exercise its rights to enforce the Security. The Cash Management Agreement sets out the order of priority for the application by the Security Trustee (or the Cash Manager on its behalf) of amounts received or recovered by the Security Trustee or a Receiver appointed on its behalf.

On each Payment Date following the delivery by the Note Trustee of an Enforcement Notice to the Issuer, the Security Trustee (or the Cash Manager on its behalf) will be required to apply all amounts received or recovered by the Security Trustee (or a Receiver appointed on its behalf) (excluding Swap Collateral Excluded Amounts (if any) due to any Swap Counterparty by the Issuer under any Swap Agreement which will be applied in accordance with the Swap Collateral Account Priority of Payments and any further consideration due to a Seller in relation to the Issuer's receipt of Early Repayment Charges which will be paid directly to that Seller) in accordance with the following order of priority (the "**Post-Enforcement Priority of Payments**"):

(a) *first*, in no order of priority among them but in proportion to the amounts due, to pay amounts due to the Note Trustee, the Security Trustee and any Receiver appointed by the Security Trustee and any of their respective Appointees and to provide for any amounts then due or to become due and payable to the Note Trustee, the Security Trustee and the Receiver and any of their respective Appointees prior to the next following Payment Date pursuant to the terms of the Trust Deed and/or the Deed of Charge, as applicable;

(b) *second*, in no order of priority among them but in proportion to the respective amounts due:

(i) to pay amounts due to the Agent Bank, the Paying Agents, the Exchange and Transfer Agent, the VFN Registrar and/or the Registrar and to provide for any amounts then due or to become due prior to the next following Payment Date to the Agent Bank, the Paying Agents, the Exchange and Transfer Agent, the VFN Registrar and/or the Registrar pursuant to the terms of the Agency Agreement;

(ii) in no order of priority among them but in proportion to the respective amounts due, to pay amounts due (or, as applicable, to provide for any amounts then due or to become due prior to the next following Payment Date) to the Servicer and/or the Back-up Servicer Facilitator pursuant to the terms of the Servicing Agreement, to the Account Banks pursuant to the terms of the Account Bank Agreements, to the Custodian pursuant to the terms of the Custody Agreement and the Swap Collateral Custody Agreement, to the Cash Manager pursuant to the terms of the Cash Management Agreement, to the Corporate Services Provider pursuant to the terms of the Corporate Services Agreement, to any Tender Agent under a Remarketing Agreement; and

(ii) *third* (to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments), to pay amounts (including such part of any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts) due to any Swap Counterparty under the relevant Swap Agreement (excluding any relevant Swap Excluded Termination Amount).

The Security Trustee (or the Cash Manager on its behalf) will, following the payment of the amounts referred to in paragraphs (a) to (b)(ii) above, allocate the remaining amounts received or recovered by the Security Trustee (or a Receiver appointed on its behalf) (the "**Remaining Available Enforcement Receipts**") into the YBS Note Portion ("**YBS Note Post-Enforcement Portion**") and the Funding Note Portion ("**Funding Note Post-Enforcement Portion**"). The Security Trustee (or the Cash Manager on its behalf) will determine the size of the YBS Note Post-Enforcement Portion on the basis of the following formula:

$$A \times (B/C)$$

and the size of the Funding Note Post-Enforcement Portion on the basis of the following formula:

$$A \times \left(1 - \left(\frac{B}{C}\right)\right)$$

where:

A = Remaining Available Enforcement Receipts;

B = the aggregate, as at (i) the relevant Calculation Date or (ii) on or after the Calculation Date falling in November 2025, if there has been an issuance of any Class A Notes or the Principal Amount Outstanding of any VFN is increased during the Payment Period immediately prior to such Calculation Date, then the date of issuance of such Notes, of the Sterling Equivalent Principal Amount Outstanding of the YBS Note; and

C = the aggregate, as at (i) the relevant Calculation Date or (ii) on or after the Calculation Date falling in November 2025, if there has been an issuance of any Class A Notes or the Principal Amount Outstanding of any VFN is increased during the Payment Period immediately prior to such Calculation Date, then the date of issuance of such Notes, of the Sterling Equivalent Principal Amount Outstanding of each of the Class A Notes, the Class Z(S) VFN and the YBS Note.

Save as described above and the application of the Remaining Available Enforcement Receipts, the application of any Remaining Available Enforcement Receipts attributable to the YBS Note Post-Enforcement Portion will not take into account, nor have the benefit of, the application of the Reserve Fund and/or any payment made by any Interest Rate Swap Counterparty, such amounts to be used solely and exclusively in connection with the Funding Note Post-Enforcement Portion.

The Security Trustee (or the Cash Manager on its behalf) will apply the YBS Note Post-Enforcement Portion to pay interest due or overdue on, and to repay principal on, the YBS Note. Should YBS exercise the YBS Note Permitted Repurchase Procedure, any proceeds received by the Issuer from such repurchase will be applied directly towards repayment of principal on the YBS Note, and these amounts will not be distributed in accordance with any applicable Priority of Payments.

The Security Trustee (or the Cash Manager on its behalf) will apply the Funding Note Post-Enforcement Portion in accordance with the following order of priority:

(i) *first*, in no order of priority among them but in proportion to the respective amounts due, to pay interest and fees due or overdue on, and to repay principal of, the applicable Series of Class A Notes and (to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments) to pay any Swap Termination Payment due to the relevant Swap Counterparty for each Series of Class A Notes (but excluding any Swap Excluded Termination Amount);

(ii) *second*, in no order of priority among them but in proportion to the respective amounts due, to pay interest due or overdue on each Sub-Class of the Class Z VFNs;

(iii) *third* (to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments), in no order of priority among them but in proportion to the respective amounts due, to pay any Swap Excluded Termination Amounts to any Swap Counterparty;

(iv) *fourth*, to retain an amount equal to the Issuer Profit Amount as profit;

(v) *fifth*, to repay principal on the Class Z(R) VFN;

(vi) *sixth*, to repay principal on the Class Z(S) VFN;

(vii) *seventh*, to pay amounts due to any third party creditors of the Issuer (other than those referred to elsewhere in this Post-Enforcement Priority of Payments) of which the Cash Manager has notice prior to the relevant Payment Date, which amounts have been incurred without breach in any material respect by the Issuer of the terms of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) and to provide for any such amounts expected to become due and payable by the Issuer prior to the next following Payment Date and to pay or discharge any liability of the Issuer for tax (save to the extent that the relevant tax is corporation tax on the taxable profits of the Issuer which can be met out of the Issuer Profit Amount); and

(viii) *eighth*, to pay any amount remaining to the Sellers as Deferred Consideration.

As described in the section entitled "Available Principal Receipts – Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice" above, YBS may continue to exercise the YBS Note Permitted Repurchase Procedure at any time following the delivery by the Note Trustee of an Enforcement Notice to the Issuer for so long as any Mortgage Loans remain in the Mortgage Portfolio. For the avoidance of doubt, YBS will ensure that the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount for so long as any Class A Notes (or any other Notes that are not at all times held by YBS (or their affiliates)) or any Class Z VFNs remain outstanding.

SWAP COLLATERAL ACCOUNT PRIORITY OF PAYMENTS

Swap Collateral

In the event that a Swap Counterparty is required to transfer Swap Collateral to the Issuer in respect of its obligations under the relevant Swap Agreement in accordance with the terms of the relevant Credit Support Annex, that Swap Collateral (and any interest and/or distributions earned thereon) will be credited to the relevant Swap Collateral Account and credited to the relevant Swap Collateral Ledger. In addition, upon termination of a Swap Agreement, (a) any Swap Replacement Premium received by the Issuer from a replacement Swap Counterparty, (b) any termination payment received by the Issuer from the relevant outgoing Swap Counterparty which is required to fund any Swap Replacement Premium payable by the Issuer, and (c) any Swap Tax Credits will be credited to the relevant Swap Collateral Account and recorded on the relevant Swap Collateral Ledger.

Amounts standing to the credit of the relevant Swap Collateral Account (including interest, distributions and redemption or sale proceeds thereon or thereof) and recorded on the relevant Swap Collateral Ledger will not be available for the Issuer or the Security 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**"), and **provided further that** if the Swap Collateral Account Priority of Payments and any of the Priorities of Payments are to be operated on the same date, the Swap Collateral Account Priority of Payments will be operated prior to any of the Priorities of Payments:

(a) to pay, subject to the terms of the relevant Swap Agreement, to the relevant Swap Counterparty an amount equal to any Swap Tax Credits received by the Issuer;

(b) prior to the designation of an early termination date (as such term is defined in the relevant Swap Agreement, the "**Early Termination Date**") in respect of the relevant Swap Agreement, solely in or towards payment or discharge of any Return Amounts, Interest Amounts and Distributions (each as defined in the relevant Credit Support Annex), on any day, directly to the relevant Swap Counterparty;

(c) following the occurrence of an Early Termination Date in respect of a Swap Agreement where (A) such Early Termination Date has been designated following a Swap Counterparty Default or Swap Counterparty Downgrade Event, and (B) the Issuer enters into a Replacement Swap Agreement in respect of the relevant Swap Agreement on or around the Early Termination Date of such Swap Agreement (and no later than 20 Business Days following such Early Termination Date), on the later of (1) the day on which such Replacement Swap Agreement is entered into, (2) (**provided that** the Cash Manager may apply such amounts on such earlier date (as notified by the Issuer to the Cash Manager) as the Issuer may determine appropriate if the Issuer reasonably believes that the Issuer will not receive the corresponding termination payment from the relevant Swap Counterparty on the relevant due date under the relevant Swap Agreement) the day on which a termination payment (if any) payable to the Issuer has been received, and (3) the day on which any Swap Replacement Premium (if any) payable to the Issuer has been received, in the following order of priority:

    (i) *first*, in or towards payment of any Swap Replacement Premium (if any) payable by the Issuer to the relevant replacement Swap Counterparty in order to enter into the relevant Replacement Swap Agreement with the Issuer with respect to the relevant Swap Agreement being terminated;

    (ii) *second*, in or towards payment of any termination payment due to the relevant outgoing Swap Counterparty; and

(iii) *third*, the surplus (if any) on such day to be transferred to a Transaction Account, to be applied as Funding Note Revenue Portion;

(d) following the occurrence of an Early Termination Date in respect of a Swap Agreement where: (A) such Early Termination Date has been designated otherwise than as a result of one of the events specified at paragraph (c) above, and (B) the Issuer enters into a Replacement Swap Agreement in respect of the relevant Swap Agreement on or around the Early Termination Date of such Swap Agreement (and no later than 20 Business Days following such Early Termination Date), on the later of (1) the day on which such Replacement Swap Agreement is entered into, (2) (**provided that** the Cash Manager may apply such amounts on such earlier date (as notified by the Issuer to the Cash Manager) as the Issuer may determine appropriate if the Issuer reasonably believes that the Issuer will not receive the corresponding termination payment from the relevant Swap Counterparty on the relevant due date under the relevant Swap Agreement) the day on which a termination payment (if any) payable to the Issuer has been received, and (3) the day on which any Swap Replacement 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 relevant outgoing Swap Counterparty;

(ii) *second*, in or towards payment of any Swap Replacement Premium (if any) payable by the Issuer to the relevant replacement Swap Counterparty in order to enter into the relevant Replacement Swap Agreement with the Issuer with respect to the Swap Agreement being terminated; and

(iii) *third*, the surplus (if any) on such day to be transferred to a Transaction Account, to be applied as Funding Note Revenue Portion;

(e) following the occurrence of an Early Termination Date in respect of a Swap Agreement for any reason where the Issuer does not enter, or intend to enter, into a Replacement Swap Agreement within 20 Business Days of such Early Termination Date, then on the date on which the relevant payment is due, in or towards payment of any termination payment due to the relevant outgoing Swap Counterparty; and

(f) following payments of amounts due pursuant to paragraph (e) above, if amounts remain standing to the credit of a Swap Collateral Account, such amounts may be transferred to a Transaction Account, to be applied as Funding Note Revenue Portion, **provided that** for so long as the Issuer does not enter into a Replacement Swap Agreement with respect to the relevant 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 relevant Swap Collateral Account (which will be debited to the relevant Swap Collateral Ledger), equal to the excess of such amount, determined in accordance with the terms of the relevant Swap Agreement, over the amount which would have been paid by the relevant Swap Counterparty to the Issuer on such Swap Payment Date but for the designation of an Early Termination Date under the relevant Swap Agreement, such surplus to be transferred to a Transaction Account, to be applied as Funding Note Revenue Portion; and **provided further that** for so long as the Issuer does not enter into a Replacement Swap Agreement with respect to the relevant Swap Agreement on or prior to the earlier of:

(i) the Calculation Date immediately before the Payment Date on which the Principal Amount Outstanding of all Class A Notes would be reduced to zero (taking into account any Swap Collateral Account Surplus to be applied as Funding Note Revenue Portion on such Payment Date); or

(ii) the day on which an Enforcement Notice is served in accordance with Condition 9 (*Events of Default*); or

(iii) the date on which the Current Balance of the Fixed Rate Mortgage Loans (excluding any Enforced Mortgage Loans) is reduced to zero,

then the amount standing to the credit of such Swap Collateral Account on such day will be transferred to a Transaction Account, to be applied as Funding Note Revenue Portion as soon as reasonably practicable thereafter.

THE CLASS Z VFNS AND THE YBS NOTE

The Issuer has issued the Class Z VFNs and the YBS Note to the VFN Holder on the First Issuance Date. The Class Z VFNs consist of two separate Sub-Classes, namely the Class Z(R) VFN and the Class Z(S) VFN, each as explained below. The Class Z VFNs and the YBS Note are not and will not be listed on the London Stock Exchange plc or admitted to trading on its regulated market.

Form and denomination

The Class Z VFNs and the YBS Note have been issued in definitive form and are represented by Regulation S Individual Note Certificates pursuant to the Trust Deed. The Issuer also maintains a VFN Register, kept on the Issuer's behalf by the VFN Registrar, in which the Class Z VFNs and the YBS Note are registered in the name of the VFN Holder. Transfers of the Class Z VFNs and the YBS Note may be made only through the Register maintained by the Issuer and are subject to the transfer restrictions set out in Condition 1(d) (*Transfers*).

Ranking

The payment of interest due on any Payment Date in respect of the Class Z(R) VFN and the Class Z(S) VFN is subordinated to the payment of interest due on such Payment Date in respect of the Class A Notes of all Series and the YBS Note, with the payment of interest on the Class A Notes and the YBS Note ranking pro rata and *pari passu*.

The payment of interest due on any Payment Date in respect of the Class Z(R) VFN and the Class Z(S) VFN is also subordinated to the replenishment of the Reserve Fund up to the Reserve Fund Required Amount. None of the Class Z VFNs or the YBS Note has the benefit of amounts standing to the credit of the Reserve Fund.

The repayment of principal due on any Payment Date in respect of the Class Z(S) VFN is subordinated to the repayment of principal due on such Payment Date in respect of the Class A Notes.

The repayment of principal due on any Payment Date in respect of the YBS Note (i) prior to service of an Enforcement Notice (for so long as no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing), and (ii) following service of an Enforcement Notice, will rank pro rata and *pari passu* with the repayment of principal on the Class A Notes.

Where an Asset Trigger Event has occurred and/or a Non-Asset Trigger Event is continuing, and **provided that** no action has been taken to enforce the security created by the Issuer under the Transaction Documents, the repayment of principal due on any Payment Date in respect of the YBS Note is subordinated to the repayment of principal on the Class A Notes and the Class Z(S) VFN.

See also the section entitled "Credit Structure and Cashflows" and "Risk Factors – Subordination of other Classes may not protect the Class A Noteholders from all risk of loss".

Class Z VFNs

Each Sub-Class of Class Z VFN has been issued as a separate variable funding note, the Principal Amount Outstanding of which may be increased through further drawdowns from time to time, or may be decreased through:

(a) in the case of the Class Z(R) VFN, being repaid from the Funding Note Revenue Portion in accordance with the Pre-Enforcement Revenue Priority of Payments; or

(b) in the case of the Class Z(S) VFN, being repaid from the Funding Note Principal Portion in accordance with the relevant Pre-Enforcement Principal Priority of Payments (subject to certain conditions as set out in the section entitled "Credit Structure and Cashflows" including, in particular, that the Required Subordination Amount for the Class A Notes is maintained at all times),

or otherwise in accordance with Condition 5 (*Redemption, Purchase and Cancellation*).

Any further drawdown under any Sub-Class of Class Z VFN will be carried out in accordance with, and subject to the conditions set out in, Condition 18 (*Increasing the Principal Amount Outstanding of the VFNs*).

Interest

Each Sub-Class of Class Z VFNs bears interest on its Principal Amount Outstanding from time to time as described in Condition 4 (*Interest*). Interest on each Sub-Class of Class Z VFNs is payable on each Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments.

The YBS Note

The YBS Note was issued to YBS on the First Issuance Date. The YBS Note was issued for one or more of the following purposes:

(a) maintaining the requisite level of ongoing Principal Receipts necessary so as to meet scheduled payments on the Controlled Amortisation Notes and the Cash Accumulation Requirement in respect of Bullet Redemption Notes;

(b) funding all or any part of the Initial Additional Mortgage Portfolio Purchase Price for any Additional Mortgage Portfolios;

(c) funding the purchase of Additional Mortgage Loans and their Related Security in circumstances where the Actual Subordination Amount is greater than the Required Subordination Amount;

(d) complying with the EU Risk Retention Requirements, the UK Risk Retention Requirements and the US Credit Risk Retention Requirements;

(e) application of the drawings thereunder as Available Principal Receipts to effect the redemption of the Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule;

(f) application of the drawings thereunder to effect the redemption of the Class Z(S) VFN in accordance with Condition 5 (*Redemption, Purchase and Cancellation*), subject to maintaining the Required Subordination Amount; and/or

(g) making up for any shortfall caused by any payment holiday feature under the Mortgage Loan granted to Borrowers under the Mortgage Loans in the Mortgage Portfolio,

provided that the Issuer (or the Cash Manager on its behalf) will ensure that the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount.

Minimum YBS Note Amount

The Issuer (or the Cash Manager on its behalf) will ensure that, for so long as any Class A Notes (or any other Notes that are not at all times held by YBS (or its wholly owned affiliates)) or any Class Z VFNs remain outstanding, the Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount.

If the Principal Amount Outstanding of the YBS Note is in excess of the Minimum YBS Note Amount, then:

(a) the YBS Note may, in accordance with the relevant Pre-Enforcement Principal Priority of Payments, be redeemed in an amount such that, following such repayment, Principal Amount Outstanding of the YBS Note is at least equal to the Minimum YBS Note Amount; and/or

(b) YBS may elect to exercise the YBS Note Permitted Repurchase Procedure in order for YBS to repurchase Mortgage Loans and their Related Security from the Issuer, and the proceeds from such repurchase will be applied directly and exclusively towards the repayment of the YBS Note.

In addition, the Issuer may apply the Class A Note Issuance Proceeds (with any costs and expenses associated with such issuance being funded by a drawing made under the Class Z(R) VFN) to redeem the YBS Note, **provided that**:

(a) following such redemption, the Principal Amount Outstanding of the YBS Note would not be less than the Minimum YBS Note Amount; and

(b) the YBS Note Redemption Amount shall not exceed the amount of such Class A Note Issuance Proceeds.

If some or all of the relevant Class A Notes are Retained Class A Notes, then, to the extent that the YBS Note Redemption Amount is less than or equal to the Class A Note Issuance Proceeds, the YBS Note Redemption Amount shall be netted against an amount equal to the Retained Class A Notes. The holder of the YBS Note shall procure that any surplus Class A Note Issuance Proceeds relating to Retained Class A Notes left following such netting are turned over to the Issuer. Any such redemption of the YBS Note shall take place on the Issuance Date in respect of the relevant Class A Notes, and shall occur otherwise than in accordance with any Priority of Payments.

It should be noted that, at any time when the Principal Amount Outstanding of the YBS Note is in excess of the Minimum YBS Note Amount, YBS may, at its discretion, exercise the YBS Note Permitted Repurchase Procedure. For the avoidance of doubt, YBS may exercise the YBS Note Permitted Repurchase Procedure irrespective of whether an Asset Trigger Event has occurred or whether a Non-Asset Trigger Event is continuing and/or an Event of Default has occurred and is continuing.

The Class Z(S) VFN

The Class Z(S) VFN was issued to the VFN Holder on the First Issuance Date.

Required Subordination Amount

The overall Required Subordination Amount for the Programme and each Series of outstanding Class A Notes from time to time will be achieved through the retention by the VFN Holder of the Class Z(S) VFN. The Principal Amount Outstanding under the Class Z(S) VFN at any time is required to be an amount equal to or greater than the Required Subordination Amount.

The Issuer (or the Cash Manager on its behalf) may change the Required Subordination Percentage or the method of computing the Required Subordination Amount, at any time (including, without limitation, on any Issuance Date) without the consent of any Noteholders **provided that**:

- it ensures that the Required Subordination Amount is calculated by reference to the highest Required Subordination Percentage applicable from time to time with respect to all Class A Notes which are outstanding and have not been repaid in full;

- it has obtained a Ratings Confirmation in respect thereof; and

- for so long as any Series and Class of Notes that remain outstanding are Rule 144A Notes, it has obtained an opinion of counsel that for US federal income tax purposes: (i) the change will not adversely affect the tax characterisation as debt of any outstanding Series and Class of Notes that were characterised as debt at the time of their issuance; and (ii) such change will not cause or constitute an event in which gain or loss would be recognised by any holder of such Notes.

If, on any Calculation Date, the Cash Manager determines that a Subordination Deficit has occurred, it will notify the Issuer who in turn will notify the VFN Holder of such occurrence.

Upon receipt of notice of a Subordination Deficit, the VFN Holder will make an offer to advance a Class Z(S) Increase to the Issuer. The Issuer is required to accept any such offer, and the VFN Holder will advance an amount equal to the relevant Class Z(S) Increase to the Issuer on the relevant Payment Date, to be applied by the Issuer on such Payment Date either in payment to the relevant Seller(s) of the Initial Additional Mortgage Portfolio Purchase Price payable for Additional Mortgage Portfolios on such Payment Date or as Available Principal Receipts.

If, on any Calculation Date, the Cash Manager determines that the Actual Subordination Amount is (or will be following the application of Enhanced Available Revenue Receipts and Enhanced Available Principal Receipts on the relevant Payment Date) in excess of the Required Subordination Amount, the Class Z(S) VFN may, in accordance with the relevant Pre-Enforcement Principal Priority of Payments, be repaid on the relevant Payment Date in an amount such that the Actual Subordination Amount is at least equal to the Required Subordination Amount.

The Class Z(R) VFN

The Class Z(R) VFN was issued to the VFN Holder on the First Issuance Date, and may be drawn down for the purposes of paying the start-up expenses of the Issuer and the fees, costs and expenses of the Issuer incurred in connection with the issuance of each Series of Notes, funding and (at the sole discretion of the VFN Holder) replenishing the Reserve Fund, the payment of any upfront swap premium and (at the sole discretion of the VFN Holder), eliminating any debt entries on any Principal Deficiency Sub-Ledger.

Reserve Deficits

If, on any Calculation Date, the Cash Manager determines that:

(a) the amount standing to the credit of the Reserve Fund on such Calculation Date is less than the Reserve Fund Required Amount and there will be insufficient Enhanced Available Revenue Receipts to be applied in accordance with paragraph (d) of the application of the Funding Note Revenue Portion under the Pre-Enforcement Revenue Priority of Payments on the immediately succeeding Payment Date to credit the Reserve Fund to the Reserve Fund Required Amount; or

(b) a Revenue Shortfall will occur on the immediately succeeding Payment Date,

then the Cash Manager will notify the VFN Holder of the amount that the Issuer wishes to draw down under the Class Z(R) VFN, being an amount equal to:

(a) the Reserve Fund Required Amount on such Payment Date; *less*

(b) the amount that will be standing to the credit of the Reserve Fund on such Payment Date after application of Enhanced Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments on such Payment Date,

(the "**Reserve Deficit Drawing**").

Upon receipt of notice of a Reserve Deficit Drawing, the VFN Holder may, at its sole discretion, make an offer to the Issuer to advance a Class Z(R) Increase in an amount up to the Reserve Deficit Drawing.

The Issuer is required to accept any such offer, and the VFN Holder will advance an amount equal to the relevant Class Z(R) Increase to the Issuer on the relevant Payment Date to be applied by the Issuer as Available Revenue Receipts.

Principal Deficiencies

If, on any Calculation Date, the Cash Manager determines that there is a Principal Deficiency, or there will be a Principal Deficiency following the application of available funds in accordance with the relevant Priority of Payments on the immediately succeeding Payment Date, then the Cash Manager will notify the Issuer who will in turn notify the VFN Holder.

Upon receipt of notice of a Principal Deficiency, the VFN Holder may, at its sole discretion, make an offer to the Issuer to advance an amount under the Class Z(R) VFN up to an amount equal to the Principal Deficiency.

The Issuer is required to accept any such offer, and the VFN Holder will advance an amount equal to the relevant Class Z(R) Increase to the Issuer on the relevant Payment Date.

CASH MANAGEMENT

The material terms of the Cash Management Agreement, the Account Bank Agreements, the Custody Agreement and the Swap Collateral Custody Agreement are summarised in this section. The summary does not purport to be complete and it is subject to the provisions of the Cash Management Agreement, the Account Bank Agreements, the Custody Agreement and the Swap Collateral Custody Agreement.

Cash Management Agreement

Pursuant to the terms of the Cash Management Agreement, the Cash Manager has been appointed to provide cash management services to the Issuer.

Cash Management Services

The Cash Manager's duties include, but are not limited to:

(a) maintaining the following ledgers on behalf of the Issuer:

(i) the Principal Ledger, which will record Principal Receipts received by the Issuer;

(ii) the Revenue Ledger, which will record Revenue Receipts received by the Issuer;

(iii) the relevant Cash Accumulation Ledgers which will record the Principal Receipts accumulated by the Issuer to repay the relevant Bullet Redemption Amounts;

(iv) the Profit Ledger, which will record all amounts retained by the Issuer as profit on each Payment Date;

(v) the Reserve Ledger, which will record the amount credited to the Reserve Fund from time to time, and subsequent withdrawals from and deposits to the Reserve Fund;

(vi) the Interest Provision Ledger, which will record amounts credited to the Interest Provision Fund from time to time, and subsequent withdrawals from the Interest Provision Fund to be applied as Available Revenue Receipts;

(vii) the Principal Provision Ledger, which will record amounts credited to the Principal Provision Fund from time to time, and subsequent withdrawals from the Principal Provision Fund to be applied as Enhanced Available Principal Receipts;

(viii) the Excess Principal Ledger, which will record amounts standing to the credit of the Excess Principal Fund at any time and on a FIFO basis, for a period of 18 months or more, where that period starts on the date on which such amounts were first so recorded and the date of any withdrawals from and deposits into the Excess Principal Fund;

(ix) the Principal Deficiency Ledger (to be divided into Funding Principal Deficiency Sub-Ledgers and the YBS Note Principal Deficiency Sub-Ledger) which will record, among other things, any Losses on the Mortgage Loans in the Mortgage Portfolio together with the application of any Enhanced Available Principal Receipts in respect of any Revenue Shortfall; and

(x) the relevant Swap Collateral Ledgers which will record all payments, deliveries, transfers and receipts in connection with Swap Collateral in respect of any Swap Agreement;

(b) making the following determinations on each Calculation Date:

(i) the amount of Enhanced Available Revenue Receipts and Enhanced Available Principal Receipts to be applied on the relevant Payment Date;

(ii) the Principal Amount Outstanding of each Series and Class of Notes;

(iii) the amounts to be applied in accordance with each Priority of Payments on the relevant Payment Date;

(iv) the Interest Provision Fund Required Amount and the Principal Provision Fund Required Amount;

(v) whether any Series of Bullet Redemption Notes is in a Cash Accumulation Period, along with the Cash Accumulation Requirement, the Pass-Through Redemption Allocation and the Controlled Amortisation Allocation;

(vi) the Actual Subordination Amount and the Required Subordination Amount and any amounts that may be repaid in respect of the Sub-Classes of Class Z VFNs;

(vii) the Reserve Fund Required Amount;

(viii) whether a Revenue Shortfall will exist on the relevant Payment Date;

(ix) whether the Excess Principal Fund Threshold Event has occurred; and

(x) such other amounts as are expressed to be calculations and determinations made by the Cash Manager under the Transaction Documents and the Conditions;

(c) investing sums standing to the credit of the Transaction Accounts, in Authorised Investments as described in the section entitled "Credit Structure and Cashflows – General Credit Structure – Authorised Investments";

(d) making withdrawals from the Reserve Fund as and when required;

(e) applying Enhanced Available Revenue Receipts and Enhanced Available Principal Receipts in accordance with the relevant Priority of Payments;

(f) (on the basis of the information provided by the Servicer) pay the Relevant Seller ERC Deferred Consideration to each Seller on each Payment Date, provided that such amount will not be paid in accordance with the Priority of Payments and will not form part of Revenue Receipts or Enhanced Available Revenue Receipts;

(g) administering Further Advances under the Class Z VFNs and YBS Note; and

(h) preparing and providing to the Issuer, the Security Trustee and the Rating Agencies, the Investor Report and the Loan Level Report.

For details of the cashflows applicable to the Programme, see the section entitled "Credit Structure and Cashflows".

Reporting

The Cash Manager will make available electronically, through its website at https://www.ybs.co.uk/your-society/treasury/funding-programmes the Investor Report and the Loan

Level Report within one month of each Payment Date to the Issuer, the Servicer, the Note Trustee, the Security Trustee and the Rating Agencies. The Cash Manager will make available the Investor Report and the Loan Level Report on the UK Securitisation Repository and the EU Reporting Website.

The Cash Manager will report any change in the Priority of Payments that will materially adversely affect the repayment of the Notes without undue delay to the extent required under Article 21(9) of the EU Securitisation Regulation and/or Article 21(9) of the EU Securitisation Regulation and/or the UK Securitisation Framework and SECN 2.2.23R in particular, as provided for in the Cash Management Agreement.

Compensation of Cash Manager

The Cash Manager is paid an annual fee for its services which is required to be paid in equal instalments monthly in arrear on a Payment Date. In addition, the Cash Manager is entitled to be indemnified for any expenses or other amounts properly incurred by it in carrying out its duties. The fees, expenses and other amounts are required to be paid by the Issuer in accordance with and subject to the terms of the relevant Priority of Payments, prior to the payment of amounts due in respect of the Notes.

Resignation of Cash Manager

The Cash Manager is entitled to resign only on giving 90 days' prior written notice to the Issuer and the Security Trustee **provided that**:

- a substitute Cash Manager has been appointed and a new Cash Management Agreement is entered into on terms substantially the same as the Cash Management Agreement and the rights of the Issuer under such agreement are assigned by way of security in favour of the Security Trustee; and

- a Ratings Confirmation is received in respect of the replacement.

Termination of appointment of Cash Manager

The Issuer (with the prior written consent of the Security Trustee) or (following delivery of an Enforcement Notice) the Security Trustee is entitled, upon written notice to the Cash Manager, to terminate its appointment as Cash Manager immediately on, or at any time after, the occurrence of certain events, including:

- the Cash Manager defaults in the payment of any amount due and such default is not waived by the Issuer (with the prior written consent of the Security Trustee), and the Cash Manager fails to remedy such default for a period of five Business Days after the earlier of the Cash Manager becoming aware of the default and receiving a written notice of such default from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee;

- the Cash Manager fails to comply with any of its other obligations under the Cash Management Agreement, and such failure to comply is not waived by the Issuer (in each case, with the prior written consent of the Security Trustee), and in the opinion of the Security Trustee, acting in accordance with the direction of the Note Trustee, such failure is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and does not remedy that failure within 30 Business Days after the earlier of becoming aware of the failure and receiving written notice from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee; or

- the Cash Manager suffers an Insolvency Event.

Upon termination of the appointment of the Cash Manager, the Issuer is required to use its reasonable endeavours to procure the appointment of a substitute Cash Manager. Any such substitute Cash Manager will be required to enter into an agreement on substantially the same terms as the provisions of the Cash Management Agreement and any appointment is conditional upon receipt of a Ratings Confirmation.

If the appointment of the Cash Manager is terminated or it resigns, the Cash Manager is required to deliver its books of account relating to the Mortgage Loans in the Mortgage Portfolio to or at the direction of the Issuer or (following delivery of an Enforcement Notice) the Security Trustee. The Cash Management Agreement will terminate automatically when the Issuer has no further interest in the Mortgage Portfolio and all indebtedness of the Issuer has been repaid or otherwise discharged.

Governing law

The Cash Management Agreement is and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

Account Bank Agreements and Bank Accounts

Pursuant to the terms of the Account Bank Agreements the Issuer will maintain the Bank Accounts.

Transaction Accounts

As at the Programme Date, the Issuer holds the Transaction Accounts with the First Account Bank and the Second Account Bank pursuant to the terms of the First Account Bank Agreement and the Second Account Bank Agreement, respectively. The Issuer may, from time to time after the Programme Date, hold additional Transaction Accounts with Account Banks.

The Issuer is required to credit all Revenue Receipts and all Principal Receipts and all other amounts received by it in connection with the Mortgage Portfolio and the Transaction Documents into either Transaction Account at its discretion, subject to the limitation described under "Transfers between the First Transaction Account and the Second Transaction Account" below.

In connection with any payment to be made by or on behalf of the Issuer from amounts standing to the credit of the Transaction Accounts, the Issuer may apply amounts standing to the credit of one or all of the Transaction Accounts at its discretion. In addition, subject to the limitation described under "Transfers between the First Transaction Account and the Second Transaction Account" below, the Issuer (or the Cash Manager on its behalf) may at any time and at its sole discretion transfer amounts between the First Transaction Account, the Second Transaction Account and any other Transaction Account established in the name of the Issuer in accordance with the Cash Management Agreement and the Deed of Charge.

Transfers between the First Transaction Account and the Second Transaction Account

As outlined below, if the First Transaction Account Bank fails to satisfy the required Account Bank Minimum Required Rating, the Issuer may continue to operate the Transaction Accounts held with the First Account Bank for any purpose other than to maintain any of the Excess Principal Ledger, the Cash Accumulation Ledger and/or the Reserve Ledger (and, where the Note Payment Dates in respect of any Class A Notes that are then outstanding are less frequent than quarterly, the Interest Provision Ledger and the Principal Provision Ledger) maintained on the Transaction Accounts held with the First Account Bank (collectively, the "**Affected Ledgers**"), but must move any amounts recorded to any Affected Ledgers to a replacement transaction account opened with a financial institution that complies with the required Account Bank Minimum Required Rating. This replacement financial institution could (depending on its rating at the time) include the Second Account Bank.

Additionally, where the Second Account Bank fails to satisfy the required Account Bank Minimum Required Rating, the Issuer will be required to move any amounts held with the Second Account Bank to a replacement transaction account opened with a financial institution that complies with the required Account Bank Minimum Required Rating. This replacement financial institution could (depending on its rating at the time) include the First Account Bank.

Liquidation of Authorised Investments

If the Cash Manager determines that, on any Payment Date, after taking into account the amounts of cash already standing to the credit of the Transaction Accounts, there are insufficient funds to meet the Issuer's obligations on such Payment Date (the amount by which such funds are insufficient being a "**Cash Shortfall**"), the Cash Manager may liquidate any Authorised Investments in an amount necessary to make up for such Cash Shortfall. The Cash Manager will deposit the proceeds of such liquidation of Authorised Investments into one or more Transaction Accounts, and such proceeds will be added to the relevant cash amounts standing to the credit of such Transaction Accounts, and will be applied in accordance with the relevant Priority of Payments.

Downgrade and replacement of the First Account Bank

Pursuant to the terms of the First Account Bank Agreement, where the First Account Bank fails to satisfy the required Account Bank Minimum Required Rating, the Issuer will be required to move any amounts recorded to any of the Affected Ledgers to a replacement transaction account opened with a financial institution that complies with the required Account Bank Minimum Required Rating (which can be, for the avoidance of doubt, the Second Account Bank), and record the relevant amounts on ledgers corresponding to the Affected Ledgers maintained with such replacement financial institution.

Alternatively, the First Account Bank may obtain a guarantee in support of its obligations under the relevant Account Bank Agreement or take such other actions as may be reasonably requested by the parties to the First Account Bank Agreement (other than the Security Trustee) to ensure that the rating of the Class A Notes immediately prior to the breach is not adversely affected by the breach.

Where the First Account Bank fails to satisfy the required Account Bank Minimum Required Rating, the Issuer (or the Cash Manager on its behalf) may continue to operate the Transaction Accounts held with the First Account Bank for any purpose other than to maintain the Affected Ledgers.

Downgrade of the Second Account Bank

Pursuant to the terms of the Second Account Bank Agreement, if the Second Account Bank fails to satisfy the required Account Bank Minimum Rating the Bank Accounts held with the Second Account Bank will be required to be transferred from the Second Account Bank to a replacement transaction account opened with a financial institution that complies with the required Account Bank Minimum Required Rating.

Account Bank Minimum Required Rating

The "**Account Bank Minimum Required Rating**" will be the minimum short-term or long-term rating requirements of the Relevant Rating Agencies specified in the table below, as updated from time to time (other than in the case of S&P, as to which see immediately below):

Rating	S&P	Fitch	Moody's	DBRS
Long-term (or, in the case of Fitch only, deposit rating, if assigned)	A	A	A3	DBRS Equivalent Rating
Short-term	A-1	F1	P-1	DBRS Equivalent Rating

Where any of the Account Banks is rated by S&P, the Account Bank Minimum Required Rating shall include both short-term unsecured, unguaranteed and unsubordinated debt rating of at least A-1 by S&P (if a short-term unsecured, unguaranteed and unsubordinated debt rating is assigned by S&P) and a long-term unsecured, unguaranteed and unsubordinated debt rating of at least A by S&P. Should the relevant Account Bank not benefit from a short-term unsecured, unguaranteed and unsubordinated debt rating of at least A-1 from S&P, the Account Bank Minimum Required Rating will be a long-term unsecured, unguaranteed and unsubordinated debt rating of at least A+ by S&P.

Governing law

The Account Bank Agreements and all non-contractual obligations arising out of or in connection with them are governed by and construed in accordance with English law.

The Swap Collateral Account Bank Agreement

Pursuant to the terms of the Swap Collateral Account Bank Agreement entered into on or about the Programme Date between, among others, the Issuer, the Security Trustee and the Swap Collateral Account Bank, the Issuer will open one or more Swap Collateral Accounts with the Swap Collateral Account Bank.

The Issuer will deposit in the relevant Swap Collateral Account any cash collateral which is required to be paid by a Swap Counterparty to the Issuer in accordance with the terms of the relevant Swap Agreement. The Swap Collateral Account Bank will be required to maintain the required Account Bank Minimum Required Ratings.

Governing law

The Swap Collateral Account Bank Agreement and all non-contractual obligations arising out of or in connection with it is governed by and construed in accordance with English law.

Custody Agreement and the Custody Accounts

Pursuant to the terms of the Custody Agreement entered into on or about the Programme Date between, among others, the Issuer, the Security Trustee and the Custodian, the Issuer will open one or more Custody Accounts with the Custodian.

The Issuer will deposit in the Custody Account any Authorised Investments held as securities.

Pursuant to the terms of the Custody Agreement, the Custodian will be required to hold the required Account Bank Minimum Required Rating.

Governing law

The Custody Agreement and all non-contractual obligations arising out of or in connection with it is governed by and construed in accordance with English law.

Swap Collateral Custody Agreement and the Swap Collateral Custody Accounts

Pursuant to the terms of the Swap Collateral Custody Agreement entered into on or about the Programme Date between, among others, the Issuer, the Security Trustee and the Custodian, the Issuer will open one or more Swap Collateral Custody Accounts with the Custodian.

The Issuer will deposit in the Swap Collateral Custody Account any Swap Collateral held as securities.

Pursuant to the terms of the Swap Collateral Custody Agreement, the Custodian will be required to hold the required Account Bank Minimum Required Rating.

Governing law

The Swap Collateral Custody Agreement and all non-contractual obligations arising out of or in connection with it is governed by and construed in accordance with English law.

THE SWAP AGREEMENTS

The following section describes, in summary, the material terms of the Interest Rate Swap Agreements and the Currency Swap Agreements and each Swap. The description does not purport to be complete and is subject to the provisions of each of the Swap Agreements.

The Interest Rate Swap Agreements

The Issuer has entered on the First Issuance Date, and will be required to enter, on each subsequent Issuance Date on which any further Series of Class A Notes which are Floating Rate Notes are issued, into one or more Interest Rate Swap Agreements and Interest Rate Swaps thereunder with respect to, in respect of each Swap Calculation Period under such Interest Rate Swaps, the product of (a) the Current Balance of the Fixed Rate Mortgage Loans (as determined in accordance with the terms of the relevant Interest Rate Swap) as at the relevant Monthly Calculation Date sold to the Issuer under the relevant Mortgage Sale Agreement and the Performance Ratio multiplied by (b) the then Swap Funding Note Percentage. Fixed Rate Mortgage Loans will pay a fixed rate of interest for a period of time. The purpose of each Interest Rate Swap is to mitigate the Issuer's interest rate risk with respect to the Fixed Rate Mortgage Loans and to provide for the Issuer on each Swap Payment Date to receive from the relevant Interest Rate Swap Counterparty amounts which will enable it to meet interest payments due on certain Notes. In return for such amounts, the Issuer will pay to the relevant Interest Rate Swap Counterparty amounts based on the rates of interest on the relevant portfolio of Fixed Rate Mortgage Loans in the Mortgage Portfolio (provided that where some or all of the initial Calculation Period pre-dates the issuance of the relevant Notes, the fixed rate for the initial Swap Calculation Period under a relevant Interest Rate Swap may be as agreed between the parties). Each Interest Rate Swap will properly mitigate the interest rate risk present in the transaction in the context of the Notes.

The notional amount under each Interest Rate Swap will be recalculated on a monthly basis. Where some or all of the initial Calculation Period pre-dates the issuance of the relevant Notes, the notional amount for the initial Swap Calculation Period under a relevant Interest Rate Swap may be as agreed between the parties.

If a payment is to be made by any Interest Rate Swap Counterparty pursuant to the terms of any Interest Rate Swap, that payment will be included by the Issuer (or the Cash Manager on its behalf) in the Funding Note Revenue Portion on its receipt from such Interest Rate Swap Counterparty and will be applied on the relevant Payment Date according to the relevant Priority of Payments. If a payment is to be made by the Issuer pursuant to the terms of any Interest Rate Swap, it will be made according to the relevant Priority of Payments.

In the event that any Interest Rate Swap terminates prior to the delivery by the Note Trustee of an Enforcement Notice to the Issuer or the latest occurring Final Maturity Date of the relevant Note, the Issuer will be required to use its reasonable efforts to enter into a replacement Interest Rate Swap specified in the relevant Interest Rate Swap Agreement.

Pursuant to the terms of each Interest Rate Swap Agreement, in the event that the rating of the respective Interest Rate Swap Counterparty (or any guarantor of any Interest Rate Swap Counterparty) is downgraded by a Relevant Rating Agency below the rating(s) specified in the relevant Interest Rate Swap Agreement (in accordance with the requirements of the Relevant Rating Agencies) and, where applicable, the then-current ratings of the Notes by the Relevant Rating Agencies would or may, as applicable, be adversely affected as a result of the downgrade, that Interest Rate Swap Counterparty will, as a result of the downgrade, be required to take certain remedial measures. Such measures may include providing collateral for its obligations under the relevant Interest Rate Swap, arranging for its rights and obligations under the relevant Interest Rate Swap Agreement to be transferred to an entity with the ratings required by the Relevant Rating Agencies, procuring another entity with the ratings required by the Relevant Rating Agencies to become a co-obligor in respect of, or guarantor of, its

obligations under the relevant Interest Rate Swap Agreement or taking such other action as may be agreed with the Relevant Rating Agencies. A failure to take such steps will allow the Issuer to terminate such Interest Rate Swap, **provided that** in connection with certain termination events where the Issuer is entitled to designate an Early Termination Date (as defined in the relevant Interest Rate Swap Agreement) and there is a payment due to that Interest Rate Swap Counterparty, the Issuer may only designate such an Early Termination Date if it has found a replacement Interest Rate Swap Counterparty.

The Currency Swaps

To protect the Issuer against certain interest rate and/or currency risks in respect of amounts received by the Issuer in respect of the Mortgage Portfolio and amounts payable by the Issuer under each Series and Class of Notes, the Issuer will, on the Issuance Date for a Series and Class of Notes (and where it is required to hedge such risks) enter into a Currency Swap Agreement with the relevant Currency Swap Counterparty. The Currency Swap will cover a major share of the currency risk present in the transaction in the context of any Series of Notes with a specified currency other than Sterling and therefore the risk is properly mitigated.

Pursuant to the terms of a Currency Swap entered into in respect of a Series and Class of Notes:

(a) the Issuer will be scheduled to pay to the relevant Currency Swap Counterparty:

(i) where such Notes have been issued in a specified currency other than Sterling:

- on the applicable Issuance Date, an amount in the specified currency equal to the proceeds of the issue of such Notes; and

- on each Note Payment Date in respect of such Notes, an amount in Sterling equivalent to the principal payment (in the specified currency) to be made on such Series and Class of Notes on that Note Payment Date, such amount to be calculated by reference to the relevant Specified Currency Exchange Rate; and/or

(ii) on each Payment Date, an amount in Sterling calculated by applying the applicable interest rate as specified in the Currency Swap Agreement to the Principal Amount Outstanding of such Notes (or, as applicable, its Sterling Equivalent); and

(b) the relevant Currency Swap Counterparty will be scheduled to pay to the Issuer:

(i) where such Notes have been issued in a Specified Currency other than Sterling:

- on the applicable Issuance Date, an amount in Sterling Equivalent to the proceeds of the issue of such Notes, converted from the Specified Currency into Sterling at the specified currency swap rate;

- on each Note Payment Date in respect of such Notes, an amount in the Specified Currency equal to the principal payments to be made on the relevant Series and Class of Notes on that Note Payment Date; and/or

(ii) on each Note Payment Date in respect of such Notes, an amount in the Specified Currency equal to the interest to be paid in the Specified Currency on such Notes on that Note Payment Date.

Pursuant to the terms of the Currency Swap Agreements, the Currency Swap Counterparties have been directed by the Cash Manager to make all payments of interest and principal due and payable in respect of the Notes on each Note Payment Date directly to the Principal Paying Agent until instructed otherwise.

In order to allow for the effective currency amount of each Currency Swap to amortise at the same rate as the relevant Series and Class of Notes, each Currency Swap Agreement will provide that, as and when the Notes amortise, a corresponding portion of the currency amount of the relevant Currency Swap will amortise. Pursuant to each Currency Swap Agreement, any portion of Currency Swap so amortised will be swapped from Sterling into US Dollars at the relevant US Dollar currency exchange rate, into Euro at the Euro currency exchange rate or into such other relevant Specified Currency at the relevant Specified Currency Exchange Rate, as applicable.

In the event that a Currency Swap is terminated prior to the delivery by the Note Trustee of an Enforcement Notice to the Issuer or the Final Maturity Date in respect of the applicable Series and Class of Notes (and where such Notes have not been repaid in full), the Issuer will be required to use its reasonable efforts to enter into a replacement Currency Swap in respect of such Notes. Any replacement Currency Swap must be entered into on terms specified in the relevant Currency Swap Agreement.

Pursuant to the terms of each Currency Swap Agreement, in the event that the relevant rating of the relevant Currency Swap Counterparty (or any guarantor of that Currency Swap Counterparty) is downgraded by a Relevant Rating Agency below the rating(s) specified in the relevant Currency Swap Agreement (in accordance with the requirements of the Rating Agencies) and, where applicable, the then-current ratings of the Notes would or may, as applicable, be adversely affected as a result of the downgrade, such Currency Swap Counterparty will be required to take certain remedial measures. Such measures may include providing collateral for its rights and obligations under the relevant Currency Swap Agreement, arranging for its obligations under the relevant Currency Swap Agreement to be transferred to an entity with the ratings required by the Relevant Rating Agencies, procuring another entity with the ratings required by the Relevant Rating Agencies to become a co-obligor in respect of, or guarantor of, its obligations under the relevant Currency Swap Agreement or taking such other action as may be agreed with the Relevant Rating Agencies. A failure to take such steps will allow the Issuer to terminate the relevant Currency Swap, **provided that** in connection with certain termination events where the Issuer is entitled to designate an Early Termination Date (as defined in the relevant Currency Swap Agreement) and there is a payment due to the relevant Currency Swap Counterparty, the Issuer may only designate such an early termination date if it has found a replacement Currency Swap Counterparty.

Termination of the Swaps

A Swap may also be terminated on the occurrence of certain other Swap Early Termination Events which may include, but will not be limited to, the following:

- at the option of one party to the Swap, if there is a failure by the other party to pay any amounts due and payable pursuant to the terms of the Swap Agreement. Certain amounts may be due but not payable pursuant to the terms of the Swap Agreement as described below under the section entitled "Limited recourse and swap payment obligation";

- delivery of an Enforcement Notice;

- if withholding taxes are imposed on payments under the relevant agreement due to a change in law (as described below under "**Taxation**"); and

- upon the occurrence of certain insolvency events in relation to any of the parties to a Swap Agreement (or, in the case of the Swap Counterparty, its credit support provider, if applicable)

or the merger of a party (or its credit support provider, if applicable) without an assumption of the obligations under the Swaps or the relevant credit support document (as the case may be), or changes in law resulting in the obligations of one of the parties to a Swap Agreement (or, in the case of the Swap Counterparty, its credit support provider, if applicable) becoming illegal.

Upon the occurrence of a Swap Early Termination Event pursuant to the terms of any Swap Agreement, the Issuer or the relevant Swap Counterparty may be liable to make a Swap Termination Payment to the other. This Swap Termination Payment in respect of an Interest Rate Swap Agreement will be calculated and made in Sterling, with the Swap Termination Payment in respect of a Currency Swap Agreement being calculated and made in the relevant Non-Sterling currency to which such Currency Swap Agreement relates. The amount of any Swap Termination Payment is expected to be based on the market value of the terminated swap based on market quotations of the cost of entering into a swap with the same terms and conditions that would have the effect of preserving the respective full payment obligations of the parties (or based upon loss in the event that no market quotation can be obtained). Any such Swap Termination Payment could be substantial.

Following termination of any Swap as a result of a Swap Counterparty default with respect to the relevant Swap Counterparty, where a Swap Termination Payment becomes due from the Issuer to the relevant Swap Counterparty, such payment will be made by the Issuer only after paying interest amounts due on the Notes and replenishing the Principal Deficiency Ledger.

However, following termination of any Swap as a result of a default by the Issuer with respect to the relevant Swap Counterparty:

(a) any Swap Termination Payment due by the Issuer under the relevant Interest Rate Swap Agreement will rank in priority to payments due on the Notes. Any additional amounts required to be paid by the Issuer following the termination of the relevant Interest Rate Swap (including any extra costs incurred (for example, from entering into other hedging transactions) if the Issuer cannot immediately enter into a replacement swap), will also rank in priority to payments due on the Notes; and

(b) any Swap Termination Payment due by the Issuer under a Currency Swap will rank equally with payments due on the Class A Notes. Any additional amounts required to be paid by the Issuer following termination of the relevant Currency Swap (including any extra costs incurred (for example, from entering into other hedging transactions) if the Issuer cannot immediately enter into a replacement swap), will also rank equally with payments due on the Class A Notes.

The payment by the Issuer of Swap Termination Payments due to the relevant Swap Counterparty may affect the funds available to pay amounts due to Noteholders (see the section entitled "Risk Factors – Swap Termination Payments may adversely affect the funds available to make payments on the Notes").

The Issuer will be required to use commercially reasonable endeavours to find a replacement Swap Counterparty. If the Issuer receives a Swap Termination Payment from a Swap Counterparty, then the Issuer may be required to use those funds towards meeting its costs in effecting applicable hedging transactions until a replacement Swap is entered into and/or to acquire a replacement Swap. Noteholders will not receive extra amounts (over and above interest and principal payable on the Notes) as a result of the Issuer receiving a Swap Termination Payment.

Taxation

The Issuer will not be obliged under any of the Swaps to gross up payments made by the Issuer if withholding taxes are imposed on payments to be made pursuant to the Swap Agreements. Each Interest Rate Swap Counterparty will be obliged under the relevant Interest Rate Swap Agreement to gross up payments made by such Interest Rate Swap Counterparty if withholding taxes are imposed on payments

to be made pursuant to the relevant Interest Rate Swap Agreement. If withholding taxes are imposed on payments made under the relevant Interest Rate Swap Agreement, the affected Interest Rate Swap Counterparty may have the right to terminate its applicable Interest Rate Swap.

The relevant Currency Swap Counterparty will always be obliged to gross up payments made by it to the Issuer if withholding taxes are imposed on payments made under the applicable Currency Swap. If withholding taxes are imposed on payments made under the Currency Swap Agreement, the affected Currency Swap Counterparty may have the right to terminate its applicable Currency Swap.

Limited recourse and swap payment obligation

On any scheduled payment date in respect of a Currency Swap, the Issuer will only be obliged to pay an amount to the relevant Swap Counterparty in respect of a Swap Agreement to the extent that it has sufficient funds available subject to and in accordance with the relevant Priority of Payments, and the relevant Swap Counterparty will only be obliged to pay to the Issuer an amount that is proportionate to the amount of the related payment(s) that it has received from the Issuer on or prior to that scheduled payment date.

SECURITY FOR THE ISSUER'S OBLIGATIONS

Deed of Charge

To provide security for its obligations under the Notes and the other Programme Documents, the Issuer entered into the Deed of Charge with, inter alios, the Security Trustee. A summary of the material terms of the Deed of Charge is set out below. The summary does not purport to be complete and is subject to the provisions of the Deed of Charge.

Security

The Issuer has granted the following security to be held by the Security Trustee for itself and on trust for the benefit of the Secured Creditors (which definition includes the Noteholders):

- a first fixed charge over all of the Issuer's right, title, interest and benefit, present and future, in, to and under the Mortgage Portfolio in respect of the English Mortgage Loans and their Related Security and all other related rights under the same;

- an assignment by way of first fixed security of the Issuer's right, title, interest, benefit and interest, present and future, in, to and under each of the Transaction Documents to which it is a party (but excluding all of the Issuer's right, title, interest and benefit in the Deed of Charge, any Scottish Declaration of Trust, any Scottish Supplemental Charge and any Scottish Sub-Security (and, in respect of the Swap Agreements, after giving effect to all applicable netting and set-off provisions therein));

- a first fixed charge over the Issuer's right, title, interest and benefit in each Transaction Account, each Custody Account, each Swap Collateral Account and each other account (if any) of the Issuer and all amounts or securities standing to the credit of those accounts (including all interest or other income or distributions earned on such amounts or securities) and the debts represented by them, together with all rights and claims relating or attached thereto including, without limitation, the right to interest and the proceeds of any of the foregoing;

- a first fixed charge over the Issuer's right, title, benefit and interest, present and future in, to and under all Authorised Investments made by or on behalf of the Issuer (including all interest and other income or distributions paid or payable on such investments), any Swap Collateral in the form of securities from time to time being owned by the Issuer and all rights in respect of or ancillary to such Authorised Investments and such Swap Collateral, including the right to income, distributions and the proceeds of any of the foregoing;

- an assignment by way of first fixed security of the Issuer's right, title, interest and benefit in any Insurance Policies;

- an assignation in security in respect of the Issuer's right, title and interest in the Scottish Mortgage Loans and their Related Security (comprising the Issuer's beneficial interest under each Scottish Declaration of Trust); and

- a first floating charge over all the assets and undertaking of the Issuer which are not otherwise effectively subject to a fixed charge or assignment by way of security as described in the preceding paragraphs (and also extending over all of the Issuer's property, assets and undertaking situated in Scotland or governed by Scots law, whether or not effectively charged or assigned by way of security as aforesaid).

Security which is expressed to be fixed in nature may take effect as floating security depending on the degree of control which the secured party is given over the relevant assets and the degree to which such

secured party exercises such control. See the section entitled further "Risk Factors – Fixed charges may take effect under English law as floating charges".

Scots law does not recognise any equivalent concept of fixed charges taking effect as floating charges, as described above in relation to English law.

In relation to each Scottish Declaration of Trust entered into after the Programme Date in respect of any Scottish Mortgage Loans and their Related Security comprised in an Additional Mortgage Portfolio, the Issuer will grant a Scottish Supplemental Charge in favour of the Security Trustee.

Secured Creditors

Each Secured Creditor has agreed that, on each occasion that the Issuer issues a Series and Class of Notes, it will execute any deed of accession and any other additional agreement that may be required in relation to such issuance and take such other action as may be necessary or required by the Rating Agencies or otherwise to take into account the terms of that Series and Class of Notes.

As a condition precedent to any Series of Notes issued under the Programme, any new Secured Creditor will be required to accede to the terms of the Deed of Charge by executing an accession undertaking.

Upon:

(a) the issuance of any Series and Class of Notes, any new Currency Swap Counterparties, where relevant; or

(b) the Issuer entering into a new or replacement Interest Rate Swaps and Interest Rate Swap Agreements with a new or replacement Interest Rate Swap Counterparty, the new or replacement Interest Rate Swap Counterparty,

may be required to enter into deeds of accession or supplemental deeds in relation to the Deed of Charge.

Each Secured Creditor (other than the Security Trustee) agrees that if any amount is received by it (including by way of set-off) in respect of any secured obligation owed to it other than in accordance with the provisions of the Deed of Charge, then an amount equal to the difference between the amount so received by it and the amount that it would have received had it been paid in accordance with the provisions of the Deed of Charge, will be received and held by it as trustee (except in the case of the Agents, the Account Banks and the Custodian which will hold such funds as banker and to the order of the Security Trustee) for the Security Trustee and will be paid over to the Security Trustee (or as the Security Trustee may direct) immediately upon receipt so that such amount can be applied in accordance with the provisions of the Deed of Charge.

Enforcement

The Security will become enforceable following the delivery by the Note Trustee of an Enforcement Notice to the Issuer. No provision of the Deed of Charge requires automatic liquidation upon default.

For the avoidance of doubt, YBS may exercise the YBS Note Permitted Repurchase Procedure at any time both prior to and following delivery by the Note Trustee of an Enforcement Notice to the Issuer.

Conflicts

The Deed of Charge contains provisions which require the Security Trustee, while any Notes issued by the Issuer are outstanding, to act only at the direction of the Note Trustee. Pursuant to the provisions of the Trust Deed, if in the sole opinion of the Note Trustee, there may be a conflict as, among

Noteholders, the Note Trustee is required to have regard to the interests of the Class of Noteholders with the highest-ranking Notes only. If there is a conflict between the interests of the Class A Noteholders of one Series, Class or Sub-Class of Class A Notes and the Class A Noteholders of another Series, Class or Sub-Class of Class A Notes, or, in the case of the VFN Holder, a conflict between the VFN Holder of the different Sub-Classes of Class Z VFNs then a resolution directing the Note Trustee to take any action will be deemed to have been duly passed only if passed at separate meetings of the holders of each Series of Class A Notes or, as applicable, each Sub-Class of the VFNs subject to the conflict.

If there is a conflict of interest between the interests of the Noteholders of one Sub-Class of Notes of a Series and the Noteholders of another Sub-Class of Notes of the same Class and Series, then a resolution directing the Note Trustee to take any action will be deemed to have been duly passed only if passed at separate meetings of the holders of such Sub-Classes of Notes.

In all cases, the Security Trustee will only be obliged to act if it is indemnified and/or secured and/or prefunded to its satisfaction.

For more information on how conflicts between Noteholders are resolved, see Condition 11 (*Meetings of Noteholders, modifications and waiver*).

No enforcement by Secured Creditors

Pursuant to the terms of the Deed of Charge, each of the Secured Creditors (other than the Security Trustee and the Note Trustee acting on behalf of the Noteholders) has agreed that: (i) only the Security Trustee may enforce the security created by the Deed of Charge; and (ii) it will not take steps directly against the Issuer to recover amounts owing to it by the Issuer unless the Security Trustee has become bound to enforce the Security but has failed to do so within 30 days of becoming so bound.

Fees, expenses and indemnity

The Issuer is required to:

- pay to the Security Trustee a fee of such amount and on such dates as will be agreed from time to time by the Security Trustee and the Issuer;

- reimburse the Security Trustee for all costs and expenses properly incurred by it in acting as Security Trustee; and

- indemnify the Security Trustee and its directors, officers, agents and employees in respect of all Liabilities to which it (or any person appointed by it under or pursuant to the Deed of Charge) may be or become liable or which may be properly incurred by it (or any such person as aforesaid) in the execution or purported execution of any of its trusts, powers, authorities and discretions under or pursuant to the Deed of Charge or its functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to the Deed of Charge and any of the other Transaction Documents to which the Security Trustee is a party save where the same arises as a result of the fraud, gross negligence or wilful default of the Security Trustee.

Retirement and removal

Subject to the appointment of a successor Security Trustee, the Security Trustee may retire after giving three months' notice in writing to the Issuer, without giving any reason and without being responsible for any liabilities resulting therefrom. If within 60 days of having given notice of its intention to retire, the Issuer has failed to appoint a replacement Security Trustee, the outgoing Security Trustee will be

entitled to appoint a successor (**provided that** such successor is acceptable to the Rating Agencies and agrees to be bound by the terms of the Deed of Charge). The Issuer may remove the Security Trustee or appoint a new Security Trustee at any time **provided that** it has the approval, which must not be unreasonably withheld or delayed, of the Note Trustee and the Secured Creditors. If the Note Trustee retires or is removed, then the Security Trustee will be required to retire in accordance with the Deed of Charge. In such case, the successor Security Trustee is required to be the same person as the Note Trustee. In addition, the Security Trustee may, subject to the conditions specified in the Deed of Charge, appoint a co-trustee to act jointly with it.

Additional provisions of the Deed of Charge

The Deed of Charge contains a range of provisions regulating the scope of the Security Trustee's duties and liabilities. These include the following:

- the Security Trustee is not responsible for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of any Transaction Document or any other document entered into in connection therewith or any security thereby constituted or purported to be constituted thereby nor will it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court;

- the Security Trustee will not be bound to ascertain whether any Event of Default or Potential Event of Default has happened and, until it will have express notice to the contrary, the Security Trustee will be entitled to assume that no such Event of Default or Potential Event of Default has happened and that the Issuer is observing and performing all the obligations on its part under the Notes and the Deed of Charge and no event has happened as a consequence of which any Notes may become repayable. "**Potential Event of Default**" means any condition, event or act which with the lapse of time and/or the giving of any notice and/or determination of materiality and/or fulfilment of any similar condition would constitute an Event of Default;

- Security Trustee will be under no obligation to monitor or supervise and will not have any duty to make any investigation in respect of or in any way be liable whatsoever for the performance or observance by the Issuer or any other person of the provisions of the Deed of Charge or any other Transaction Document and will be entitled to assume that each person is properly performing and complying with its obligations hereunder;

- the Security Trustee as between itself and the Secured Creditors or any of them will have full power to determine all questions and doubts arising in relation to any of the provisions of the Deed of Charge and/or any other Transaction Document and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Security Trustee, will be conclusive and will bind the Security Trustee and the Secured Creditors;

- each Noteholder and each other Secured Creditor must make its own independent appraisal, without reliance on the Security Trustee, as to the financial condition and affairs of the Issuer;

- the Security Trustee will not have any duty to make any investigation in respect of or in any way be liable whatsoever for the failure to call for delivery of documents of title to or require any transfers, legal mortgages, standard securities, charges or other further assurances in relation to any of the assets the subject matter of any of the Deed of Charge or any other document;

- the Security Trustee may accept such title as the Issuer has to the Issuer charged property and will not be required to investigate or make inquiry into the Issuer's title to such property;

- the Security Trustee will not be responsible for any shortfall which may arise because it is liable to tax in respect of the Issuer charged property or the proceeds of such property; and

- the Security Trustee is not required to take steps or action in connection with the Programme Documents (including enforcing the Security) unless: (1) while the Notes are outstanding, it has been directed or instructed to do so by the Note Trustee acting in accordance with the instructions of the Noteholders in accordance with Condition 10 (*Enforcement*) and Condition 11 (*Meetings of Noteholders, modifications and waiver*); or (2) following the redemption of the Notes, it has been directed or instructed to do so by any other Secured Creditor **provided that**, in each case, it has been indemnified and/or secured and/or prefunded to its satisfaction against all costs, liabilities and claims which it may incur or in respect of which it may become liable.

Governing law

The Deed of Charge and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law, **provided that** certain provisions particular to the Issuer's assets in Scotland are governed by and will be construed in accordance with Scots law. Each Scottish Supplemental Charge will be governed by and construed in accordance with Scots law.

DESCRIPTION OF THE TRUST DEED AND THE NOTES

The principal agreement governing the Notes is the Trust Deed. A summary of the material terms of the Trust Deed and the Global Note Certificates is set out below. The summary does not purport to be complete and it is subject to the provisions of the Trust Deed.

The Trust Deed sets out the forms of the Global Note Certificates and the Individual Note Certificates. It also sets out the conditions for the issue of Individual Note Certificates and/or the cancellation of any Notes. The Agency Agreement contains the detailed provisions as to the appointment of the Paying Agents and other agents and regulates how payments are made on the Notes and how determinations and notifications are made.

The Trust Deed also contains covenants to be made by the Issuer in favour of the Note Trustee and the Noteholders. The main covenants are that the Issuer will pay interest on, and repay the principal of, each of the Notes when due. Some of the covenants also appear in the Conditions.

The Issuer also covenants that it will: (i) do all things necessary to maintain the listing of the Class A Notes issued by it on the Official List and to maintain trading of such Class A Notes on the market; (ii) keep in place a Common Depositary, a Common Safekeeper, Paying Agents, the VFN Registrar and an Agent Bank; and (iii) comply with and perform and observe all its obligations in the Trust Deed. The Trust Deed provides for delivery to the Note Trustee of a certificate, annually and within 14 days of request by the Note Trustee, signed by two directors of the Issuer to the effect that no Event of Default exists or has existed since the date of the previous annual statement and that the Issuer has complied with all its obligations under the Transaction Documents (to which it is a party) throughout the preceding financial year, except to the extent specified in such statement.

The Trust Deed provides that the interests of the Class A Noteholders will take precedence for so long as the Class A Notes of any Series are outstanding and thereafter the interests of the VFN Holder take precedence. Certain basic terms of each Class of Notes will not be able to be amended without the consent of the majority of the holders of that Class of Note and the consent of the majority of the holders of the other classes of affected Notes outstanding (see Condition 11 (*Meetings of Noteholders, modifications and waiver*)).

The Trust Deed also sets out the terms under which the Note Trustee is appointed, the indemnification of the Note Trustee, the payments it will be entitled to receive and the extent of the Note Trustee's authority to act beyond its statutory powers under English law. The Note Trustee is also given the ability to appoint a delegate or agent in the execution of any of its duties under the Trust Deed. The Trust Deed also sets out the circumstances in which the Note Trustee may resign or retire.

Finally, the Trust Deed provides that until the Notes have been paid in full, holders of any Series and Class of Notes are entitled to the benefit of and be bound by the terms and conditions of the Trust Deed. The Trust Deed will be discharged with respect to the collateral securing the Notes upon the delivery to the Note Trustee for cancellation of all the Notes or, with certain limitations, upon deposit with the Note Trustee of funds sufficient for the payment in full of all the Notes.

The Notes

Each issuance of Notes by the Issuer will be authorised by a resolution of the board of directors of the Issuer prior to the relevant Issuance Date. Each issue of Notes will be constituted by a deed or deeds supplemental to the Trust Deed between the Issuer and the Note Trustee. The Trust Deed includes provisions which enable it to be modified or supplemented and any reference to the Trust Deed will be a reference also to the Trust Deed as modified or supplemented in accordance with its terms.

Form of the Notes

Class A Notes

The Class A Notes sold in reliance on Regulation S will be represented on issue by one or more Regulation S Global Note Certificates, which will be deposited on behalf of the beneficial owners of those Class A Notes with a Common Depositary or Common Safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of a Common Depositary for Euroclear and Clearstream, Luxembourg or in the name of a nominee of a Common Safekeeper for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Note Certificate may be held only through Euroclear or Clearstream, Luxembourg or their participants at any time. On confirmation from the Common Depositary or, as applicable, the Common Safekeeper that it holds the Regulation S Global Note Certificates, Euroclear or Clearstream, Luxembourg, as applicable, will record book-entry interests in the beneficial owner's account or the participant account through which the beneficial owner holds its interests in the Regulation S Notes. These book-entry interests will represent the beneficial owner's beneficial interest in the relevant Regulation S Global Note Certificates.

The Class A Notes sold in reliance on Rule 144A will be represented on issue by one or more Rule 144A Global Note Certificates. Rule 144A Global Note Certificates representing Rule 144A Notes denominated in a currency other than US Dollars will be deposited with a Common Depositary or Common Safekeeper for Euroclear and Clearstream, Luxembourg. Rule 144A Global Note Certificates representing Rule 144A Notes denominated in US Dollars will be deposited with Citibank, N.A., London Branch, as custodian for, and registered in the name of, Cede & Co., as nominee of DTC. Beneficial interests in a Rule 144A Global Note Certificate may only be held through Euroclear, Clearstream, Luxembourg (in the case of Rule 144A Notes denominated in a currency other than US Dollars) or DTC (in the case of Rule 144A Notes denominated in US Dollars) or their participants at any time. Beneficial interests in a Rule 144A Global Note Certificate may only be held by persons who are QIBs holding their interests for their own account or for the account of one or more QIBs. By acquisition of a beneficial interest in a Rule 144A Global Note Certificate, the purchaser thereof will be deemed to represent, among other things, that it is a QIB and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Rule 144A Global Note Certificates (see the section entitled "Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions"). On confirmation from the Common Depositary or, as applicable, Common Safekeeper that it holds the Rule 144A Global Note Certificates (in the case of Rule 144A Notes denominated in a currency other than US Dollars) or the custodian that it holds the Rule 144A Global Note Certificates (in the case of Rule 144A Notes denominated in US Dollars), Euroclear, Clearstream, Luxembourg or DTC, as the case may be, will record book-entry interests in the beneficial owner's account or the participant account through which the beneficial owner holds its interests in the Class A Notes. These book-entry interests will represent the beneficial owner's beneficial interest in the relevant Rule 144A Global Note Certificates.

Beneficial interests in a Regulation S Note may be exchanged for beneficial interests in a Rule 144A Note only if such exchange occurs in connection with a transfer of the Class A Notes pursuant to Rule 144A and, prior to the first business day that is 40 calendar days after the later of the commencement of the offering and the applicable Issuance Date (the "**Release Date**"), the transferring Noteholder first delivers to the Exchange and Transfer Agent and the Registrar: (i) instructions given in accordance with the procedures of Euroclear, Clearstream, Luxembourg and/or DTC, as applicable, directing the Exchange and Transfer Agent and the Registrar to credit or cause to be credited a beneficial interest in the Rule 144A Note in an amount equal to the beneficial interest in the Regulation S Note to be exchanged or transferred; (ii) a written order given in accordance with the procedures of Euroclear, Clearstream, Luxembourg and/or DTC, as applicable, containing information regarding the account to be credited with such increase and the name of such account; and (iii) a written certificate in the form

required by the Trust Deed to the effect that the transfer is being made to a person who the transferor reasonably believes is a QIB, purchasing for its own account or the account of a QIB in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the states of the US and other jurisdictions.

Beneficial interests in a Rule 144A Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Note, whether before or after the Release Date, only if the transferring Noteholder first delivers to the Exchange and Transfer Agent and the Registrar: (i) instructions given in accordance with the procedures of Euroclear, Clearstream, Luxembourg and/or DTC, as applicable, from or on behalf of a beneficial owner of the Rule 144A Note, directing the Exchange and Transfer Agent and Registrar to credit or cause to be credited a beneficial interest in the Regulation S Note in an amount equal to the beneficial interest in the Rule 144A Note to be exchanged or transferred; (ii) a written order given in accordance with the procedures of Euroclear, Clearstream, Luxembourg and/or DTC, as applicable, containing information regarding the account to be credited with such increase and the name of such account; and (iii) a written certificate in the form required by the Trust Deed to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S.

Transfers involving an exchange of a beneficial interest in a Regulation S Note for a beneficial interest in a Rule 144A Note denominated in US Dollars or vice versa will be effected in DTC by means of an instruction originated by the Exchange and Transfer Agent and Registrar through the facilities of DTC, Euroclear or Clearstream, Luxembourg (as applicable). Any beneficial interest in one of the Global Note Certificates that is transferred to a person who takes delivery in the form of an interest in the other Global Note Certificates will, upon transfer, cease to be an interest in such Global Note Certificate and will become an interest in the other Global Note Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to a beneficial interest in such other Global Note Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Class A Notes, but the Note Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The amount of Class A Notes represented by each Global Note Certificate will be evidenced by the Register maintained for that purpose by the Registrar. Together, the Notes represented by the Global Note Certificates and any outstanding Individual Note Certificates will equal the aggregate principal amount of the Notes outstanding at any time. Except in the limited circumstances described under the section entitled "Individual Note Certificates" below, owners of beneficial interests in Global Note Certificates will not be entitled to receive physical delivery of certificated Class A Notes. The Class A Notes are not issued in bearer form.

Beneficial owners may hold their interests in the Global Note Certificates only through DTC, Clearstream, Luxembourg or Euroclear, as applicable, or indirectly through organisations that are participants in any of those systems. Ownership of these beneficial interests in a Global Note Certificate will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC, Clearstream, Luxembourg or Euroclear (with respect to interests of their participants) and the records of their participants (with respect to interests of persons other than their participants). By contrast, ownership of direct interests in a Global Note Certificate will be shown on, and the transfer of that ownership will be effected through, the register maintained by the Registrar. Because of this holding structure of the Notes, beneficial owners of Class A Notes may look only to DTC, Clearstream, Luxembourg or Euroclear, as applicable, or their respective participants for their beneficial entitlement to those Class A Notes. The Issuer expects that DTC, Clearstream, Luxembourg or Euroclear will take any action permitted to be taken by a beneficial owner of Class A Notes only at the direction of one or more participants to whose account the interests in a Global Note Certificate is credited and only in respect of that portion of the aggregate principal amount of Notes as to which that participant or those participants has or have given that direction. See the section entitled "Book-Entry Clearance Procedures" for more information about DTC, Clearstream, Luxembourg and Euroclear.

Beneficial owners will be entitled to the benefit of, will be bound by and will be deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement. Beneficial owners can see copies of these agreements at the principal office for the time being of the Note Trustee, which is, as of the date of this document, Citigroup Centre, Canada Square, London, E14 5LB and at the specified office for the time being of each of the Paying Agents.

VFNs

The Class Z VFNs and the YBS Note are issued in definitive form and are represented by Regulation S Individual Note Certificates pursuant to the Trust Deed. The Issuer maintains a VFN Register, kept on the Issuer's behalf by the VFN Registrar, in which the Class Z VFNs are registered in the name of the VFN Holder and the YBS Note is registered in the name of the holder of the YBS Note.

Individual Note Certificates

Owners of beneficial interests in the Global Note Certificates will only be entitled to receive Individual Note Certificates under the following limited circumstances:

- if, as a result of any amendment to or change in the laws or regulations of the UK (or any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration of such laws or regulations which becomes effective on or after the relevant Issuance Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment on the Notes that would not be required if the Notes were represented by Individual Note Certificates;

- if, in relation to Rule 144A Notes denominated in US Dollars, DTC notifies the Issuer that it is unwilling or unable to hold the Rule 144A Global Note Certificates or is unwilling or unable to continue as, or has ceased to be, a clearing agency registered under the Exchange Act and, in each case, the Issuer cannot appoint a successor to DTC within 90 days of such notification; or

- if, in relation to Rule 144A Notes denominated in a currency other than US Dollars and Regulation S Notes, Clearstream, Luxembourg and Euroclear are closed for business for a continuous period of 14 days or more (other than by reason of legal holidays) or announce an intention to cease business permanently or do in fact do so and no alternative clearing system satisfactory to the Note Trustee is available.

In no event will Individual Note Certificates in bearer form be issued. Any Individual Note Certificate will be issued in registered form in minimum denominations as specified for such Class A Notes in the applicable Final Terms. With respect to any note which is lodged in a Clearing System, any Individual Note Certificates will be registered in that name or those names as the Registrar will be instructed by DTC, Clearstream, Luxembourg and Euroclear, as applicable. It is expected that these instructions will be based upon directions received by DTC, Clearstream, Luxembourg and Euroclear from their participants reflecting the ownership of book-entry interests. To the extent permitted by law, the Issuer, the Note Trustee and any Paying Agent will be entitled to treat the person in whose names any Individual Note Certificate is registered as the absolute owner thereof. The Agency Agreement contains provisions relating to the maintenance by a Registrar of a register reflecting ownership of the Notes and other provisions customary for a registered debt security.

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates relating to a Series of Class A Notes, such Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the relevant Global Note Certificate within five business days of the delivery, by or on behalf of the registered holder of the relevant Global Note Certificate, Euroclear and/or Clearstream, Luxembourg and/or DTC, as applicable, to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation to, the

names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the relevant Global Note Certificate at the specified office of the Registrar. Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Class A Notes scheduled thereto and, in particular, will be effected without charge to any holder or the Note Trustee, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Any person receiving Individual Note Certificates will not be obligated to pay or otherwise bear the cost of any tax or governmental charge or any cost or expense relating to insurance, postage, transportation or any similar charge, which will be solely the responsibility of the Issuer. No service charge will be made for any registration of transfer or exchange of any Individual Note Certificates.

Modification and waiver

The Note Trustee, the Security Trustee, acting in accordance with the direction of the Note Trustee, and the Issuer, may from time to time, without the consent or sanction of the Noteholders of any Series or any other Secured Creditor (other than any Secured Creditor who is party to the relevant Transaction Document):

- concur with the Issuer or any other person, or direct the Security Trustee to concur with the Issuer or any other person, in making any modification of the Notes of one or more Series or Sub-Series (including the Conditions applicable thereto) or of any Transaction Document (except for a Basic Terms Modification) **provided that** the Note Trustee is of the opinion that such modification will not be materially prejudicial to the interests of any of the Noteholders of any Series, is made to correct a manifest error or is of a formal, minor or technical nature; or

- without prejudice to its rights in respect of any subsequent breach: (a) waive or authorise any breach or proposed breach by the Issuer or any other party of any of the covenants or provisions contained in any Transaction Document if, in the opinion of the Note Trustee, such waiver or authorisation will not be materially prejudicial to the interests of the Class A Noteholders, as applicable; or (b) in relation to the Note Trustee only, determine that any Event of Default in respect of any of the Noteholders of any Series will not be treated as such if in the opinion of the Note Trustee, such waiver or authorisation will not be materially prejudicial to the Class A Noteholders **provided always that** the Note Trustee will not exercise any powers conferred on it in contravention of any express direction given by an Extraordinary Resolution, or of a request in writing made by the holders of not less than one quarter in aggregate principal amount of the relevant Class of Notes then outstanding, in accordance with the Conditions (but so that no such direction or request will affect any waiver, authorisation or determination previously given or made). Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Note Trustee may determine,

but the Security Trustee will not be obliged to agree to any modification or waiver which, in the sole opinion of the Note Trustee and/or the Security Trustee would have the effect of: (A) exposing the Note Trustee and/or the Security Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (B) increasing the obligations, liabilities or duties, or decreasing the rights or protection, of the Note Trustee and/or the Security Trustee in the Programme Documents and/or the Conditions.

Any such modification will be binding on the Noteholders and the Secured Creditors.

As a result of the operation of the provisions of the Deed of Charge, when formulating its opinion and/or when exercising the rights, benefits, trusts, authorities, directions and obligations under the Programme

Documents to which it is a party, the Security Trustee will, while any of the Notes are outstanding, act only at the request or direction of the Note Trustee.

Governing law

The Trust Deed and any non-contractual obligations arising out of or in connection with it are, and the Notes will be, governed by and construed in accordance with English law.

Money Market Notes

The Issuer may, from time to time, issue Money Market Notes. However, the determination as to whether any applicable Series and Class of Notes will qualify as "eligible securities" under Rule 2a-7 will involve investment determinations and interpretive questions that, as with qualification and compliance with other aspects of Rule 2a-7, will be solely the responsibility of each money market fund and its investment adviser. None of the Issuer, the Sellers, the Note Trustee, the Security Trustee, the Cash Manager, each Remarketing Agent, each Tender Agent, each Paying Agent, the Agent Bank, the Registrar, the Exchange and Transfer Agent, each Conditional Note Purchaser or any other party to the Programme Documents will make any representation as to the suitability of such Notes as "Money Market Notes" for investment by money market funds subject to Rule 2a-7.

The Final Maturity Date of any Money Market Notes will always be less than 397 days from the Issuance Date on which such Notes were issued unless the Money Market Notes are issued subject to the following remarketing arrangements.

Remarketing arrangements

If specified in relation to a Series and Class of Money Market Notes as being applicable to such Notes in the applicable Final Terms, such Notes will be issued subject to the mandatory transfer arrangements referred to in Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*), the Remarketing Agreement and the Conditional Note Purchase Agreement entered into in relation to such Notes, and the Trust Deed (the "**Money Market Note Mandatory Transfer**") under which:

- the applicable Remarketing Agent will agree, pursuant to the terms of the Remarketing Agreement, to seek purchasers of such Money Market Notes on the Payment Dates specified for such purpose in relation to such Notes in the applicable Final Terms, prior to the occurrence of a remarketing termination event (each such date a "**Money Market Note Mandatory Transfer Date**") until the Final Maturity Date or earlier redemption in full of such Notes; and

- the applicable Conditional Note Purchaser will agree, pursuant to the terms of the Conditional Note Purchase Agreement, to purchase some or all of such Money Market Notes on the Money Market Note Mandatory Transfer Date for such Notes to the extent that purchasers for such Notes have not been found, **provided that** certain events have not then occurred.

Noteholders should note, in particular, that the Money Market Note Mandatory Transfer would be likely to be deemed to be a "conditional demand feature" (as such term is defined in Rule 2a-7). One of the conditions of determination by the board of directors of the relevant money market fund of the eligibility of a Money Market Note for investment by such money market fund will be the determination that, where such note is issued with a Final Maturity Date that is more than 397 days from the Issuance Date on which such Notes were issued, there is minimal risk that the circumstances would occur that would result in such Money Market Note not being able to be transferred on a Money Market Note Mandatory Transfer Date for such Note. Each Series and Class of Money Market Notes, to which the Money Market Note Mandatory Transfer arrangements are expressed to be applicable, will be sold subject to Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*), which will provide for mandatory transfer of such Notes on each Money Market Note Mandatory Transfer Date for such Notes.

However, failure by the Issuer to make or procure any payment required under Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*) in relation to a Series and Class of Money Market Notes, by reason of any failure on the part of the applicable Remarketing Agent or the applicable Conditional Note Purchaser to perform their respective obligations under the relevant Programme Documents will not constitute an Event of Default.

In relation to a Series and Class of Money Market Notes, to which the Money Market Note Mandatory Transfer arrangements are expressed to be applicable, Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*) will provide for the applicable Remarketing Agent to have the ability, in order to effect the remarketing, to increase or decrease the margin on such Notes from that payable as at the Issuance Date for such Notes or the previous Money Market Note Mandatory Transfer Date (as appropriate) in accordance with the applicable Remarketing Agreement and, in each case, subject to the maximum reset margin for such Notes. Pursuant to the terms of the applicable Conditional Note Purchase Agreement, on each Money Market Note Mandatory Transfer Date for such Notes, the applicable Conditional Note Purchaser will be obliged to purchase, at the maximum reset margin for such Notes, some or all of such Notes to the extent not purchased by investors and, in the event of the occurrence of an optional Remarketing Termination Event in relation to such Notes (and, following which, the termination by the Remarketing Agent of its appointment under the Remarketing Agreement) all of such Notes. If some or all of such Notes are purchased by the Conditional Note Purchaser, the relevant margin in respect of the next interest period for all such Notes that are outstanding will be the applicable maximum reset margin for such Notes.

For the avoidance of doubt, all Notes comprising a Series and Class of Money Market Notes, to which the Money Market Note Mandatory Transfer arrangements are expressed to be applicable, will be transferred on the Money Market Note Mandatory Transfer Date for such Notes. However, existing holders of such Notes may, prior to their Final Maturity Date or earlier redemption in full, repurchase such Notes on each Money Market Note Mandatory Transfer Date for such Notes.

Remarketing agreements

Under the terms of the Remarketing Agreement to be entered into in relation to a Series and Class of Money Market Notes, the Issuer will appoint the applicable Remarketing Agent to act as its agent and use all reasonable endeavours to identify investors for such Notes on each Money Market Note Mandatory Transfer Date prior to the occurrence of either an optional Remarketing Termination Event in relation to such Notes (and, following which, the termination by the Remarketing Agent of its appointment under the Remarketing Agreement) or an Automatic Remarketing Termination Event in relation to such Notes, (each, a "**Remarketing Termination Event**").

Subject to there being no Remarketing Termination Event then outstanding in relation to a Series and Class of Money Market Notes, the applicable Remarketing Agent will be required to approach potential investors with a view to procuring investors for such Notes on the Money Market Note Mandatory Transfer Date for such Notes.

The Remarketing Agent for a Series and Class of Money Market Notes will be required to seek bids from investors for the margin to apply to such Notes as from the Money Market Note Mandatory Transfer Date. If there are one or more investors willing to purchase in aggregate all of such Notes, the margin on all of such Notes will be reset to an amount (not greater than the maximum reset margin for such Notes) being the lowest margin at which all of such Notes will be purchased at par by investors, as determined by the Remarketing Agent. If all of such Notes cannot be placed with investors, the applicable Conditional Note Purchaser will be required to purchase the unplaced Notes pursuant to the terms of the applicable Conditional Note Purchase Agreement and the margin on all such Notes that are outstanding will be reset to the maximum reset margin for such Notes.

The Remarketing Agent for a Series and Class of Money Market Notes will be required to notify details of the money market note reset margin applicable to such Notes to the Principal Paying Agent no later than three business days prior to each Money Market Note Mandatory Transfer Date for such Notes.

The Remarketing Agent for a Series and Class of Money Market Notes will be required to procure the payment of the Money Market Note Mandatory Transfer Price for such Notes in respect of the investors' firm bids for such Notes, so as to enable settlement of such Notes on the Money Market Note Mandatory Transfer Date for such Notes. (See the section entitled "Book-Entry Clearance Procedures – Transfer and settlement of Money Market Notes under the Remarketing Agreements and Conditional Note Purchase Agreements"). The Remarketing Agent will be required to hold any amounts paid to the applicable Remarketing Agent by any investor or the applicable Conditional Note Purchaser for such Notes as part of the relevant money market note mandatory transfer as fiduciary for the relevant purchaser or the Conditional Note Purchaser, as applicable.

To the extent that, no later than three business days prior to the Money Market Note Mandatory Transfer Date for a Series and Class of Money Market Notes, the applicable Remarketing Agent is unable to obtain firm bids for all of the outstanding Notes, and to procure the payment of the related purchase funds to enable settlement of all of such Notes, the Remarketing Agent (failing whom, the Issuer or the Cash Manager on its behalf) will be required to serve on the applicable Conditional Note Purchaser a notice in respect of the unplaced Notes in the manner set out in the applicable Conditional Note Purchase Agreement. Such notice will be required to specify the interests in such Notes that are to be purchased by the Conditional Note Purchaser on the Money Market Note Mandatory Transfer Date; the amount representing the Money Market Note Mandatory Transfer Price payable (if any) to the relevant Noteholders; and either: (i) the Principal Amount Outstanding of such Notes which cannot be placed with investors pursuant to the applicable Remarketing Agreement; or (ii) that an optional Remarketing Termination Event in relation to such Notes has occurred on or before the Money Market Note Mandatory Transfer Date.

Under the terms of a Remarketing Agreement for a Series and Class of Money Market Notes, the Issuer will be permitted to terminate the appointment of the applicable Remarketing Agent broadly where: (a) the Remarketing Agent becomes insolvent; (b) the Remarketing Agent no longer has the requisite authority or ability to act in accordance with the terms of the Remarketing Agreement; or (c) the Remarketing Agent is in material breach of any warranty or covenant given by it pursuant to the terms of the Remarketing Agreement. Following the termination of the appointment of the Remarketing Agent, the Issuer may require the Remarketing Agent to use all reasonable endeavours to appoint an alternative remarketing bank.

An optional Remarketing Termination Event in relation to a Series and Class of Money Market Notes will occur, broadly, where: (a) an event has occurred which is beyond the control of the applicable Remarketing Agent or the Issuer and, as a consequence of which, the Remarketing Agent will be unable to perform its obligations under the applicable Remarketing Agreement or which in the Remarketing Agent's reasonable opinion represents a material market change affecting such Notes; (b) the Remarketing Agent reasonably determines, following consultation with the applicable Conditional Note Purchaser that the enactment or amendment of any law or regulation or any form of banking, fiscal, monetary or regulatory control which is mandatory or customarily adopted in the banking, securities or broker/dealer industries would cause the Remarketing Agent to incur increased costs in carrying out its remarketing obligations or make it unlawful or impossible to carry out those obligations; or (c) the Issuer is in material breach of any representations and warranties given by it in the applicable Conditional Note Purchase Agreement as at the Issuance Date for such Notes. Following the occurrence of an optional Remarketing Termination Event in relation to such Notes, the Remarketing Agent will have the option to terminate its remarketing obligations under the Remarketing Agreement. Following termination of its remarketing obligations, in the absence of an Automatic Remarketing Termination Event in relation to such Notes, the Remarketing Agent will still be obliged under the Remarketing

Agreement, if required by the Issuer, to facilitate the transfer and settlement of such Notes. For the avoidance of doubt, the occurrence of an optional Remarketing Termination Event in relation to such Notes will not affect the obligations of the Conditional Note Purchaser under the terms of the Conditional Note Purchase Agreement.

An Automatic Remarketing Termination Event in relation to a Series and Class of Money Market Notes will occur, broadly, where: (a) an Event of Default has occurred which has not been remedied or waived; (b) the applicable Conditional Note Purchaser has purchased all such Notes which are outstanding and a notice to this effect has been delivered by the applicable Remarketing Agent or the applicable tender agent to the Issuer and the Principal Paying Agent; or (c) upon redemption in full of such Notes. Following the occurrence of an Automatic Remarketing Termination Event in relation to such Notes, the appointment of the Remarketing Agent will automatically terminate and the Remarketing Agent will have no further obligations in respect of such Notes. For the avoidance of doubt, following the occurrence of an Automatic Remarketing Termination Event in relation to a Series and Class of Money Market Notes, the Conditional Note Purchaser will have no obligation to purchase such Notes.

Each Remarketing Agent will be required to make the representations required of the Dealer(s) as described in the section entitled "Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions".

Conditional Note Purchase Agreements

Under the terms of the Conditional Note Purchase Agreement to be entered into in relation to a Series and Class of Money Market Notes, **provided that** an Event of Default has not occurred, the applicable Conditional Note Purchaser will be obliged, on any Money Market Note Mandatory Transfer Date for such Notes prior to the occurrence of an Automatic Remarketing Termination Event in relation to such Notes, to purchase at the maximum reset margin for such Notes the outstanding Notes which the applicable Remarketing Agent is unable to place with investors pursuant to the applicable Remarketing Agreement.

Under the terms of the Conditional Note Purchase Agreement to be entered into in relation to a Series and Class of Money Market Notes if, on or before a Money Market Note Mandatory Transfer Date for such Notes, the applicable Remarketing Agent terminates its appointment following an optional Remarketing Termination Event in relation to such Notes, the applicable Conditional Note Purchaser will, pursuant to the terms of the Conditional Note Purchase Agreement, be obliged to purchase on such Money Market Note Mandatory Transfer Date all of the Notes at the maximum reset margin for such Notes. If an Automatic Remarketing Termination Event occurs in relation to such Notes, the Issuer will not be obliged to procure any subsequent purchase of such Notes, the Remarketing Agent will not be obliged to remarket any of such Notes and the Conditional Note Purchaser will not be obliged to purchase any of such Notes. For the avoidance of doubt, following the occurrence of an Event of Default, the margin payable on a Series and Class of Money Market Notes will be the margin applicable immediately prior to such Event of Default.

In the event of a downgrade of the short-term unsecured, unsubordinated and unguaranteed credit rating of the Conditional Note Purchaser for a Series and Class of Money Market Notes to a level which is below that sufficient to support the then-current short-term rating applicable to such Notes, the Issuer will, subject to certain conditions, have the right to terminate the appointment of such Conditional Note Purchaser **provided that** it is able, prior to any such termination, taking effect to appoint a successor Conditional Note Purchaser for such Notes which has a short-term rating at least equal to that sufficient to support the short-term ratings that were applicable to such Notes immediately prior to the downgrade of the Conditional Note Purchaser.

The Remarketing Agent and the Conditional Note Purchaser for a Series and Class of Money Market Notes will not have any recourse to the Issuer in respect of such arrangements.

No assurance can be given that any Remarketing Agent or Conditional Note Purchaser for a Series and Class of Money Market Notes will comply with and perform their respective obligations under the remarketing arrangements. In addition, if investors purchase such Notes, such investors will have no recourse against the Issuer, the Conditional Note Purchaser or the Remarketing Agent for any default or failure to purchase by the Conditional Note Purchaser under the terms of the applicable Conditional Note Purchase Agreement or default or failure to remarket by the Remarketing Agent under the terms of the applicable Remarketing Agreement. Although the other parties to these agreements may be able to enforce their respective terms, they will not be under any obligation to do so.

Eurosystem Eligibility

Where the Global Note Certificates issued in respect of any Class are intended to be held under the NSS, the Issuer will also notify the ICSDs upon the issue whether such Global Note Certificates are intended, or are not intended, to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Note Certificates are to be so held does not necessarily mean that the Notes of any Class will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon the European Central Bank being satisfied that the Eurosystem eligibility criteria have been met.

BOOK-ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from Euroclear, Clearstream, Luxembourg and DTC (each with respect to itself), and the Issuer believes that such sources are reliable. However, prospective investors are advised to make their own enquiries as to the procedures described below. The Issuer accepts responsibility for the accurate reproduction of such information from publicly available information. In particular, such information is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream, Luxembourg or DTC currently in effect and investors wishing to use the facilities of any of Euroclear, Clearstream, Luxembourg or DTC are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Sellers, the Joint Arrangers, the Dealers, the Note Trustee, the Security Trustee, any Swap Counterparty, the Paying Agents, the Agent Bank, any of their respective affiliates or any other party to the Programme Documents will have any responsibility for the performance by Euroclear, Clearstream, Luxembourg and DTC or their respective direct and indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear, Clearstream, Luxembourg and DTC

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg and DTC to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading. See the sections entitled "Initial settlement" and "Secondary trading" below.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their participating organisations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of those participants, thereby eliminating the need for physical movement 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 also deal with domestic securities markets in several countries through established depository and custodial relationships.

Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other. Transactions may be settled in Euroclear and Clearstream, Luxembourg in any of numerous currencies, including Sterling, US Dollars and Euro. Clearstream, Luxembourg is incorporated under the laws of Luxembourg as a professional depository. Clearstream, Luxembourg participants are financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, and clearing corporations. Indirect access to Clearstream, Luxembourg is also available to others, including banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream, Luxembourg participant, either directly or indirectly.

The Euroclear system was created in 1968 to hold securities for its participants and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment. The Euroclear system is operated by Euroclear Bank S.A./N.V. (the "**Euroclear Operator**"). All operations are conducted by the Euroclear Operator. All Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear participants include banks – including central banks – securities brokers and dealers and other professional financial intermediaries. Indirect access to the Euroclear system is also available to other firms that maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the terms and conditions governing use of Euroclear and the related operating procedures of the Euroclear system. These terms and conditions govern the transfers of securities and cash within the Euroclear system, withdrawal of securities and cash from the Euroclear system, and receipts of payments for securities in the Euroclear system. All securities in the Euroclear system are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under these terms and conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

DTC

DTC has advised the Issuer that it intends to follow the following procedures:

DTC will act as securities depository for the Rule 144A Global Note Certificates representing Rule 144A Notes denominated in US Dollars. These Rule 144A Global Note Certificates will be issued as securities registered in the name of Cede & Co. as DTC's nominee.

DTC has advised the Issuer that it is:

- a limited-purpose trust company organised under New York Banking Law;
- a "banking organisation" within the meaning of New York Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- a "clearing agency" registered under the provisions of Section 17A of the US Securities and Exchange Act of 1934, as amended (the "**Exchange Act**").

DTC holds securities for its participants and facilitates the clearance and settlement among its participants of securities transactions, including transfers and pledges, in deposited securities through electronic book-entry changes in its participants' accounts. This eliminates the need for physical movement of securities certificates. DTC participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organisations. Indirect access to the DTC system is also available to others including securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Transfers between participants on the DTC system will occur under DTC rules. Transfers between participants on the Clearstream, Luxembourg system and participants in the Euroclear system will occur under their rules and operating procedures.

Purchases of Notes under the DTC system must be made by or through DTC participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual beneficial owner is in turn to be recorded on the DTC participants' and indirect participants' records. Beneficial owners will not receive written confirmation from DTC of their purchase. However, beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the DTC participant or indirect participant through which the beneficial owner entered into the transaction. Transfer of ownership interests in the Rule 144A Notes deposited with DTC are to be accomplished by entries made on the books of DTC participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interest in Notes unless use of the book-entry system for the Notes described in this section is discontinued.

To facilitate subsequent transfers, all offered Global Note Certificates deposited with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of these offered Global Note Certificates with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the ultimate beneficial owners of the Notes. DTC's records reflect only the identity of the DTC participants to whose accounts the beneficial interests are credited, which may or may not be the actual beneficial owners of the Notes. The DTC participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to DTC participants, by DTC participants to indirect participants, and by DTC participants and indirect participants to beneficial owners will be governed by arrangements among them and by any statutory or regulatory requirements in effect from time to time.

Redemption notices for the Rule 144A Notes represented by Rule 144A Global Note Certificates deposited with DTC will be sent to DTC. If less than all of those Notes are being redeemed by investors, DTC's practice is to determine by lot the amount of the interest of each participant in those Notes to be redeemed.

Neither DTC nor Cede & Co. will consent or vote on behalf of the Rule 144A Noteholders. Under its usual procedures, DTC will mail an omnibus proxy to the Issuer as soon as possible after the record date, which assigns the consenting or voting rights of Cede & Co. to those DTC participants to whose accounts the book-entry interests are credited on the record date, identified in a list attached to the proxy.

The Issuer understands that under existing industry practices, when the Issuer requests any action of Noteholders or when a beneficial owner desires to give or take any action which a Noteholder is entitled to give or take under the Trust Deed, DTC generally will give or take that action, or authorise the relevant participants to give or take that action, and those participants would authorise beneficial owners owning through those participants to give or take that action or would otherwise act upon the instructions of beneficial owners through them.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

Book-entry ownership

Each Regulation S Global Note Certificate will have an ISIN and a Common Code and will be delivered at initial settlement to a Common Depositary or Common Safekeeper, as specified in the applicable Final Terms, for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of a Common Depositary for Euroclear and Clearstream, Luxembourg or in the name of a nominee of a common safekeeper for Euroclear and Clearstream, Luxembourg.

Each Rule 144A Global Note Certificate representing Rule 144A Notes denominated in a currency other than US Dollars will have an ISIN and a Common Code and will be delivered at initial settlement to a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or to a Common Safekeeper on behalf of Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms.

Each Rule 144A Global Note Certificate representing Rule 144A Notes denominated in US Dollars will have a CUSIP number and will be registered in the name of Cede & Co. as nominee for DTC, and be deposited with, the DTC Custodian, on or about the relevant Issuance Date. The DTC Custodian and DTC will electronically record the principal amount of the Rule 144A Notes held within the DTC system.

As the holders of book-entry interests, beneficial owners will not have the right under the Trust Deed to act on solicitations by the Issuer for action by Noteholders. Beneficial owners will only be able to act to the extent they receive the appropriate proxies to do so from DTC, Clearstream, Luxembourg or Euroclear or, if applicable, their respective participants. No assurances are made about these procedures or their adequacy for ensuring timely exercise of remedies under the Trust Deed.

No beneficial owner of an interest in a note represented by a Global Note Certificate will be able to transfer that interest except in accordance with applicable procedures, in addition to those provided for under the Trust Deed, of DTC, Clearstream, Luxembourg and Euroclear, as applicable.

Payment and relationship of participants with Clearing Systems

Principal and interest payments on the Rule 144A Notes accepted for clearance through DTC will be made via the Paying Agents to DTC or its nominee, as the registered holder of the Rule 144A Global Note Certificates. DTC's practice is to credit its participants' accounts on the applicable Note Payment Date according to their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on that Note Payment Date.

Principal and interest payments on the Regulation S Notes and Rule 144A Notes accepted for clearance through Euroclear and/or Clearstream, Luxembourg will be made to the Principal Paying Agent and then credited by the Principal Paying Agent to the cash accounts of Euroclear, Clearstream, Luxembourg or (in the case of Notes represented by a Global Note Certificate) the Common Depositary by whom such note is held or a nominee in whose name it is registered or, in the case of Regulation S Global Note Certificates to be held under the NSS, the Common Safekeeper by whom such note is held or a nominee in whose name it is registered. After receipt of any payment from the Principal Paying Agent to the Common Depositary or, as applicable, Common Safekeeper (or, in either case, its nominee), Euroclear and Clearstream, Luxembourg, as the case may be, will credit their respective participants' accounts in proportion to those participants' holdings as shown on the records of Euroclear and Clearstream, Luxembourg, respectively.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the holder of a note represented by a Global Note Certificate must look solely to Euroclear, Clearstream, Luxembourg or DTC (as the case may be) for their share of each payment made by the Issuer to the holder of such global note and in relation to all other rights arising under the Global Note Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or DTC (as the case may be). The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Note Certificate, the Common Depositary or Common Safekeeper, as the case may be, by whom such note is held, or nominee in whose name it is registered, will immediately credit the relevant participants' or account holders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant global note as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by direct participants in any Clearing System to owners of beneficial interests in any global note held through such direct participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons will have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note Certificates and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such global note in respect of each amount so paid. None of the Issuer, the Note Trustee, any Joint Arranger, any Dealer nor any Paying Agent will have any responsibility or liability for any aspect of the records of DTC, Clearstream, Luxembourg or Euroclear relating to or payments made by DTC, Clearstream, Luxembourg or Euroclear on account of beneficial interests in the Global Note Certificates or for maintaining, supervising or reviewing any records of DTC, Clearstream, Luxembourg or Euroclear relating to those beneficial interests.

Initial settlement

The Global Note Certificates for each Series and Class of Notes will be delivered on the relevant Issuance Date to Citibank, N.A., London Branch, as custodian for DTC, and to the Common Depositary or, as applicable, Common Safekeeper for Euroclear and Clearstream, Luxembourg, as applicable. Customary settlement procedures will be followed for participants of each system on that Issuance Date. Notes will be credited to investors' securities accounts on the relevant Issuance Date against payment in same-day funds.

Secondary trading

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through direct participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each beneficial owner of each such note will in turn be recorded on the participant's records. Beneficial owners will not receive written confirmation from any Clearing System of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct and indirect participant through which they entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Note Certificate held within a Clearing System are exchanged for Individual Note Certificates.

No Clearing System has knowledge of the actual beneficial owners of the Notes held within such Clearing System and their records will reflect only the identity of the direct participants to whose accounts such Notes are credited, which may or may not be the beneficial owners. The participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to direct participants by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

The laws of some jurisdictions (including some states of the US) require that certain purchasers of securities take physical delivery of those securities in definitive form. These laws may impair the ability to transfer beneficial interests in a note represented by a Global Note Certificate. DTC can only act on behalf of direct participants, who in turn act on behalf of indirect participants, so the ability of a person having an interest in a global note to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by a lack of a physical certificate in respect of such interest. See the section entitled "Risk Factors – Holders of the Class A Notes will not receive physical Notes, which may cause delays in distributions and hamper their ability to pledge or resell Class A Notes".

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market sales of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional Eurobonds and US Dollar denominated bonds.

Trading between DTC participants

Secondary market sales of book-entry interests in the Notes between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled using the procedures applicable to US

corporate debt obligations in DTC's same-day funds settlement system in same-day funds, if payment is effected in US Dollars, or free of payment, if payment is not effected in US Dollars. Where payment is not effected in US Dollars, separate payment arrangements outside DTC are required to be made between the DTC participants.

Trading between DTC seller and Euroclear/Clearstream, Luxembourg purchaser

When book-entry interests in Notes are to be transferred from the account of a DTC participant holding a beneficial interest in a Global Note Certificate to the account of a Euroclear or Clearstream, Luxembourg accountholder wishing to purchase a beneficial interest in that global note (subject to the certification procedures provided in the Agency Agreement), the DTC participant will deliver instructions for delivery to the relevant Euroclear or Clearstream, Luxembourg accountholder to DTC by 12 noon, New York time, on the settlement date. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg participant. On the settlement date, the custodian of the Global Note Certificate will instruct the Registrar to: (i) decrease the amount of Notes registered in the name of Cede & Co., and evidenced by the relevant Global Note Certificate; and (ii) increase the amount of Notes registered in the name of the nominee of the Common Depositary or, as applicable, Common Safekeeper for Euroclear and Clearstream, Luxembourg and evidenced by the relevant Global Note Certificate. Book-entry interests will be delivered free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, for credit to the relevant accountholder on the first business day following the settlement date.

Trading between Euroclear/Clearstream, Luxembourg seller and DTC purchaser

When book-entry interests in the Notes are to be transferred from the account of a Euroclear or Clearstream, Luxembourg accountholder to the account of a DTC participant wishing to purchase a beneficial interest in a Global Note Certificate (subject to the certification procedures provided in the Trust Deed and any Trust Deed supplement), the Euroclear or Clearstream, Luxembourg participant must send to Euroclear or Clearstream, Luxembourg delivery free of payment instructions by 7.45 pm, Brussels or Luxembourg time, one business day prior to the settlement date. Euroclear or Clearstream, Luxembourg, as the case may be, will in turn transmit appropriate instructions to the Common Depositary or the Common Service Provider, as the case may be, for Euroclear and Clearstream, Luxembourg and the Registrar to arrange delivery to the DTC participant on the settlement date. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg accountholder, as the case may be. On the settlement date, the Common Depositary or, as applicable, the Common Service Provider for Euroclear and Clearstream, Luxembourg will: (a) transmit appropriate instructions to the custodian of the Global Note Certificate who will in turn deliver evidence of such book-entry interests in the Notes free of payment to the relevant account of the DTC participant; and (b) instruct the Registrar to: (i) decrease the amount of Notes registered in the name of the nominee of the Common Depositary or, as applicable, the Common Safekeeper for Euroclear and Clearstream, Luxembourg and evidenced by the relevant Global Note Certificate; and (ii) increase the amount of Notes registered in the name of Cede & Co. and evidenced by the relevant Global Note Certificate.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in Global Note Certificates among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear, 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 directors of the Issuer, the Sellers, any Joint Arranger, any Dealer, the Note Trustee, the Security Trustee, any Interest Rate Swap Counterparty, any Currency Swap Counterparty, the Paying Agents or the Agent Bank will have any responsibility for the performance by DTC, Clearstream, Luxembourg or Euroclear or their respective participants of their respective obligations under the rules and procedures governing their operations.

Pre-issue trades settlement

It is expected that the delivery of each Series of Notes will be made against payment therefor on the Issuance Date for such Series of Notes, which could be more than three business days following the date of pricing for such Series of Notes. Under Rule 15c6-1 under the Exchange Act, trades in the US secondary market generally are required to settle within three business days (T+3), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the US on the date of pricing or the next succeeding business days until three days prior to the Issuance Date of a Series of Notes will be required, by virtue of the fact that the Notes initially will settle beyond T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the Issuance Date for such Series of Notes should consult their own adviser.

Sub-Series of the Class A Notes

Pursuant to the Agency Agreement, the Principal Paying Agent shall procure that, where any additional Sub-Series of Class A Notes is issued which is intended to form a single Series with the then existing Series or, as the case may be, Sub-Series of the Class A Notes, the Class A Notes of such additional Sub-Series shall be assigned a common code and ISIN and, where applicable, a CUSIP and CINS number which are different from the common code, ISIN, CUSIP and CINS assigned to Class A Notes of any existing Sub-Series of the relevant Series until at least the expiry of the Distribution Compliance Period applicable to the Class A Notes of such Sub-Series.

Transfer and settlement of Money Market Notes under the Remarketing Agreements and Conditional Note Purchase Agreements

A Series and Class of Money Market Notes will initially be represented by a Regulation S Global Note Certificate and/or a Rule 144A Global Note Certificate. Each Global Note Certificate will in turn be exchangeable for certificates in individual certificated form only in the circumstances described under the section entitled "Description of the Trust Deed and The Notes – The Notes – Individual Note Certificates".

Three business days before the Money Market Note Mandatory Transfer Date for a Series and Class of Money Market Notes, the applicable Remarketing Agent will be required to deliver to Euroclear and/or Clearstream, Luxembourg a written notice (a "**Euroclear/Clearstream Money Market Note Call Notice**") in respect of such Notes which are represented by a registered Regulation S Global Note Certificate (the "**Euroclear/Clearstream Money Market Notes**", and holders thereof, the "**Euroclear/Clearstream Money Market Noteholders**") that will specify, among other things, the applicable Remarketing Agent's account details with Euroclear or Clearstream, Luxembourg (as the case may be) and the Principal Amount Outstanding in respect of such Notes on such Money Market Note Mandatory Transfer Date (after giving effect to the payment of any Note Principal Payments (or any part thereof) that will be made on such date in respect of such Notes) (the "**Euroclear/Clearstream Money Market Note Mandatory Transfer Price**").

Prior to the Money Market Note Mandatory Transfer Date for a Series and Class of Money Market Notes, the applicable Remarketing Agent will be required to deliver to Euroclear and/or Clearstream, Luxembourg a second written notice (a "**Euroclear/Clearstream Money Market Note Transfer Notice**") in respect of the Euroclear/Clearstream Money Market Notes, which will specify, among other things, the account details with Euroclear and/or Clearstream, Luxembourg (as the case may be) of any purchaser of the Euroclear/Clearstream Money Market Notes, on such Money Market Note Mandatory Transfer Date (which will include the applicable Conditional Note Purchaser in respect of such Euroclear/Clearstream Money Market Notes if the Remarketing Agent is unable to identify investors for some or all of such Notes pursuant to the terms of the applicable Remarketing Agreement) (each

such purchaser of the Euroclear/Clearstream Money Market Notes being an "**Incoming Euroclear/Clearstream Money Market Noteholder**") and the Euroclear/Clearstream Money Market Note Mandatory Transfer Price payable on such Money Market Note Mandatory Transfer Date.

No further action will be required of the Euroclear/Clearstream Money Market Noteholders in connection with the transfer of the Euroclear/Clearstream Money Market Notes to the applicable Remarketing Agent (as contemplated by the Euroclear/Clearstream Money Market Note Call Notice) or the transfer from the Remarketing Agent to the Incoming Euroclear/Clearstream Money Market Noteholders (as contemplated by the Euroclear/Clearstream Money Market Note Transfer Notice).

To facilitate the transfer of interests in a Series and Class of Money Market Notes held through DTC (the "**DTC Money Market Notes**", and holders thereof, the "**DTC Money Market Noteholders**") as part of the Money Market Note Mandatory Transfer Arrangements, the tender agent appointed in respect of such Series and Class of Notes will be required to arrange delivery and payment by and to the DTC Money Market Noteholders on the Money Market Note Mandatory Transfer Date for such Notes. The Remarketing Agent appointed in respect of such Series and Class of Notes will be required to provide a suitable securities account to be used for the purposes of settlement of the DTC Money Market Notes on each Money Market Note Mandatory Transfer Date for such Notes.

The Remarketing Agent for a Series and Class of Money Market Notes will be required (to the extent that any DTC Money Market Notes are held in global form) to notify DTC no later than three business days prior to a Money Market Note Mandatory Transfer Date for such Notes of: (i) the Principal Amount Outstanding on such Money Market Note Mandatory Transfer Date (after giving effect to the payment of any Note Principal Payments (or any part thereof) that will be made on such date in respect of such Notes), being the amount payable by the investors wishing to purchase the DTC Money Market Notes (the "**DTC Money Market Note Mandatory Transfer Price**"); (ii) the account details with DTC of any purchaser of the DTC Money Market Notes, on such Money Market Note Mandatory Transfer Date (which will include the related applicable Conditional Note Purchaser in respect of such DTC Money Market Notes if the Remarketing Agent is unable to identify investors for some or all of such Notes pursuant to the terms of the applicable Remarketing Agreement) (each such purchaser of the DTC Money Market Notes being an "**incoming DTC Money Market Noteholder**"), the money market note reset margin applicable to such Notes after that Money Market Note Mandatory Transfer Date; and (iii) the next Reset Period (which will be defined in the applicable Remarketing Agreement or the applicable Conditional Note Purchase Agreement) in respect of such Notes. The applicable Remarketing Agent will arrange delivery of the relevant DTC Money Market Notes to the incoming DTC Money Market Noteholders on each Money Market Note Mandatory Transfer Date for such Notes (including, without limitation, specifying details of the accounts of such incoming DTC Money Market Noteholders to DTC).

No further action will be required of the incoming DTC Money Market Noteholders for the transfer of DTC Money Market Notes to or for the account of a Remarketing Agent.

Upon payment on the Money Market Note Mandatory Transfer Date of the DTC Money Market Note Mandatory Transfer Price by the incoming DTC Money Market Noteholders for a Series and Class of Money Market Notes, all rights in respect of the DTC Money Market Notes will be transferred to or for the account of the applicable Remarketing Agent and then will be transferred that same day to the incoming DTC Money Market Noteholders.

If an existing holder of Money Market Notes wishes to repurchase such Notes on the Money Market Note Mandatory Transfer Date for such Notes, the transfer and settlement process is as described above except that there will be no cash payment of the applicable DTC Money Market Note Mandatory Transfer Price to or from such holder.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions (the "**Conditions**", and any reference to a "**Condition**" will be construed accordingly) of Notes in the form (subject to amendment) which will be incorporated by reference into each Global Note Certificate and each Individual Note Certificate, and in the latter case with respect to the Notes, only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Individual Note Certificate will have endorsed thereon or attached thereto such Conditions. The Final Terms in relation to each Series and Class of Notes and each Sub-Series of the Class A Notes may specify other terms and conditions which will, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) for Notes will be endorsed upon, or attached to, each Global Note Certificate and Individual Note Certificate. References to the "**applicable Final Terms**" are, in relation to a Series and Class of Notes or a Sub-Series of the Class A Notes, to the Final Terms, pricing supplement or drawdown prospectus (or the relevant provisions thereof) attached to or endorsed on such Notes.

The Notes are constituted by a deed or deeds supplemental to the Trust Deed. The Security for the Notes is created pursuant to, and on the terms set out in, the Deed of Charge. By the Agency Agreement, provision is made for, among other things, the payment of principal and interest in respect of the Notes.

References herein to the "**Notes**" will, unless the context otherwise requires, be references to all the Notes issued by the Issuer and constituted by the Trust Deed and will mean:

(a) in relation to any Notes of a Series and Class represented by a Global Note Certificate, units of the lowest Specified Denomination in the Specified Currency in each case of such Series and Class;

(b) any Global Note Certificates; and/or

(c) any Individual Note Certificates:

  (i) in respect of the Class A Notes, issued in exchange for a Global Note Certificate; and/or

  (ii) in respect of the Class Z VFNs and the YBS Note, Regulation S Individual Note Certificates to be issued on the First Issuance Date.

Notes constituted by the Trust Deed are issued in series (each a "**Series**") and each Series comprises one or more Classes (each a "**Class**") of Notes. Each Class of Notes of any Series may comprise one or more Sub-Classes of Notes (each a "**Sub-Class**"). Each Series of Notes is subject to Final Terms.

As used in this Base Prospectus, "**Sub-Series**" means a sub-series of Class A Notes which are: (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issuance Date, Interest Commencement Dates and/or issue prices.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge and the Agency Agreement.

Copies of the Trust Deed, the Deed of Charge, the Agency Agreement and each of the other Programme Documents are available for inspection during normal business hours at the registered office of the Issuer, being 1 King's Arms Yard, c/o Wilmington Trust SP Services (London) Limited, London EC2R 7AF, the specified office for the time being of the Principal Paying Agent, being at Citigroup Centre, Canada Square, London, E14 5LB, and the specified office for the time being of the US Paying Agent,

being at Citigroup Centre, Canada Square, London, E14 5LB. Copies of the Final Terms of each Series of Notes are obtainable by Noteholders during normal business hours at the registered office of the Issuer, the specified office for the time being of the Principal Paying Agent and the specified office for the time being of the US Paying Agent and any Noteholder must produce evidence satisfactory to the Issuer, the Principal Paying Agent or the US Paying Agent (as the case may be) as to its holding of Notes and its identity.

The holders of any Series and Class of Notes are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of, and definitions contained or incorporated in, the Trust Deed, the Deed of Charge, the Agency Agreement, each of the other Programme Documents and the applicable Final Terms and to have notice of each of the other Final Terms relating to each other Series and Class of Notes.

References herein to the "**Class A Noteholders**" will, in each case and unless specified otherwise, be references to the holders of the Class A Notes of all Series and all Sub-Classes of the Class A Notes.

References herein to the "**VFN Holders**" will, in each case and unless specified otherwise, be references to the holders of the Class Z VFNs of all Sub-Classes and to YBS as the holder of the YBS Note.

Unless the context otherwise requires, references herein to the "**Class A Notes**" will, in each case and unless specified otherwise, be references to the Class A Notes of all Series and all Sub-Classes of the Class A Notes.

Unless the context otherwise requires, references herein to the "**VFNs**" will, in each case and unless specified otherwise, be references to the Class Z VFNs of all Sub-Classes and to the YBS Note.

The VFNs have been issued in definitive form and are represented by Regulation S Individual Note Certificates. The Issuer maintains the VFN Register, kept on the Issuer's behalf by the VFN Registrar, in which the Class Z VFNs are registered in the name of the VFN Holder and the YBS Note is registered in the name of YBS.

The Notes are not issuable in bearer form.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Conditions will bear the meanings given to them in the applicable Final Terms and/or the Master Definitions Schedule set out in Schedule 1 (*Master Definitions Schedule*) to the Incorporated Terms Memorandum made between the parties to the Transaction Documents on or about the Programme Date (as modified and/or supplemented and/or restated from time to time, the "**Master Definitions Schedule**"), a copy of each of which may be obtained as described above.

For the purposes of: (1) the right to attend and vote at any meeting of the Noteholders of any Class A Notes of any Series, an Extraordinary Resolution in writing or an Ordinary Resolution in writing, a written resolution or an electronic consent through the relevant Clearing System(s) as envisaged by the Trust Deed and/or these Conditions and any direction or request by the Noteholders of any Class A Notes of any Series; the determination of how many and which Class A Notes are for the time being outstanding; (2) any discretion, power or authority (whether contained in the trust presents, or vested by operation of law) which the Security Trustee and/or the Note Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders of any Class A Notes; and (3) the determination by the Note Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Noteholders of any Class A Notes, "**outstanding**" means, in relation to the Class A Notes, all the Class A Notes issued from time to time other than those Class A Notes (if any) which are for the time being held by or on behalf of YBS or Accord or any Subsidiary of YBS (each such entity a "**Relevant Person**"), in each case as beneficial owner, those

Class A Notes will (unless and until ceasing to be so held) be deemed not to remain outstanding. However, if:

(i) all of the Class A Notes of any Series are held by or on behalf of or for the benefit of one or more Relevant Persons (the "**Relevant Notes**"); or

(ii) in respect of any of the Class A Notes of any Series which are prepositioned with the Bank of England, the European Central Bank or any other central bank, for the purposes of using the Bank of England's discount window facility or any other similar central bank liquidity scheme (**provided that** a certificate addressed to the Note Trustee (upon which the Note Trustee shall be entitled to rely without enquiry or liability) confirming the same has been provided by the Relevant Person to the Note Trustee, in the absence of which the Note Trustee shall be entitled to assume that the Class A Notes have not been so prepositioned),

then in each case, the Class A Notes held by or on behalf of or for the benefit of the Relevant Persons shall be deemed to remain outstanding. For the avoidance of doubt, for so long as the YBS Note and/or any Class Z VFNs are held by a Relevant Person such Notes so held will be considered outstanding.

Notwithstanding the above, any Notes held by a Relevant Person will always be deemed to remain outstanding for the purposes of a sanctioning a Basic Terms Modification.

1. Form, Denomination, Register, Title and Transfers

(a) ***Form and denomination***

The Rule 144A Notes have not been, and will not be, registered under the Securities Act and may not be offered or sold within the US or to, or for the account or benefit of, US persons, except to "qualified institutional buyers" (within the meaning of Rule 144A under the Securities Act) in reliance on the exemption from registration provided by Rule 144A under the Securities Act.

The Regulation S Notes will initially be offered and sold outside the US to non-US persons pursuant to Regulation S.

Each Series and Class of Class A Notes will be issued in registered form and denominated in the Specified Currency and in the Specified Denomination. Each Series and Class of Class A Notes which are Rule 144A Notes will be initially represented by a Rule 144A Global Note Certificate, which, in the aggregate, will represent the Principal Amount Outstanding from time to time of such Series and Class of Rule 144A Notes. Each Series and Class of Class A Notes which are Regulation S Notes will be initially represented by a Regulation S Global Note Certificate which, in the aggregate, will represent the Principal Amount Outstanding from time to time of such Series and Class of the Regulation S Notes.

Each Class Z VFN and the YBS Note will be issued in definitive form and denominated in the Specified Currency and in the Specified Denomination. Each Class Z VFN and the YBS Note will be represented by Regulation S Individual Note Certificates to be issued on the First Issuance Date. Each Regulation S Individual Note Certificate will represent the Principal Amount Outstanding from time to time of the relevant Class Z VFN and/or the YBS Note.

Each Series and Class of Notes may be Fixed Rate Notes or Floating Rate Notes or a combination of the foregoing, depending upon the interest basis specified for such Notes in the applicable Final Terms.

Each Series and Class of Class A Notes may be Bullet Redemption Notes, Controlled Amortisation Notes, Pass-Through Redemption Notes or a combination of any of the foregoing, depending upon the redemption/payment basis specified for such Notes in the applicable Final Terms.

Global Note Certificates will be exchanged for Individual Note Certificates in definitive registered form only under certain limited circumstances (as described in the relevant Global Note Certificate). If Individual Note Certificates are issued, they will be serially numbered and issued in an aggregate principal amount equal to the Principal Amount Outstanding of the relevant Global Note Certificates and in registered form only.

In the case of a Series and Class of Notes with more than one Specified Denomination, Notes of one Specified Denomination may not be exchanged for Notes of such Series and Class of another Specified Denomination.

(b) ***Register***

The Registrar will maintain the Register in respect of the Class A Notes in accordance with the provisions of the Agency Agreement. In these Conditions, the "**Holder**" of a Class A Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof). A Note Certificate will be issued to each Noteholder in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

The VFN Registrar will maintain the VFN Register in respect of the Class Z VFNs and the YBS Note in accordance with the provisions of the Trust Deed. In these Conditions, the "**Holder**" of a Class Z VFN or of the YBS Note means the person in whose name such Class Z VFN or the YBS Note, as the case may be, is for the time being registered in the VFN Register.

(c) ***Title***

The Holder of each Note will (except as otherwise required by law) be treated by the Issuer, the Note Trustee, the Security Trustee, the Agent Bank and any Agent as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Note Certificate) and no person will be liable for so treating such holder.

(d) ***Transfers***

Subject as provided otherwise in this Condition 1(d), a Class A Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the specified office of the Registrar or the Exchange and Transfer Agent, together with such evidence as the Registrar or (as the case may be) the Exchange and Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided**, **however**, **that** a Class A Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a holder are being transferred) the principal amount of the balance of Notes not transferred are each in the Minimum Specified Denomination. Where not all the Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Notes will be issued to the transferor.

Within five Business Days of such surrender of a Note Certificate, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the

Notes transferred to each relevant holder at its specified office or (as the case may be) the specified office of the Exchange and Transfer Agent or (at the request and risk of any such relevant holder) by uninsured first class mail (and by airmail if the holder is overseas) to the address specified for such purpose by such relevant holder.

The transfer of a Class A Note will be effected without charge by, or on behalf of, the Issuer, the Registrar or the Exchange and Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Exchange and Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

Noteholders may not require transfers of Notes to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes.

All transfers of Class A Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Note Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

Title to a VFN shall only pass by and upon registration of the transfer in the VFN Register provided that no transferee shall be registered as a new Class Z VFN Holder or YBS Note Holder, as applicable, unless (i) the prior written consent of the Issuer and (for so long as any Class A Notes are outstanding) the Note Trustee has been obtained (the Note Trustee shall give its consent to such a transfer if the same has been sanctioned by an Extraordinary Resolution of the Class A Noteholders); (ii) the Principal Amount Outstanding of the Notes is at least £5,000,000; and (iii) such transferee has certified to, inter alios, the VFN Registrar that it is (A) a person falling within paragraph 3 of Schedule 2A to the Insolvency Act 1986, (B) independent of the Issuer within the meaning of regulation 2(1) (as modified by regulation 2(3)) of the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (as amended) and (C) a Qualifying Noteholder by way of a Tax Certificate.

Title to a Class Z VFN and/or to the YBS Note cannot be transferred to a US Person.

2. Status, priority and security

(a) ***Status***

The Notes of each Series and Class are direct, secured and, subject to the limited recourse provisions in Condition 10(b) (*Limited Recourse*), unconditional obligations of the Issuer.

Subject to the provisions of Conditions 5 (*Redemption, Purchase and Cancellation*) and 6 (*Payments*) and subject to the other payment conditions set out in the applicable Final Terms and the other Transaction Documents, amounts payable in respect of the Notes will be paid in accordance with the relevant Priority of Payments.

(b) ***Conflict between the Classes of Notes***

The Trust Deed contains provisions:

(i) requiring the Note Trustee to have regard to the interests of the Class A Noteholders and the Class Z VFN Holder and the holder of the YBS Note equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee under these Conditions or any of the Transaction Documents (except where expressly provided

otherwise), but requiring the Note Trustee to have regard (except as expressly provided otherwise), for so long as there are any Class A Notes outstanding (of any Series), only to the interests of the Class A Noteholders if, in the opinion of the Note Trustee, there is or may be a conflict between the interests of the Class A Noteholders and the interests of the Class Z VFN Holder and the holder of the YBS Note. If there is a conflict between the interests of one Class of Noteholders of one Series and the same Class of Noteholders of another Series, then a resolution directing the Note Trustee to take any action must be passed at separate meetings of the holders of each Series of the relevant Class of Notes; and

(ii) limiting the powers of the Class Z VFN Holder and the holder of the YBS Note, among other things, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders (of that Series or of any other series). Except in certain circumstances described in Condition 11 (*Meetings of Noteholders, modifications and waiver*), the Trust Deed contains no such limitation on the powers of the Class A Noteholders, the exercise of which will be binding on the Class Z VFN Holder and the holder of the YBS Note irrespective of the effect thereof on their interests.

The Note Trustee, in determining whether the exercise by it of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents will not be materially prejudicial to the interests of the Noteholders (or any Series and Class thereof), will have regard to Ratings Confirmations (if issued) that the then-current ratings of the applicable Series and Class of Notes would not be reduced, withdrawn or qualified by such exercise and any other confirmation which it considers, in its sole and absolute discretion, is appropriate.

(c) ***Security***

As security for, among other things, the payment of all monies payable in respect of the Notes, the Issuer will enter into the Deed of Charge and a Scottish Supplemental Charge creating the Security in favour of the Security Trustee for itself and on trust for, inter alios, the Note Trustee and the Noteholders.

3. Covenants

Save with the prior written consent of the Note Trustee or unless provided in or contemplated under these Conditions or any of the Transaction Documents to which the Issuer is a party, the Issuer will not, so long as any note remains outstanding:

(a) ***Negative pledge***

create or permit to subsist any mortgage, standard security, pledge, lien, charge or other security interest whatsoever (unless arising by operation of law), upon the whole or any part of its assets (including any uncalled capital) or its undertakings, present or future;

(b) ***Disposal of assets***

sell, assign, transfer, lease or otherwise dispose of, or deal with, or grant any trust, option or present or future right to acquire all or any of its properties, assets, or undertakings or any interest, estate, right, title or benefit therein or thereto or agree or attempt or purport to do any of the foregoing;

(c) ***Equitable interest***

permit any person other than itself and the Security Trustee (as to itself and on behalf of the Secured Creditors) to have any equitable or beneficial interest in any of its assets or undertakings or any interest, estate, right, title or benefit therein;

(d) ***Bank accounts***

have an interest in any bank account, other than a Bank Account or a Swap Excess Reserve Account;

(e) ***Custody accounts***

have an interest in any securities custody account, other than a Custody Account;

(f) ***Restrictions on activities***

carry on any business other than as described in the Base Prospectus (as revised, supplemented and/or amended from time to time) relating to the issue of the Notes and the related activities described therein or as contemplated in the Transaction Documents relating to the issue of the Notes;

(g) ***Borrowings***

incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or obligation of any person other than as contemplated in the Transaction Documents;

(h) ***Merger***

consolidate or merge with any other person or convey or transfer substantially all of its properties or assets to any other person;

(i) ***Waiver or consent***

permit the validity or effectiveness of any of the Trust Deed or the Deed of Charge or the priority of the security interests created thereby to be amended, terminated, postponed, waived or discharged, or permit any other person whose obligations form part of the Security to be released from such obligations;

(j) ***Employees or premises***

have any employees or premises or subsidiaries;

(k) ***Dividends and distributions***

pay any dividend (other than dividends paid out of amounts recorded in the Profit Ledger), or make any other distribution to its shareholders or issue any further shares or alter any rights attaching to its shares as at the date of the Deed of Charge;

(l) ***Purchase Notes***

purchase or otherwise acquire any Note or Notes;

(m) ***US activities***

engage in any activities in the US (directly or through agents), or derive any income from US sources as determined under US income tax principles, or hold any property if doing so would cause it to be engaged in a trade or business within the US as determined under US income tax principles; or

(n) ***VFNs***

allow the Principal Amount Outstanding of any Series, Class or Sub-Class of the VFNs to be less than £10,000 unless such Series, Class or Sub-Class of the VFNs is to be redeemed in full.

4. Interest

(a) ***Interest on Fixed Rate Notes***

Each Fixed Rate Note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date at the rate(s) per annum equal to the rate(s) of interest payable, subject as provided in these Conditions, in arrear on the Note Payment Date(s) in each year specified for such Note in the applicable Final Terms up to (and including) the Final Maturity Date.

Except as provided in the applicable Final Terms, the amount of interest payable in respect of any Fixed Rate Note on each Note Payment Date for a Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Note Payment Date will, if so specified for such Note in the applicable Final Terms, amount to the broken amount so specified.

If interest is required to be calculated in respect of any Fixed Rate Note for a period other than a Fixed Interest Period, such interest will be calculated by applying the Rate of Interest specified for such Note in the applicable Final Terms to the Principal Amount Outstanding on such Note, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

(b) ***Interest on Floating Rate Notes***

(i) *Note Payment Dates*

Each Floating Rate Note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date and such interest will be payable in arrears on the Note Payment Date(s) in each year specified for such Note in the applicable Final Terms. Such interest will be payable in respect of each Floating Interest Period.

If a Business Day Convention is specified for a Floating Rate Note in the applicable Final Terms and: (x) if there is no numerically corresponding day in the calendar month in which a Note Payment Date should occur; or (y) if any Note Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day convention specified is:

(A) the "**Following Business Day Convention**", the Note Payment Date for such Note will be postponed to the next day which is a Business Day;

(B) the "**Modified Following Business Day Convention**", the Note Payment Date for such Note will be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Note Payment Date will be brought forward to the immediately preceding Business Day; or

(C) the "**Preceding Business Day Convention**", the Note Payment Date for such Note will be brought forward to the immediately preceding Business Day.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of a Floating Rate Note will be determined in the manner specified for such Note in the applicable Final Terms.

(iii) *ISDA determination for Floating Rate Notes*

Where ISDA determination is specified for such Notes in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate (**provided that** in any circumstances where under the ISDA Definitions, the Agent Bank would be required to exercise any discretion, including the selection of any reference banks and seeking quotations from reference banks, when calculating the relevant ISDA Rate, the relevant determination(s) which require the Agent Bank to exercise its discretion shall instead be made by the Issuer or its designee) plus or minus (as indicated for such Note in the applicable Final Terms) the Margin (if any). For the purposes of this paragraph (b), "**ISDA Rate**" for an Interest Period means a rate equal to the floating rate that would be determined by the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, or other person specified in the applicable Final Terms under an interest rate swap transaction if the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, or that other person were acting as calculation agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(A) the Floating Rate Option is as specified for such Notes in the applicable Final Terms;

(B) the Designated Maturity is the period specified for such Notes in the applicable Final Terms; and

(C) the relevant Reset Date is either: (i) if the applicable Floating Rate Option is based on EURIBOR for a currency, the first day of that Interest Period; or (ii) in any other case, as specified for such Note in the applicable Final Terms.

For the purposes of this paragraph (iii), "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

For the purposes of this Condition 4 (*Interest*), "**EURIBOR**" means the Euro-zone inter-bank offered rate.

(iv) *Screen Rate Determination for Floating Rate Notes – EURIBOR*

Where "**Screen Rate Determination**" is specified for a Floating Rate Note in the applicable Final Terms as the manner in which the Rate of Interest is to be determined for such Note, and the Reference Rate is specified in the applicable Final Terms as being EURIBOR, the Rate of Interest for such Notes for each Interest Period will, subject as provided below, be either:

(A) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(B) the arithmetic mean (rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at 11am (Brussels time, in the case of EURIBOR) on the Interest Determination Date in question (the "**Specified Time**") plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be. If five or more offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one highest quotation, one only of those quotations) and the lowest (or, if there is more than one lowest quotation, one only of those quotations) will be disregarded by the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, for the purpose of determining the arithmetic mean (rounded as provided above) of the offered quotations.

If the Relevant Screen Page is not available or if no offered quotation appears as at the Specified Time on the Interest Determination Date, the Issuer (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, will request each of the Reference Banks to provide the Issuer or an agent on its behalf appointed at such time (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Issuer (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, with offered quotations, the Rate of Interest for the Interest Period will be the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be.

If on any Interest Determination Date only one or none of the Reference Banks provides the Issuer (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period will be the rate per annum which the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, determines as being the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the rates, as communicated to (and at the request of) the Issuer (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, by any two or more of the Reference Banks, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified

Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Issuer (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Issuer (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be, it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), **provided that**, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest for such Series and Class of Notes will be determined as at the last preceding Interest Determination Date for such Series and Class of Notes (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

If the Reference Rate from time to time in respect of a Series and Class of Floating Rate Notes is specified in the applicable Final Terms as being other than EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in paragraphs (v) and (vi) below.

(v) *Compounded Daily Interest Rates*

Where screen rate determination is specified for a Floating Rate Note in the applicable Final Terms as the manner in which the Rate of Interest is to be determined for such Note, and the Reference Rate is specified in the applicable Final Terms as being a Compounded Daily Interest Rate, the Rate of Interest for each Interest Period will, subject as provided below, be the Compounded Daily Interest Rate for the relevant currency plus or minus (as indicated in the applicable Final Terms) the Margin, as determined on the basis of the provisions set out below:

"**Compounded Daily Interest Rate**" means, with respect to an Interest Period for the relevant currency:

(A) where "Index Determination" is specified as "Not Applicable" in the relevant Final Terms, the rate of return of a daily compound interest investment during the Interest Period (with the daily Sterling, US Dollar or Euro (as the case may be) overnight reference rate as reference rate for the calculation of interest) as calculated by the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be (or other party responsible for calculating the Rate of Interest as set out in the relevant Final Terms) as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{Rate_i \times n_i}{D}\right)-1\right]\times\frac{D}{d}$$

(B) where "Index Determination" is specified as "Applicable" in the relevant Final Terms the rate calculated by the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFN_s) as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left(\frac{Index_{END}}{Index_{START}} - 1\right) \times \frac{D}{d}$$

provided, however, that if the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFN_s) is unable for any reason to determine either or both of $Index_{END}$ and $Index_{START}$ in relation to any Interest Period, then the Compounded Daily Interest Rate shall be calculated for such Interest Period as if "Index Determination" had been specified as being "Not Applicable" in the relevant Final Terms (and paragraph (A) of this definition shall be applied accordingly),

where:

"**Banking Day**" is:

(A) if the relevant reference rate is SONIA, a London Banking Day;

(B) if the relevant reference rate is SOFR, a US Government Securities Business Day; and

(C) if the relevant reference rate is €STR, a TARGET Business Day;

"**D**" is:

(A) if the relevant reference rate is SONIA, 365;

(B) if the relevant reference rate is SOFR, 360; and

(C) if the relevant reference rate is €STR, 360;

"**d**" is:

(A) where "Index Determination" is specified as "Applicable" in the relevant Final Terms, the number of calendar days from (and including) the day in relation to which $Index_{START}$ is determined to (but excluding) the day in relation to which $Index_{END}$ is determined; and

(B) where "Index Determination" is specified as "Not Applicable" in the relevant Final Terms:

(I) where "Lag" or "Lock-out" is specified in the relevant Final Terms as the Observation Method, the number of calendar days in the relevant Interest Period; and

(II) where "Shift" is specified in the relevant Final Terms as the Observation Method, the number of calendar days in the relevant Observation Period;

"**d_o**" is:

(A) if the relevant reference rate is SONIA: (i) where "Lag" or "Lock-out" is specified in the relevant Final Terms as the Observation Method, the number of London Banking Days in the relevant Interest Period; and (ii) where "Shift" is specified in the relevant Final Terms as the Observation Method, for any SONIA Observation Period, the number of London Banking Days in the relevant SONIA Observation Period;

(B) if the relevant reference rate is SOFR: (i) where "Lag" or "Lock-out" is specified in the relevant Final Terms as the Observation Method, the number of US Government Securities Business Days in the relevant Interest Period; and (ii) where "Shift" is specified in the relevant Final Terms as the Observation Method, for any SOFR Observation Period, the number of US Government Securities Business Days in the relevant SOFR Observation Period; and

(C) if the relevant reference rate is €STR: (i) where "Lag" or "Lock-out" is specified in the relevant Final Terms as the Observation Method, the number of TARGET Business Days in the relevant Interest Period; and (ii) where "Shift" is specified in the relevant Final Terms as the Observation Method, for any €STR Observation Period, the number of TARGET Business Days in the relevant €STR Observation Period;

"**€STR**" means Euro short-term rate;

"**€STR Observation Period**" is, in respect of an Interest Period, the period from, and including *p* TARGET Business Days prior to the relevant Interest Period (and the first Interest Period will begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling *p* TARGET Business Days prior to the Note Payment Date for such Interest Period (or the date falling *p* TARGET Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**FOMC Target Rate**" means the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's website, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range);

"**i**" is:

(A) if the relevant reference rate is SONIA, a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant: (i) where "Lag" or "Lock-out" is specified in the relevant Final Terms as the SONIA Observation Method, Interest Period; and (ii) where "Shift" is specified in the relevant Final Terms as the Observation Method, SONIA Observation Period;

(B) if the relevant reference rate is SOFR, a series of whole numbers from one to d_o, each representing the relevant US Government Securities Business Day in chronological order from, and including, the first US Government Securities Business Day in the relevant: (i) where "Lag" or "Lock-out" is specified in the relevant Final Terms as the Observation Method, Interest Period; and (ii) where

"Shift" is specified in the relevant Final Terms as the Observation Method, SOFR Observation Period; and

(C) if the relevant reference rate is €STR, a series of whole numbers from one to d_o, each representing the relevant TARGET Business Days in chronological order from, and including, the first TARGET Business Days in the relevant: (i) where "Lag" or "Lock-out" is specified in the relevant Final Terms as the Observation Method, Interest Period; and (ii) where "Shift" is specified in the relevant Final Terms as the Observation Method, SOFR Observation Period;

"**$\text{Index}_{\text{END}}$**" means, in relation to any Interest Period, the Index Value on the day which is "p" Banking Days prior to the Note Payment Date for such Interest Period (and in respect of the final Interest Period for any relevant Series of Notes, the relevant Final Maturity Date);

"**$\text{Index}_{\text{START}}$**" means, in relation to any Interest Period, the Index Value on the day which is "p" Banking Days prior to the first day of such Interest Period (and in respect of the first Interest Period for any relevant Series of Notes, the relevant Issuance Date);

"**Index Value**" means:

(A) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, in relation to any Banking Day, the value of the SONIA Index as published by authorised redistributors on the Relevant Screen Page on the immediately following London Banking Day **provided, however, that** in the event that the value originally published is subsequently corrected and such corrected value is published by authorised re-distributors or the Bank of England, as the administrator of SONIA (or any successor administrator of SONIA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the Index Value in relation to such London Banking Day; and

(B) where "SOFR" is specified as the Reference Rate in the relevant Final Terms, in relation to any Banking Day, the value of the SOFR Index as published by the SOFR Administrator as such index appears on the Federal Reserve's website at or around 3.00pm (New York time) on such Banking Day;

"**Interest Determination Date**" is the day defined as such in the Final Terms;

"**London Banking Day**" is any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"***n***" is:

(A) if the reference rate is SONIA, for any London Banking Day, means the number of calendar days from (and including) such day *i* up to but excluding the following London Banking Day;

(B) if the reference rate is SOFR, for any US Government Securities Business Day, means the number of calendar days from and including such US Government Securities Business Day up to but excluding the following US Government Securities Business Day; and

(C) if the reference rate is €STR, for any TARGET Business Day, means the number of calendar days from and including such TARGET Business Day up to but excluding the following TARGET Business Day;

"**OBFR**" means on a Note Payment Date, the Overnight Bank Funding Rate that appears on the Federal Reserve's website at 5.00pm (New York time) for trades made on the related Interest Determination Date;

"**OBFR Index Cessation Effective Date**" means, following the occurrence of an OBFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Overnight Bank Funding Rate), ceases to publish the Overnight Bank Funding Rate, or the date as of which the Overnight Bank Funding Rate may no longer be used, in each case as certified in writing by the Issuer to the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be (or such other party responsible for the calculation of the rate of interest, as specified in the applicable Final Terms);

"**OBFR Index Cessation Event**" means the occurrence of one or more of the following events:

(A) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Overnight Bank Funding Rate) announcing that it has ceased or will cease to publish or provide the Overnight Bank Funding Rate permanently or indefinitely, **provided that**, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate;

(B) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Overnight Bank Funding Rate) has ceased or will cease to provide the Overnight Bank Funding Rate permanently or indefinitely, **provided that**, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate; or

(C) a public statement by a regulator or other official sector entity prohibiting the use of the Overnight Bank Funding Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as an "OBFR index cessation event" under the 2021 ISDA Definitions as published by ISDA;

"***p***" means:

(A) if the reference rate is SONIA, the number of London Banking Days as they may be specified in the applicable Final Terms or, if no such number is specified, five London Banking Days;

(B) if the reference rate is SOFR, the number of US Government Securities Business Days as they may be specified in the applicable Final Terms or, if no such number is specified, five US Government Securities Business Days; and

(C) if the reference rate is €STR, the number of TARGET Business Days as they may be specified in the applicable Final Terms or, if no such number is specified, five TARGET Business Days;

"**$Rate_i$**" is the relevant reference rate (being the SONIA reference rate, SOFR or €STR) for the Banking Day (being a Banking Day falling in the relevant Observation Period) falling "*p*" Banking Days prior to the relevant Banking Day "i". For: (a) any Business Day i that is a Reset Date, the relevant reference rate in respect of the Business Day immediately preceding such Reset Date; and (b) any Business Day i that is not a Reset Date (i.e. a Business Day in the Cut-off Period), the relevant reference rate in respect of the Business Day immediately preceding the last Reset Date of the relevant Interest Period (such last Reset Date coinciding with the Interest Determination Date);

"**Reset Date**" is each Business Day in the relevant Interest Period, other than any Business Day in the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Note Payment Date (such period, the "**Cut-off Period**"). For any Business Day in the Cut-off Period, the relevant reference rate in respect of the Business Day immediately preceding the last Reset Date in the relevant Interest Period (such last Reset Date coinciding with the Interest Determination Date) will apply;

"**SIFMA**" means the Securities Industry and Financial Markets Association (or any successor entity);

"**SOFR**" means:

(A) the daily secured overnight financing rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed's Website on or about 5.00pm (New York City time) on each US Government Securities Business Day in respect of the US Government Securities Business Day immediately preceding such day;

(B) if the daily secured overnight financing rate does not appear on a US Government Securities Business Day as specified in paragraph (A), unless both a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date (each, as defined below) have occurred, the daily secured overnight financing rate in respect of the last US Government Securities Business Day for which such rate was published on the New York Fed's Website; or

(C) if the daily secured overnight financing rate does not appear on a US Government Securities Business Day as specified in paragraph (A), and both a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have occurred, the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for the daily secured overnight financing rate by the Federal Reserve Board and/or the Federal Reserve Bank of New York or by a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for the daily secured overnight financing rate (which rate may be produced by the Federal Reserve Bank of New York or other designated administrator), **provided that**, if no such rate has been recommended within one US Government Securities Business Day of the SOFR Index Cessation Event, then the Interest Rate reference rate will be determined as if, for each US Government Securities Business Day occurring on or after the SOFR Index Cessation Effective Date: (i) references to the Secured Overnight Financing Rate were references to OBFR; (ii) references to US Government Securities Business Day were references to New York City Banking Day; (iii) references to SOFR Index Cessation Event were references

to OBFR Index Cessation Event; and (iv) references to SOFR Index Cessation Effective Date were references to OBFR Index Cessation Effective Date; and **provided further that**, if no such rate has been recommended within one US Government Securities Business Day of the SOFR Index Cessation Event and an OBFR Index Cessation Event has occurred, then the Interest Rate reference rate will be determined as if, for each US Government Securities Business Day occurring on or after the later of the SOFR Index Cessation Effective Date and the OBFR Index Cessation Effective Date: (x) references to the Secured Overnight Financing Rate were references to FOMC Target Rate; (y) references to US Government Securities Business Day were references to New York City Banking Day; and (z) references to the New York Fed's Website were references to the Federal Reserve's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York or any successor administrator of the Index Value in respect to SOFR, and Secured Overnight Financing Rate;

"**SOFR Index**" means the index known as the "SOFR Index" administered by the SOFR Administrator (or any successor administrator thereof);

"**SOFR Index Cessation Effective Date**" means, following the occurrence of a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Secured Overnight Financing Rate), ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used, in each case as certified in writing by the Issuer to the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the Class Z VFNs and the YBS Note), as the case may be (or such other party responsible for the calculation of the rate of interest, as specified in the applicable Final Terms);

"**SOFR Index Cessation Event**" means the occurrence of one or more of the following events:

(A) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) announcing that it has ceased or will cease to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, **provided that**, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate;

(B) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, **provided that**, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate; or

(C) a public statement by a regulator or other official sector entity prohibiting the use of the Secured Overnight Financing Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as a "SOFR index cessation event" under the 2021 ISDA Definitions as published by ISDA;

"**SOFR Observation Period**" means in respect of each Interest Period, the period from, and including, the date falling "p" US Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date "p" US Government Securities Business Days preceding the Note Payment Date for such Interest Period;

"**SONIA**" means the Sterling Overnight Index Average;

"**SONIA Index**" means the index known as the "SONIA Index" administered by the Bank of England (or any successor administrator thereof);

"**SONIA Observation Period**" means the period from and including the date falling *p* London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period will begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling *p* London Banking Days prior to the Note Payment Date for such Interest Period (or the date falling *p* London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**SONIA Reference Rate**", in respect of any London Banking Day ("**LBD_x**"), is a reference rate equal to the daily SONIA rate for such LBDx as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following LBDx;

"**TARGET Business Day**" means a day on which the TARGET System is open;

"**TARGET System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (known as TARGET2) system which was launched on 19 November 2007 or any successor thereto; and

"**US Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which SIFMA recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in US government securities.

If, in respect of any London Banking Day in the relevant Observation Period, the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate will be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, in the event the Bank of England publishes guidance as to: (i) how the SONIA Reference Rate is to be determined; or (ii) any rate that is to replace the SONIA Reference Rate, the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be (or such

other party responsible for the calculation of the Rate of Interest, as specified in the Final Terms) will, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA for the purpose of the relevant Series and Class of Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms), the Rate of Interest will be: (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or maximum Rate of Interest or minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or maximum Rate of Interest or minimum Rate of Interest relating to the relevant Interest Period in place of the Margin or maximum Rate of Interest or minimum Rate of Interest 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 Series and Class of 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 Margin and any maximum Rate of Interest or minimum Rate of Interest applicable to the first Interest Period).

If the relevant Series and Class of Notes become due and payable in accordance with Condition 9 (*Events of Default*) or 10 (*Enforcement*), the final Interest Determination Date will, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes will, for so long as any such Note remains outstanding, be as determined on such date.

Unless otherwise stated in the Final Terms, the Minimum Interest Rate in respect of the Floating Rate Notes determined as the sum of the relevant floating rate and Margin (if any) (each as specified in the Final Terms in respect of the applicable Series and Class of Notes) will be deemed to be zero.

(vi) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for a Floating Rate Note for any Interest Period, then, in the event that the Rate of Interest for such Note in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Note for such Floating Interest Period will be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for such Note for any Interest Period, then, in the event that the Rate of Interest for such Note in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Note for such Interest Period will be such Maximum Rate of Interest.

(vii) *Determination of Rate of Interest and calculation of Floating Interest Amounts*

The Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be, will calculate the amount of interest payable on the Floating Rate Notes in respect of each Specified Denomination (each a "**Floating Interest Amount**") for the relevant Interest Period. Each Floating Interest Amount will be calculated by applying the Rate of Interest to the Principal Amount Outstanding of each Note, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 4 (*Interest*):

(A) if "Actual/Actual – ISDA" or "Actual/Actual" or **"Actual/365"** is specified in the relevant Final Terms, the actual number of days in the relevant period from (and including) the most recent Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant Payment Date (the "**Accrual Period**") divided by 365 (or, if any portion of that Accrual Period falls in a leap year, the sum of: (A) the actual number of days in that portion of the Accrual Period falling in a leap year divided by 366; and (B) the actual number of days in that portion of the Accrual Period falling in a non-leap year divided by 365);

(B) if "**Actual/365 (Fixed)**" is specified in the relevant Final Terms, the actual number of days in the Accrual Period divided by 365;

(C) if "**Actual/360**" is specified in the relevant Final Terms, the actual number of days in the Accrual Period divided by 360;

(D) if "**30/360**", "**360/360**" or "Bond Basis" is specified in the relevant Final Terms, the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Accrual Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Accrual Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Accrual Period, unless such number would be 31, in which case D1 will be 30;

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Accrual Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(E) if "**30E/360**" or "Eurobond Basis" is specified in the relevant Final Terms, the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Accrual Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Accrual Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Accrual Period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Accrual Period, unless such number would be 31, in which case D2 will be 30;

(F) if "**Sterling/FRN**" is specified in the relevant Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of a Payment Date falling in a leap year, 366; and

(G) if "**Actual/Actual – ICMA**" is specified in the relevant Final Terms:

(1) if the Accrual Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Accrual Period divided by the product of: (A) the number of days in such Determination Period; and (B) the number of Determination Periods normally ending in any year; and

(2) if the Accrual Period is longer than one Determination Period, the sum of:

(x) the number of days in such Accrual Period falling in the Determination Period in which it begins divided by the product of: (1) the number of days in such Determination Period and; (2) the number of Determination Periods normally ending in one year; and

(y) the number of days in such Accrual Period falling in the next Determination Period divided by the product of: (1) the number of days in such Determination Period; and (2) the number of Determination Periods normally ending in one year,

where "**Determination Period**" means each period from (and including) an Interest Determination Date to (but excluding) the next Interest Determination Date (including, where either the Interest Commencement Date or the final Payment Date is not an Interest Determination Date, the period commencing on the first Interest Determination Date prior to, and ending on the first Interest Determination Date falling after, such date).

(viii) *Notification of Rate of Interest and Floating Interest Amounts*

The Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be, will cause the Rate of Interest and each Floating Interest Amount for each Interest Period and the relevant Note Payment Date to be notified to the Note Trustee, the Security Trustee, the Cash Manager, the Paying Agents, the Registrar, the VFN Registrar and to any stock exchange or other relevant competent authority or quotation system on which the relevant Floating Rate Notes are for the time being listed, quoted and/or traded or by which they have been admitted to listing and to be published in accordance with Condition 14 (*Notice to Noteholders*) as soon as possible after their determination but in no event later than the fourth Business Day thereafter. Each Floating Interest Amount and Note Payment Date so notified 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. Any such amendment or alternative arrangements will be promptly notified to the Note Trustee and the London Stock Exchange or other relevant authority on which the relevant Floating Rate Notes are for the time being listed or by which they have been admitted to listing and to Noteholders in accordance with Condition 14 (*Notice to Noteholders*).

(ix) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b) (*Interest on Floating Rate Notes*), whether by the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be, will (in the absence of wilful default, gross negligence, fraud or manifest error) be binding on the Issuer, the Cash Manager, the Principal Paying Agent, the other Paying Agents, the VFN Registrar, the Note Trustee and all Noteholders and (in the absence of wilful default, gross negligence or fraud) no liability to the Issuer or the Noteholders will attach to the Agent Bank (in respect of the Class A Notes) or the VFN Registrar (in respect of the VFNs), as the case may be, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) ***Accrual of interest***

Interest (if any) will cease to accrue on each Note (or in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused in which event, interest will continue to accrue as provided in the Trust Deed.

(d) ***Deferred interest***

To the extent that, subject to and in accordance with the relevant Priority of Payments, the funds available to the Issuer to pay interest on any Series and Class of Notes (other than the Class A Notes) on a Note Payment Date (after discharging the Issuer's liabilities of a higher priority and subject to and in accordance with the relevant Priority of Payments) are insufficient to pay the full amount of such interest, payment of the shortfall attributable to such Series and Class of Notes ("**Deferred Interest**") will not then fall due but will instead be deferred until the first Note Payment Date for such Notes thereafter on which sufficient funds are available (after allowing for the Issuer's liabilities of a higher priority and subject to and in accordance with the relevant Priority of Payments) to fund the payment of such Deferred Interest to the extent of such funds.

Such Deferred Interest will accrue interest ("**Additional Interest**") at the Rate of Interest applicable from time to time to the applicable Series and Class of Notes and payment of any Additional Interest will also be deferred until the first Note Payment Date for such Notes thereafter on which funds are available (after allowing for the Issuer's liabilities of a higher priority subject to and in accordance with the relevant Priority of Payments) to the Issuer to pay such Additional Interest to the extent of such funds.

Amounts of Deferred Interest and Additional Interest will not be deferred beyond the Final Maturity Date of the applicable Series and Class of Notes when such amounts will become due and payable.

Payments of interest due on a Note Payment Date in respect of the Class A Notes of any Series will not be deferred. In the event of the delivery of an Enforcement Notice (as described in Condition 9 (*Events of Default*)), the amount of interest in respect of such Notes that were due but not paid on such Note Payment Date will itself bear interest at the Rate of Interest applicable from time to time to such Notes until both the unpaid interest and the interest on that interest are paid as provided in the Trust Deed.

5. Redemption, Purchase and Cancellation

(a) ***Final redemption***

Unless previously redeemed in full as provided in this Condition 5, the Issuer will redeem a Series and Class of Notes at their then Principal Amount Outstanding together with all accrued interest on the Final Maturity Date in respect of such Notes.

The Issuer may not redeem such Notes in whole or in part prior to their Final Maturity Date except as provided in Condition 5(b) (*Mandatory redemption of the Notes in Part*), (e) (*Optional redemption in full or in part*), (f) (*Optional redemption for tax and other reasons*) or (g) (*Mandatory redemption of the Class Z(S) VFN and the YBS Note in part*) below, but without prejudice to Condition 10 (*Enforcement*).

(b) ***Mandatory redemption of the Notes in Part***

On each Note Payment Date following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing and on each Note Payment Date following the Step-Up Date (if any) in respect of a Series and Class of Note, other than a Note Payment Date on which a Series and Class of Notes are to be redeemed under Condition 5(a) (*Final redemption*), (d) (*Note Principal Payments and Principal Amount Outstanding*), (e) (*Optional redemption in full or in part*) or (g) (*Mandatory redemption of the Class Z(S) VFN and the YBS Note in part*), the Issuer will repay principal in respect of such Notes in an amount determined

in accordance with the mechanics, rules and priorities as set out in the applicable Priority of Payments and the Reapplication Rule.

(c) ***Termination of the applicable Original Currency Swap***

If the Original Currency Swap relating to any Series and Class of Non-Sterling Notes has been terminated, then, on each Note Payment Date for such Series and Class prior to the delivery of an Enforcement Notice:

(i) if, on such Note Payment Date, the *pro rata* share of the Enhanced Available Principal Receipts available under the relevant Pre-Enforcement Principal Priority of Payments to repay principal in respect of such Series in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*) above, following conversion into the relevant Specified Currency at:

(A) if no replacement Currency Swap is in force, the Spot Rate (by the Cash Manager); or

(B) if a replacement Currency Swap is in force, the Replacement Exchange Rate,

is less than the amount that would have been payable (in the relevant Specified Currency) by the Original Currency Swap Counterparty in respect of principal if the Original Currency Swap had not been terminated, the shortfall amounts (such amounts being "**Principal Shortfall Amounts**") will only be payable and paid from any Principal Excess Amounts (as defined below), and to the extent any amounts of such shortfall remain unpaid, such non-payment will not trigger an Event of Default and/or a Trigger Event;

(ii) if, on such Payment Date, the *pro rata* share of the Enhanced Available Principal Receipts available under the relevant Pre-Enforcement Principal Priority of Payments to pay principal of the Non-Sterling Notes in accordance with this Condition 5(c) following conversion into Specified Currency at:

(A) if no replacement Currency Swap is in force, the Spot Rate (by the Cash Manager); or

(B) if a replacement Currency Swap is in force, the Replacement Exchange Rate,

is greater than the amount that would have been payable in the Specified Currency by the original Currency Swap Counterparty in respect of principal if the original Currency Swap had not been terminated, then:

(1) if no replacement Currency Swap is in force, excess amounts (such amounts being "**Principal Excess Amounts**") will be used to pay any Principal Shortfall Amounts, with any excess being transferred to the Swap Excess Reserve Account for application (subject to the terms of the Transaction Documents) on subsequent Payment Dates to pay any future Principal Shortfall Amounts; and

(2) if a replacement Currency Swap is in force, Principal Excess Amounts will be used to pay any Principal Shortfall Amounts, but any excess shall be released (and for the avoidance of doubt any amounts of such excess already held in the Swap Excess Reserve Account will also be released) and will be transferred to a Transaction Account (after

conversion into Sterling at the applicable Spot Rate) and credited to the Revenue Ledger for application in accordance with the Pre-Enforcement Revenue Priority of Payments; and

(iii) if that Note Payment Date falls on or following the Sterling Equivalent Redemption Date:

(A) if the relevant Series of Non-Sterling Notes have not been redeemed in full, following application of any amounts held in the Swap Excess Reserve Account towards the redemption of the relevant Series, any Principal Amount Outstanding of such Series will only be payable and paid subject to and in accordance with paragraph (d) of the Pre-Enforcement Pre-Trigger Principal Priority of Payments (in respect of the application of the Funding Note Principal Portion); or

(B) if the relevant Series of Non-Sterling Notes have been redeemed in full, any amounts held in the Swap Excess Reserve Account will be transferred to the Transaction Accounts (after conversion into Sterling by the Cash Manager at the applicable Spot Rate) and credited to the Revenue Ledger for application in accordance with the Pre-Enforcement Revenue Priority of Payments.

(iv) if that Note Payment Date is the Final Maturity Date of such Series and Class, to the extent that, subject to and in accordance with the relevant Priority of Payments, the funds available to the Issuer to redeem principal on such Series and Class (after discharging the Issuer's liabilities of a higher priority and subject to and in accordance with the relevant Priority of Payments) are insufficient to pay the full amount of such principal solely as a result of the termination of the Original Currency Swap, payment of the shortfall attributable to such Series and Class of Notes ("**Deferred Principal**") will not then fall due and be payable but will instead be deferred and will not be payable until the first Payment Date thereafter on which sufficient funds are available (after allowing for the Issuer's liabilities of a higher priority and subject to and in accordance with the relevant Priority of Payments) to fund the payment of such Deferred Principal to the extent of such funds.

On or after the delivery of an Enforcement Notice, any amounts held in the Swap Excess Reserve Account will be transferred to a Transaction Account (after conversion into Sterling by the Cash Manager at the applicable Spot Rate) and applied in accordance with the Post-Enforcement Priority of Payments.

(d) ***Note Principal Payments and Principal Amount Outstanding***

The principal amount redeemable (the "**Note Principal Payment**") in respect of each Note of a particular Series and Class of Notes on any Note Payment Date under Condition 5(b) (*Mandatory redemption of the Notes in Part*) above will be a proportion of the amount required as at that Note Payment Date to be applied in redemption of such Series and Class of Notes on such date equal to the proportion that the Principal Amount Outstanding of the relevant Note bears to the aggregate Principal Amount Outstanding of such Series and Class of Notes rounded down to the nearest sub-unit of the Specified Currency, **provided always that** no such Note Principal Payment may exceed the Principal Amount Outstanding of the relevant Note.

On each Interest Determination Date, the Issuer will determine (or cause the Cash Manager to determine): (i) the amount of any Note Principal Payment payable in respect of each Note of the relevant Series and Class of Notes on the immediately following Note Payment Date; (ii) the Principal Amount Outstanding of each such Note which will be the Specified Denomination

less the aggregate amount of all Note Principal Payments in respect of such Note that have been paid since the Issuance Date for such Series and Class of Notes and on or prior to that Interest Determination Date (the "**Principal Amount Outstanding**"); and (iii) the fraction expressed as a decimal to the fifth decimal point (the "**Pool Factor**"), of which the numerator is the Principal Amount Outstanding of that Note (as referred to in paragraph (ii) above) and the denominator is the Specified Denomination. Each determination by or on behalf of the Issuer of any Note Principal Payment of a Note, the Principal Amount Outstanding of a Note and the Pool Factor will in each case (in the absence of wilful default, bad faith or manifest error) be final and binding on all persons.

The Issuer will cause each determination of the Note Principal Payment, the Principal Amount Outstanding and the Pool Factor in respect of a series of Class of Notes to be notified forthwith, and in any event not later than 1.00pm (London time) on the Business Day immediately succeeding the Interest Determination Date, to the Note Trustee, the Security Trustee, the Paying Agents, the Registrar, the VFN Registrar, the Agent Bank and (for so long as such Class A Notes are listed on the London Stock Exchange) the relevant stock exchange, and will cause notice of each determination of the Note Principal Payment and the Principal Amount Outstanding to be given to Noteholders in accordance with Condition 14 (*Notice to Noteholders*) by no later than the Business Day after the relevant Note Payment Date.

(e) ***Optional redemption in full or in part***

Subject to the provisos below, upon giving not more than 60 or less than 30 days' prior notice to the Note Trustee, the Noteholders and the relevant Swap Counterparty (if any) in accordance with Condition 14 (*Notice to Noteholders*), the Issuer may redeem a Series of Class A Notes (in whole or, other than in respect of paragraphs (i) to (iii) below, where specified in the applicable Final Terms, in part (in such case to be reflected in the records of ICSDs as either a pool factor or reduction in nominal amount, at their discretion)) at their aggregate Redemption Amount together with any accrued and unpaid interest in respect thereof on the following dates:

(i) the date specified as the Step-Up Date for such Class A Notes in the applicable Final Terms and on any Note Payment Date for such Notes thereafter; or

(ii) in respect of any Series of Class A Notes, on such Note Payment Date on which the aggregate Sterling Equivalent Principal Amount Outstanding of such Series of Class A Notes is less than 10% of the aggregate Sterling Equivalent Principal Amount Outstanding of such Series of Class A Notes as at the Issuance Date for such Series of Class A Notes; or

(iii) in respect of any Class A Notes that satisfy the UK STS Criteria Requirements as of the date on which the Revolving Period End Trigger Event first occurred, on the immediately succeeding Note Payment Date for such Notes following the occurrence of a Revolving Period End Trigger Event; or

(iv) on any date **provided that** all the Noteholders of the Class A Notes which are to be subject to such redemption have given prior written consent to such redemption,

provided that (in any of the cases above), the Issuer will have provided to the Note Trustee a certificate signed by two directors of the Issuer to the effect that: (a) it will have the funds, not subject to any interest of any other person, required to redeem such Class A Notes as aforesaid and any amounts required to be paid in priority to or *pari passu* with such Class A Notes (in the case of a redemption of Class A Notes in accordance with paragraph (iii) above, where the date of redemption of the Class A Notes is not a Note Payment Date, on the proposed date of redemption of such Class A Notes and on the Note Payment Date immediately following such

date (in the case of the relevant Note Payment Date, on the assumption that such Class A Notes are redeemed on such Note Payment Date)) pursuant to the terms of the Deed of Charge and the Cash Management Agreement; and (b) the Reapplication Rule will not be broken by the making of such redemptions (in the case of a redemption of Class A Notes in accordance with paragraph (iii) above, where the date of redemption of the Class A Notes is not a Note Payment Date, on the proposed date of redemption of such Class A Notes and on the Note Payment Date immediately following such date (in the case of the relevant Note Payment Date, on the assumption that such Class A Notes are redeemed on such Note Payment Date)).

(f) ***Optional redemption for tax and other reasons***

If, at any time, the Issuer satisfies the Note Trustee immediately prior to the giving of the notice referred to below that, on the next Note Payment Date for a Series and Class of Notes the Issuer would be required to deduct or withhold from any payment of principal or interest or any other amount under such Notes any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature and such obligation of the Issuer cannot be avoided taking reasonable measures available to it, then the Issuer will use its reasonable endeavours to arrange the substitution of a company incorporated in another jurisdiction approved by the Note Trustee as principal debtor under such Notes, subject to the Note Trustee being satisfied that such substitution will not be materially prejudicial to the Noteholders, and subject to the Security Trustee being satisfied that: (1) the position of the Secured Creditors will not thereby be adversely affected; and (2) such substitution would not require registration of any new security under US securities laws or would materially increase the disclosure requirements under US law or the costs of issuance. Only if the Issuer is unable to arrange such a substitution will the Issuer be entitled to redeem the Notes as described in this Condition 5(f).

Subject to the proviso and the further condition below, if the Issuer is unable to arrange a substitution as described above and the obligation to make a withholding or deduction for or account of taxes is continuing, then the Issuer may, having given not more than 60 or less than 30 days' notice to the Note Trustee, the relevant Swap Counterparty (if any) and the Noteholders in accordance with Condition 14 (*Notice to Noteholders*), redeem all (but not some only) of such Notes on the immediately succeeding Note Payment Date for such Notes at their aggregate Redemption Amount together with any accrued and unpaid interest in respect thereof **provided that** (in either case), prior to giving any such notice, the Issuer will have provided to the Note Trustee:

(i) a certificate signed by two directors of the Issuer stating the circumstances referred to above prevail and setting out details of such circumstances; and

(ii) an opinion in form and substance satisfactory to the Note Trustee of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to make such withholding or deduction.

The Note Trustee will be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstance set out above, in which event they will be conclusive and binding on the Noteholders.

Further, the Issuer may only redeem such Notes as aforesaid, if the Issuer has also provided to the Note Trustee a certificate signed by two directors of the Issuer to the effect that: (a) it will have the funds, not subject to any interest of any other person, required to redeem such Notes as aforesaid and any amounts required to be paid in priority to or *pari passu* with such Notes pursuant to the terms of the Deed of Charge and the Cash Management Agreement; and (b) the Reapplication Rule will be satisfied following the making of such redemptions.

(g) ***Mandatory redemption of the Class Z(S) VFN and the YBS Note in part***

In accordance with the Reapplication Rule, where the Issuer draws down on:

(i) the Class Z(S) VFN for the purpose of redemption of the YBS Note (subject to maintaining the Minimum YBS Note Amount); or

(ii) the YBS Note for the purpose of redemption of the Class Z(S) VFN (subject to maintaining the Required Subordination Amount),

the Issuer shall apply the amounts of such drawings directly to redeem the YBS Note or the Class Z(S) VFN (as the case may be) on the date of such drawdown in accordance with the relevant Priority of Payments.

(h) ***Money Market Note Mandatory Transfer Arrangements***

(i) Where the Money Market Note Mandatory Transfer Arrangements are specified in the applicable Final Terms as being applicable to a Series and Class of Money Market Notes, such Notes will be transferred in accordance with paragraphs (ii) to (iv) below on any Money Market Note Mandatory Transfer Date for such Notes in exchange for payment of the Money Market Note Mandatory Transfer Price for such Notes, **provided that** the Issuer will not be liable for the failure to make payment of such Money Market Note Mandatory Transfer Price to the extent that such failure is a result of the failure of the applicable Remarketing Agent or the applicable Conditional Note Purchaser to perform their respective obligations under the applicable Remarketing Agreement, the applicable Conditional Note Purchase Agreement or the Trust Deed.

(ii) There will be no mandatory transfer of a Series and Class of Money Market Notes on a Money Market Note Mandatory Transfer Date for such Notes if:

(A) such Notes are fully redeemed or a notice has been given to the holders of such Notes accordance with Condition 5(e) (*Optional redemption in full or in part*) or Condition 5(f) (*Optional redemption for tax and other reasons*) on or prior to such Money Market Note Mandatory Transfer Date; or

(B) an Automatic Remarketing Termination Event in relation to such Notes has occurred prior to such Money Market Note Mandatory Transfer Date.

(iii) In the event of the occurrence of any of the events in paragraph (ii)(A) or (ii)(B) above, the Issuer will not be obliged to procure any subsequent purchase of such Notes, the applicable Remarketing Agent will not be obliged to remarket any of such Notes and the applicable Conditional Note Purchaser will not be obliged to purchase any of such Notes.

(iv) For the avoidance of doubt, following occurrence of any of the events in paragraph (ii)(A) or (ii)(B) above, the Margin payable on such Notes will be the then-current Money Market Note Reset Margin for such Notes.

(v) Following the occurrence of an optional Remarketing Termination Event in relation to a Series and Class of Money Market Notes, the applicable Remarketing Agent will have the option to terminate its remarketing obligations under the applicable Remarketing Agreement. Following termination of its remarketing obligations, in the absence of an Automatic Remarketing Termination Event referred to in paragraph (ii) above in relation to such Notes, the Remarketing Agent will still be obliged under the

applicable Remarketing Agreement, if required by the Issuer, to facilitate the transfer and settlement of such Notes.

(vi) For the avoidance of doubt, the obligations of the applicable Conditional Note Purchaser, under the applicable Conditional Note Purchase Agreement to purchase the unplaced Notes (of a Series and Class of Money Market Notes) on a Money Market Note Mandatory Transfer Date for such Notes will not be affected by the occurrence of an optional Remarketing Termination Event in relation to such Notes, and the Maximum Reset Margin for such Notes will be applicable to such Notes from and including the applicable Money Market Note Mandatory Transfer Date.

(vii) Subject to paragraphs (i), (ii) and (iii) above, all of the applicable Noteholders' interests in a Series and Class of Money Market Notes will be transferred on the applicable Money Market Note Mandatory Transfer Date for such Notes either as directed by the applicable Remarketing Agent and/or to the applicable Conditional Note Purchaser, or, if Individual Note Certificates are then issued, such Notes will be registered by the Registrar as notified by or on behalf of the applicable Remarketing Agent and the Register will be amended accordingly with effect from the applicable Money Market Note Mandatory Transfer Date.

(i) ***Redemption Amounts***

For the purposes of this Condition 5 (*Redemption, Purchase and Cancellation*), "**Redemption Amount**" means, in respect of any Series and Class of Notes, the amount specified in relation to such Notes in the applicable Final Terms or, if not so specified, and in respect of any note, the Principal Amount Outstanding of such Note. Where the applicable Final Terms specify that such Series and Class of Notes may be redeemed in part in accordance with Condition 5(e) (*Optional redemption in full or in part*), the "**Redemption Amount**" (where such Series and Class of Notes is to be redeemed in part) will be the amount determined in accordance with the provisions set out in the applicable Final Terms.

6. Payments

(a) ***Payment of interest and principal***

Payments of principal will be made, upon application by a holder of the relevant Note, to the specified office of the Principal Paying Agent (or, in the case of a VFN, the VFN Registrar) no later than the fifth Business Day before the Record Date, by transfer to a designated account maintained by the payee with a designated bank and (in the case of final redemption) upon (other than in the case of a VFN) surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the specified office of any Paying Agent.

Payments of interest will be made, upon application by a holder of the relevant Note to the specified office of the Principal Paying Agent (or, in the case of a VFN, the VFN Registrar) no later than the fifth Business Day before the Record Date, by transfer to a designated account maintained by the payee with a designated bank and (in the case of interest payable on final redemption) upon (other than in the case of a VFN or the YBS Note) surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the specified office of any Paying Agent.

(b) ***Laws and regulations***

Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto. Noteholders will not be charged commissions or expenses on payments.

(c) ***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 4(d) (*Deferred interest*) will be paid in accordance with this Condition 6.

(d) ***Change of agents***

The initial Principal Paying Agent, each other initial Paying Agent, the Registrar, the VFN Registrar and the Exchange and Transfer Agent and their respective initial specified offices are listed at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Note Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent, the US Paying Agent, any other Paying Agent, the Registrar, the Exchange and Transfer Agent and/or the VFN Registrar and to appoint additional or other Paying Agents. The Issuer will at all times maintain a Paying Agent with a specified office in London, a US Paying Agent, a Registrar and a VFN Registrar. Except where otherwise provided in the Trust Deed, the Issuer will cause at least 30 days' notice of any change in or addition to the Paying Agents, the Exchange and Transfer Agent, the Registrar or the VFN Registrar or their specified offices to be given in accordance with Condition 14 (*Notice to Noteholders*) and will notify the Rating Agencies of such change or addition.

(e) ***No payment on non-Business Day***

Where payment is to be made by transfer to a designated account, payment instructions (for value the due date or, if the due date is not a Business Day, for value the next succeeding Business Day) will be initiated: (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note is surrendered (or, in the case of part payment only, endorsed) at the specified office of a Paying Agent (in respect of Class A Notes only) or of the VFN Registrar (in respect of the VFNs), as the case may be; and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A holder of a Note will not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a Business Day.

(f) ***Partial payment***

If a Paying Agent makes a partial payment in respect of any Class A Note, the Issuer will procure and the Registrar will ensure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and date of such payment is endorsed on the relevant Note Certificate and, in the case of a global note held in the NSS, the Registrar or Principal Paying Agent, as the case may be, will instruct the ICSDs to make appropriate entries in their records to reflect the amount of such payment and, in the case of a payment of principal, the remaining Principal Amount Outstanding of such Class A Note.

If the VFN Registrar (in respect of a VFN) makes a partial payment in respect of a VFN, the VFN Registrar will, in respect of such VFN, annotate the VFN Register, indicating the amount and date of such payment.

(g) ***Record date***

Each payment in respect of a Note will be made to the persons shown as the holder in the Register (or, in the case of a VFN, the VFN Register): (i) where the note is in global form, at the close of the Business Day (being for this purpose a day on which Euroclear and Clearstream Luxembourg are open for business) before the due date for such payment; or (ii) where the note is in definitive form, at the opening of business in the place of the Registrar's (in respect of the Class A Notes) or in the case of a VFN, the VFN Registrar's specified office on the 15th day before the due date for such payment (the "**Record Date**").

(h) ***Payment of interest***

Subject as provided otherwise in these Conditions, 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 Business Day) or by reason of non-compliance with Condition 6(a) (*Payment of interest and principal*), then such unpaid interest will 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 14 (*Notice to Noteholders*).

7. Prescription

Claims against the Issuer for payment of interest and principal on redemption will be prescribed and become void if the relevant Note Certificates are not surrendered for payment within a period of ten years from the relevant date in respect thereof. After the date on which a payment under a Note becomes void in its entirety, no claim may be made in respect thereof. In this Condition 7 (*Prescription*), the "**relevant date**", in respect of a payment under a Note, is the date on which the payment in respect thereof first becomes due or (if the full amount of the monies payable in respect of those payments under all the Notes due on or before that date has not been duly received by the Principal Paying Agent, the US Paying Agent or the Note Trustee on or prior to such date) the date on which the full amount of such monies having been so received or notice to that effect is duly given to Noteholders in accordance with Condition 14 (*Notice to Noteholders*).

8. Taxation

All payments in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer or any relevant Paying Agent or the VFN Registrar is required by applicable law (including FATCA) to make any payment in respect of the Notes subject to any such withholding or deduction. In that event, the Issuer or such Paying Agent or the VFN Registrar will make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor any other person will be obliged to make any additional payments to Noteholders in respect of any such withholding or deduction.

The occurrence of the Issuer or any Paying Agent or the VFN Registrar being required to make a withholding or deduction in the circumstances outlined in the previous paragraph will not constitute an Event of Default.

The Issuer will treat the Class A Notes as indebtedness for US federal income tax purposes. Each holder of a Class A Note, by the acceptance thereof, agrees to treat such Class A Note as indebtedness for US federal income tax purposes.

For purposes of this Condition 8, "**FATCA**" shall mean Sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

9. Events of Default

(a) ***Class A Noteholders***

The Note Trustee, in its absolute discretion, may (and if so requested in writing by the holders of not less than 25% in aggregate Sterling Equivalent Principal Amount Outstanding of the Class A Notes (which for this purpose and the purpose of any Extraordinary Resolution referred to in this Condition 9(a) means the Class A Notes of all Series of Notes constituted by the Trust Deed) or if so directed by or pursuant to an Extraordinary Resolution passed at a meeting of the holders of the Class A Notes, will), subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction, deliver notice (a "**Class A Enforcement Notice**") to the Issuer and the Security Trustee, with a copy to the holder of the YBS Note, of an Event of Default (as defined below) declaring (in writing) the Class A Notes and all other Notes to be due and repayable (and they will forthwith become due and repayable) at any time after the happening of any of the following events, which is continuing or unwaived:

(i) default being made for a period of seven Business Days in the payment of any amount of principal of the Class A Notes of any Series when and as the same ought to be paid in accordance with these Conditions or default being made for a period of five Business Days in the payment of any amount of interest on the Class A Notes of any Series when and as the same ought to be paid in accordance with these Conditions, provided that in relation to any Series or Sub-Series of Controlled Amortisation Notes non-payment of the applicable Controlled Amortisation Amount on the relevant Controlled Amortisation Date shall not constitute an Event of Default;

(ii) the Issuer failing duly to perform or observe, in any material respect, any other obligation binding upon it under the Class A Notes of any Series, the Trust Deed, the Deed of Charge or any other Transaction Document and, in any such case (except where the Note Trustee certifies that, in its opinion, such failure is incapable of remedy, in which case no notice will be required), such failure is continuing unremedied for a period of 30 days following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied and the Note Trustee has certified that the failure to perform or observe is materially prejudicial to the interests of the holders of the Class A Notes of such series;

(iii) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction or merger as is referred to in paragraph (iv) below, ceases or threatens to cease to carry on its business or, in the opinion of the Note Trustee, a substantial part of its business or the Issuer is deemed unable to pay its debts within the meaning of section 123(1)(a), (b), (c) or (d) or section 123(2) of the Insolvency Act 1986 (as that section may be amended, modified or re-enacted); or

(iv) an order being made or an effective resolution being passed for the winding up of the Issuer, except a winding up for the purposes of or pursuant to an amalgamation, restructuring or merger the terms of which have previously been approved by the Note Trustee in writing or by an Extraordinary Resolution of the holders of the Class A Notes;

(v) proceedings being otherwise initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including, but not limited to, presentation of a petition or the making of an application for administration or the filing of documents with the court for an administration) and (except in the case of presentation of a petition for an administration order) such proceedings are not, in the opinion of the Note Trustee, being disputed in good faith with a reasonable prospect of success, a formal notice is given of intention to appoint an administrator in relation to the Issuer or an administration order being granted or an administrative receiver or other receiver, liquidator or other similar official being appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer, or an encumbrancer taking possession of the whole or any substantial part of the undertaking or assets of the Issuer, or a distress, execution, diligence or other process being levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Issuer and such possession or process (as the case may be) not being discharged or not otherwise ceasing to apply within 30 days, or the Issuer initiating or consenting to judicial proceedings relating to itself under applicable liquidation, insolvency, composition, reorganisation or other similar laws or making a conveyance or assignment for the benefit of its creditors generally or a composition or similar arrangement with the creditors or takes steps with a view to obtaining a moratorium in respect of its indebtedness, including without limitation, the filing of documents with the court,

provided that, for the avoidance of doubt, a failure to make or produce any payment required by Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*) by reason of any failure on the part of any Remarketing Agent or any Conditional Note Purchaser to perform its respective obligations under the Programme Documents will not constitute an Event of Default.

(b) ***The holder of the YBS Note***

This Condition 9(b) will have no effect if, and for as long as, any Class A Notes of any Series are outstanding. Subject thereto, for so long as the YBS Note is outstanding, the Note Trustee in its absolute discretion, may (and if so requested in writing by the holder of the YBS Note or if so directed by or pursuant to an Extraordinary Resolution passed by the holder of the YBS Note, will), subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction, deliver notice to the Issuer and the Security Trustee, with a copy to the holder of the YBS Note, of an Event of Default (as defined below) declaring (in writing) the YBS Note and the Class Z VFNs to be due and repayable (and they will forthwith become due and repayable) at any time after the happening of any of the following events, which is continuing or unwaived:

(i) default being made for a period of seven Business Days in the payment of any amount of principal of the YBS Note when and as the same ought to be paid in accordance with these Conditions or default being made for a period of five Business Days in the payment of any amount of interest on the YBS Note when and as the same ought to be paid in accordance with these Conditions (**provided that** failure to pay interest on the YBS Note where such payment has been deferred by the Issuer will not constitute an Event of Default); or

(ii) the occurrence of any of the events in Condition 9(a)(ii), (iii), (iv) or (v) above **provided that** the references in Condition 9(a)(ii) and Condition 9(a)(iv) (*Class A Noteholders*) to Class A Notes will be read as references to the YBS Note.

(c) ***Class Z VFN Holder***

Prior to the occurrence of an Asset Trigger Event and for so long as no Non-Asset Trigger Event is continuing, this Condition 9(c) will have no effect if, and for as long as, any Class A Notes of any Series or the YBS Note is outstanding. Following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing, this Condition 9(c) will have no effect if, and for as long as, any Class A Notes of any Series are outstanding. Subject thereto, for so long as any Class Z VFNs are outstanding, the Note Trustee in its absolute discretion, may (and if so requested in writing by the holders of not less than 25% in aggregate Principal Amount Outstanding of the Class Z VFNs or if so directed by or pursuant to an Extraordinary Resolution passed at a meeting of the holders of the Class Z VFNs, will), subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction, deliver notice (a "**VFN Enforcement Notice**") to the Issuer and the Security Trustee of an Event of Default (as defined below) declaring (in writing) the Class Z VFNs to be due and repayable (and they will forthwith become due and repayable) at any time after the happening of any of the following events, which is continuing or unwaived:

(i) default being made for a period of seven Business Days in the payment of any amount of principal of the Class Z VFNs when and as the same ought to be paid in accordance with these Conditions or default being made for a period of five Business Days in the payment of any amount of interest on the Class Z VFNs when and as the same ought to be paid in accordance with these Conditions (**provided that** failure to pay interest on the Class Z VFNs where such payment has been deferred by the Issuer will not constitute an Event of Default); or

(ii) the occurrence of any of the events in Condition 9(a)(ii), (iii), (iv) or (v) (*Class A Noteholders*) above **provided that** the references in Condition 9(a)(ii) and Condition 9(a)(iv) (*Class A Noteholders*) to Class A Notes will be read as references to the Class Z VFNs.

(d) ***Following service of an Enforcement Notice***

For the avoidance of doubt, upon any Enforcement Notice being given by the Note Trustee in accordance with Conditions 9(a) (*Class A Noteholders*), (b) (*The holder of the YBS Note*) and (c) (*Class Z VFN Holder*), all Notes then outstanding will immediately become due, without further action or formality at their Principal Amount Outstanding together with accrued interest (or, in the case of a zero coupon note, at its Redemption Amount, calculated in accordance with Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*)).

10. Enforcement

(a) ***Enforcement***

The Note Trustee may, at its discretion and without notice at any time and from time to time, take such steps and institute such proceedings against the Issuer or any other person as it may think fit to enforce the provisions of the Notes, the Trust Deed (including these Conditions) or any of the other Transaction Documents to which it is a party and may, at its discretion and without notice, at any time after the Security has become enforceable (including after the service of an Enforcement Notice in accordance with Condition 9 (*Events of Default*)), instruct the Security Trustee to take such steps as it may think fit to enforce the Security. The Note Trustee will not be bound to take such steps or institute such proceedings unless:

(i) (subject in all cases to restrictions contained in the Trust Deed to protect the interests of any higher-ranking Class of Noteholders) it will have been so directed by an

Extraordinary Resolution of the Most Senior Class of Notes or so requested in writing by the holders of not less than 25% of the Principal Amount Outstanding of the Most Senior Class of Notes across all Series; and

(ii) it will have been indemnified and/or secured and/or prefunded to its satisfaction.

The Security Trustee will not be bound to take such steps or take any such other action unless it is so directed by the Note Trustee and indemnified and/or secured and/or prefunded to its satisfaction.

Amounts available for distribution after enforcement of the Security will be distributed in accordance with the terms of the Cash Management Agreement.

No Noteholder may institute any proceedings against the Issuer to enforce its rights under or in respect of the Notes, the Trust Deed, the Deed of Charge or any other Transaction Document unless: (1) the Note Trustee or the Security Trustee, as applicable, has become bound to institute proceedings and has failed to do so within 30 days of becoming so bound; and (2) such failure is continuing; **provided that**, the holder of the YBS Note or the VFN Holders (as relevant) will not be entitled to commence proceedings for the winding up or administration of the Issuer unless the YBS Note or the Class Z VFNs (as the case may be) is the Most Senior Class of Notes or there is consent of Noteholders of not less than 25% of the aggregate Principal Amount Outstanding of the Class A Notes. Notwithstanding the foregoing and notwithstanding any other provision of the Trust Deed, the right of any Noteholder to receive payment of principal and interest on its Notes on or after the due date for such principal or interest, or to institute suit for the enforcement of payment of that principal or interest, may not be impaired or affected without the consent of that Noteholder.

(b) ***Limited Recourse***

If at any time following:

(i) the occurrence of either:

(A) the Final Maturity Date or any earlier date upon which all of the Notes of each Class are due and payable; or

(B) the delivery by the Note Trustee of an Enforcement Notice; and

(ii) Realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable in respect of any Class of Notes then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (ii) above) in respect of such Class of Notes (and any Class of Notes junior to that Class of Notes) will, on the day following such application in full of the amounts referred to in paragraph (ii) above, cease to be due and payable by the Issuer. "**Realisation**" means, in relation to any Charged Property, the deriving to the fullest extent practicable, of proceeds from or in respect of such Charged Property including (without limitation) through sale or through performance by an obligor.

None of the Noteholders, the Note Trustee, the Security Trustee or any other Secured Creditor (nor any other person acting on behalf of any of them) will be entitled at any time to institute

against the Issuer or its directors, officers, successors or assigns, or join in any institution against the Issuer of, any bankruptcy, examinership, reorganisation, arrangement, insolvency, winding up or liquidation proceedings or for the appointment of a liquidator, administrator, receiver or any other insolvency official in relation to the Issuer or in relation to the whole or any substantial part of the undertakings of the Issuer.

11. Meetings of Noteholders, modifications and waiver

(a) ***Meetings of Noteholders***

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including provisions as to the Ordinary Resolution and the sanctioning by Extraordinary Resolution of a modification of any provision of these Conditions or the provisions of any of the Transaction Documents.

(i) *Class A Notes*

In respect of the Class A Notes, the Trust Deed provides that, subject to Condition 11(a)(ii) (*Meetings of Noteholders*) and Condition 10(b) (*Limited Recourse*):

(A) a resolution which, in the sole opinion of the Note Trustee, affects the interests of the holders of the Class A Notes of one Series only will be deemed to have been duly passed if passed at a meeting of the holders of the Class A Notes of that Series;

(B) a resolution which, in the sole opinion of the Note Trustee, affects the interests of the holders of the Class A Notes of any two or more Series but does not give rise to a conflict of interest between the holders of such two or more Series of Class A Notes, will be deemed to have been duly passed if passed at a single meeting of the holders of such two or more Series of Class A Notes;

(C) a resolution which, in the sole opinion of the Note Trustee, affects the interests of the holders of the Class A Notes of any two or more Series and gives or may give rise to a conflict of interest between the holders of such two or more Series of Class A Notes, will be deemed to have been duly passed only if, in lieu of being passed at a single meeting of the holders of such two or more Series of Class A Notes, it will be passed at separate meetings of the holders of such two or more Series of Class A Notes; and

(D) if, in the sole opinion of the Note Trustee, there is a conflict of interest between the interests of the holders of the Class A Notes of one Series and the holders of the Class A Notes of another Series or group of series, then a resolution directing the Note Trustee to take any action will be deemed to have been duly passed only if passed at separate meetings of the holders of each Series of Class A Notes subject to the conflict.

(ii) *Sub-Classes of Class A Notes and Class Z VFNs*

In respect of any Series of Class A Notes constituting two or more Sub-Classes, and in respect of the Class Z VFNs, the Trust Deed provides that subject to Condition 11(b) (*Programme Resolution*):

(A) a resolution which, in the sole opinion of the Note Trustee, affects the interests of the holders of Notes of one Sub-Class only will be deemed to have been

duly passed if passed at a meeting of the holders of the Notes of such Sub-Class;

(B) a resolution which, in the sole opinion of the Note Trustee, affects the interests of the holders of more than one Sub-Class but does not give rise to a conflict of interest between the holders of such Sub-Classes will be deemed to have been duly passed if passed at a single meeting of the holders of all such Sub-Classes;

(C) a resolution which, in the sole opinion of the Note Trustee, affects the interests of the holders more than one Sub-Class of Notes and gives or may give rise to a conflict of interest between the holders of such Sub-Classes will be deemed to have been duly passed only if, in lieu of being passed at a single meeting of the holders of such Sub-Classes, it will be passed at separate meetings of the holders of such Sub-Classes; and

(D) if, in the sole opinion of the Note Trustee, there is a conflict of interest between the interests of the Noteholders of one or more Sub-Classes of Notes of a Series and the Noteholders of another Sub-Class of Notes of the same Class and Series, then a resolution directing the Note Trustee to take any action will be deemed to have been duly passed only if passed at separate meetings of the holders of such Sub-Classes of Notes.

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% of the aggregate Principal Amount Outstanding of the Notes of the relevant Series and Class or of the relevant one or more Series of Notes of the same Class or, at any adjourned meeting, one or more persons holding or representing the Notes of the relevant Series and Class of Notes or of the relevant one or more Series of Notes of the same Class whatever the aggregate Principal Amount Outstanding of the Notes so held or represented by them.

Subject as provided in the following paragraph, the quorum at any meeting of the Noteholders of any Series and Class of Notes or any one or more Series of Notes of the same Class convened to consider an Extraordinary Resolution which does not include the sanctioning of a Basic Terms Modification will be one or more persons holding or representing more than 50% of the aggregate Principal Amount Outstanding of such Series and Class of Notes or such one or more Series of Notes of the same Class or, at any adjourned meeting, one or more persons holding or representing Notes of the relevant Series and Class of Notes or of the relevant one or more Series of Notes of the same Class whatever the aggregate Principal Amount Outstanding of the Notes so held or represented by them.

The quorum at any meeting of the Noteholders for passing an Extraordinary Resolution which includes the sanctioning of a Basic Terms Modification will be one or more persons holding or representing not less than 75% of the aggregate Principal Amount Outstanding of the Notes of the relevant Series and Class or of the relevant one or more Series of Notes of the same Class or, at any adjourned and reconvened meeting, one or more persons holding or representing not less than 25% of the aggregate Principal Amount Outstanding of the Notes of the relevant Series and Class or of the relevant one or more Series of Notes of the same Class.

An Ordinary Resolution or an Extraordinary Resolution passed at any meeting of Noteholders will be binding on all of the Noteholders of the relevant Series and Class or of the relevant one or more Series of Notes of the same Class whether or not they are present at the meeting.

In connection with any meeting of the Noteholders where the relevant Notes (or any of them) are not denominated in Sterling, the Principal Amount Outstanding of any note not denominated in Sterling will be converted into Sterling at the relevant Specified Currency exchange rate.

A resolution signed by or on behalf of 75% of the Noteholders of the relevant Series and Class who for the time being are entitled to receive notice of a meeting under the Trust Deed will for all purposes be as valid and effective as an Ordinary Resolution or an Extraordinary Resolution passed at a meeting of such Series and Class of Noteholders.

Other than in respect of any matter requiring an Extraordinary Resolution, Noteholders are required to vote by way of an Ordinary Resolution.

(b) ***Programme Resolution***

Notwithstanding the provisions of Condition 11(a) (*Meetings of Noteholders*), any Extraordinary Resolution of the Noteholders of any Class of Notes to direct the Note Trustee to deliver an Enforcement Notice to the Issuer and the Security Trustee pursuant to Condition 9 (*Events of Default*) or to take any enforcement action or to instruct the Security Trustee to enforce the Security pursuant to Condition 10 (*Enforcement*) (a "**Programme Resolution**") will only be capable of being passed at a single meeting of the Noteholders of all Series of such Class of Notes. The quorum at any such meeting for passing a Programme Resolution will be one or more persons holding or representing not less than 75% of the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes of such Class or, at any adjourned and reconvened meeting, one or more persons being or representing Noteholders of such Class of Notes, whatever the aggregate Sterling Equivalent Principal Amount Outstanding of such Class of Notes so held or represented by them.

A Programme Resolution passed at any meeting of all Series of any Class of Notes will be binding on all Noteholders of all series of that Class of Notes, whether or not they are present or represented at the meeting.

(c) ***Limitations on Noteholders***

Subject as provided in Condition 11(e) (*Modifications and determinations by Note Trustee and Security Trustee*):

(i) an Ordinary Resolution of the Class A Noteholders of any Series will be binding on the holder of the YBS Note and the Class Z VFN Holder;

(ii) an Extraordinary Resolution of the Class A Noteholders of any Series will be binding on the holder of the YBS Note and the Class Z VFN Holder;

(iii) an Ordinary Resolution of the holder of the YBS Note will be binding on the Class Z VFN Holder;

(iv) an Extraordinary Resolution of the holder of the YBS Note will be binding on the Class Z VFN Holder;

(v) no Extraordinary Resolution of the holder of the YBS Note or of the Class Z VFN Holder will take effect for any purpose while any Class A Notes (of any Series) remain outstanding unless it will have been sanctioned by an Extraordinary Resolution of the Class A Noteholders of each Series (**provided that** no such sanction by an Extraordinary Resolution of the Class A Noteholders of a particular Series will be

required where the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of such Class A Noteholders); and

(vi) no Extraordinary Resolution of the Class Z VFN Holder will take effect for any purpose while any Class A Notes (of any Series) or the YBS Note remains outstanding unless it will have been sanctioned by an Extraordinary Resolution of the Class A Noteholders of each Series and the holder of the YBS Note (**provided that** no such sanction by an Extraordinary Resolution of the Class A Noteholders of a particular Series and the holder of the YBS Note will be required where the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of such Class A Noteholders and the holder of the YBS Note).

(d) ***Approval of modifications and waivers by Noteholders***

(i) For so long as any Series of Class A Notes remains outstanding, no Extraordinary Resolution of the Noteholders of any one or more Series of Class A Notes to sanction a modification (including a Basic Terms Modification) of, or any waiver or authorisation of any breach of, or proposed breach of, any of the provisions of the Transaction Documents or the Conditions of such Notes will take effect unless it has been sanctioned by an Extraordinary Resolution of the holder of the YBS Note and the Class Z VFN Holder (**provided that** no such sanction by an Extraordinary Resolution of the holder of the YBS Note and the Class Z VFN Holder will be required where the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the holder of the YBS Note and the Class Z VFN Holder).

(ii) For so long as no Series of Class A Notes remains outstanding, no Extraordinary Resolution of the holder of the YBS Note to sanction a modification (including a Basic Terms Modification) of, or any waiver or authorisation of any breach of, or proposed breach of, any of the provisions of the Transaction Documents or the Conditions of such Notes will take effect unless it has been sanctioned by an Extraordinary Resolution of the Class Z VFN Holder (**provided that** no such sanction by an Extraordinary Resolution of the Class Z VFN Holder will be required where the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class Z VFN Holder).

(e) ***Modifications and determinations by Note Trustee and Security Trustee***

(i) The Note Trustee, the Security Trustee and the Issuer may, from time to time, without the consent or sanction of the Noteholders of any Series or any other Secured Creditor (other than any Secured Creditor who is party to the relevant Transaction Document) (i) concur with the Issuer or any other person or (ii) direct the Security Trustee to concur with the Issuer or any other person:

(A) in making any modification of the Notes of one or more Series or Sub-Series (including the conditions applicable thereto) or of any Transaction Document (except for a Basic Terms Modification) **provided that** the Note Trustee is of the opinion that such modification will not be materially prejudicial to the interests of any of the Noteholders of any Series; or

(B) in making any modification of the Notes of one or more Series or Sub-Series (including the Conditions applicable thereto), or of any Transaction Document, which in the opinion of the Note Trustee (i) is made to correct a manifest error or (ii) is of a formal, minor or technical nature.

(ii) The Note Trustee and the Issuer may from time to time and at any time without the consent or sanction of the Noteholders of any Series and without the consent of the other Secured Creditors at any time and from time to time and without prejudice to its rights in respect of any subsequent breach, (a) waive or authorise any breach or proposed breach by the Issuer or any other party of any of the covenants or provisions contained in any Transaction Document if, in the opinion of the Note Trustee, such waiver or authorisation will not be materially prejudicial to the interests of any of the Noteholders of any Series, as applicable, or (b) in relation to the Note Trustee only, determine that any Event of Default in respect of any of the Noteholders of any Series will not be treated as such if in the opinion of the Note Trustee, such waiver or authorisation will not be materially prejudicial to the Noteholders of any Series **provided always that** the Note Trustee will not exercise any powers conferred on it in contravention of any express direction given by an Extraordinary Resolution, or of a request in writing made by the holders of not less than 25% of the aggregate Principal Amount Outstanding of the relevant Class of Notes, in accordance with these Conditions (but so that no such direction or request will affect any waiver, authorisation or determination previously given or made). Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Note Trustee may determine.

(iii) Any such modification, waiver, authorisation or determination will be binding on the Noteholders and Secured Creditors and, unless the Note Trustee agrees otherwise, any such modification will be notified to the Noteholders and the Rating Agencies in accordance with Condition 14 (*Notice to Noteholders*) as soon as practicable thereafter.

(f) ***Additional rights of modification***

(i) Notwithstanding the provisions of Condition 11(d) (*Approval of modifications and waivers by Noteholders*), the Note Trustee will be obliged, without any consent or sanction of the Noteholders, to concur with the Issuer in making and/or approving any modification (other than in respect of a Basic Terms Modification to the Notes) of one or more Series or Sub-Series (including the conditions applicable thereto) or of any Transaction Document to which it is a party or in respect of which it holds security or enter into any new, supplemental or additional documents, in each case that the Issuer (or the Cash Manager on its behalf) 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 published from time to time, **provided that**:

(1) the Issuer (or the Cash Manager on its behalf) certifies in writing to the Note Trustee and the Security 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;

(2) in the case of any modification to any Class of Notes, the Notes of one or more Series or Sub-Series, or of any Transaction Document proposed by any of the relevant Swap Counterparties, an Account Bank, the Custodian, the Cash Manager, the Servicer or the Sellers in order for such relevant entity (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, obtaining a guarantee or advancing funds):

(I) the relevant Swap Counterparty, an Account Bank, the Custodian, the Cash Manager, the Servicer or a Seller, as the case may be, certifies in writing to the Issuer, the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (A)(2)(x) and/or (y) above (and in the case of a certification provided to the Issuer, the Issuer will certify to the Note Trustee and the Security Trustee that is has received the same from the relevant transaction party); and

(II) either:

(a) the relevant Swap Counterparty, an Account Bank, the Custodian, the Cash Manager, the Servicer or a Seller, as the case may be, obtains from each of the Rating Agencies written confirmation (or certifies in writing to the Issuer, the Note Trustee and the Security Trustee that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that such modification would not result in a downgrade, withdrawal or suspension of the then-current ratings assigned to any Class A 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, the Note Trustee and the Security Trustee; or

(b) the Issuer (or the Cash Manager on its behalf) certifies in writing to the Note Trustee that each relevant Rating Agency has been informed in writing of the proposed modification and such Rating Agency has indicated that such modification would not result in (x) a downgrade, withdrawal or suspension of the then-current ratings assigned to any of the Class A Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent);

(B) in order to meet the eligibility criteria for any funding or liquidity scheme provided by a central bank **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(C) in order to enable the Issuer and/or the relevant Swap Counterparty to comply (or continue to comply) with:

(1) any obligation which applies to it under Articles 9, 10 and 11 of Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012, as amended, (including, without limitation, any associated regulatory technical standards and advice,

guidance or recommendations from relevant supervisory regulators) ("**EU EMIR**") and/or EU EMIR as it forms part of the domestic law of the UK by virtue of the Withdrawal Act ("**UK EMIR**", and together with EU EMIR, "**EMIR**"); or

(2) any other obligation which applies to it under EMIR,

provided that the Issuer (or the Cash Manager on its behalf) or the relevant Swap Counterparty, as appropriate, certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect;

(D) for the purpose of complying (or continuing to comply) with any changes in the requirements of:

(1) the EU Securitisation Regulation (including the EU Risk Retention Requirements);

(2) the UK Securitisation Regulation or the UK Securitisation Framework (including for the purposes of complying with the UK Risk Retention Requirements);

(3) the EU CRR Amending Regulation;

(4) the UK CRR; or

(5) the US Credit Risk Retention Requirements or any other risk retention legislation or regulations or official guidance in relation thereto, **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security 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 Class A Notes to be (or to remain) listed on the London Stock Exchange, **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(F) for the purposes of enabling the Issuer to comply (or continue to comply) with the provisions of Rule 17g-5 of the Securities Exchange Act 1934, **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purposes and has been drafted solely to such effect;

(G) for the purpose of complying (or continuing to comply) with any changes in either or both of the requirements of the EU CRA Regulation or the UK CRA Regulation after the Programme Date, including as a result of the adoption of regulatory technical standards in relation to the EU CRA Regulation or the UK CRA Regulation or regulations or official guidance in relation thereto, **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(H) for the purposes of enabling any Class of Notes to comply with the criteria for Level 2B securitisations set out in Article 13 of the LCR Regulation or Article 13 of the UK LCR Regulation (as amended, replaced and/or supplemented from time to time and to the extent permitted by applicable law) (the "**Liquidity Coverage Ratio**"), **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(I) to enable the Issuer, a Seller or the Servicer to comply with any obligation which applies to it under either or both of (a) the EU Securitisation Regulation and (b) prior to the Regulatory Effective Date, the UK Securitisation Regulation (including for the purposes of complying with the UK STS Criteria Requirements), and on and from the Regulatory Effective Date, the UK Securitisation Framework (including for the purposes of complying with the Recast UK STS Criteria Requirements), including as a result of the adoption of the relevant technical standards in relation to either or both of the EU Securitisation Regulation and the UK Securitisation Regulation or UK Securitisation Framework (as applicable) or any other legislation or regulations or official guidance in relation thereto and including for the purposes of enabling any Series of Class of Notes to comply with the criteria for simple, transparent and standardised securitisations set out in either or both of the EU Securitisation Regulation and the UK Securitisation Regulation or any other legislation or regulations or official guidance in relation thereto, **provided that** the Issuer, the Sellers or the Servicer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(J) for the purposes of complying (or continuing to comply) with the applicable requirements of the UK CRR Regulation, the EU CRR Regulation, UK Solvency II or EU Solvency II after the Programme Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRR Regulation, the EU CRR Regulation, UK Solvency II or EU Solvency II or regulations or official guidance in relation thereto, **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(K) for the purposes of amending the Eligibility Criteria or the Portfolio Criteria solely for the purpose of the addition of a New Mortgage Product to the Mortgage Portfolio **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(L) for the purposes of amending any Mortgage Loan Warranty made by the relevant Seller in relation to a Further Advance, Product Switch and/or a Tested Underpayment Option, **provided that** the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(M) for the purposes of including Tracker Mortgage Loans in the Mortgage Portfolio, **provided that** the Issuer (or the Servicer on its behalf) certifies to

the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(N) in connection with the transfer of any Swap to a replacement Swap Counterparty, to enable such modifications to the original Swap Agreement as may be agreed with the replacement Swap Counterparty **provided that** the Servicer or the replacement Swap Counterparty certifies to the Note Trustee and the Security Trustee that, following any such modifications, the relevant Swap Agreement will satisfy the rating criteria of the Relevant Rating Agencies;

(O) for the purposes of amending the Interest Rate Swap Agreement(s) to ensure that the interest rate risk present in the transaction in the context of the Notes is effectively mitigated, **provided that** the Servicer certifies to the Note Trustee and the Security Trustee that, following any such modifications, the Interest Rate Swap Agreement(s) will continue to satisfy the rating criteria of the Relevant Rating Agencies;

(P) in connection with the transfer of any Account Bank Agreement to a replacement Account Bank, to enable such modifications to the original Account Bank Agreement as may be agreed with the replacement Account Bank **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely to reflect prevailing market conditions at the relevant time;

(Q) in connection with the transfer of the Custody Agreement to a replacement Custodian, to enable such modifications to the original Custody Agreement as may be agreed with the replacement Custodian **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely to reflect prevailing market conditions at the relevant time;

(R) for the purposes of appointing any number of additional Rating Agencies to rate any Series of Notes (each, an "**Additional Rating Agency**") where such Additional Rating Agency is not an Initial Rating Agency, **provided that** the Issuer (or the Cash Manager on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; or

(S) in order to enable the Issuer to issue Notes in the future that are subordinated to the Class A Notes, but are senior to Class Z VFNs and the YBS Note **provided that** the Servicer (on behalf of the Issuer) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and it has been drafted solely to such effect,

the certificate to be provided by the Issuer or the Cash Manager on behalf of the Issuer, the relevant Swap Counterparty or any other relevant transaction party, as the case may be, pursuant to paragraphs (A) to (S) above (inclusive) being a "**Modification Certificate**" (upon which the Note Trustee and the Security Trustee will each be able to rely conclusively and without liability), **provided that**:

(1) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee and the Security Trustee;

(2) the Modification Certificate in relation to such modification will be provided to the Note Trustee and the Security Trustee (and in respect of paragraph (A)(1) and/or (A)(2)(I) above to the Issuer) both at the time the Note Trustee and the Security Trustee is notified of the proposed modification and on the date that such modification takes effect;

(3) the consent of each Secured Creditor (x) who is a party to the relevant Transaction Document and which has a right to consent to such modification pursuant to the provisions of such Transaction Document and/or Deed of Charge or (y) whose ranking in any Priority of Payment is affected by the proposed modification has been obtained; and

(4) the Issuer pays all costs and expenses (including legal fees) incurred by the Note Trustee and the Security Trustee in connection with such modification,

and **provided further that:**

(I) other than in the case of a modification pursuant to Condition 11(f)(i)(A)(2), Condition 11(f)(i)(C) or Condition 11(f)(i)(S) , either:

(a) the Issuer obtains from each of the Rating Agencies written confirmation (or certifies in the Modification Certificate that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that such modification would not result in (i) a downgrade, withdrawal or suspension of the then-current ratings assigned to any of the Class A Notes by such Rating Agency or (ii) such Rating Agency placing any Notes on rating watch negative (or equivalent); or

(b) the Issuer certifies in the Modification Certificate that it has informed each Rating Agency then rating any Notes of the proposed modification and each such Rating Agency has indicated that such modification would not result in (i) a downgrade, withdrawal or suspension of the then-current ratings assigned to any of the Class A Notes by such Rating Agency or (ii) such Rating Agency placing any Notes on rating watch negative (or equivalent); and

(II) (a) the Issuer has provided at least 30 calendar days' notice of the proposed modification to the Noteholders of each relevant Class in accordance with Condition 14 (*Notice to Noteholders*) and by publication on Bloomberg on the "Company News" screen relating to the Notes; and

(b) Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes of any affected Series of Notes then outstanding have not contacted the Note Trustee and/or the Principal Paying Agent in writing (or otherwise in accordance with the then-current practice of any applicable Clearing System through which such Notes may be held) within such notification period notifying the Note Trustee that such Noteholders object to the modification.

If Noteholders representing at least 10% of the aggregate Sterling Equivalent Principal Amount Outstanding of the Most Senior Class of Notes have notified the Note Trustee

in writing (or otherwise in accordance with the then-current practice of any applicable Clearing System through which such Notes may be held) within the notification period referred to above that they object to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes of each affected Series of Notes then outstanding notified pursuant to Condition 11(f)(II) above is passed in favour of such modification in accordance with Condition 11(a) (*Meetings of Noteholders*).

Objections made in writing other than through the applicable Clearing System must be accompanied by evidence to the Note Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

(ii) Notwithstanding the provisions of Condition 11(d) (*Approval of modifications and waivers by Noteholders*), the Note Trustee and the Security Trustee will be obliged, without any consent or sanction of the Noteholders or, subject to paragraph (iv) below, any of the other Secured Creditors, to concur with the Issuer in making any modification (other than a Basic Terms Modification, **provided that** neither a Benchmark Rate Modification nor a Swap Rate Modification (each as defined below) will constitute a Basic Terms Modification) to the Trust Deed, the Conditions and/or any other Transaction Document to which it is a party or in relation to which it holds security to or enter into any new, supplemental or additional documents that the Issuer considers necessary in order to:

(A) change the screen rate or the benchmark rate that then applies in respect of the Notes to an alternative benchmark rate (such replacement rate, an "**Alternative Benchmark Rate**") and make such other amendments as are necessary or advisable in the commercially reasonable judgment of the Issuer (or the Servicer on its behalf) to facilitate such change which, for the avoidance of doubt, may include modifications to when the Floating Rate of Interest applicable to any Class of Notes is calculated and/or notified to Noteholders (a "**Benchmark Rate Modification**") **provided that** the Servicer (on behalf of the Issuer, as applicable) certifies to the Note Trustee in writing (such certificate, a "**Benchmark Rate Modification Certificate**") that:

(1) such Benchmark Rate Modification is being undertaken as a result of a Benchmark Rate Disruption;

(2) such Alternative Benchmark Rate satisfies the Benchmark Rate Eligibility Requirement; and

(3) the modifications proposed in the context of the Benchmark Rate Modification are required solely for the purpose of applying the Alternative Benchmark Rate and making consequential modifications to the Conditions or any Transaction Document which are, as determined by the Issuer (or the Servicer on behalf of the Issuer) in its commercially reasonably judgement, necessary or advisable, and the modifications have been drafted solely to such effect; or

(B) change the benchmark rate that then applies in respect of the fixed-floating rate swap under any Swap Agreement to an Alternative Benchmark Rate solely as a consequence of a Benchmark Rate Modification and solely for the purpose of aligning the benchmark rate of the fixed-floating rate swap under such Swap Agreement to the benchmark rate of the Notes following such Benchmark Rate Modification (a "**Swap Rate Modification**") **provided that**:

(1) the relevant Swap Counterparty provides its prior written consent to such Swap Rate Modification; and

(2) the Servicer (on behalf of the Issuer, as applicable) certifies to the Note 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 a Benchmark Rate Modification and/or a Swap Rate Modification above (as applicable):

(I) at least 30 days' prior written notice of any such proposed modification has been given to the Note Trustee **provided that** this notice must be delivered prior to publication of any Benchmark Rate Modification Noteholder Notice;

(II) the details of and the rationale for any Note Rate Maintenance Adjustment proposed in accordance with Condition 11(f)(B)(VII)(d) below are as set out in the Benchmark Rate Modification Noteholder Notice published in accordance with Condition 11(f)(B)(VII) below;

(III) the relevant Benchmark Rate Modification Certificate or, as applicable, a Swap Rate Modification Certificate in relation to such modification is provided to the Note Trustee both at the time the Note Trustee is notified of the proposed modification, five Business Days prior to the publication of the Benchmark Rate Modification Noteholder Notice and on the date that such modification takes effect;

(IV) the consent of each Secured Creditor (including the Agents and the Cash Manager) which is a party to any relevant Transaction Document being amended has been obtained;

(V) with respect to each Rating Agency, either:

(a) the Issuer (or the Servicer on its behalf) obtains from such Rating Agency written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then-current ratings assigned to the Class A Notes by such Rating Agency, or (y) such Rating Agency placing any Class A Notes on rating watch negative (or equivalent) and delivers a copy of each such confirmation to the Note Trustee; or

(b) the Issuer certifies in writing to the Note Trustee that it (or the Servicer on its behalf) has notified such Rating Agency of the proposed modification and that it has been unable to obtain such written confirmation but that such Rating Agency has not indicated that the implementation of such modification would not result in (x) a downgrade, withdrawal or suspension of the then-current ratings assigned to the Class A Notes or by such Rating Agency, or (y) such Rating Agency placing the Class A Notes on rating watch negative (or equivalent);

(VI) in respect of a Benchmark Rate Modification only, by no later than the date on which the proposed Benchmark Rate Modification becomes effective, the Issuer has agreed the corresponding Swap Rate Modification, other than if the Rating Agency provides written confirmation to the Issuer that the Benchmark Rate Modification would not result in a downgrade, withdrawal or suspension of the then-current ratings assigned to the Class A Notes by such Rating Agency if there is no corresponding Swap Rate Modification;

(VII) the Issuer has provided at least 30 days' notice to the Noteholders of the proposed modification in accordance with Condition 14 (*Notice to Noteholders*) and by publication on Bloomberg on the "Company News" screen relating to the Notes, (such notice, the "**Benchmark Rate Modification Noteholder Notice**") notifying the following:

(a) the period during which Class A Noteholders may object to the proposed Benchmark Rate Modification and the method by which they may object;

(b) the Benchmark Rate Disruption on the basis of which the Benchmark Rate Modification and/or Swap Rate Modification is being proposed;

(c) the Benchmark Rate Eligibility Requirement satisfied by the Alternative Benchmark Rate and, if paragraph (d) of the definition of Benchmark Rate Eligibility Requirement is being applied, the Issuer's rationale for choosing the Alternative Benchmark Rate; and

(d) details of the adjustment which the Issuer proposes to make (if any) to the Margin payable on each Class of Notes which are the subject of the Benchmark Rate Modification in order to, so far as reasonably and commercially practicable, preserve what would have been the expected Floating Rate of Interest applicable to each such Class of Notes had no such Benchmark Rate Modification been effected which, for the avoidance of doubt, may effect an increase or a decrease to the Margin or may be set at zero (the "**Note Rate Maintenance Adjustment**"), **provided that**:

(i) in the event that (in the case of Notes with an original Reference Rate of EURIBOR) the European Money Markets Institute or, in each case, any relevant committee or other body established, sponsored or approved by any of the foregoing, has published, endorsed, approved or recognised a note rate maintenance adjustment mechanism which could be used in the context of a transition from EURIBOR to the Alternative Benchmark Rate, then the Issuer will propose that note rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer will set out in the Benchmark Rate Modification Noteholder Notice the rationale for concluding that this is not a commercial

and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification;

(ii) in the event that it has become generally accepted market practice in the publicly listed asset-backed floating rate notes to use a particular note rate maintenance adjustment mechanism in the context of a transition from EURIBOR (as the case may be) to the Alternative Benchmark Rate, then the Issuer will propose that note rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer will set out in the Benchmark Rate Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; and

(iii) in the event that neither paragraph (i) nor (ii) above apply, the Issuer will use reasonable endeavours to propose an alternative Note Rate Maintenance Adjustment as reasonably determined by the Issuer (or the Servicer on behalf of the Issuer) and will set out the rationale for the proposal or otherwise the Issuer will set out in the Benchmark Rate Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification;

(VIII) details of (i) other amendments which the Issuer proposes to make (if any) to these Note Conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Issuer proposes to enter to facilitate the changes envisaged pursuant to Benchmark Rate Modification and/or Swap Rate Modification;

(IX) Noteholders representing at least 10% of the Sterling Equivalent Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have not contacted the Note Trustee in writing (or otherwise in accordance with the then-current practice of any applicable Clearing System through which such Notes may be held) within the relevant notification period notifying the Note Trustee that such Noteholders do not consent to the Benchmark Rate Modification and/or Swap Rate Modification; and

(X) the Issuer pays all costs and expenses (including legal fees) incurred by the Issuer, the Note Trustee and the Servicer in connection with such modification.

If Noteholders representing at least 10% of the Sterling Equivalent Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Note Trustee in writing (or otherwise in accordance with the then-current practice of any applicable Clearing System through which such Notes may be held) within such notification period that such Noteholders do not consent to the modification, then any subsequent proposal by the Issuer in respect of a Benchmark Rate Modification or a

Swap Rate Modification (as the case may be) must be sanctioned by an Extraordinary Resolution of the Noteholders of the Most Senior Class then outstanding passed in favour of such modification in accordance with Condition 11 (*Meetings of Noteholders, modifications and waiver*).

Objections made in writing other than through the applicable Clearing System must be accompanied by evidence to the Note Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

(iii) The Note Trustee will concur with the Issuer in effecting any Ratings Modification Event (as defined below), subject to receipt by the Note Trustee and the Security Trustee of a certificate (upon which the Note Trustee and the Security Trustee will be able to rely conclusively and without liability) of the Issuer signed by two directors of the Issuer certifying that the requested modifications to the Conditions applying to such Notes and/or any Transaction Documents are to be made solely for the purposes of enabling the Issuer:

(A) to remove any one of the Rating Agencies (a "**Removed Rating Agency**") from rating any Series of Notes together with the related ratings criteria, rating tests, rating triggers and any and all requirements specified by and/or relating to such Removed Rating Agency (an "**Existing Rating Agency Removal**") ; and/or

(B) subsequently to reappoint any such Removed Rating Agency or to substitute any such Removed Rating Agency for one of the Rating Agencies then rating such Series of Notes (an "**Existing Rating Agency Reappointment**") and to include the then-current relevant ratings criteria, rating tests, rating triggers and any and all relevant requirements specified by and/or relating to such reappointed Rating Agency,

(a "Ratings Modification Event"), provided that, in each case and at all times, such Series of Notes continues to be rated by at least two of the four Rating Agencies, and **further provided that** the Issuer has given at least 15 Business Days' prior notice to the holders of each relevant Series and Class of Notes of such Ratings Modification Event.

(iv) Notwithstanding Condition 11(f) or any Transaction Document:

(A) when implementing any modification pursuant to this Condition 11(f) (save to the extent the Note Trustee and the Security Trustee considers that the proposed modification would constitute a Basic Terms Modification (**provided that** neither a Benchmark Rate Modification nor a Swap Rate Modification (each as defined herein) will constitute a Basic Terms Modification)), the Note Trustee and the Security Trustee will not consider the interests of the Noteholders, any other Secured Creditor or any other person and will 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 11(f) and will not be liable to the Noteholders, any other Secured Creditor or any other person 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) neither the Note Trustee nor the Security Trustee will be obliged to agree to any modification which, in the sole opinion of the Note Trustee and/or the

Security Trustee would have the effect of (A) exposing the Note Trustee and/or the Security Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations, liabilities or duties, or decreasing the rights or protection, of the Note Trustee and/or the Security Trustee in the Transaction Documents and/or these Conditions.

(v) Any such modification will be binding on all Noteholders and will 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 any Swap Counterparty; and

(C) the Noteholders in accordance with Condition 14 (*Notice to Noteholders*).

(g) **Exercise of Note Trustee's functions**

Where the Note Trustee is required, in connection with the exercise of its powers, trusts, authorities, duties and discretions under these Conditions or any other Issuer transaction document, to have regard to the interests of the Noteholders (of a Class, Series or Series and Sub-Class thereof), it will have regard to the interests of such Noteholders as a Class and, in particular but without prejudice to the generality of the foregoing, the Note Trustee will not have regard to, or be in any way liable for, the consequences of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. In connection with any such exercise, the Note Trustee will not be entitled to require, and no Noteholder will be entitled to claim, from the Issuer or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

12. Indemnification of the Note Trustee and the Security Trustee

The Transaction Documents contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Security Trustee and providing for their indemnification in certain circumstances, including, among others, provisions relieving the Security Trustee from taking enforcement proceedings or enforcing the Security unless indemnified and/or secured and/or prefunded to its satisfaction. The Note Trustee and the Security Trustee are also entitled to be paid their costs and expenses in priority to any interest payments to Noteholders.

The Note Trustee and the Security Trustee and their related companies are entitled to enter into business transactions with the Issuer, the Cash Manager, the Sellers and/or the related companies of any of them and to act as Note Trustee or Security Trustee for the holders of any new Notes and/or any other person who is a party to any Transaction Document or whose obligations are comprised in the Security and/or any of its Subsidiary or associated companies without accounting for any profit resulting therefrom.

Neither the Note Trustee nor the Security Trustee will be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Security, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Note Trustee or the Security Trustee, as applicable.

Furthermore, the Note Trustee and the Security Trustee will be relieved of liability for making searches or other inquiries in relation to the assets comprising the Security. Neither the Note Trustee nor the Security Trustee has any responsibility in relation to the legality and the enforceability of the trust arrangements and the related Security. Neither the Note Trustee nor the Security Trustee will be obliged to take any action which might result in its incurring personal liabilities. Neither the Note Trustee nor the Security Trustee is obliged to monitor or investigate the performance of any other person under the Transaction Documents and is entitled to assume, until it has actual knowledge to the contrary, that all such persons are properly performing their duties, unless it receives express notice to the contrary.

Neither the Note Trustee nor the Security Trustee will be responsible for any deficiency which may arise because it is liable to tax in respect of the proceeds of any Security.

13. Replacement of Notes

If Individual Note Certificates are lost, stolen, mutilated, defaced or destroyed, the Noteholder can replace them at the specified office of any Paying Agent subject to all applicable laws and stock exchange requirements. The Noteholder will be required both to pay the expenses of producing a replacement and to comply with the Issuer's, the Registrar's and the Paying Agent's reasonable requests for evidence and indemnity.

If a Global Note Certificate is lost, stolen, mutilated, defaced or destroyed, the Issuer will procure the delivery of a replacement Global Note Certificate to the registered holder upon receipt of satisfactory evidence and surrender of any defaced or mutilated Global Note Certificate. A replacement will only be made upon payment of the expenses for a replacement and compliance with the Issuer's, Registrar's and Paying Agents' reasonable requests as to evidence and indemnity.

Defaced or mutilated Note Certificates must be surrendered before replacements will be issued.

14. Notice to Noteholders

(a) ***Publication of notice***

Any notice to Noteholders will be validly given if such notice is:

(i) (a) sent to them by first class mail (or its equivalent) or (if posted to a non-UK address) by airmail at the respective addresses on the Register (or, in the case of the VFNs, the VFN Registrar), and (b) published in *The Financial Times* and for so long as amounts are outstanding on the Rule 144A Notes, published in a daily newspaper of general circulation in New York (which is expected to be *The New York Times*); or

(ii) published in accordance with the rules of the London Stock Exchange;

or, if any of such newspapers set out above will cease to be published or timely publication therein will not be practicable, in a leading English language daily newspaper having general circulation in the UK or the US (as applicable) **provided that** if, at any time, the Issuer procures that the information concerned in such notice will be published on the relevant screen, publication in the newspapers set out above or such other newspaper or newspapers will not be required with respect to such information.

(b) ***Date of publication***

Any notices so published will be deemed to have been given on the fourth day after the date of posting, or as the case may be, on the date of such publication or, if published more than once on different dates, on the first date on which publication will have been made in the newspaper or newspapers in which (or on the relevant screen on which) publication is required.

(c) ***Global Note Certificates***

While the Class A Notes are represented by Global Note Certificates, any notice to the Class A Noteholders will be validly given if such notice is provided in accordance with Condition 14(a) (*Publication of notice*) or (at the option of the Issuer) if delivered to DTC (in the case of the Rule 144A Notes) or Euroclear and/or Clearstream, Luxembourg (in the case of the Regulation S Notes) or (in relation to a Series and Class of Notes, if specified for such Notes in the applicable Final Terms) if delivered to any alternative Clearing System. Any notice delivered to the DTC and/or Euroclear and/or Clearstream, Luxembourg and/or such alternative Clearing System will be deemed to be given on the day of delivery.

(d) ***Note Trustee's discretion to select alternative method***

The Note Trustee will be at liberty to sanction some other method of giving notice to the Noteholders or any Series or class or category of them if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the London Stock Exchange on which the Notes are then admitted for trading and **provided that** notice of such other method is given to the Noteholders in such manner as the Note Trustee will require.

15. Further issues

The Issuer will, subject to the terms of the Trust Deed, be at liberty from time to time, without the consent of the Noteholders, subject to the Issuance Tests, to create and issue further Class A Notes having terms and conditions the same as the Class A Notes of any Series then in existence or the same in all respects save for the amount and date of the first payment of interest thereon, issue date and/or purchase price and so that the same will be consolidated and form a single Series and Class with the outstanding Notes of such Series. References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to these Conditions (including, as the case may be, any Sub-Series of the Class A Notes) and forming a single Series with the Notes. The Trust Deed contains provisions for convening a single meeting of noteholders and the holders of notes of other Series in certain circumstances where the Trustee has so decided.

16. Governing law and jurisdiction

The Transaction Documents and all non-contractual obligations arising out of or in connection with them and the Notes are governed by English law unless specifically stated to the contrary. The Scottish Declarations of Trust, each Scottish Supplemental Charge and certain provisions in the Transaction Documents relating to property situated in Scotland and all non-contractual obligations arising out of or in connection with them are governed by Scots law. Unless specifically stated to the contrary:

(a) the courts of England are to have non-exclusive jurisdiction to settle any disputes (including any disputes relating to non-contractual obligations arising out of or in connection with these conditions) which may arise out of or in connection with the Notes and the Transaction Documents; and

(b) the Issuer and the other parties to the Transaction Documents irrevocably submit to the non-exclusive jurisdiction of the courts of England.

17. Contracts (Rights of Third Parties) Act 1999

No person will have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this will not affect any right or remedy of a third party which exists or is available apart from that Act.

18. Increasing the Principal Amount Outstanding of the VFNs

(a) ***Notice of Increase***

If the Cash Manager (on behalf of the Issuer) determines that a further drawdown on a Class Z VFN and/or the YBS Note should be made (the "**Further VFN Drawdown**"), the Cash Manager (on behalf of the Issuer) will serve a notice of the Further VFN Drawdown on the holder of the related Class Z VFN or the YBS Note requiring or requesting, as appropriate, that the Class Z VFN Holder or the holder of the YBS Note, as the case may be, makes such Further VFN Drawdown available in respect of the relevant Class Z VFN or the YBS Note on the date specified in such notice of increase in the amount specified therein. Any notice of increase given by the Cash Manager (on behalf of the Issuer) shall be irrevocable.

The Class Z VFN Holder and/or the holder of the YBS Note, as the case may be, upon receipt of a notice of increase from the Issuer (or the Cash Manager on behalf of the Issuer):

(i) where the funding of the Further VFN Drawdown is mandatory, shall advance the amount equal to such Further VFN Drawdown to the VFN Holder and/or the holder of the YBS Note, as the case may be, on the date and in accordance with the instructions specified in the notice of such Further VFN Drawdown; and

(ii) where the funding of the Further VFN Drawdown is at the sole discretion of the Class Z VFN Holder and/or the holder of the YBS Note, will notify the Issuer and the Cash Manager if the Class Z VFN Holder and/or the holder of the YBS Note, as the case may be, is prepared to advance the amount equal to such Further VFN Drawdown (the "**Further VFN Drawdown**"),

provided that (i) where the Class Z VFN Holder and/or the holder of the YBS Note, as the case may be, has sole discretion over advancing such Further VFN Drawdown, it is recognised by the Issuer that any such advance of further monies is at all times at the sole discretion of the Class Z VFN Holder and/or the holder of the YBS Note, as the case may be, and on an uncommitted basis until such time as the Class Z VFN Holder and/or the holder of the YBS Note, as the case may be, informs the Issuer in writing that it will make such advance of further monies, and (ii) in any event such Class Z VFN Holder and/or the holder of the YBS Note, as the case may be, will not be obliged to advance such Further VFN Drawdown available unless and until such time as the Issuer has complied with the requirements of Condition 18(b) (*Conditions to Further VFN Drawdown*) below.

(b) ***Conditions to Further VFN Drawdown***

The Class Z VFN Holder and/or the holder of the YBS Note will advance the amount of such Further VFN Drawdown to the Issuer for value on the Business Day specified in the notice of increase if the following conditions are satisfied:

(i) the relevant notice of increase is given not later than one Business Day prior to the proposed date for the advancing such Further VFN Drawdown (unless agreed otherwise by the Class Z VFN Holder and/or the holder of the YBS Note);

(ii) either:

(A) the Issuer confirms in the notice of increase that no Event of Default has occurred or will occur as a result of advancing such Further VFN Drawdown; or

(B) in circumstances where the relevant advance is to be made at the sole discretion of the Class Z VFN Holder and/or the holder of the Sellers Note, the Class Z VFN Holder and/or the holder of the YBS Note agrees in writing (notwithstanding any matter referred to at paragraph (A) above) to advance such Further VFN Drawdown in accordance with the notice of increase;

(iii) the proposed date of such Further VFN Drawdown falls on a Business Day prior to the Final Maturity Date of the relevant Class Z VFN and/or the YBS Note; and

(iv) the advance of such Further VFN Drawdown will not cause a breach of the US Credit Risk Retention Requirements, the EU Risk Retention Requirements or the UK Risk Retention Requirements.

UK TAX CONSEQUENCES

*The following is a summary of the UK withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes. It is based on current law and the practice of His Majesty's Revenue and Customs ("**HMRC**"), which may be subject to change, sometimes with retrospective effect. The comments do not deal with other UK tax aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective Noteholders should be aware that the particular terms of issue of any Series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other Series of Notes. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the UK in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain UK taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the UK.*

UK Withholding Tax

The Notes issued by the Issuer which carry a right to interest will constitute "quoted Eurobonds" provided they 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). While the Notes are and continue to be quoted Eurobonds, payments of interest on the Notes may be made without withholding or deduction for or on account of UK income tax.

Securities will be "listed on a recognised stock exchange" for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the UK Official List (within the meaning of Part VI of the FSMA) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the UK in which there is a recognised stock exchange.

The London Stock Exchange is a recognised stock exchange, and accordingly the Class A Notes will constitute quoted Eurobonds **provided that** they are and continue to be included in the UK Official List and admitted to trading on the regulated market of that Exchange.

In all other cases interest on the Notes may fall to be paid under deduction of UK income tax at the basic rate (currently 20%) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply. However, this withholding will not apply if the relevant interest is paid on Notes with a maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Notes part of a borrowing with a total term of a year or more.

Other Rules Relating to UK Withholding Tax

Notes may be issued at an issue price of less than 100% of their principal amount. Any discount element on any such Notes will not generally be subject to any UK withholding tax pursuant to the provisions mentioned in the section entitled "UK Withholding Tax" above.

Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to UK withholding tax as outlined above.

Where interest has been paid under deduction of UK income tax, Noteholders who are not resident in the UK may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

The references to "**interest**" above mean "interest" as understood in UK 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. Noteholders should seek their own professional advice as regards the withholding tax treatment of any payment on the Notes which does not constitute "interest" or "principal" as those terms are understood in UK tax law.

The above description of the UK withholding tax position assumes that there will be no substitution of an Issuer and does not consider the tax consequences of any such substitution.

MATERIAL US TAX CONSIDERATIONS

The following section is a discussion of the anticipated material US federal income tax consequences of the purchase, ownership and disposition of the Class A Notes that may be relevant to a US holder or non-US holder (each as defined later in this section).

In general, the discussion assumes that a holder acquires a Class A Note at original issuance at its issue price (generally the first price at which a substantial amount of substantially similar Class A Notes are sold for money, excluding sales to bond houses, brokers, or similar persons or organisations acting in the capacity of managers, placement agents or wholesalers) and holds such note as a capital asset. It does not purport to be a comprehensive description of all the US tax considerations that may be relevant to a decision to purchase the Class A Notes. In particular, it does not discuss special tax considerations that may apply to certain types of taxpayers, including dealers in stocks, securities or notional principal contracts; traders in securities electing to mark to market; insurance companies; regulated investment companies; real estate investment trusts; tax exempt organisations; banks, savings and loan associations and similar financial institutions; certain former citizens and residents of the United States, tax consequences attributable to persons required to accelerate the recognition of any item of gross income with respect to the Class A Notes as a result of such income being recognised on an applicable financial statement; US holders whose functional currency is other than the US Dollar; taxpayers that hold a Class A Note as part of a hedge or straddle or synthetic security or a conversion transaction, within the meaning of section 1258 of the Code; and subsequent purchasers of Class A Notes. Further, this discussion does not address alternative minimum tax consequences, the Medicare tax on net investment income or any tax considerations to holders of interests in a US holder. In addition, this discussion does not describe any tax consequences arising under the laws of any taxing jurisdiction other than the US federal government. This discussion also does not address the characterisation of Class A Notes for US federal income tax purposes that are held by members of the expanded (or modified expanded) group under Treasury Regulations under Section 385 of the Code (or any successor regulations). In addition, please consult the applicable Final Terms for a discussion of additional US federal income tax consequences in the event the Money Market Notes are subject to remarketing arrangements. This discussion is based on the US federal income tax laws, regulations, rulings and decisions in effect or available as of the date of this Base Prospectus. All of the foregoing are subject to change, and any change may apply retroactively and could affect the continued validity of this discussion. Further, the following discussion assumes that the Issuer will conduct its affairs as described in this Base Prospectus and in accordance with assumptions made by, and representations made to, counsel.

There are no authorities directly addressing transactions substantially identical to this transaction and no ruling on any of the consequences or issues discussed below will be sought from the Internal Revenue Service (the "**IRS**") in connection with this transaction. As a result, the IRS or a court may disagree with all or part of the discussion herein. **Accordingly, the Issuer encourages persons considering the purchase of Class A Notes to consult their own tax advisers as to the personal US tax consequences of the purchase, ownership and disposition of the Class A Notes, including the possible application of state, local, non-US or other tax laws, and other US federal income tax issues affecting the transaction.**

As used in this section the term "**US holder**" means a beneficial owner of Class A Notes that is, for US federal income tax purposes (a) an individual who is a citizen or resident of the US, (b) an entity treated as a corporation that is organised or created under the law of the US, a State thereof, or the District of Columbia, (c) any estate the income of which is subject to taxation in the US regardless of source, or (d) any trust if a court within the US is able to exercise primary supervision over its administration and one or more "United States persons" (as such term is defined in the Code) have the authority to control all substantial decisions of the trust. A "**non-US holder**" is a beneficial owner of Class A Notes that is neither a US holder nor a partnership for US federal income tax purposes.

If an entity or arrangement that is treated as a partnership for US federal income tax purposes holds Class A Notes, the US federal income tax treatment generally will depend upon the activities of the partnership and the status of the partners. Such an entity or arrangement should consult its own tax adviser as to the US federal income tax consequences to itself and its partners of acquiring, holding and disposing of the Class A Notes.

Tax status of the Issuer

The Issuer intends to operate so as not to be subject to US federal income tax on its net income. In that regard, under the Programme Documents, the Issuer covenants not to engage in any activities in the US (directly or through agents), not to derive any income from sources within the US as determined under US federal income tax principles, and not to hold any property if doing so would cause it to be engaged or deemed to be engaged in a trade or business within the US as determined under US federal income tax principles.

Characterisation of the Class A Notes

Unless indicated otherwise in an applicable drawdown prospectus, the US federal income tax counsel to the Sellers (the "**US Federal Income Tax Counsel**") will provide the Issuer with an opinion to the effect that, although there is no authority regarding the treatment of instruments that are substantially similar to the Class A Notes, and while the issue is not free from doubt, the Class A Notes will be treated as debt for US federal income tax purposes. The opinion of the US Federal Income Tax Counsel is not binding on the IRS, and no assurance can be given that the characterisation of the Class A Notes as debt would prevail if the issue were challenged by the IRS. The Issuer will treat the Class A Notes as debt of the Issuer for all purposes, including US federal income tax purposes. By acceptance of a Class A Note, each holder will agree, and by acceptance of a beneficial interest in a Class A Note, each beneficial owner will be deemed to agree to treat the Class A Notes as debt for US federal income tax purposes.

Taxation of US holders of the Class A Notes

*Stated Interest and Original Issue Discount ("**OID**")*

Unless indicated otherwise in an applicable drawdown prospectus, US holders of Class A Notes that have a stated maturity of more than one year (i.e., other than short-term obligations, discussed below) generally will be required to include in gross income the stated interest accrued or received on their Class A Notes as foreign source interest income in accordance with their usual method of tax accounting, as ordinary income. If a Class A Note is issued at a discount that is less than a statutorily defined *de minimis* amount (generally equal to or less than 0.25% of a note's stated redemption price at maturity multiplied by the number of complete years to its maturity or, if any amount included in the stated redemption price at maturity is payable before maturity, the weighted average maturity as determined for these purposes), such discount will be treated as *de minimis* OID and generally will be included in income on a *pro rata* basis as capital gain as principal payments are made on the Class A Notes.

If a Class A Note with a stated maturity of more than one year is issued with OID that is equal to or more than a statutorily defined *de minimis* amount, the US holder of such Class A Note must include the OID as foreign source income over the term of the Class A Note under a constant yield method that takes into account the compounding of interest. While not entirely clear, the Issuer intends to take the position that the Class A Notes are subject to the OID rules applicable to debt instruments that may have accelerated payments by reason of prepayments of other obligations securing such debt instruments. Although the relevant regulations do not provide the specific manner in which OID is calculated for such instruments, legislative history provides, and the Issuer intends to take the position, that OID must be calculated using the same prepayment assumptions that are used in pricing the original

offering of the Class A Notes. No representation is made that the Mortgage Loans will pay on the basis of such prepayment assumption or in accordance with any other prepayment scenario.

With respect to Class A Notes that have a stated maturity of not greater than one year ("**Short Term Obligations**"), US holders that report income for US federal income tax purposes under the accrual method are required to accrue OID on short-term obligations on a straight line basis unless an election is made to accrue the OID under a constant yield method (based on daily compounding). A US holder who is an individual or other cash method holder is not required to accrue OID on a Short Term Obligation unless such holder elects to do so. If such an election is not made, any gain recognised by such holder on the sale, exchange or maturity of such Short Term Obligation will be ordinary income to the extent of the holder's rateable share of OID accrued on a straight-line basis, or upon election under the constant yield method (based on daily compounding), through the date of the sale, exchange or maturity. Once made, such an election cannot be revoked without consent from the IRS.

As an alternative to the above treatments, US holders may elect to include in gross income all interest with respect to the Class A Notes, including stated interest, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount, and unstated interest, as adjusted by any amortisable bond premium or acquisition premium, using the constant yield method described above.

Sales, Retirement or Other Taxable Disposition

In general, a US holder of a Class A Note will have a basis in such note equal to the cost of the Class A Note to such holder, increased by accruals of original issue discount and reduced by any payments thereon other than payments of qualified stated interest. Upon a sale or exchange of the Class A Note, a US holder will generally recognise US source gain or loss equal to the difference between the amount realised (less any accrued but unpaid qualified stated interest, which would be taxable like a payment of interest) and the holder's tax basis in the Class A Note. Such gain or loss will be a long-term capital gain or loss if the US holder has held the Class A Note for more than one year at the time of disposition. In certain circumstances, US holders that are individuals may be entitled to preferential treatment for net long-term capital gains. The ability of US holders to offset capital losses against ordinary income is limited.

Foreign Currency Gain or Loss With Respect to Interest on Class A Foreign Currency Notes

The following discussion applies to US holders of the Class A Notes that are denominated in a currency other than US Dollars ("**Class A Foreign Currency Notes**").

A US holder that uses the cash method of accounting for US federal income tax purposes and that receives a payment of stated interest on a Class A Foreign Currency Note will be required to include in income the US Dollar value of the payment in the foreign currency (determined by reference to the spot rate in effect on the date such payment is received) regardless of whether the payment is in fact converted to US Dollars at that time, and such US Dollar value will be the US holder's tax basis in the foreign currency amount.

A US holder that uses the accrual method of accounting for US federal income tax purposes, generally will be required to include in income the US Dollar value of the amount of interest income that has accrued and is otherwise required to be taken into account with respect to a Class A Foreign Currency Note during the relevant accrual period. The US Dollar value of such accrued income will be determined by translating such income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. A US holder will recognise exchange gain or loss (which will be treated as ordinary income or loss) equal to the difference, if any, between the US Dollar value of the payment of foreign currency received (determined on the date such payment is received) and the US Dollar value of interest income that has accrued during such accrual period (as determined above). Such US holder may elect

to determine the US Dollar value of the interest by reference to the spot rate in effect on the last day of the interest accrual period (and in the case of a partial accrual period, the spot rate on the last day of the taxable year). If the last day of the interest accrual period is within five business days of the receipt of the payment, the electing US holder may translate interest at the spot rate on the date of the receipt. This election will apply to all debt instruments held by a US holder at the beginning of the first taxable year to which the election applies and to all debt instruments thereafter acquired by the US holder and will be irrevocable without the consent of the IRS.

Any exchange gain or loss resulting from the disposition of the foreign currency amount subsequent to the receipt of such amount by the US holder will be treated as ordinary income or loss. Any exchange gain or loss generally will be treated as US source income or loss for foreign tax credit purposes.

To the extent that a Class A Note is issued with OID, US holders that use the cash method or accrual method of accounting must accrue OID generally in the same manner as an accrual method US holder with respect to stated interest above.

US holders should consult their own tax advisers regarding how to account for payments made or received in foreign currency.

Foreign Currency Gain or Loss on Sale, Retirement or Other Taxable Disposition of the Class A Foreign Currency Notes

The following discussion applies to US holders of the Class A Foreign Currency Notes.

Generally, a US Holder will recognise gain or loss based on the difference between the US Dollar value of the amount realised upon the sale, retirement or other taxable disposition of a Class A Foreign Currency Note and the US Holder's US Dollar basis in the Note. The amount realised does not include amounts received with respect to accrued but unpaid stated interest on the Note, which will be taxable like a payment of interest on the Note, as described above. US Holders should consult their own tax advisers with respect to determining the US Dollar amount realised on the sale, retirement or other taxable disposition of a Class A Foreign Currency Note as well as their US Dollar basis in the Note.

A portion of this gain or loss will be US source ordinary income or loss in an amount equal to the difference between the US Dollar value of the amount of units of foreign currency for which the Note was originally purchased, determined on the date the Note is disposed of (in the case of a sale or other taxable disposition) or such payment is received (in the case of retirement of the Notes), and the US Dollar value of that amount of foreign currency, determined on the date the US holder purchased the Class A Foreign Currency Notes. Any such exchange gain or loss in connection with the sale, retirement or other taxable disposition of a Class A Foreign Currency Note (including for this purpose exchange gain or loss with respect to accrued but unpaid interest) will be realised only to the extent of total gain or loss realised on the sale, retirement or disposition of the Class A Foreign Currency Note (including, with respect to accrued but unpaid interest). Gain or loss in excess of the exchange gain or loss generally will be recognised as US source capital gain or loss, subject to the rules discussed above regarding capital gain or loss.

US holders should consult their tax advisers with respect to the tax consequences of making or receiving payments in a currency different from the currency in which payments with respect to Class A Foreign Currency Notes are made or accrue and with respect to the payment and receipt of amounts in a currency other than US Dollars.

Potential Consequences of a Deemed Exchange

Under certain circumstances certain terms of the Class A Notes may result in a deemed exchange of "old" Class A Notes for "new" Class A Notes for US federal income tax purposes (including, in certain

circumstances, a substitution of the Issuer by the Note Trustee, a Basic Terms Modification or a Benchmark Rate Modification). As a result of the occurrence of a deemed exchange, a US holder may recognise gain or loss, treated in the manner described above, and "new" Class A Notes deemed received in a deemed exchange may be treated as issued with OID. Prospective US Holders should consult their own tax advisers regarding the application of these rules in their particular circumstances.

Taxation of Non-US Holders of the Class A Notes

Subject to the backup withholding and Foreign Account Tax Compliance Act rules discussed below, a non-US holder generally should not be subject to US federal income or withholding tax on any payments on a Class A Note and any gain from the sale, redemption or other disposition of a Class A Note, unless: (a) such income is effectively connected with a trade or business conducted by such non-US holder in the United States; or (b) in the case of federal income tax imposed on gain, such non-US holder is a non-resident alien individual who holds a Class A Note as a capital asset and is present in the United States for 183 days or more in the taxable year of sale and certain other conditions are satisfied.

Non-US holders are encouraged to consult their own tax advisers regarding the US federal income and other tax consequences to them of owning Class A Notes.

Information Reporting and Backup Withholding

A US holder may be subject to information reporting on amounts received by such US holder from a distribution on, or disposition of, Class A Notes, unless such US holder establishes that it is exempt from these rules. If a US holder does not establish that it is exempt from these rules, it may be subject to backup withholding on the amounts received unless it provides a taxpayer identification number and otherwise complies with the requirements of the backup withholding rules. Backup withholding is not an additional tax and the amount of any backup withholding from a payment that is received will be allowed as a credit against a US holder's US federal income tax liability and may entitle such US holder to a refund, **provided that** the required information is timely furnished to the IRS. Non-US holders may be required to comply with applicable certification procedures (usually on IRS Form W-8BEN or IRS Form W-8BEN-E) to establish that they are not US holders in order to avoid the application of such information reporting requirements and backup withholding.

In addition, US holders should consult their tax advisers about any reporting obligations that may apply as a result of the purchase, ownership or disposition of the Class A Notes. Failure to comply with certain reporting obligations could result in the imposition of substantial penalties.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the Code, 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 UK) have entered into, or have agreed in substance to, intergovernmental agreements with the US 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 a relevant 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, under US Treasury regulations and IRS guidance, FATCA withholding would not apply prior to the date that is two years after the publication of the final regulations defining "foreign

passthru payment" in the Federal Register, and Notes that are issued on or prior to the date that is six months after the date on which final US Treasury regulations defining the term foreign passthru payment are filed with the Federal Register generally would be "grandfathered" for the purposes of FATCA withholding unless materially modified after such date (including by reason of substitution of the Issuer). Potential investors should consult their own tax advisers regarding how these rules may apply to any 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 to a holder of Notes as a result of the withholding.

CERTAIN ERISA AND RELATED CONSIDERATIONS

Unless otherwise specified in the applicable Final Terms, the Rule 144A Notes will be eligible for acquisition by Benefit Plan Investors (as defined below) and by governmental, church plans or non-US plans that are subject to any federal, state, local or non-US law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"), subject to consideration of the issues described in this section. ERISA imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to the fiduciary responsibility provisions of Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "**ERISA Plans**") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirements of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment including, but not limited to, the matters discussed under the section entitled "Risk Factors" and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of the Notes.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as so-called Keogh plans and individual retirement accounts (together with ERISA Plans, the "**Plans**")) and certain persons (referred to as "**parties in interest**" under ERISA or "**disqualified persons**" under the Code) having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

Any of the Sellers, the Issuer, the Joint Arrangers, the Dealers, the Servicer or any of their respective affiliates (the "**Transaction Parties**") may be a party in interest or a disqualified person with respect to many Plans. Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if any of the Rule 144A Notes is acquired or held by a Plan with respect to which the Issuer, a Seller, the Servicer, or any other party to such transactions, is a party in interest or a disqualified person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire any such Notes and the circumstances under which such decision is made. Included among these exemptions are Prohibited Transaction Class Exemption ("**PTCE**") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) PTCE 96-23 (relating to transactions determined by in-house asset managers) and the service provider exemption under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to the purchase and sale of securities and related lending transactions, **provided that** neither the issuer of the securities nor its affiliate has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of any Plan involved in the transaction (in other words, not a fiduciary) and **provided further that** the Plan pays no more than, and receives no less than, adequate consideration in connection with the transaction). There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving the Notes.

In addition, a regulation promulgated by the US Department of Labor at 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**"), describes what constitutes the

assets of a Plan with respect to the Plan's investment in an entity for the purposes of certain provisions of ERISA, including the fiduciary responsibility provisions of Title I of ERISA and prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code. Under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity that is neither a "publicly-offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless one of the exceptions to such treatment described in the Plan Asset Regulation applies. Under the Plan Asset Regulation, a security which is in debt form may be considered an "equity interest" if it has "substantial equity features". If the Issuer were deemed under the Plan Asset Regulation to hold assets of a Plan by reason of the Plan's investment in any of the Rule 144A Notes, such assets of the Plan would include an undivided interest in the assets held by the Issuer and transactions by the Issuer would be subject to the fiduciary responsibility provisions of Title I of ERISA and prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

Unless otherwise specified in the applicable Final Terms, each purchaser and subsequent transferee of any Rule 144A Note (or any interest therein) will be deemed by such purchase or acquisition of any such Note to have represented, warranted and agreed, on each day from the date on which the purchaser or transferee acquires such Note (or any interest therein) through and including the date on which the purchaser or transferee disposes of such Note (or any interest therein), either that: (A) it is not, and is not acting on behalf of (and for so long as it holds such Note or interest therein will not be, and will not be acting on behalf of), a Plan or any person or entity whose underlying assets include, or are deemed under the Plan Asset Regulation to include, the assets of such Plan by reason of the Plan's investment in the person or entity (each of the foregoing a "**Benefit Plan Investor**"), or a governmental, church or non-US plan which is subject to any Similar Law; or (B) its acquisition, holding and disposition of such Note (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or, in the case of a governmental, church or non-US plan, a violation of any applicable Similar Law.

In addition, each purchaser and subsequent transferee of any Rule 144A Note that is, or is acting on behalf of, a Benefit Plan Investor will be deemed to have represented, warranted and agreed, by its purchase of such Notes that: (1) none of the Transaction Parties has provided or will provide any investment recommendation or investment advice to the Benefit Plan Investor, or any fiduciary or other person investing the assets of the Benefit Plan Investor (a "**Plan Fiduciary**"), on which either the Benefit Plan Investor or a Plan Fiduciary has relied in connection with the decision to acquire any interest in such Notes; (2) the Plan Fiduciary is acting as a "fiduciary" within the meaning of Section 3(21) of ERISA or Section 4975(e)(3) of the Code with respect to the Benefit Plan Investor in connection with the Benefit Plan Investor's acquisition of any interest in such Notes; and (3) the Plan Fiduciary making the decision to acquire any interest in such Notes by or on behalf of such Benefit Plan Investor is exercising its own independent judgement in evaluating the transaction.

Any insurance company proposing to purchase any of the Rule 144A Notes using the assets of its general account should consider the extent to which such investment would be subject to the requirements of ERISA in light of the US Supreme Court's decision in John Hancock Mutual Life Insurance Co. v. Harris Trust and Savings Bank and under any subsequent guidance that may become available relating to that decision. In particular, such an insurance company should consider the retroactive and prospective exemptive relief granted by the US Department of Labor for transactions involving insurance company general accounts in PTCE 95-60, 60 Fed. Reg. 35925 (12 July 1995), the enactment of Section 401(c) of ERISA by the Small Business Job Protection Act of 1996 (including, without limitation, the expiration of any relief granted thereunder) and the regulations thereunder.

Regulation S Notes are not designed for, and may not be purchased or held by, a Benefit Plan Investor. Each purchaser or transferee of a Regulation S Note (or any interest therein) will be deemed to have represented, warranted and agreed that (i) it is not, and is not acting on behalf of (and for so long as it

holds such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor, and (ii) if it is a governmental, church or non-US plan, (A) it is not, and for so long as it holds such Note or interest therein will not be, subject to any federal, state, local or non-US law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer (or other persons responsible for the investment and operation of the Issuer's assets) to any Similar Law, and (B) its acquisition, holding and disposition of such Note (or any interest therein) will not constitute or result in a violation of any such Similar Law.

Each Plan fiduciary who is responsible for making the investment decisions whether to purchase or commit to purchase and to hold any of the Rule 144A Notes should determine whether, under the documents and instruments governing the Plan, an investment in the Notes is appropriate for the Plan, taking into account the overall investment policy of the Plan and the composition of the Plan's investment Mortgage Portfolio. This Base Prospectus is not directed to any particular investor, nor does it address the needs of any particular investor. None of the Transaction Parties will provide any advice or recommendation with respect to the management of any Notes held by an investor in the Notes or the advisability of acquiring, holding, disposing or exchanging of any such interest. Any Plan proposing to invest in such Notes (including any governmental plan) should consult with its counsel to confirm, among other things, that such investment will not result in a non-exempt prohibited transaction or a violation of any applicable Similar Law and will satisfy the other requirements of ERISA, the Code or any applicable Similar Law.

The sale of any Notes to a Plan is in no respect a representation by the Transaction Parties that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

US LEGAL INVESTMENT CONSIDERATIONS

None of the Notes is a "mortgage related security" under the US Secondary Mortgage Market Enhancement Act of 1984, as amended.

The appropriate characterisation of the Notes under various legal investment restrictions and, consequently, the ability of investors subject to these restrictions to purchase such Notes, is subject to significant interpretative uncertainties. These uncertainties may adversely affect the liquidity of, and the creation of any secondary market for, the Notes. Accordingly, investors should consult their own legal advisers in determining whether and the extent to which the Notes constitute legal investments or are subject to investment, capital or other restrictions.

ENFORCEMENT OF FOREIGN JUDGMENTS IN ENGLAND AND WALES

The Issuer is a UK public company incorporated with limited liability in England and Wales.

Any final and conclusive judgment of any New York State or US Federal Court sitting in the Borough of Manhattan in the City of New York having jurisdiction recognised by England or Wales in respect of an obligation of the Issuer in respect of the Notes for a fixed sum of money and which has not been stayed or satisfied in full, would be enforceable by action against the Issuer in the courts of England and Wales without a re-examination of the merits of the issues determined by the proceedings in the New York State or US Federal Court.

This will be the case unless the following occurs:

- the proceedings in the New York State or the US Federal Court in which the judgment was obtained were contrary to the principles of natural or substantive justice;
- enforcement of the judgment is contrary to the public policy of England or Wales;
- the judgment was obtained by fraud or duress or was based on a clear mistake of fact;
- the judgment is of a public nature (for example, a penal or revenue judgment);
- there has been a prior judgment in another court concerning the same issues between the same parties as are dealt with in the judgment of the New York State or the US Federal Court;
- the enforcement would contravene section 5 of the Protection of Trading Interests Act 1980; or
- the enforcement proceedings are not instituted within six years after the date of the judgment.

The Issuer expressly submits to the non-exclusive jurisdiction of the courts of England for the purpose of any suit, action or proceedings arising out of this offering. A judgment by a court may be given in some cases only in Sterling.

All of the directors of the Issuer reside outside the US. Substantially all of the assets of all or many of such persons are located outside the US. As a result, it may not be possible for the Noteholders to effect service of process within the US upon such persons with respect to matters arising under the federal securities laws of the US or to enforce against them judgments obtained in US courts predicated upon the civil liability provisions of such laws.

The Issuer has been advised by Allen Overy Shearman Sterling LLP, English counsel to the Sellers, that there is doubt as to the enforceability in England and Wales, in original actions or in actions for enforcement of judgments of US courts, of civil liabilities predicated upon the Federal securities laws of the US based on the restrictions referred to above.

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealer(s) have, in the Programme Agreement agreed with the Issuer, a basis upon which such Dealer(s) or any of them may from time to time agree to purchase Notes. Any such agreement for any particular purchase by a Dealer will extend to those matters stated under the section entitled "Terms and Conditions of the Notes" above. The Issuer may pay the Dealer(s) commission from time to time in connection with the sale of any Notes. The Dealer(s) is or are entitled to be released and discharged from its or their obligations in relation to any agreement to issue and purchase Notes under the Programme Agreement in certain circumstances prior to payment to the Issuer.

One or more Dealer(s) may purchase Notes from the Issuer, as principal, from time to time for resale to investors and other purchasers at a fixed offering price or in individually negotiated transactions at negotiated prices which may vary among different purchasers and may be greater than the initial issue price of the relevant Notes.

A Dealer may sell Notes it has purchased from the Issuer as principal to certain other dealers less a concession equal to all or any portion of the discount received in connection with such purchase. The Dealer may allow, and such dealers may re-allow, a discount to certain other dealers. After the initial offering of Notes, the offering price (in the case of Notes to be resold at a fixed offering price), the concession and the reallowance may be changed.

The Issuer may withdraw, cancel or modify the offering contemplated hereby without notice and may reject offers to purchase Notes in whole or in part.

In connection with the issue of any Series or Class of Notes, or any Sub-Series of the Class A Notes of a Series, the Dealer(s) (if any) named as the stabilising manager(s) (or persons acting on behalf of any stabilising manager) in the applicable Final Terms may over-allot such Notes (**provided that**, in the case of any Series or Class of Notes or any Sub-Series of the Class A Notes of the relevant Series to be admitted to trading on the regulated market of the London Stock Exchange or any other regulated market (within the meaning of MiFID II) in the European Economic Area or in the UK, the aggregate principal amount of a Series or Class of Notes or any Sub-Series of the Class A Notes of the relevant Series allotted does not exceed 105% of the aggregate principal amount of the relevant Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series) or effect transactions with a view to supporting the market price of that Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series at a level higher than that which might otherwise prevail. However, there is no assurance that the stabilising manager(s) (or persons acting on behalf of a stabilising manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series and 60 days after the date of the allotment of the relevant Series and Class of Notes or any Sub-Series of the Class A Notes of the relevant Series. Any stabilisation action or over-allotment must be conducted by the relevant stabilising manager(s) (or person acting on behalf of any stabilising manager(s)) in accordance with all applicable laws and rules.

These transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Notes. If the Dealer creates or the Dealers create, as the case may be, a short position in the Notes, that is, if it sells or they sell Notes in an aggregate principal amount exceeding that set forth in the applicable Final Terms, such Dealer(s) may reduce that short position by purchasing Notes in the open market. In general, purchase of Notes for the purpose of stabilisation or to reduce a short position could cause the price of the Notes to be higher than it might be in the absence of such purchases.

Neither the Issuer nor any of the Dealer(s) makes any representation or prediction as to the direction or magnitude of any effect that the transactions described in the immediately preceding paragraph may have on the price of Notes. In addition, neither the Issuer nor (any of) the Dealer(s) makes any representation that the Dealer(s) will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice.

Under the Programme Agreement, the Issuer has agreed to indemnify the Dealer(s) against certain liabilities (including liabilities under the Securities Act) or to contribute to payments the Dealer(s) may be required to make in respect thereof in connection with the establishment and any future updates of the Programme and the issue of Notes under the Programme. The Issuer has also agreed to reimburse the Dealer(s) for certain other expenses in connection with the establishment and any future updates of the Programme and the issue of Notes under the Programme.

The Dealer(s) may, from time to time, purchase and sell Notes in the secondary market, but they are not obligated to do so, and there can be no assurance that there will be a secondary market for the Notes or liquidity in the secondary market if one develops. From time to time, the Dealer(s) may make a market in the Notes.

The Dealer(s) and its or their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Issuer and the Dealer(s) has or have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Issuer has consulted its own legal, accounting, regulatory and tax advisers to the extent it deemed appropriate. Certain of the Dealer(s) and their respective affiliates have, directly or indirectly, performed investment and commercial banking or financial advisory services for the Issuer for which they have received customary fees and commissions, and they expect to provide these services to the Issuer and its affiliates in the future, for which they also expect to receive customary fees and commissions.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Notes or person wishing to transfer an interest from one Global Note to another or from global to definitive form or vice versa, will be deemed to or will be required to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

(a) that either:

  (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware and each beneficial owner of such Notes has been advised, that any sale to it is being made in reliance on Rule 144A; or

  (ii) it is outside the US and is not a US person and it is not purchasing (or holding) the Notes for the account or benefit of a US person;

(b) that the Notes are being offered and sold in a transaction not involving a public offering in the US within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any applicable US state securities laws and may not be offered or sold within the US or to, or for the account or benefit of, US persons except as set forth in this section;

(c) it agrees that the Issuer has no obligation to register the Notes under the Securities Act;

(d) that, with respect to Rule 144A Notes, unless otherwise specified in the applicable Final Terms, either (i) it is not, and is not acting on behalf of (and for so long as it holds such Notes or any interest therein will not be, and will not acting on behalf of), (i) a Benefit Plan Investor or (ii) a governmental, church or non-US plan which is subject to any Similar Law, or (ii) its acquisition, holding and disposition of the Rule 144A Notes (or interests therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or, in the case of a governmental, church or non-US plan, a violation of any applicable Similar Law; and that (A) none of the Transaction Parties has provided or will provide any investment recommendation or investment advice to the Benefit Plan Investor or any Plan Fiduciary, on which either the Benefit Plan Investor or a Plan Fiduciary has relied in connection with the decision to acquire any interest in such Notes, (B) the Plan Fiduciary is acting as a "fiduciary" within the meaning of Section 3(21) of ERISA or Section 4975(e)(3) of the Code with respect to the Benefit Plan Investor in connection with the Benefit Plan Investor's acquisition of any interest in such Notes; and (C) the Plan Fiduciary making the decision to acquire any interest in such Notes by or on behalf of such Benefit Plan Investor is exercising its own independent judgment in evaluating the transaction;

(e) that, with respect to Regulation S Notes, (A) it is not, and is not acting on behalf of (and for so long as it holds such Notes or interests therein will not be, and will not be acting on behalf of), a Benefit Plan Investor, and (B) if it is a governmental, church or non-US plan, (x) it is not, and for so long as it holds such Notes or interests therein will not be, subject to any federal, state, local or non-US law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer (or other persons responsible for the investment and operation of the Issuer's assets) to any Similar Law, and (y) its acquisition, holding and disposition of such Notes (or any interest therein) will not constitute or result in a violation of any such Similar Law;

(f) that, unless otherwise specified in the applicable Final Terms, either (i) it is not and for so long as it holds a Note (or any interest therein) will not be (A) a Benefit Plan Investor, or (B) a governmental, church or non-US plan which is subject to any Similar Law, or (ii) its acquisition, holding and disposition of the Notes (or interests therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law;

(g) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the transfer and resale restrictions referred to in paragraph (d) above, if then applicable;

(h) that Notes initially offered in the US to QIBs will be represented by one or more Rule 144A Global Note Certificates, and that Notes initially offered outside the US in reliance on Regulation S will be represented by one or more Regulation S Global Note Certificates;

(i) that the Notes represented by a Rule 144A Global Note Certificate and Definitive Rule 144A Notes, will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"NEITHER THIS NOTE NOR BENEFICIAL INTERESTS HEREIN HAVE BEEN OR ARE EXPECTED TO BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE ISSUER HAS NOT BEEN REGISTERED AND DOES NOT INTEND TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED.

BY PURCHASING OR OTHERWISE ACQUIRING A BENEFICIAL INTEREST IN THIS GLOBAL NOTE CERTIFICATE, EACH OWNER OF SUCH BENEFICIAL INTEREST

WILL BE DEEMED TO HAVE REPRESENTED FOR THE BENEFIT OF THE ISSUER AND FOR ANY AGENT OR SELLER WITH RESPECT TO THE NOTES THAT IT (I)(A) IS A "**QUALIFIED INSTITUTIONAL BUYER**" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (B) WILL HOLD AT LEAST THE MINIMUM DENOMINATION OF $100,000 (OR ITS EQUIVALENT IN ANOTHER CURRENCY), (C) WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE, (D) IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE OTHER PERSONS EACH OF WHOM MEETS ALL THE PRECEDING REQUIREMENTS AND (E) AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THE NOTES OR ANY BENEFICIAL INTEREST HEREIN TO ANY PERSON EXCEPT TO A PERSON THAT MEETS ALL THE PRECEDING REQUIREMENTS AND AGREES NOT TO SUBSEQUENTLY TRANSFER THE NOTES OR ANY BENEFICIAL INTEREST HEREIN EXCEPT IN ACCORDANCE WITH THIS CLAUSE (E) OR (II) IS A NON-US PERSON AND IS ACQUIRING THE NOTES IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S OF THE SECURITIES ACT. IN THE CASE OF ANY SUCH TRANSFER PURSUANT TO CLAUSE (II), (1) THE TRANSFEREE WILL BE REQUIRED TO HAVE THE NOTES SO TRANSFERRED TO BE REPRESENTED BY AN INTEREST IN THE REGULATION S GLOBAL NOTE CERTIFICATES (AS DEFINED IN THE TRUST DEED) AND (2) THE TRANSFEROR WILL BE REQUIRED TO DELIVER A TRANSFER CERTIFICATE (THE FORM OF WHICH IS ATTACHED TO THE TRUST DEED AND IS AVAILABLE FROM THE REGISTRAR).

UNLESS OTHERWISE SPECIFIED IN THE APPLICABLE FINAL TERMS, BY ITS ACQUISITION AND HOLDING OF THIS NOTE, EACH PURCHASER OR TRANSFEREE OF THIS NOTE (OR ANY INTEREST HEREIN) WILL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER OR TRANSFEREE ACQUIRES THIS NOTE (OR ANY INTEREST HEREIN) THROUGH AND INCLUDING THE DATE ON WHICH THE PURCHASER OR TRANSFEREE DISPOSES OF THIS NOTE (OR ANY INTEREST HEREIN), EITHER (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), FOR PURPOSES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") TO BE (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA WHICH IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE CODE, WHICH IS SUBJECT TO SECTION 4975 OF THE CODE, OR (C) ANY PERSON OR ENTITY WHOSE UNDERLYING ASSETS INCLUDE OR ARE DEEMED FOR PURPOSES OF THE PLAN ASSETS REGULATION TO INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLANS' INVESTMENT IN THE PERSON OR ENTITY (ANY OF THE FOREGOING, A "**BENEFIT PLAN INVESTOR**") OR GOVERNMENTAL, CHURCH OR NON-US PLAN THAT IS SUBJECT TO ANY US FEDERAL, STATE, LOCAL OR NON-US LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR, (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE (OR ANY INTEREST THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-US PLAN, A VIOLATION OF ANY SIMILAR LAW. ANY PURPORTED TRANSFER OF THIS NOTE THAT DOES NOT COMPLY WITH THESE REQUIREMENTS WILL BE NULL AND VOID AB INITIO.

IN ADDITION, EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THIS NOTE THAT IS, OR IS ACTING ON BEHALF OF A BENEFIT PLAN INVESTOR, WILL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (1) NONE OF THE TRANSACTION PARTIES: HAS PROVIDED OR WILL PROVIDE ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE TO THE BENEFIT PLAN INVESTOR, OR ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR (A "**PLAN FIDUCIARY**"), ON WHICH EITHER THE BENEFIT PLAN INVESTOR OR A PLAN FIDUCIARY HAS RELIED IN CONNECTION WITH THE DECISION TO ACQUIRE ANY INTEREST IN THIS NOTE, AND (2) THE PLAN FIDUCIARY IS ACTING AS A "FIDUCIARY" WITHIN THE MEANING OF SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE WITH RESPECT TO THE BENEFIT PLAN INVESTOR IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF ANY INTEREST IN THIS NOTE; AND (3) THE PLAN FIDUCIARY MAKING THE DECISION TO ACQUIRE ANY INTEREST IN THIS NOTE BY OR ON BEHALF OF SUCH BENEFIT PLAN INVESTOR IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE TRANSACTION.

THE PURCHASER OR ACQUIRER ACKNOWLEDGES THAT THE ISSUER RESERVES THE RIGHT PRIOR TO ANY SALE OR OTHER TRANSFER TO REQUIRE THE DELIVERY OF SUCH CERTIFICATIONS, LEGAL OPINIONS AND OTHER INFORMATION AS THE ISSUER MAY REASONABLY REQUIRE TO CONFIRM THAT THE PROPOSED SALE OR OTHER TRANSFER COMPLIES WITH THE FOREGOING RESTRICTIONS.

PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. TERMS USED IN THIS LEGEND HAVE THE MEANINGS GIVEN TO THEM UNDER SUCH RULE.";

(i) if it is outside the US and is not a US person, that if it should resell or otherwise transfer the Notes prior to the expiration of the Distribution Compliance Period, it will do so only (a)(i) outside the US in compliance with Rule 903 or 904 of Regulation S under the Securities Act or (ii) to a QIB in compliance with Rule 144A and (b) in accordance with all applicable US State securities laws; and it acknowledges that the Notes represented by a Regulation S Global Note Certificate and Definitive Regulation S Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"NEITHER THIS NOTE NOR BENEFICIAL INTERESTS HEREIN HAVE BEEN OR ARE EXPECTED TO BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE ISSUER HAS NOT BEEN REGISTERED AND DOES NOT INTEND TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED.

BY PURCHASING OR OTHERWISE ACQUIRING A BENEFICIAL INTEREST IN THIS GLOBAL NOTE CERTIFICATE, EACH OWNER OF SUCH BENEFICIAL INTEREST WILL BE DEEMED TO HAVE REPRESENTED FOR THE BENEFIT OF THE ISSUER THAT IF IT SHOULD DECIDE TO DISPOSE OF ITS BENEFICIAL INTERESTS REPRESENTED BY THIS GLOBAL NOTE CERTIFICATE, SUCH INTERESTS MAY BE OFFERED, RESOLD OR OTHERWISE TRANSFERRED ONLY PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE LAWS OF ANY STATE OF THE UNITED STATES. ACCORDINGLY, ANY TRANSFER OF THE NOTES PRIOR TO

THE TERMINATION OF THE DISTRIBUTION COMPLIANCE PERIOD MAY ONLY BE MADE: (A) TO A NON-US PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S OF THE SECURITIES ACT OR (B) TO OR FOR THE ACCOUNT OR BENEFIT OF PERSONS WHO ARE QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT). IN THE CASE OF ANY SUCH TRANSFER PURSUANT TO CLAUSE (B), (1) THE TRANSFEREE WILL BE REQUIRED TO HAVE THE NOTES SO TRANSFERRED BE REPRESENTED BY AN INTEREST IN THE RULE 144A GLOBAL NOTE CERTIFICATES (AS DEFINED IN THE TRUST DEED) AND (2) THE TRANSFEROR WILL BE REQUIRED TO DELIVER A TRANSFER CERTIFICATE (THE FORM OF WHICH IS ATTACHED TO THE TRUST DEED AND IS AVAILABLE FROM THE REGISTRAR).

UNLESS SPECIFIED OTHERWISE IN THE APPLICABLE FINAL TERMS, BY ITS ACQUISITION AND HOLDING OF THIS NOTE, EACH PURCHASER OR TRANSFEREE OF THIS NOTE (OR ANY INTEREST HEREIN) WILL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), FOR PURPOSES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA WHICH IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE CODE WHICH IS SUBJECT TO SECTION 4975 OF THE CODE, OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED FOR PURPOSES OF THE PLAN ASSETS REGULATION TO INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLANS' INVESTMENT IN THE ENTITY (ANY OF THE FOREGOING, A "**BENEFIT PLAN INVESTOR**"), AND (II) IF IT IS A GOVERNMENTAL, CHURCH OR NON-US PLAN, (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-US LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY US FEDERAL, STATE, LOCAL OR NON-US LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SIMILAR LAW. ANY PURPORTED TRANSFER OF THIS NOTE THAT DOES NOT COMPLY WITH THESE REQUIREMENTS WILL BE NULL AND VOID AB INITIO.

THIS NOTE IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN AND IN THE TRUST DEED. ANY SALE OR TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE NOTE TRUSTEE OR ANY INTERMEDIARY. EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER

RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO THE TRANSFEREE."; and

(ii) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it will promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Rule 144A Notes in the US to any one purchaser will be for less than US$200,000 (or the approximate equivalent in another Specified Currency) principal amount and no Rule 144A Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least US$200,000 (or the approximate equivalent in another Specified Currency) principal amount of Notes.

Relevant Dealers may arrange for the resale of Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the relevant Dealer(s) may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is US$200,000 (or the approximate equivalent in another Specified Currency). To the extent that the Issuer is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer has agreed to furnish to holders of Notes and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Selling Restrictions

US

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the US or other relevant jurisdictions and Notes may not be offered, sold, resold or delivered directly or indirectly within the US or to, or for the account or benefit of, US persons except in certain transactions exempt from, or in transactions not subject to, the registration requirements of the Securities Act and any applicable local, State or Federal securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In connection with any Regulation S Note, each Dealer has represented and agreed that it will not offer, sell or deliver any such Regulations S Note within the US or to, or for the account or benefit of, US persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes (including any Sub-Series of Class A Notes), as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Dealer, in the case of a syndicated issue, and except in either case in accordance with Regulation S under the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Regulation S Note during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of such Regulation S Note within the US or to, or for the account or benefit of, US persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the completion of the offering of any Notes (including any Sub-Series of the Class A Notes of the relevant Series), an offer or sale of any Regulation S Note within the US by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities

Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

The Programme Agreement provides that selected relevant Dealer(s), through their selling agents which are registered broker-dealers in the US, may resell Notes in the US to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the relevant Dealer(s) may be relying on the exemption from the Securities Act provided by Rule 144A.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms or, as applicable, the Pricing Term Sheet in relation thereto 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 MiFID II; or

  (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 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.

Prohibition of Sales to UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms or, as applicable, the Pricing Term Sheet in relation thereto to any retail investor in the UK. 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 Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the Withdrawal Act; or

  (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA 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 Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the Withdrawal Act; 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.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer or the Sellers;

(b) 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 in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus, any drawdown prospectus or any Final Terms and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, the Sellers, the Note Trustee, the Security Trustee nor any of the other Dealers will have any responsibility therefor. Furthermore, they will not directly or indirectly offer, sell or deliver any Notes or distribute or publish any form of application, base prospectus/prospectus, advertisement or other offering material except under circumstances that will, to the best of their knowledge and belief, result in compliance with any applicable laws and regulations, and all offers, sales and deliveries of Notes by them will be made on the same terms.

None of the Issuer, the Sellers, the Note Trustee, the Security Trustee or any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Series of Notes and each Sub-Series of Class A Notes, the relevant Dealer(s) will be required to comply with such other additional or modified restrictions (if any) as the Issuer and the relevant Dealer(s) will agree as a term of issue and purchase as indicated in the applicable Final Terms.

Each Dealer will, unless prohibited by applicable law, furnish to each person to whom they offer or sell Notes a copy of the Base Prospectus as then amended or supplemented or, unless delivery of the Base Prospectus is required by applicable law, inform each such person that a copy will be made available upon request. The Dealers are not authorised to give any information or to make any representation not contained in the Base Prospectus in connection with the offer and sale of Notes to which the Base Prospectus relates.

This Base Prospectus may be used by the Dealers for offers and sales related to market-making transactions in the Notes. Any or each of the Dealers may act as principal or agent in these transactions. These sales will be made at prices relating to prevailing market prices at the time of sale. None of the Dealers has any obligation to make a market in the Notes, and any market-making may be discontinued at any time without notice. The Dealers are participating in the initial distribution of the Notes.

GENERAL INFORMATION

Authorisation

The issue of each Series of Notes from time to time has been authorised by resolution of the board of directors of the Issuer passed on 21 October 2024. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Clearing and settlement

The Rule 144A Notes denominated in US Dollars are expected to be accepted for clearance through DTC. The Rule 144A Notes denominated a currency other than US Dollars and the Regulation S Notes (other than the Class Z VFNs) are expected to be accepted for clearance through Clearstream, Luxembourg and Euroclear. The appropriate CUSIP numbers, Common Codes, International Securities Identification Numbers ("**ISINs**") Financial Instrument Short Name ("**FISN**") and Classification of Financial Instruments ("**CFI**") code (as applicable) for each Series and Class of Notes will be specified in the applicable Final Terms.

Transactions in respect of the Rule 144A Notes accepted for clearance through DTC will normally be effected for settlement in US Dollars and for delivery on the third working day after the date of the transaction. Prior to listing, however, dealings will be permitted by the London Stock Exchange in accordance with its rules.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Issuer is aware) during the 12 months preceding the date of this Base Prospectus, which may have or have had in the recent past, a significant effect on the financial position or profitability of the Issuer.

Accounts

The Issuer was incorporated on 28 February 2024. So long as Class A Notes issued under the Programme are listed on the Official List and are traded on the Market, the most recently published audited annual accounts of the Issuer from time to time will be available at the specified office of the Principal Paying Agent in London. The Issuer will not publish interim accounts.

Since the date of its incorporation, the Issuer has not entered into any contracts or arrangements not being in the ordinary course of business.

Significant or material change

Since 31 December 2024 there has been no material adverse change in the financial position or prospects and no significant change in the financial or trading position of the Issuer.

Further information available to Noteholders

From the date of this Base Prospectus and for so long as any Series and Class of Notes issued by the Issuer may be admitted to the Official List, copies of the following documents may, when published, be inspected at the registered office of the Issuer and from the specified office of the Principal Paying Agent during usual business hours, on any weekday (public holidays excepted):

(A) the Memorandum and Articles of Association of each of the Issuer and Holdings;

(B) a copy of the Base Prospectus;

(C) any future prospectuses, prospectus supplements, information memoranda and supplements (as applicable) to the Base Prospectus (including the Final Terms) and any other documents incorporated therein or therein by reference;

(D) all other reports, letters, statements prepared by an expert and included in the Base Prospectus;

(E) each of the following documents:

- each Programme Issuance Document (other than each Subscription Agreement);
- the Mortgage Sale Agreements (including the forms of Scottish Declaration of Trust annexed thereto);
- the Deed of Charge and each deed of accession to the Deed of Charge (including the form of Scottish Supplemental Charge annexed thereto);
- each Interest Rate Swap Agreement;
- each Currency Swap Agreement;
- the Trust Deed;
- each Supplemental Trust Deed (except in relation to the Notes to be issued on the First Issuance Date);
- the Agency Agreement;
- the Servicing Agreement;
- the Cash Management Agreement;
- the Account Bank Agreements;
- the Swap Collateral Account Bank Agreement;
- the Custody Agreement;
- the Incorporated Terms Memorandum;
- the Corporate Services Agreement; and
- any other deeds of accession or supplemental deeds relating to any such documents or deeds of amendment.

Under the terms of the Transaction Documents, the Programme has been structured so that the income and/or repayments in respect of the securitised assets backing the issue of Notes by the Issuer will have the characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes.

This Base Prospectus and the Final Terms will be made available in electronic form on the website of the regulated market of the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

Legal Entity Identifier

The Legal Entity Identifier (LEI) code of the Issuer is 213800JDJYU6B2ILZH33.

Validity of prospectus and prospectus supplements

For the avoidance of doubt, the Issuer will have no obligation to supplement this Base Prospectus after the end of its 12-month validity period.

GLOSSARY

Set forth below in this glossary are definitions of certain defined terms used in this Base Prospectus.

"**Account Banks**"	The First Account Bank, the Second Account Bank, the Swap Collateral Account Bank and any additional Account Banks appointed from time to time.
"**Account Bank Agreement**"	Each of the First Account Bank Agreement, the Second Account Bank Agreement, the Swap Collateral Account Bank Agreement and any additional account bank agreement entered into by, among others, the Issuer, the Security Trustee and an Authorised Entity pursuant to which an Additional Account is opened, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time.
"**Account Bank Minimum Required Rating**"	Has the meaning given on page 252.
"**Accounts**"	Together or in combination, each Bank Account and each Custody Account, and each, an "**Account**".
"**Accrued Interest**"	In respect of any Mortgage Loan as at any date (the "**relevant date**"), the aggregate of all interest accrued but not yet due and payable on each Mortgage Loan from (and including) the Monthly Payment Date immediately preceding the relevant date until (but excluding) the relevant date.
"**Actual Ratings Confirmation**"	A written confirmation from each Relevant Rating Agency that the relevant amendment, action, determination or appointment will not result in the reduction, qualification, suspension or withdrawal of the then-current ratings assigned to any outstanding Class A Notes rated by that Rating Agency.
"**Actual Subordination Amount**"	An amount calculated, as of any date, as being equal to the then Principal Amount Outstanding of the Class Z(S) VFN less the amount then recorded as a debit to the Class Z(S) VFN Principal Deficiency Sub-Ledger.
"**Additional Mortgage Loans**"	Mortgage Loans assigned by a Seller to the Issuer after the Programme Date pursuant to the relevant Mortgage Sale Agreement.
"**Additional Mortgage Portfolio**"	In each case, the portfolio of Additional Mortgage Loans and their Related Security (other than any Additional Mortgage Loans and their Related Security which have been redeemed in full prior to the relevant Assignment Date or which do not otherwise comply with the terms of the relevant Mortgage Sale Agreement as at the relevant Assignment Date), particulars of which are set out in the relevant Additional Mortgage Portfolio Sale Notice or in a document stored upon electronic media, and all right, title, interest and benefit of the relevant Seller in and to the rights and assets set out in paragraphs (a) to (f) of the definition of "**Initial Mortgage Portfolio**" below.

"**Additional Mortgage Portfolio Purchase Price**"	The amount payable in consideration for the assignment by a Seller to the Issuer of Mortgage Loans on an Assignment Date (other than the Programme Date) pursuant to clause 4.2 (*Agreement for Sale and Purchase of each Additional Mortgage Portfolio*) of the relevant Mortgage Sale Agreement.
"**Additional Mortgage Portfolio Sale Notice**"	A notice substantially in the form set out in Schedule 11 (*Form of Additional Mortgage Portfolio Sale Notice*) to the relevant Mortgage Sale Agreement.
"**Additional Termination Event**"	Has, in relation to a Swap Agreement, the meaning given to that term in that Swap Agreement.
"**Adjusted Funding Note Percentage**"	The ratio that the aggregate of the Sterling Equivalent Principal Amount Outstanding on the Class A Notes and the Class Z(S) VFN bears to the aggregate of the Sterling Equivalent Principal Amount Outstanding of the Class A Notes, the Class Z(S) VFN and the YBS Note then outstanding under the Programme, expressed as a percentage.
"**Advance Date**"	The date on which a Further Advance is made by a Seller to the relevant Borrower.
"**Affected Ledger**"	Any of the Excess Principal Ledger, the Cash Accumulation Ledger and/or the Reserve Ledger (and, where the Note Payment Dates in respect of any Class A Notes that are then outstanding are less frequent than quarterly, the Interest Provision Ledger and the Principal Provision Ledger) maintained with the First Account Bank where such First Account Bank fails to satisfy the required Account Bank Minimum Required Rating.
"**Affiliate**"	Any corporation, firm, limited liability company, partnership or other entity that directly or indirectly controls or is controlled by or is under common control with a party.
"**Agency Agreement**"	The agency agreement entered into on or about the Programme Date as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time among the Issuer, the Note Trustee, the Security Trustee, the Paying Agents, the Exchange and Transfer Agent, the Registrar, the VFN Registrar and the Agent Bank.
"**Agent Bank**"	Citibank, N.A., London Branch, in its capacity as Agent Bank at its Specified Office initially appointed pursuant to the Agency Agreement, or such other person for the time being acting as Agent Bank under the Agency Agreement.
"**Agents**"	The Agent Bank, the Paying Agents, the Exchange and Transfer Agent, the VFN Registrar and/or the Registrar (or any successors duly appointed).
"**Alternative Benchmark Rate**"	Has the meaning given to that term on page 301.

"**Anticipated Cash Accumulation Period**"	See the section entitled "Credit Structure and Cashflows – Calculation of the Cash Accumulation Requirement".
"**Appointee**"	Any delegate, agent, nominee, custodian, attorney or manager appointed by the Note Trustee or the Security Trustee pursuant to the provisions of the Trust Deed or the Deed of Charge (as the case may be).
"**Arrears of Interest**"	As at any date in respect of any Mortgage Loan, interest (other than Capitalised Interest or Accrued Interest) on that Mortgage Loan which is currently due and payable and unpaid on that date.
"**Assignment Date**"	(i) The First Issuance Date with respect to the Initial Mortgage Portfolio and (ii) each date of assignment or transfer of an Additional Mortgage Portfolio to the Issuer in accordance with a Mortgage Sale Agreement.
"**Authorised Investments**"	UK Government Securities, Sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper), **provided that** in each case such investments are scheduled to mature on or before the next Note Payment Date subject to: (a) investments with remaining maturities which are greater than or equal to three months, having at least the following ratings: (i) a short-term rating of at least two of F1+ by Fitch and/or P-1 by Moody's and/or A1+ by S&P and/or the DBRS Equivalent Rating by DBRS or a long-term rating of at least two of AA- by Fitch and/or Aa3 by Moody's and/or AA- by S&P and/or the DBRS Equivalent Rating by DBRS (or such other short-term or long-term rating which would not affect the then-current rating of the Class A Notes) (**provided that** only the ratings assigned by the Rating Agencies then rating the relevant Series of the Class A Notes will be relevant for the determination as to whether the relevant investments constitute Authorised Investments); and/or (ii) where, in addition to the two Rating Agencies specified in the Final Terms in respect of the relevant Series of the Class A Notes, such investments are rated by an additional Rating Agency, a short-term or a long-term rating by such additional Rating Agency at least equivalent to the ratings described in paragraph (a)(i) above (or such other short-term or long-term rating which would not affect the then-current rating of the Class A Notes); (b) investments with remaining maturities which are greater than or equal to 30 days but less than three months, having at least the following ratings:

(i) a short-term rating of at least two of F1+ by Fitch and/or P-1 by Moody's and/or A1+ by S&P and/or the DBRS Equivalent Rating by DBRS or a long-term rating of at least two of AA- by Fitch and/or A2 by Moody's and/or AA- by S&P and/or the DBRS Equivalent Rating by DBRS (or such other short-term or long-term rating which would not affect the then-current rating of the Class A Notes) (**provided that** only the ratings assigned by the Rating Agencies then rating the relevant Series of the Class A Notes will be relevant for the determination as to whether the relevant investments constitute Authorised Investments); and/or

(ii) where, in addition to the two Rating Agencies specified in the Final Terms in respect of the relevant Series of the Class A Notes, such investments are rated by an additional Rating Agency, a short-term or a long-term rating by such additional Rating Agency at least equivalent to the ratings described in paragraph (b)(i) above (or such other short-term or long-term rating which would not affect the then-current rating of the Class A Notes); or

(c) investments with remaining maturities which are less than 30 days, having a short-term rating of at least two of F1 by Fitch and/or P-1 by Moody's and/or AA- by S&P and/or the DBRS Equivalent Rating by DBRS and a long-term rating of at least two of AA- by Fitch and/or A2 by Moody's and/or A by S&P and/or the DBRS Equivalent Rating by DBRS (or such other short-term or long-term rating which would not affect the then-current rating of the Class A Notes) (**provided that** only the ratings assigned by the Rating Agencies then rating the relevant Series of the Class A Notes will be relevant for the determination as to whether the relevant investments constitute Authorised Investments).

"**Automatic Remarketing Termination Event**" For a Series and Class of Money Market Notes, and subject to the terms of the applicable Remarketing Agreement, (a) the occurrence of an Event of Default, which has not been remedied or waived, (b) the purchase by the applicable Conditional Note Purchaser of all such Notes which are outstanding and the delivery by the applicable Remarketing Agent or the Tender Agent of a notice to that effect to the Issuer and the Principal Paying Agent, or (c) the redemption in full of such Notes.

"**Available Principal Receipts**" In respect of a Payment Date, an amount equal to the sum of:

(a) Principal Receipts received in respect of the Mortgage Loans in the Mortgage Portfolio in respect of the immediately preceding Calculation Period which have been credited to the Principal Ledger by the Cash Manager;

(b) (i) all proceeds of sale of Authorised Investments (which are of a principal nature), which will be received on or prior to the relevant Payment Date and are purchased from amounts referred to in (a) and (f) of this definition of Available Principal Receipts and (ii) all proceeds of sale of Authorised Investments (which are of a principal nature), which will be received on or prior to the relevant Payment Date and are purchased from amounts referred to in (b) to (e) and (g) to (j) of this definition of Available Principal Receipts;

(c) following the occurrence of an Asset Trigger Event and/or for as long as a Non-Asset Trigger Event is continuing, all amounts applied as Available Principal Receipts pursuant to paragraph (d) of the Pre-Enforcement Revenue Priority of Payments with respect to the application of the Funding Note Principal Portion and all amounts standing to the credit of the Cash Accumulation Ledger;

(d) amounts in respect of principal to be received from Currency Swap Counterparties under the Currency Swap Agreements (excluding Swap Collateral standing to the credit of the Swap Collateral Accounts);

(e) amounts standing to the credit of the Excess Principal Fund;

(f) any amounts of a principal nature received from the relevant Seller in respect of any redress payments in respect of any Mortgage Loans in the Mortgage Portfolio;

(g) the proceeds of any further drawdown under the Class Z(S) VFN to be applied as Available Principal Receipts for the purposes of ensuring that the Actual Subordination Amount is equal to the Required Subordination Amount;

(h) the proceeds of any further drawdown under the Class Z(S) VFN to be applied as Available Principal Receipts for the purposes of effecting the redemption of any relevant Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule;

(i) the proceeds of any further drawdown under the YBS Note to be applied as Available Principal Receipts to effect the redemption of the Class A Notes on the next following Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*), the applicable Priority of Payments and the Reapplication Rule;

(j) on each Note Payment Date in respect of any Notes that are not Monthly Notes, any amounts standing to the credit of the Principal Provision Fund,

"**Available Revenue Receipts**"	In respect of a Payment Date, an amount equal to the sum of: (a) Revenue Receipts received by the Issuer on the Mortgage Loans in the Mortgage Portfolio for the immediately preceding Calculation Period; (b) interest payable to the Issuer which will be received on or prior to the relevant Payment Date and is accrued on all amounts otherwise held in the Transaction Accounts; (c) interest payable to the Issuer from all income from Authorised Investments and/or proceeds of sale of Authorised Investments (which are of a revenue nature), which will be received on or prior to the relevant Payment Date; (d) the amount required to be withdrawn from the Reserve Fund to make up any Revenue Shortfall; (e) any Principal Receipts applied to make up any Remaining Revenue Shortfall; (f) any amounts of a revenue nature received from the relevant Seller in respect of any redress payments in respect of any Mortgage Loans in the Mortgage Portfolio; (g) on each Note Payment Date in respect of each Series and Class of Notes that are not Monthly Notes, any amounts standing to the credit of the Interest Provision Fund in respect of such Series and Class of Notes; (h) the proceeds of any further drawdowns under the Class Z(R) VFN which may be applied by the Issuer for the purposes of reducing any debit entries on any Principal Deficiency Sub-Ledger; (i) any amounts in the Reserve Fund in excess of the Reserve Fund Required Amount, to the extent not applied by the Issuer directly in repayment of the Class Z(R) VFN; and (j) any receipt not falling to be treated as an Available Principal Receipt and not falling with any of paragraphs (a) to (i) above (excluding, for the avoidance of doubt, the proceeds of an issuance of Class A Notes and drawings under the VFNs and any receipt which is specifically expressed not to be an Available Revenue Receipt and any Early Repayment Charges).
"**Bank Accounts**"	The Transaction Accounts, the Swap Collateral Accounts and any other bank account opened in the name of the Issuer pursuant to any Account Bank Agreement and any additional or replacement bank accounts of the Issuer as may, from time to time, be opened in accordance with the terms of the Account Bank Agreements and maintained pursuant to the terms of the Account Bank Agreements and the Deed of Charge.

"**Base Prospectus**"	The Base Prospectus prepared in connection with the Programme and constituting a base prospectus for the purposes of Article 8 of the UK Prospectus Regulation, as revised, supplemented or amended from time to time by the Issuer including any documents which are from time to time incorporated in the Base Prospectus by reference, and as supplemented by the Final Terms relating to each Series and Class of Notes (where such Final Terms constitute final terms of such Notes for the purpose of Article 8 of the UK Prospectus Regulation and/or are expressed to be read in conjunction with the Base Prospectus).
"**Basic Terms Modification**"	In respect of any Series and Class of Notes, any modification which would have the effect of: (a) reducing or cancelling of the amount payable or, where applicable, modifying, except where such modification is, in the opinion of the Note Trustee, bound to result in an increase, the method of calculating the amount payable or modifying the date of payment or, where applicable, altering the method of calculating the date of payment in respect of any principal or interest in respect of such Notes; (b) altering the currency in which payments under such notes are to be made; (c) altering the quorum or majority required to pass an Extraordinary Resolution; (d) changing what constitutes a Basic Terms Modification; or (e) altering the priority in which payments are made to the Noteholders of such Notes pursuant to any Priority of Payments (except in a manner determined by the Note Trustee not to be materially prejudicial to the interests of the Noteholders of such Notes).
"**Benchmark Rate Disruption**"	The occurrence of any of the following: (a) a material disruption to EURIBOR, SONIA, €STR or SOFR or any other relevant interest rate benchmark, an adverse change in the methodology of calculating such interest rate benchmark, such interest rate benchmark ceasing to exist or be published or the administrator of such interest rate benchmark having used a fall-back methodology for calculating such interest rate benchmark for a period of at least 30 days; (b) the insolvency or cessation of business of the administrator of EURIBOR, SONIA, €STR or SOFR or any other relevant interest rate benchmark (in circumstances where no successor administrator has been appointed); (c) a public statement by the administrator of EURIBOR, SONIA, €STR or SOFR or any other relevant interest rate benchmark

that it has or will cease publishing the relevant interest rate benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such interest rate benchmark) or has changed or will change such interest rate benchmark in an adverse manner;

(d) a public statement by the supervisor of the administrator of EURIBOR, SONIA, €STR or SOFR or any other relevant interest rate benchmark that the relevant interest rate benchmark has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(e) a public statement by the supervisor of the administrator of EURIBOR, SONIA, €STR or SOFR or any other relevant interest rate benchmark that means the relevant interest rate benchmark may no longer be used or that its use is or will be subject to restrictions or adverse consequences or that such interest rate benchmark is, or will no longer be, representative of the underlying market it purports to measure as of a certain date, and such representativeness will not be restored;

(f) it having become unlawful and/or impossible and/or impracticable for any Paying Agent, the VFN Registrar, the Agent Bank, the Issuer or the Cash Manager (as the case may be) to calculate any payments due to be made to any Noteholder using EURIBOR, SONIA, €STR or SOFR or any other relevant interest rate benchmark;

(g) where the base rate that applies in respect of the Floating Rate Notes is Compounded Daily SONIA, an alternative manner of calculating a SONIA-based base rate is introduced and becomes a standard means of calculating interest for similar transactions;

(h) following the implementation of a Benchmark Rate Modification, it becomes generally accepted market practice in the publicly listed asset-backed floating rate notes market to use a benchmark rate of interest which is different from the Alternative Benchmark Rate which had already been adopted by the Issuer in respect of any Series or Class of Notes pursuant to a Benchmark Rate Modification; or

(i) it being the reasonable expectation of the Issuer that any of the events specified in paragraphs (a) to (h) above will occur or exist within six months of the proposed effective date of a Benchmark Rate Modification, subject to certification by the Issuer that such is its reasonable expectation.

"Benchmark Rate Eligibility Requirement" Each of the following:

(a) a benchmark rate published, endorsed, approved or recognised by the Federal Reserve, the Bank of England, the Financial Conduct Authority, the Prudential Regulation Authority, the European Central Bank, any regulator in the US, the UK or the

European Union or any stock exchange on which any Series or Class of Notes is listed or any relevant committee or other body established, sponsored or approved by any of the foregoing, including, without limitation, the Working Group on Sterling Risk-Free Reference Rates (which may be an alternative benchmark rate together with a specified adjustment factor which may increase or decrease the relevant alternative benchmark rate);

(b) a benchmark rate with an equivalent term utilised in at least five publicly listed new issues of asset-backed floating rate notes prior to the effective date of a Benchmark Rate Modification;

(c) a benchmark rate utilised in a publicly listed new issue of asset-backed floating rate notes where the originator of the relevant assets is a Seller; or

(d) such other reference rate as the Issuer reasonably determines, subject to certification by the Issuer:

(i) that, in its reasonable opinion, none of paragraphs (a) to (c) above are applicable and/or practicable in the context of the Programme; and

(ii) of the rationale in the Benchmark Rate Modification Certificate for choosing the proposed Alternative Benchmark Rate.

"Borrower" In relation to a Mortgage Loan, the individual or individuals 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 Mortgage Loan or any part of it.

"Buildings Insurance Policies" All buildings insurance policies relating to Mortgaged Properties taken out (a) in the name of the relevant Borrower and (b) in the name of the landlord in the case of leasehold Mortgaged Properties where the relevant landlord is responsible for insuring the Mortgaged Property and each a "**Buildings Insurance Policy**".

"Bullet Redemption Amount" The amount required to be repaid on the Bullet Redemption Date in respect of a Series and Class of Bullet Redemption Notes in order to reduce the Sterling Equivalent Principal Amount Outstanding of such Series and Class to zero.

"Bullet Redemption Date" Any Hard Bullet Redemption Date, Soft Bullet Scheduled Redemption Date or Soft Bullet Final Redemption Date, as the case may be.

"Bullet Redemption Notes" Any Series and Class of Notes specified in the applicable Final Terms as a Series and Class of Hard Bullet Redemption Notes or Soft Bullet Redemption Notes and which is scheduled to be repaid in full on one Note Payment Date. A Bullet Redemption Note will become a Pass-Through Redemption Note on the earliest to occur of:

(a) a date specified in relation to the same for such note in the applicable Final Terms;

(b) an Asset Trigger Event; or

(c) a Non-Asset Trigger Event (for as long as such Non-Asset Trigger Event is continuing).

"Business Day" A day which is (as applicable):

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and New York and any additional financial centre specified for such notes in the applicable Final Terms in respect of such Series and Class of Notes;

(b) in respect of a Series and Class of Notes denominated in Euro, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET 2) System (the "**TARGET System**") is open; or

(c) in relation to any payments in respect of Class A Notes in definitive form, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(i) London, New York and any additional financial centre specified for such notes in the applicable Final Terms in respect of such Series of Class A Notes; and

(ii) the place of presentation of such definitive Class A Note.

"Business Day Convention" The business day convention as specified in the applicable Final Terms.

"Buy-To-Let Mortgage Loans" Mortgage loans taken out by Borrowers in relation to the purchase or remortgage of properties for letting purposes.

"broken amount" In respect of any Series and Class of Notes, the amount (if any) specified as such in respect of such Notes in the applicable Final Terms.

"Calculation Date" In respect of any Calculation Period, the 9th day of the calendar month immediately following the end of such Calculation Period (or, if that day is not a Business Day, then the immediately preceding Business Day).

"Calculation Period" The period from, and including, the first day of each calendar month to, and including, the last day of each calendar month.

"**Capital Balance**"	For a Mortgage Loan at any date, the Current Balance of that Mortgage Loan to which the Servicer applies the relevant interest rate at which interest on that Mortgage Loan accrues.
"**Capitalised**"	In respect of a fee, an interest amount or any other amount, means that amount which is added to the Current Balance of a Mortgage Loan.
"**Capitalised Interest**"	For any Mortgage Loan at any date, interest which is overdue in respect of that Mortgage Loan and which as at that date has been added to the Capital Balance of that Mortgage Loan in accordance with the Mortgage Conditions or otherwise by arrangement with the relevant Borrower (excluding for the avoidance of doubt any Arrears of Interest which have not been so Capitalised on that date).
"**Capped (Variable Rate) Mortgage Loan**"	A Variable Rate Mortgage Loan which has a rate of interest which will not increase above a specified rate for a certain period of time and which, at the end of such period, generally converts to a Variable Rate Mortgage Loan.
"**Cash Accumulation Ledger**"	Each ledger to be maintained for the Issuer by the Cash Manager, which will record amounts accumulated by the Issuer to pay each outstanding Series of Bullet Redemption Notes or, for so long as no Series of Bullet Redemption Notes is outstanding, to apply as Available Principal Receipts.
"**Cash Accumulation Period**"	Has the meaning given to this term on page 229.
"**Cash Accumulation Requirement**"	The amount calculated on each Calculation Date for each Class of Bullet Redemption Notes in a Cash Accumulation Period as (a) the Sterling Equivalent Principal Amount Outstanding of each Series of Bullet Redemption Notes that is within a Cash Accumulation Period, less (b) the amount standing to the credit of the Cash Accumulation Ledger at the last Payment Date (which amount was not to be distributed on that Payment Date to fund the repayment of any Series of Bullet Redemption Notes).
"**Cash Accumulation Shortfall**"	Will occur at any time that the amounts standing to the credit of each Cash Accumulation Ledger is less than the Cash Accumulation Requirement.
"**Cash Accumulation Start Date**"	The date on which the Cash Accumulation Period in respect of the relevant Bullet Redemption Notes commences, as specified in the applicable Final Terms.
"**Cash Management Agreement**"	The Cash Management Agreement entered into on or about the Programme Date, between the Cash Manager, the Issuer, the Sellers, the Rule 17g-5 Information Provider, the Servicer, the Class Z VFN Holder, the holder of the YBS Note and the Security Trustee which provides for the management of the revenue and payment obligations and the administration of the Bank Accounts of the Issuer, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time.

"**Cash Manager**"	Yorkshire Building Society, and any of its successors and assigns and any replacement thereof appointed pursuant to the Cash Management Agreement.
"**CCA**"	The Consumer Credit Act 1974.
"**Certificate of Title**"	A solicitor's, licensed conveyancer's or (in Scotland) qualified conveyancer's report or certificate of title obtained by or on behalf of the relevant Seller in respect of each Mortgaged Property.
"**Charged Property**"	The property, assets, rights and undertakings of the Issuer which from time to time are expressed to be mortgaged, charged, assigned, pledged or otherwise encumbered to, or in favour of, the Security Trustee for itself and for the other Secured Creditors under, or pursuant to, the Deed of Charge.
"**Class**"	Will, as the context requires, be a reference to a Class of Notes being any Class A Notes and the Class Z VFNs (or any Sub-Class and, in the case of any Class A Notes, the Sub-Series thereof), or the YBS Note.
"**Class A Note Enforcement Notice**"	An enforcement notice served under Condition 9(a) (*Class A Noteholders*).
"**Class A Noteholders**"	The holders for the time being of the Class A Notes.
"**Class A Notes**"	The mortgage-backed Notes of any Series designated as Class A Notes (including any Sub-Class and any Sub-Series of such) in the applicable Final Terms.
"**Class A Principal Deficiency Sub-Ledger**"	One of the three sub-ledgers of the Principal Deficiency Ledger, being the sub-ledger which records any principal deficiency in respect of the Class A Notes.
"**Class Z VFN Holder**"	Yorkshire Building Society in its capacity as holder of the Class Z VFNs.
"**Class Z VFNs**"	The Class Z variable funding notes issued by the Issuer to the Class Z VFN Holder on the First Issuance Date comprising the Class Z(R) VFN and the Class Z(S) VFN.
"**Class Z(R) Increase**"	An additional advance made by the Class Z VFN Holder to the Issuer under the Class Z(R) VFN to fund: (a) the Reserve Deficit; (b) in the case of a Principal Deficiency, the aggregate amount by which the Funding Principal Deficiency Sub-Ledgers are in debit, as relevant; (c) through application as Available Revenue Receipts, the elimination of any debit entries on any Principal Deficiency Sub-Ledger;

(d) the upfront premium under a Swap Agreement; and/or

(e) the start-up expenses of the Issuer and other fees, costs and expenses of the Issuer incurred in connection with the issuance of each Series of Notes.

"Class Z(R) VFN" The Sub-Class of Class Z VFN issued by the Issuer to the Class Z VFN Holder on the First Issuance Date pursuant to the applicable Final Terms.

"Class Z(S) Increase" An additional advance made by the Class Z VFN Holder to the Issuer under the Class Z(S) VFN to be applied towards a Subordination Deficit, the redemption of Class A Notes, redemption of the YBS Note or funding all or any part of the Initial Additional Mortgage Portfolio Purchase Price for any Additional Mortgage Portfolios.

"Class Z(S) VFN" The Sub-Class of Class Z VFN issued by the Issuer to the Class Z VFN Holder on the First Issuance Date pursuant to the applicable Final Terms.

"Class Z(S) VFN Principal Deficiency Sub-Ledger" One of the three sub-ledgers on the Principal Deficiency Ledger, being the sub-ledger which records any principal deficiency in respect of the Class Z(S) VFN.

"Clearing Systems" Each of Clearstream, Luxembourg, Euroclear and DTC (as applicable), or such other clearing system as may be applicable in respect of a Series and Class of Notes as specified in the relevant Final Terms.

"Clearstream, Luxembourg" Clearstream Banking, *société anonyme*.

"Code" The US Internal Revenue Code of 1986.

"Common Depositary" A common depositary appointed by Euroclear and Clearstream, Luxembourg.

"Common Safekeeper" A common safekeeper for Euroclear and Clearstream, Luxembourg.

"Common Service Provider" The common service provider appointed by Euroclear and Clearstream, Luxembourg to service Notes held under the NSS.

"Compounded Daily SONIA" The compounded daily interest rate determined in accordance with Condition 4(b)(v) (*Compounded Daily Interest Rates*).

"Conditional Note Purchase Agreement" For a Series and Class of Money Market Notes, an agreement to be dated on or about the Issuance Date for such Notes between, among others, the applicable Conditional Note Purchaser and the Issuer under which the Conditional Note Purchaser will agree to purchase such Notes on each Money Market Note Mandatory Transfer Date for such Notes in certain circumstances.

"Conditional Note Purchaser" For a Series and Class of Money Market Notes, the Conditional Note Purchaser specified for such Notes in the applicable Final Terms.

"**Conditions**"	(a) in relation to Series 2024-1 Class A Notes, Class Z VFNs and the YBS Note, the terms and conditions endorsed on such Notes in the form or substantially in the form scheduled to the Trust Deed dated 30 October 2024, as any of the same may from time to time be amended, varied or restated in accordance with the provisions of the Trust Deed; and (b) in relation to any further Series and/or Sub-Series (as the case may be) of the Class A Notes, the terms and conditions to be endorsed on such Notes in the form or substantially in the form scheduled to the Supplemental Trust Deed relating to such Notes, as any of the same may from time to time be amended, varied or restated in accordance with the provisions of the Supplemental Trust Deed, and any reference to a numbered Condition will be construed accordingly.
"**Contingency Insurance Policies**"	All insurance policies of a Seller which are intended to cover financial losses incurred by that Seller in respect of any Mortgaged Properties for which adequate insurance has not been arranged by the relevant Borrower, and each a "**Contingency Insurance Policy**".
"**Controlled Amortisation Amount**"	On any Controlled Amortisation Date prior to the occurrence of an Asset Trigger Event and for so long as no Non-Asset Trigger Event is continuing for any Series and Class of Controlled Amortisation Notes, the principal amount which the Issuer would have to pay to the relevant Noteholder or Noteholders of such Notes on that Controlled Amortisation Date so that the Sterling Equivalent Principal Amount Outstanding of such Notes on that Controlled Amortisation Date (after giving effect to such payment) would be reduced to (but not less than) the amount expressed as a percentage of the aggregate Principal Amount Outstanding of such Controlled Amortisation Notes as at their issuance date, as stated in the applicable Final Terms.
"**Controlled Amortisation Dates**"	In relation to a Series or Class of Notes, the Note Payment Dates specified as such for such Series or Class of Notes in the applicable Final Terms, and each, a "**Controlled Amortisation Date**".
"**Controlled Amortisation Notes**"	Any Series and Class of Notes the conditions of which impose a limit on the amount of principal which may be repaid on such Notes on each Controlled Amortisation Date for such Notes. A Controlled Amortisation Note will become a Pass-Through Redemption Note on the earliest to occur of: (a) a date specified in relation to the same for such Notes in the applicable Final Terms; (b) an Asset Trigger Event; or (c) a Non-Asset Trigger Event (for as long as such Non-Asset Trigger Event is continuing).

"**Core Revenue Receipts**"	Any amounts referred to in paragraphs (a), (c) and (f) of the definition of Available Revenue Receipts.
"**Corporate Services Agreement**"	The corporate services agreement entered into on or about the Programme Date between, among others, the Corporate Services Provider and the Issuer as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time.
"**Corporate Services Provider**"	Wilmington Trust SP Services (London) Limited, or any other person or persons for the time being acting as corporate services provider to the Issuer and Holdings under the Corporate Services Agreement.
"**COR**"	A DBRS long-term critical obligations rating.
"**CPR**"	Constant prepayment rate.
"**Credit Support Annex**"	The 1995 Credit Support Annex (Bilateral Form – Transfer) published by the International Swaps and Derivatives Association, Inc., entered into or to be entered into by the Issuer and a Swap Counterparty.
"**Currency Swap**"	A swap transaction entered into under a Currency Swap Agreement.
"**Currency Swap Agreements**"	The ISDA Master Agreement, schedule thereto and confirmations thereunder relating to the currency and/or interest rate swaps to be entered into in connection with any Series or Class of Notes, together with any Credit Support Annexes or other credit support documents entered into at any time between the Issuer and the relevant Currency Swap Counterparty and/or any credit support provider, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time.
"**Currency Swap Collateral Ledger**"	The ledger which will record as a credit (A) any Swap Collateral received from a Currency Swap Counterparty (and any interest and distributions in respect thereof), (B) any Swap Replacement Premium received by the Issuer from a replacement currency swap counterparty, (C) any termination payment received by the Issuer from an outgoing Currency Swap Counterparty, and (D) Swap Tax Credits in relation to a Currency Swap Counterparty.
"**Currency Swap Counterparty**"	Each entity that enters into a Currency Swap Agreement and Currency Swaps thereunder with the Issuer.
"**Currency Swap Excluded Termination Amount**"	In relation to any Currency Swap Agreement, the amount of any Swap Termination Payment due and payable to the relevant Currency Swap Counterparty as a result of a Swap Counterparty Default or a Swap Counterparty Downgrade Event in relation to the relevant Currency Swap Counterparty less the Swap Replacement Premium (if any) received by the Issuer upon entry by the Issuer into an agreement to replace such Currency Swap Agreement which has terminated as a result of such Swap Counterparty Default or Swap Counterparty Downgrade Event.

"**Current Balance**"	In relation to any Mortgage Loan on any given date, the aggregate balance of the amounts charged to the Borrower's account in respect of a Mortgage Loan at that given date (but avoiding double counting) including: (a) the original principal amount advanced to the relevant Borrower and any further amount advanced (accounting for any Further Advance) on or before that given date to the relevant Borrower under that Mortgage Loan secured or intended to be secured by the related Mortgage; (b) any interest, disbursement, legal expense, fee, charge, rent, service charge, premium or payment which has been properly capitalised in accordance with the relevant Mortgage Conditions or with the relevant Borrower's consent or capitalised in accordance with the relevant Seller's normal charging practices 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 or in accordance with the relevant Seller's normal charging practices but which is secured or purported to be secured by the related Mortgage, as at the end of the Business Day immediately preceding that given date, less any repayment or payment (including, if permitted, by way of set-off, withholding or counterclaim) 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 and/or any Further Advances committed to be made but not made by the end of the Business Day immediately preceding that given date.
"**Current LTV Ratio**"	Means the ratio (expressed as a percentage) of the outstanding balance of a Mortgage Loan to the indexed value of the Mortgaged Property securing that Mortgage Loan.
"**Custodian**"	Citibank, N.A., London Branch, or such other person or persons for the time being acting as custodian pursuant to the terms of each of the Custody Agreement and the Swap Collateral Custody Agreement.
"**Custody Account**"	Any securities custody account held with the Custodian (or any replacement thereof or successor thereto) and opened pursuant to the Custody Agreement.
"**Custody Agreement**"	The custody agreement entered into on or about the Programme Date, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time, between, among others, the Issuer, the Custodian and the Security Trustee which provides for the operation of the securities and/or cash account(s) named therein.

"Cut-Off Date" The cut-off date in relation to the sale of Mortgage Loans by a Seller to the Issuer pursuant to the terms of the relevant Mortgage Sale Agreement (which will be specified in each Final Terms).

"Cut-Off Date Mortgage Portfolio" At any Cut-Off Date, the Mortgage Loans in the Mortgage Portfolio, their Related Security, Accrued Interest and other amounts derived from such Mortgage Loans (taking account of, among other things, amortisation of Mortgage Loans in the Mortgage Portfolio and the addition and/or removal of any Mortgage Loans to or from the Mortgage Portfolio since the Programme Date) combined with any Mortgage Loans, their Related Security, Accrued Interest and other amounts derived from such Mortgage Loans that the relevant Seller, as at any Cut-Off Date, anticipates assigning or transferring to, or repurchasing from, the Issuer pursuant to the terms of the relevant Mortgage Sale Agreement.

"Day Count Fraction" Has the meaning given to that term in Condition 4(b)(vii) (*Determination of Rate of Interest and calculation of Floating Interest Amounts*).

"DBRS" DBRS Ratings Limited and includes any successor to its rating business.

"DBRS Equivalent Chart"

DBRS	S&P	Fitch	Moody's
AAA	AAA	AAA	Aaa
AA(high)	AA+	AA+	Aa1
AA	AA	AA	Aa2
AA(low)	AA-	AA-	Aa3
A(high)	A+	A+	A1
A	A	A	A2
A(low)	A-	A-	A3
BBB(high)	BBB+	BBB+	Baa1
BBB	BBB	BBB	Baa2
BBB(low)	BBB-	BBB-	Baa3
BB(high)	BB+	BB+	Ba1
BB	BB	BB	Ba2
BB(low)	BB-	BB-	Ba3
B(high)	B+	B+	B1
B	B	B	B2
B(low)	B-	B-	B3
CCC(high)	CCC+		Caa1
CCC	CCC	CCC	Caa2
CCC(low)	CCC-		Caa3
CC	CC		Ca
C	C		
D	D	D	D

"DBRS Equivalent Rating"

(a) If a Fitch public rating, a Moody's public rating and an S&P public rating in respect of the senior unsecured debt of a certain entity (each, a "**Public Long Term Rating**") are all available at such date, the corresponding DBRS rating as shown in the DBRS Equivalent Chart of such Public Long Term Rating remaining after disregarding the highest and lowest of such

Public Long Term Ratings from such rating agencies (**provided that** if a Public Long Term Rating is under credit watch negative, or any equivalent, then, for the purpose of determining the DBRS Equivalent Rating, such Public Long Term Rating will be deemed to be one notch below its current notch). For this purpose, if more than one Public Long Term Rating has the same highest or same lowest DBRS rating as shown in the DBRS Equivalent Chart, then in each case only one of such Public Long Term Ratings will be so disregarded in accordance with requirements of the previous sentence and the DBRS Equivalent Rating will be the remaining rating;

(b) if the DBRS Equivalent Rating cannot be determined under paragraph (a) above, but Public Long Term Ratings of a certain entity by any two of Fitch, Moody's and S&P are available at such date, the corresponding DBRS rating as shown in the DBRS Equivalent Chart of the lower of such Public Long Term Rating (**provided that** if a Public Long Term Rating is under credit watch negative, or any equivalent, then, for the purpose of determining the DBRS Equivalent Rating, such Public Long Term Rating will be deemed to be one notch below its current notch); and

(c) if the DBRS Equivalent Rating cannot be determined under paragraphs (a) and (b) above, but a Public Long Term Rating by any one of Fitch, Moody's and S&P is available at such date, then the DBRS rating as shown in the DBRS Equivalent Chart will be such Public Long Term Rating (**provided that** if a Public Long Term Rating is under credit watch negative, or any equivalent, then, for the purpose of determining the DBRS Equivalent Rating, such Public Long Term Rating will be deemed to be one notch below its current notch),

provided that, if at any time the DBRS Equivalent Rating cannot be determined under paragraphs (a) to (c) above, then the relevant entity will be deemed to have a DBRS rating of "C" at such time.

"**Dealers**" One or more dealers appointed under the Programme from time to time by the Issuer (including HSBC Bank plc, HSBC Securities Inc. and Banco Santander, S.A. acting through their investment banks or their affiliates) or, in respect of any Series and Class of Notes, the institutions identified as the Dealers for such Notes in the applicable Final Terms.

"**Deed of Charge**" The deed of charge entered into on or about the Programme Date between the Issuer and the Security Trustee, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time and each deed of accession or supplement entered into in connection therewith.

"**Deemed Principal Amount Outstanding**" On any day, in respect of any Non-Sterling Note, the Sterling Equivalent (calculated by the Cash Manager using the Original Exchange Rate and rounded to the nearest whole penny) of an amount equal to:

(a) the Principal Amount Outstanding of that Non-Sterling Note on the applicable Issuance Date; *less*

(b) the aggregate of all Note Principal Payments that would have been paid in respect of that Non-Sterling Note in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*) up to (and including) that day if the Original Currency Swap Agreement had still been in force, **provided that** for the purposes of calculating any Controlled Amortisation Amount in relation to a Payment Date only, the amount of any Note Principal Payment which would have been paid on the Non-Sterling Note on such Payment Date in accordance with Condition 5(b) (*Mandatory redemption of the Notes in Part*) will not be taken into account.

"Deemed Ratings Confirmation" A certification in writing by an authorised signatory of the Issuer (or the Cash Manager on its behalf) to the Security Trustee and the Note Trustee stating that the Issuer has sent a written request for an Actual Ratings Confirmation to each Rating Agency and each of the following events has occurred:

(a) (i) a Non-Responsive Rating Agency has, in response to the request for an Actual Ratings Confirmation, indicated that it does not consider such Actual Ratings Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Actual Ratings Confirmation or response; or

(ii) within 30 days of delivery of such request, no Actual Ratings Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Actual Ratings Confirmation or response could not be given; and

(b) one Rating Agency has given such Actual Ratings Confirmation or response based on the same facts.

"Deferred Consideration" All amounts paid at item (iii) of the YBS Note Revenue Portion of the Pre-Enforcement Revenue Priority of Payments and item (k) of the Funding Note Revenue Portion of the Pre-Enforcement Revenue Priority of Payments and item (viii) of the Post-Enforcement Priority of Payments, in each case to be further applied in accordance with the terms of the Mortgage Sale Agreements in accordance with the definition of Relevant Seller Deferred Consideration.

"Definitive Regulation S Note" A Regulation S Note in definitive form.

"Definitive Rule 144A Note" A Rule 144A Note in definitive form.

"**Deposit Set-Off Protection Excess Amount**"	The aggregate of the Mortgage Loan Deposit Excess Amount with respect to all Borrowers under the Mortgage Loans in the Mortgage Portfolio in each case with YBS as calculated on 31 March, 30 June, 30 September and 31 December (or, in each case, the nearest following business day) each calendar year.
"**Disclosure ITS**"	Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE (the "**2020/1225 ITS**"), including any relevant standstill decisions, guidance and policy statements relating to the application of the 2020/1225 ITS published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission and/or (in relation to the UK Securitisation Framework) any applicable standstill decisions, laws, regulations, rules, guidance or other implementing measures of the FCA, PRA or other relevant UK Regulator (or their successor) relating to the application of the 2020/1225 ITS in the UK including Annex B of the Technical Standards (Specifying the Information and the details of a Securitisation to be made available by the Originator, Sponsor and SPPE) (EU Exit) Instrument 2020 (FCA 2020/80) and the applicable successor laws, regulations, rules and other relevant measures (including any transitional directions), in each case, as amended, supplemented, superseded or modified from time to time.
"**Disclosure RTS**"	Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying the information and the details of a securitisation to be made available by the originator, sponsor and SSPE (the "**2020/1224 RTS**") including any relevant standstill decisions, guidance and policy statements relating to the application of the 2020/1224 RTS published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission.
"**Discount Variable Rate Mortgage Loan**"	A Mortgage Loan, the terms of which allow the Borrower to pay interest at a specified discount to the Standard Variable Rate or the Issuer Standard Variable Rate, as applicable, for a specified period of time.
"**Distribution Compliance Period**"	The period that ends 40 calendar days after the completion of the distribution of the relevant Series and Class of Notes or a Sub-Series of Class A Notes of the relevant Series.
"**DTC**"	Depository Trust Company.
"**DTC Custodian**"	Citibank, N.A, London Branch, as custodian for Cede & Co., as nominee of DTC.
"**Early Repayment Charge**"	Any charge or fee which a Borrower is required to pay in accordance with the Mortgage Conditions applicable to a Mortgage Loan in the event that such Borrower repays all or part of the relevant Mortgage Loan before a specified date (other than, for the avoidance of doubt, any redemption fees).

"**ECB**"	European Central Bank.
"**Enforced Mortgage Loan**"	A Mortgage Loan in respect of which the Related Security has been enforced and the related Mortgaged Property has been sold.
"**Enforcement Notice**"	For as long as any Class A Notes of any Series are outstanding, a Class A Enforcement Notice and, where no Class A Notes of any Series are outstanding, a VFN Enforcement Notice.
"**English Mortgage**"	A first ranking legal mortgage over a residential property in England or Wales.
"**English Mortgage Loan**"	A Mortgage Loan secured by an English Mortgage.
"**Enhanced Available Principal Receipts**"	The amount of Available Principal Receipts together with items E, F, G and H in the definition of Funding Note Principal Portion.
"**Enhanced Available Revenue Receipts**"	The amount of Available Revenue Receipts together with items C, D and E in the definition of Funding Note Revenue Portion.
"**€STR**"	Euro short-term rate.
"**EU CRA Regulation**"	Regulation (EC) No 1060/2009, as amended.
"**EU CRR Amending Regulation**"	Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms.
"**EU CRR Regulation**"	Regulation (EU) 575/2013 on prudential requirements for credit institutions and investment firms, as amended by the EU CRR Amending Regulation.
"**EU Investor Report**"	The monthly investor report or reports containing information required by Article 7(1)(e) of the EU Securitisation Regulation.
"**EU Loan Level Report**"	A report containing certain loan-by-loan information in relation to the Mortgage Portfolio as required by Article 7(1)(a) of the EU Securitisation Regulation.
"**EU Reporting Website**"	Being editor.eurodw.eu, a website which conforms to the requirements set out in Article 7(2) of the EU Securitisation Regulation (as if it were applicable to YBS and as in force as at the most recent Issuance Date), or any other website which may be notified by the Issuer from time to time **provided that** such replacement or additional website conforms to the requirements set out in Article 7(2) of the EU Securitisation Regulation (as if it were applicable to YBS and as in force as at the most recent Issuance Date).
"**EU Risk Retention Requirements**"	The requirements, set out in Article 6(1) of the EU Securitisation Regulation, for the sponsor of a securitisation to retain, on an ongoing basis, a material net economic interest in the securitisation of not less than 5% of the nominal value of the securitised exposures.

"EU Securitisation Regulation"	Regulation (EU) 2017/2402 including (i) relevant regulatory and/or implementing technical standards or delegated regulation in relation thereto (including any applicable transitional provisions); and/or (ii) any relevant guidance and policy statements in relation thereto published by the European Banking Authority, the ESMA, the European Insurance and Occupational Pensions Authority and/or the European Commission.
"EU Solvency II"	Any relevant national implementation of Directive 2009/138/EC and Delegated Regulation (EU) 2015/35 in the EU.
"Euroclear"	Euroclear Bank S.A./N.V., as operator of the Euroclear System.
"EURIBOR"	The Euro-zone inter-bank offered rate.
"Event of Default"	Any of the events listed in Condition 9 (*Events of Default*).
"Excess Principal Fund"	The amount reserved from time to time in the Transaction Accounts and credited to the Excess Principal Ledger in accordance with the Cash Management Agreement.
"Excess Principal Fund Threshold Amount"	On each Calculation Date, an amount equal to the Excess Principal Fund Threshold Percentage multiplied by the aggregate of the Principal Amount Outstanding of the Class A Notes and the Class Z(S) VFN.
"Excess Principal Fund Threshold Event"	The occurrence of any of the following: (a) the amount standing to the credit of the Excess Principal Fund exceeds the Excess Principal Fund Threshold Amount; or (b) any amounts would, on the next succeeding Payment Date, have remained recorded on the Excess Principal Ledger, on a FIFO basis, for a period of 18 months or more, where that period starts on the date on which such amounts were first so recorded.
"Excess Principal Fund Threshold Percentage"	The percentage specified as such in the most recent Final Terms.
"Excess Principal Ledger"	The ledger maintained by the Cash Manager which will record amounts standing to the credit of the Excess Principal Fund at any time and the date of any withdrawals from and deposits into the Excess Principal Fund.
"Exchange Act"	The United States Securities Exchange Act of 1934, as amended.
"Exchange and Transfer Agent"	Citibank, N.A., London Branch, and any of its successors and assigns and any replacement thereof appointed pursuant to the Agency Agreement.
"Excluded Loan"	A Self-certified Mortgage Loan or was a Self-certified Mortgage Loan as at the date of origination of the relevant Mortgage Loan, a Staff Mortgage Loan, a Buy-to-Let Mortgage Loan, a Help to Buy Mortgage Loan or a Right to Buy Mortgage Loan or an Offset Mortgage Loan originated prior to 27 July 2021.

"**Extraordinary Resolution**"	A resolution of the holders of the Notes passed as such under the terms of the Trust Deed.
"**FATCA**"	(a) sections 1471 to 1474 of the Code or any associated regulations; (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.
"**FCA**"	The Financial Conduct Authority as successor to the FSA, or any successor regulatory body or authority.
"**FCA Securitisation Rules**"	The Securitisation (Smarter Regulatory Framework and Consequential Amendments) Instrument 2024, and any other relevant instruments (as may be made by the FCA from time to time), including FCA Consultation Paper 23/17, FCA Policy Statement 24/4, and including any related thereto FCA policy statements, statements of policy, supervisory statements, technical notes, feedback statements or any other relevant policy notes or statements, including related thereto Market Watch publications and any other relevant guidance.
"**FIFO**"	Sequentially crediting/debiting ledger entries in respect of time, whereby the amounts first deposited are the amounts are first withdrawn.
"**Final Maturity Date**"	In respect of any Series and Class of Notes, the date specified as such for such Series and Class of Notes in the applicable Final Terms.
"**Final Terms**"	The final terms of any Series of Notes (including any Sub-Series of Class A Notes) as described under the section entitled "Terms and Conditions of the Notes" and which will be delivered to the FCA and the London Stock Exchange on or before the date of issue of the applicable Series of Notes (including any Sub-Series of Class A Notes).
"**First Account Bank**"	Yorkshire Building Society, and any of its successors and assigns and any replacement thereof appointed pursuant to the First Account Bank Agreement.
"**First Account Bank Agreement**"	The first account bank agreement entered into on or about the Programme Date between the Issuer, the First Account Bank, the Cash Manager and the Security Trustee which provides for the operation of the Bank Accounts named therein.
"**First Issuance Date**"	The Issuance Date for the first issuance of Notes under the Programme.
"**First Transaction Account**"	The account in the name of the Issuer held at the First Account Bank maintained pursuant to the terms of the First Account Bank Agreement,

	and such additional or replacement bank account of the Issuer as may, from time to time, be in place pursuant to the terms of the First Account Bank Agreement.
"**Fitch**"	Fitch Ratings Limited and includes any successor to its ratings business.
"**Fixed Coupon Amount**"	Except as provided in the applicable Final Terms, the amount of interest payable on each Note Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the fixed coupon amount specified in the Final Terms.
"**Fixed Interest Period**"	In respect of a Series and Class of Fixed Rate Notes, the period from (and including) a Note Payment Date for such Notes (or the Interest Commencement Date for such Notes) to (but excluding) the next (or first) Note Payment Date for such Notes.
"**Fixed Rate Mortgage Loan**"	A Mortgage Loan which is subject to a fixed interest rate for a specified period of time and which, at the expiration of that period, generally converts to a Variable Rate Mortgage Loan.
"**Fixed Rate Note**"	Notes paying a fixed rate of interest on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).
"**Fixed Rate Payer Payment Date**"	Means the date determined in accordance with the confirmation under the relevant Interest Rate Swap Agreement.
"**Floating Interest Period**"	In respect of a Series and Class of Floating Rate Notes, the period from (and including) a Note Payment Date for such Notes (or the Interest Commencement Date for such Notes) to (but excluding) the next (or first) Note Payment Date for such Notes.
"**Floating Rate Notes**"	Notes which bear interest at a rate determined: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or (c) on such other basis as may be agreed between the Issuer and the relevant Dealer(s), as set out in the applicable Final Terms.
"**FSA**"	Financial Services Authority and any successor thereto, including the FCA.
"**FSMA**"	The Financial Services and Markets Act 2000.
"**Funding Notes**"	Collectively, the Class A Notes, the Class Z(S) VFN and the Class Z(R) VFN.

"**Funding Note Portion**"	The Funding Note Revenue Portion, the Funding Note Principal Portion and/or, as relevant, the Funding Note Post-Enforcement Portion.
"**Funding Note Post-Enforcement Portion**"	See the section entitled "Credit Structure and Cashflows – Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice".
"**Funding Note Principal Portion**"	See the section entitled "Credit Structure and Cashflows – Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice".
"**Funding Note Revenue Portion**"	See the section entitled "Credit Structure and Cashflows – Available Revenue Receipts".
"**Funding Principal Deficiency Sub-Ledger**"	Each of the Class A Principal Deficiency Sub-Ledger and the Class Z(S) VFN Principal Deficiency Sub-Ledger.
"**Further Advance**"	A further drawing in respect of a Mortgage Loan sold by a Seller to the Issuer.
"**Further Advance Purchase Price**"	The purchase price for the relevant Further Advance, being the amount equal to the amount of the Further Advance.
"**Global Note Certificates**"	Note Certificates representing Class A Notes in global form and "**Global Note Certificate**" means any one of them.
"**Hard Bullet Redemption Date**"	For any Series and Class of Hard Bullet Redemption Notes, the Note Payment Date specified as such for such Series and Class of Notes in the applicable Final Terms.
"**Hard Bullet Redemption Notes**"	Any Bullet Redemption Notes specified as such in the applicable Final Terms.
"**Help to Buy Mortgage Loan**"	A mortgage loan which has been granted to fund purchase of Property where the borrower has also obtained an equity loan under the "Help to Buy: Equity Loan" scheme of the UK Government or any equivalent applicable scheme of the Scottish Government.
"**heritable creditor**"	In relation to Scottish Mortgage Loans, the holder of a standard security over heritable or long leasehold property in Scotland.
"**HMRC**"	HM Revenue and Customs.
"**Holder**" or "**holder**"	In relation to the Notes, the person in whose name a Note is for the time being registered in the Register (in the case of the Class A Notes) or the VFN Register (in the case of the Class Z VFNs and the YBS Note) (or in the case of joint holders, the first named thereof).

"**Holdings**"	White Rose Master Holdings Limited, a limited liability company incorporated in England and Wales (registered number 15509517), with its registered office at Third Floor, 1 King's Arms Yard, London, EC2R 7AF.
"**ICSDs**"	Euroclear and/or Clearstream, Luxembourg, as applicable.
"**Incorporated Terms Memorandum**"	The incorporated terms memorandum signed by, among others, the Issuer and the Sellers for the purposes of identification on or about the Programme Date as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time.
"**Individual Note Certificates**"	Note certificates representing the Notes in definitive form.
"**Initial Additional Mortgage Portfolio Purchase Price**"	That portion of the Additional Mortgage Portfolio Purchase Price paid by the Issuer to the Seller(s) on an Assignment Date other than the First Issuance Date in consideration for the assignment by the Seller(s) to the Issuer of Additional Mortgage Loans on such Assignment Date, in each case in accordance with the provisions of the relevant Mortgage Sale Agreement(s).
"**Initial Advance**"	means all amounts advanced by the relevant Seller to a Borrower under a Mortgage Loan other than a Further Advance.
"**Initial Mortgage Portfolio**"	The portfolio of Mortgage Loans and their Related Security assigned by each relevant Seller to the Issuer on the First Issuance Date, particulars of which are set out in the relevant Mortgage Sale Agreement(s), but excluding any such Mortgage Loan and its Related Security which has been redeemed in full on or before such Assignment Date, and (subject where applicable to the subsisting rights of redemption of the Borrowers) all right, title, interest and benefit of the relevant Seller(s) in and to: (a) all sums of principal and interest and any other sum payable or to become payable under such Mortgage Loans on or after the relevant Assignment Date, all arrears of interest and other sums payable (but not paid before such date) in respect of any period before such date and the right to demand, sue for, recover, receive and give receipts for all such sums; (b) the benefit of all securities for such principal monies and interest and other sums payable, the benefit of all consents to mortgage, ranking agreements and deeds of postponement signed by occupiers and/or owners of the relevant Mortgaged Properties, the benefit of all related MH/CP Documentation, the benefit of and the right to sue on all covenants and undertakings in favour of the relevant Seller in each such Mortgage Loan and the benefit of any guarantee, indemnity or surety contract in respect of any such Mortgage Loan and the right to exercise all powers of the relevant Seller in relation to each such Mortgage Loan;

(c) all the estate and interest in the Mortgaged Properties in favour of the Seller, subject to redemption or cesser;

(d) to the extent that they are assignable, all causes and rights of action of the relevant Seller against any person in connection with any report, valuation, opinion, certificate, consent or other statement of fact or opinion given in connection with any such Mortgage Loan or any such Mortgaged Property or received by the relevant Seller in connection with the origination of any such Mortgage Loan;

(e) all proceeds from the enforcement of such Mortgage Loans and their Related Security; and

(f) all right, title, interest and benefit of the relevant Seller (both present and future) in, to and under the Insurance Policies to the extent they relate to the Mortgage Portfolio including the right to demand, sue for, receive and recover the proceeds of any claims.

"**Initial Purchase Price**" The amount specified as such in the Final Terms in respect of the First Issuance Date, being 30 October 2024.

"**Initial Rating Agencies**" Fitch, Moody's, S&P and DBRS, and each being an "**Initial Rating Agency**".

"**Insolvency Act**" The Insolvency Act 1986 (as amended).

"**Insolvency Event**" In respect of a Seller, the Servicer, the Cash Manager, the Issuer or Holdings (each, for the purposes of this definition, a "**Relevant Entity**"):

(a) an order is made or an effective resolution passed for the winding up of the Relevant Entity or the appointment of a liquidator or administrator or building society liquidator or building society special administrator or similar officer over the relevant entity (except, in any such case, a winding up or dissolution for the purpose of a reconstruction or amalgamation the terms of which have been previously approved by the Security Trustee);

(b) the Relevant Entity ceases or threatens to cease to carry on its business or stops payment or threatens to stop payment of its debts or is deemed unable to pay its debts within the meaning of section 123(a), (b), (c) or (d) of the Insolvency Act or becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amounts of its liabilities (taking into account, for both these purposes, contingent and prospective liabilities) or otherwise becomes insolvent;

(c) (i) proceedings are initiated against the Relevant Entity under any applicable liquidation, insolvency, composition, reorganisation (other than a

reorganisation where the relevant entity is solvent) or other similar laws (including, but not limited to, application or pending application for an administration order or presentation of a petition for a winding up order), except where these proceedings are being contested in good faith;

(ii) an administration order being granted, or an administrative or other receiver, administrator, liquidator or other similar official is appointed in relation to the whole or any substantial part of the undertaking or assets of the Relevant Entity;

(iii) a bank insolvency order or a bank administration order is made pursuant to the Banking Act 2009;

(iv) a distress, execution, diligence or other process is enforced upon the whole or any substantial part of the undertaking or assets of the Relevant Entity and in any of the foregoing cases it is not discharged within 30 Business Days; or

(v) if the Relevant Entity initiates or consents to judicial proceedings relating to itself under any applicable liquidation, administration, insolvency, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally.

"**Insurance Policies**"	The Buildings Insurance Policies, the Contingency Insurance Policies and any other additional, substitute or replacement insurance contract or policy arranged by the relevant Seller from time to time relating to the Mortgage Loans in the Mortgage Portfolio, and "**Insurance Policy**" shall be construed accordingly.
"**Interest Commencement Date**"	In respect of any Series and Class of Notes, the Issuance Date of such Notes or such other date as may be specified as such for such Notes in the applicable Final Terms.
"**Interest Determination Date**"	In respect of a Series and Class of Floating Rate Notes, the meaning given to it in the applicable Final Terms.
"**Interest Only Mortgage Loan**"	A Mortgage Loan where the Borrower makes monthly payments of interest but not of principal. When such Mortgage Loan matures, the entire principal amount of such Mortgage Loan is still outstanding and the Borrower must repay that amount in one lump sum.
"**Interest Period**"	In respect of any Series and Class of Notes, the Fixed Interest Period or the Floating Interest Period relating thereto.
"**Interest Provision Fund**"	The amount reserved from time to time in the Transaction Accounts and credited to the Interest Provision Ledger in accordance with the Cash Management Agreement.

"**Interest Provision Fund Required Amount**"	On each Calculation Date, for each of the Class A Notes that are not Monthly Notes, the amount of interest that would be due and payable on such Notes on the immediately succeeding Payment Date if such Notes were Monthly Notes.
"**Interest Provision Ledger**"	The ledger maintained by the Cash Manager which will record amounts standing to the credit of the Interest Provision Fund at any time.
"**Interest Rate Swap**"	An interest rate swap transaction entered into under an Interest Rate Swap Agreement.
"**Interest Rate Swap Agreements**"	Each ISDA Master Agreement, schedule thereto and confirmations thereunder entered into between the Issuer and any Interest Rate Swap Counterparty relating to the Interest Rate Swaps, together with any credit support annexes or other credit support documents entered into at any time between the Issuer and the applicable Interest Rate Swap Counterparty and/or any credit support provider, and each an "**Interest Rate Swap Agreement**".
"**Interest Rate Swap Collateral Ledger**"	The ledger which will record as a credit (A) any Swap Collateral received from an Interest Rate Swap Counterparty (and any interest and distributions in respect thereof), (B) any Swap Replacement Premium received by the Issuer from a replacement interest rate swap counterparty, (C) any termination payment received by the Issuer from an outgoing Interest Rate Swap Counterparty, and (D) Swap Tax Credits in relation to an Interest Rate Swap Counterparty.
"**Interest Rate Swap Counterparty**"	As of the Programme Date, Yorkshire Building Society and, as of each subsequent Issuance Date, each interest rate swap counterparty that enters into an Interest Rate Swap Agreement and Interest Rate Swaps thereunder with the Issuer.
"**Interest Rate Swap Excluded Termination Amount**"	In relation to any Interest Rate Swap Agreement, the amount of any Swap Termination Payment due and payable to each Interest Rate Swap Counterparty as a result of a Swap Counterparty Default or a Swap Counterparty Downgrade Event in respect of each Interest Rate Swap Counterparty less the Swap Replacement Premium (if any) received by the Issuer upon entry by the Issuer into an agreement to replace such Swap Agreement which has terminated as a result of such Swap Counterparty Default or Swap Counterparty Downgrade Event.
"**Interest Rate Swap Floating Rate**"	Has the meaning given to the term "Floating Rate" in the confirmation in respect of each Interest Rate Swap.
"**Investment Company Act**"	The Investment Company Act of 1940, as amended.
"**Investor Reports**"	Collectively, the EU Investor Report and the UK Investor Report, and "**Investor Report**" means, as the context may require, either one of them.
"**ISDA**"	International Swaps and Derivatives Association, Inc.

"**ISDA Definitions**"	The 2021 ISDA Definitions, as published by ISDA and as amended and updated from time to time.
"**Issuance Date**"	Each date on which the Issuer issues Notes (including any Sub-Series of Class A Notes) to Noteholders.
"**Issuance Tests**"	The conditions for the issuance of any new Series or Sub-Series of Class A Notes, as set out on page 161.
"**Issuer**"	White Rose Master Issuer PLC, a public limited liability company incorporated in England and Wales (registered number 15528386), with its registered office at Third Floor, 1 King's Arms Yard, London, EC2R 7AF.
"**Issuer Profit Amount**"	On each Payment Date, an amount (rounded up to the nearest penny) to be retained by the Issuer as profit in respect of the business of the Issuer, initially equal to £100 in relation to each Series and Class of Notes to be issued on the First Issuance Date, and as adjusted from time to time to £100 per Series and Class of Notes outstanding at any time during the course of the previous year (or, in the case of the period from the First Issuance Date to the first anniversary thereof, during the course of the period from the First Issuance Date to the first anniversary thereof), **provided that**, on each Payment Date, the amount of the Issuer Profit Amount cannot exceed £1,200.
"**Issuer Standard Variable Rate**"	The variable rate applicable to any Variable Rate Mortgage Loans and Discount Variable Rate Mortgage Loans in the Mortgage Portfolio set by reference to the Standard Variable Rate.
"**Joint Arrangers**"	Each of HSBC Bank plc and Banco Santander, S.A. acting through their investment banks or their Affiliates.
"**LCR Regulation**"	Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to the liquidity coverage requirement for Credit Institutions.
"**Lending Criteria**"	The lending criteria of a Seller which may be amended from time to time (forming part of the relevant Seller's Policy) a summary of which is set out in the relevant Mortgage Sale Agreement and/or such other criteria as would be acceptable to a Prudent Mortgage Lender.
"**Liabilities**"	In respect of any person, all fees, liabilities, losses, damages, costs, charges, awards, expenses, judgments, decrees, actions, proceedings, claims and demands (including, without limitation, legal fees and any applicable value added tax or similar tax) but not including tax on net income, profit or gains).
"**Listing Authority**"	The Financial Conduct Authority in its capacity as competent authority under Part VI of the FSMA.

"**Listing Rules**"	The rules published by the FCA and contained in the Listing Rules sourcebook.
"**Loan Level Reports**"	The EU Loan Level Report and the UK Loan Level Report, and "**Loan Level Report**" means, as the context may require, either one of them.
"**London Business Day**"	A day (other than a Saturday or Sunday or public holiday) on which banks are generally open for business in London.
"**London Stock Exchange**"	At any time, the London Stock Exchange plc or any other person which at that time administers and manages the relevant primary market in the UK upon which the Notes are formally admitted for public trading.
"**Losses**"	All realised losses on the Mortgage Loans which are in the Mortgage Portfolio.
"**LTV Ratio**"	In respect of a Seller's decision as to whether to make a mortgage loan to a prospective Borrower or a further advance to a current Borrower, the ratio of the outstanding balance of such mortgage loan, or the aggregate of the outstanding balance of the mortgage loan to which such further advance relates and the outstanding balance of the further advance, to the lower of the purchase price or valuation of the mortgaged property securing such mortgage loan as determined by the relevant valuation by that Seller.
"**Market**"	The London Stock Exchange's regulated market for the purposes of the Markets in Financial Instruments Directive (2014/65/EU) as it forms part of the domestic law of the UK by virtue of the Withdrawal Act.
"**Margin**"	The margin specified for a Series and Class of Notes in the applicable Final Terms.
"**Master Definitions Schedule**"	The master definitions schedule set out in Schedule 1 to the Incorporated Terms Memorandum entered into on or about the Programme Date, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time, which is a schedule of definitions used in the Transaction Documents.
"**Maximum Rate of Interest**"	In respect of any Series and Class of Notes, the rate of interest specified as such for such Notes in the applicable Final Terms.
"**Maximum Reset Margin**"	In respect of any Series and Class of Money Market Notes, the amount specified as such for such Series and Class of Money Market Notes in the applicable Final Terms.
"**MCOB**"	The "Mortgages: Conduct of Business Source Book" published by the FCA.
"**MH/CP Documentation**"	An affidavit, declaration, consent or renunciation granted in terms of the Matrimonial Homes (Family Protection) (Scotland) Act 1981 (as amended) or, as applicable, the Civil Partnership Act 2004 in connection with a Scottish Mortgage relating to a Scottish Mortgage Loan or its relevant Scottish Mortgaged Property.

"**Minimum Rate of Interest**"	In respect of any Series and Class of Notes, the rate of interest specified as such for such Notes in the applicable Final Terms.
"**Minimum YBS Note Amount**"	The amount from time to time which is equal to the greatest of (i) the Required Retention Amount, (ii) the Minimum YBS Note Liquidity Amount and (iii) the Deposit Set-Off Protection Excess Amount (as at the most recent date on which such amount was determined).
"**Minimum YBS Note Liquidity Amount**"	The amount stated as such in the most recent Final Terms in respect of all the Class A Notes which remain outstanding and have not been repaid in full.
"**Minimum Specified Denomination**"	Has the meaning given to it in the relevant Final Terms.
"**Money Market Notes**"	A Series and Class of Notes which are intended to be "eligible securities" for purchase by money market funds under Rule 2a-7 of the United States Investment Company Act of 1940.
"**Money Market Note Mandatory Transfer Date**"	Has the meaning given to it on page 270.
"**Money Market Note Mandatory Transfer Price**"	The transfer price payable in connection with the transfer of the Money Market Notes pursuant to the Money Market Note Mandatory Transfer Arrangement, as described in more detail in Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*).
"**Money Market Note Mandatory Transfer Arrangements**"	The mandatory transfer arrangements, if specified in relation to a Series and Class of Money Market Notes as being applicable to such Notes in the applicable Final Terms, as described in more detail in Condition 5(h) (*Money Market Note Mandatory Transfer Arrangements*).
"**Money Market Note Reset Margin**"	In respect of any Series and Class of Money Market Notes, (i) for each Reset Period, a percentage not exceeding the Maximum Reset Margin determined by the Remarketing Agent in accordance with the Remarketing Agreement or (ii) if the Remarketing Agreement has been terminated, the Maximum Reset Margin.
"**Monthly Calculation Date**"	In respect of each Monthly Calculation Period, means the close of business on the last day of such Monthly Calculation Period.
"**Monthly Calculation Period**"	In respect of each Fixed Rate Payer Payment Date under each Swap Agreement, each period from (and including) the first day in the calendar month immediately preceding such Fixed Rate Payer Payment Date (or in the case of the first Monthly Calculation Period in respect of each Swap Agreement, from (and including) the relevant Issuance Date) to (and including) the last day in the calendar month immediately preceding such Fixed Rate Payer Payment Date (or in the case of the first Monthly Calculation Period in respect of each Swap Agreement, the last day in the calendar month immediately preceding the first Fixed Rate Payer Payment Date).

"**Monthly PPR**"	On any Payment Date, the total scheduled amounts collected pursuant to paragraphs (a), (c), (e) and (i) within the definition of Available Principal Receipts received by the Issuer during the immediately preceding Calculation Period divided by the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio as at the start of such Calculation Period.
"**Monthly Notes**"	Any Class A Notes in respect of which interest is due on each Payment Date.
"**Monthly Payment**"	In respect of a Mortgage Loan, the amount which the applicable Mortgage Conditions require a Borrower to pay on a Monthly Payment Date in respect of such Mortgage Loan.
"**Monthly Payment Date**"	In respect of a Mortgage Loan, the date in each month on which the relevant Borrower is required to make a payment of interest and, if applicable, principal, in respect of such Mortgage Loan, as required by the applicable Mortgage Conditions.
"**Moody's**"	Moody's Investors Service Inc. and includes any successor to its rating business.
"**Mortgage**"	An English Mortgage or, as applicable, a Scottish Mortgage.
"**Mortgage Conditions**"	In relation to a Mortgage Loan, the terms and conditions applicable to that Mortgage Loan and its Related Security as modified by the relevant Mortgage Loan Agreement and the relevant Mortgage Deed, and any variation or supplement thereto from time to time.
"**Mortgage Deed**"	In relation to a Mortgage, the deed or Standard Security creating such Mortgage including, unless the context otherwise requires, the Mortgage Conditions applicable to that Mortgage.
"**Mortgage Loan**"	Any English Mortgage Loan or Scottish Mortgage Loan originated by a Seller or, subject to the terms of the relevant Mortgage Sale Agreement, Affiliates of that Seller and sold to the Issuer by that Seller in accordance with the relevant Mortgage Sale Agreement (and which has not been repurchased by that Seller).
"**Mortgage Loan Agreement**"	In relation to any Mortgage Loan, the agreement, facility letter or accepted offer of advance pursuant to which the monies secured by the relevant Mortgage were advanced to the Borrower (as varied from time to time in accordance with the applicable mortgage conditions and including any modifying agreement within the meaning of Section 82 of the Consumer Credit Act 1974 insofar as it relates to that Mortgage Loan).
"**Mortgage Loan Deposit Excess Amount**"	In respect of: (a) a Mortgage Loan where Accord is the relevant Seller, an amount equal to the amount by which any deposit in the savings account of the relevant Borrower that is linked to such Offset Mortgage Loan, exceeding £85,000 (or such other amount as

may be set from time to time by the FCA under any deposit protection or similar scheme); or

(b) a Mortgage Loan where YBS is the relevant Seller, an amount equal to the amount by which any deposit in (i) the savings account of the relevant Borrower that is linked to such Offset Mortgage Loan; and/or (ii) any other bank account held with YBS in the name of a Borrower, in each case exceeding £85,000 (or such other amount as may be set from time to time by the FCA under any deposit protection or similar scheme).

"**Mortgage Loan Files**" The file or files relating to each Mortgage Loan (including files kept in microfiche format or similar electronic data retrieval system) containing, inter alia, correspondence between the Borrower and the relevant Seller and including the mortgage documentation applicable to the Mortgage Loan, each letter of offer for that Mortgage Loan, the Valuation Report (if applicable) and, to the extent available, the solicitor's or licensed conveyancer's, or (in Scotland) qualified conveyancer's, Certificate of Title.

"**Mortgage Loan Terms**" In respect of:

(a) Accord, means:

(i) Mortgage Conditions (Scotland) 2007 ACC 0726 10.2007

(ii) Mortgage Conditions (England and Wales) 2011 ACC0724 06/2011;

(iii) Mortgage Loan Terms ACC 1302 06/2011;

(iv) Mortgage Loan Terms 2016 and Mortgage Conditions 2016 (England and Wales) ACC 1689 21/11/16;

(v) Mortgage Loan Terms 2016 and Mortgage Conditions 2016 Scotland ACC 1689S 12/05/17;

(vi) Mortgage Loan Terms 2020 and Mortgage Conditions 2020 ACC2283 26.04.21;

(vii) Mortgage Loan Terms 2020 and Mortgage Conditions Scotland 2020 ACC 2283S 26/04/21;

(viii) Mortgage Loan Terms 2022 and Mortgage Conditions 2022 ACC 2283 26.6.23;

(ix) Mortgage Loan Terms 2022 and Mortgage Conditions Scotland 2022 ACC 1689S 20/06/23;

(x) Offset Terms 2021 and Mortgage Conditions 2020 ACC 2284 11.6.21;

(xi) Offset Terms 2022 and Mortgage Conditions 2022 ACC 2284 20.6.23;

(xii) Offset Terms 2022 and Mortgage Conditions 2022 Scotland ACC 22845 20/06/23;

(xiii) Offset Terms 2021 and Mortgage Conditions 2020 Scotland – ACC2284S (11/06/21); and

(b) YBS, means:

(i) Mortgage Conditions (England and Wales) 2011 YBS0724 11/2011;

(ii) Mortgage Loan Terms YBS1302 11.2011;

(iii) Mortgage Loan Terms 2016 and Mortgage Conditions 2016 (England and Wales) YBS1689 21/11/16;

(iv) Offset Account Terms 2021 and Mortgage Conditions 2016 (England and Wales) YBS1753 11/06/21;

(v) Mortgage Conditions (Scotland) 2007 – YBS 0726 (10.2007);

(vi) Mortgage Loan Terms 2016 and Mortgage Conditions 2016 Scotland - YBS 1689S (21/11/16);

(vii) Offset Account Terms 2021 and Mortgage Conditions 2016 Scotland – YBS 1753S (11/06/21);

in each case, as updated from time to time by the relevant Seller.

"**Mortgage Loan Warranties**" The representations and warranties given in relation to the Mortgage Loans by the relevant Seller to the Issuer as set out in Part A of Schedule 1 (*Mortgage Loan Warranties, Eligibility Criteria and Portfolio Criteria*) to each Mortgage Sale Agreement.

"**Mortgage Portfolio**" On any particular date, the Initial Mortgage Portfolio and each Additional Mortgage Portfolio (or any or all of them, as appropriate).

"**Mortgage Sale Agreements**" Each mortgage sale agreement entered into on or about the Programme Date among the Issuer and the Security Trustee and each Seller which provides for the assignment of Mortgage Loans to the Issuer, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time and including any documents ancillary thereto.

"**Mortgaged Property**" In relation to any Mortgage Loan, the freehold or leasehold property in England and Wales or (as applicable) the heritable or long leasehold property in Scotland and, in each case, all rights and security attached or appurtenant or related thereto and all buildings and fixtures thereon

	which are subject to the Mortgage securing repayment of such Mortgage Loan.
"**Mortgagee**"	In relation to any mortgage loan, the person for the time being entitled to exercise the rights of the mortgagee or (in Scotland) heritable creditor under the relevant mortgage or (in Scotland) standard security securing repayment of such mortgage loan.
"**Most Senior Class of Notes**"	The Class A Notes, or, if no Class A Notes are then outstanding, the Class Z VFNs or, if no Class Z VFNs are then outstanding, the YBS Note.
"**New Build Mortgage Loan**"	(1) Prior to 31 October 2022, a Mortgage Loan in respect of which the relevant Mortgaged Property is to be: (a) built within three years of the date of the relevant mortgage application; or (b) occupied for the first time; and (2) on and from 31 October 2022, a Mortgage Loan in respect of which the relevant Mortgaged Property is to be: (a) built within two years of the date of the relevant mortgage application; or (b) occupied for the first time.
"**New Mortgage Product**"	A new type of mortgage loan originated by a Seller, which that Seller intends to transfer to the Issuer, the terms and conditions of which are materially different (in the opinion of that Seller, acting reasonably) from the Mortgage Loans comprised in the Mortgage Portfolio (and, for the avoidance of doubt, a mortgage loan will not constitute a New Mortgage Product if it differs from the Mortgage Loans due to it having different interest rates and/or interest periods and/or time periods for which it is subject to a fixed rate or any other interest rate or the benefit of any discounts, cash backs, caps and/or rate guarantees or if it has flexible features, **provided that** the relevant Loan must at all times have an interest rate that is based on generally accepted market or sectoral interest rates reflective of cost of funds and shall not reference complex formulae or derivatives).
"**Non-Responsive Rating Agency**"	Has the meaning given to it on page 54.
"**Non-Sterling Noteholders**"	The Noteholders for the time being of any Non-Sterling Notes.
"**Non-Sterling Notes**"	Any Series, Class or Sub-Class of Notes with a Specified Currency other than Sterling and/or in respect of which an Original Currency Swap Agreement and Original Currency Swap were entered into.
"**Note Certificates**"	Any Global Note Certificates or Individual Note Certificates.
"**Note Payment Date**"	In respect of a Series and Class of Notes, the dates specified in respect of such Notes in the relevant Final Terms as the dates on which payments of interest and principal are to be made in respect of such Notes.
"**Note Principal Payment**"	Has the meaning given to that term in Condition 5(d) (*Note Principal Payments and Principal Amount Outstanding*).

"**Note Trustee**"	Citicorp Trustee Company Limited, in its capacity as note trustee under the Trust Deed, together with any successor note trustee appointed from time to time pursuant to the provisions of the Trust Deed.
"**Noteholders**"	Registered holders for the time being of the relevant Notes who will be treated by the Issuer, any Paying Agent, the VFN Registrar, the Security Trustee and the Note Trustee as the holders of the nominal amount of such Notes in accordance with and subject to the terms of the relevant Note Certificate, and each a "**Noteholder**".
"**Notes**"	The Class A Notes and the VFNs.
"**Observation Method**"	Has the meaning given to it in the applicable Conditions.
"**Observation Period**"	Has the meaning given to it in the applicable Conditions.
"**Official List**"	The Official List maintained by the FCA.
"**Offset Mortgage Loans**"	A Mortgage Loan under which the Borrower is contractually entitled to use funds held in their linked current account or deposit accounts to reduce the interest payable on the Mortgage Loan, instead of receiving interest on those funds.
"**OFT**"	Office of Fair Trading.
"**Ordinary Resolution**"	A resolution of the holders of the Notes passed as such under the terms of the Trust Deed.
"**Original Currency Swap**"	In relation to any Non-Sterling Notes, the swap transaction entered into under the relevant Original Currency Swap Agreement.
"**Original Currency Swap Agreement**"	In relation to any Non-Sterling Notes, the Currency Swap Agreement entered into on or about the Issuance Date for the relevant Series.
"**Original Exchange Rate**"	For any Non-Sterling Notes, the exchange rate specified in the Original Currency Swap Agreement relating to such Series and Class of Notes.
"**Original LTV Ratio**"	The ratio of the Current Balance of a Mortgage Loan as at its origination date to the original valuation of the Mortgaged Property securing such Mortgage Loan as at its origination date.
"**Other Revenue Receipts**"	The amounts referred to in paragraphs (b), (d), (e), (g), (h), (i), and (j) of the definition of Available Revenue Receipts.
"**outstanding**"	When used in respect of any Notes, will have the meaning given to that term in the Trust Deed constituting such Notes.
"**Part and Part Mortgage Loans**"	Mortgage Loans where the Borrower is required to repay part of the principal amount of the Mortgage Loan by making monthly payments of both interest and principal and to repay the remaining part of the principal amount of the Mortgage Loan in one lump sum when the Mortgage Loan matures.

"**Pass-Through Redemption Allocation**"	On any Calculation Date, the aggregate Sterling Equivalent Principal Amount Outstanding of the Pass-Through Redemption Notes which is due on the immediately following Payment Date.
"**Pass-Through Redemption Notes**"	Any Series and Class of Notes which has no specified redemption dates other than a Final Maturity Date. A Bullet Redemption Note or a Controlled Amortisation Note will become a Pass-Through Redemption Note on the earliest to occur of: (a) a date specified in relation to the same for such note in the applicable Final Terms; (b) an Asset Trigger Event; or (c) a Non-Asset Trigger Event (for as long as such Non-Asset Trigger Event is continuing).
"**Paying Agents**"	The Principal Paying Agent, the US Paying Agent and any other paying agents named in the Agency Agreement together with any successor or additional paying agents appointed from time to time in connection with the Class A Notes under the Agency Agreement.
"**Payment Date**"	In respect of any Calculation Period, the 16th day of the calendar month immediately following the end of such Calculation Period or, if such day is not a Business Day, the next succeeding Business Day.
"**Payment Period**"	The period from, and including, a Payment Date up to, but excluding, the subsequent Payment Date.
"**Perfection Trigger Event**"	Any of the events specified in clause 8.1 (*Perfection Trigger Events*) of each Mortgage Sale Agreement.
"**Performance Ratio**"	In respect of each Monthly Calculation Date: the lesser of (i) X divided by Y and (ii) 1 Where: X = the greater of: (A) zero; and (B) the sum of all payments due in respect of the Fixed Rate Mortgage Loans in the Mortgage Portfolio during the Monthly Calculation Period relating to such Monthly Calculation Date less the increase in arrears (being the amount by which a Fixed Rate Mortgage Loan is in arrears for the current month less the amount by which it was in arrears during the previous month) for each Fixed Rate Mortgage Loan in the Mortgage Portfolio during that period; and Y = the sum of all payments due in respect of each Fixed Rate Mortgage Loan in the Mortgage Portfolio during the Monthly Calculation Period relating to such Monthly Calculation Date.
"**Post-Enforcement Priority of Payments**"	The priority of payments for amounts recovered by the Security Trustee and/or any Receiver following the delivery of an Enforcement Notice

	as set out in "Credit Structure and Cashflows – Application of Available Funds Following the Delivery of an Enforcement Notice".
"**PRA**"	The Prudential Regulation Authority or any successor regulatory body or authority.
"**PRA Retention Rules**"	means Article 6 of Chapter 2 together with Chapter 4 of the PRA Securitisation Rules.
"**PRA Rulebook**"	The rulebook of published policy of the PRA
"**PRA Securitisation Rules**"	The rules set out in Annex A (*Securitisation Part*) of the PRA Rulebook: CRR Firms, Non-CRR Firms, Solvency II Firms, Non-Solvency II Firms: Securitisation (and Miscellaneous Amendments) Instrument 2024 and any other relevant PRA Rulebook instruments (as may be made by the PRA from time to time), including PRA Consultation Paper 15/23, PRA Policy Statement 7/24, and any related thereto PRA policy statements, supervisory statements, statements of policy, feedback statements and any other PRA relevant policy notes or statements.
"**Pre-Enforcement Post-Trigger Principal Priority of Payments**"	The priority of payments for Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) prior to the delivery of an Enforcement Notice and while no Asset Trigger Event has occurred and/or no Non-Asset Trigger Event is continuing as set out in "Credit Structure and Cashflows – Application of Available Principal Receipts following the occurrence of an Asset Trigger Event and/or for so long as a Non-Asset Trigger Event is continuing but prior to the delivery of an Enforcement Notice".
"**Pre-Enforcement Pre-Trigger Principal Priority of Payments**"	The priority of payments for Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) prior to the delivery of an Enforcement Notice and while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing as set out in "Credit Structure and Cashflows – Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice".
"**Pre-Enforcement Principal Priority of Payments**"	The priority of payments for Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) prior to the delivery of an Enforcement Notice as set out in "Credit Structure and Cashflows – Available Principal Receipts" prior to delivery of an Enforcement Notice.
"**Pre-Enforcement Revenue Priority of Payments**"	The priority of payments for Available Revenue Receipts or Enhanced Available Principal Receipts (as the case maybe) prior to the delivery of an Enforcement Notice as set out in "Credit Structure and Cashflows – Available Principal Receipts – Pre-Enforcement Revenue Priority of Payments".
"**Pricing Term Sheet**"	The pricing term sheet in relation to each applicable Series and Class of Notes.

"**Principal Amount Outstanding**"	Has the meaning given to that term in Condition 5(d) (*Note Principal Payments and Principal Amount Outstanding*).
"**Principal Deficiency**"	Any circumstance in which any of the Funding Principal Deficiency Sub-Ledgers is in debit.
"**Principal Deficiency Ledger**"	The ledger established on the Programme Date and sub-divided into three Principal Deficiency Sub-Ledgers, in order to record Losses, the application of Enhanced Available Principal Receipts to pay any Remaining Revenue Shortfall and the application of amounts in the Reserve Fund as Available Principal Receipts in accordance with the applicable Priority of Payments.
"**Principal Deficiency Sub-Ledger**"	Any of the Funding Principal Deficiency Sub-Ledgers and the YBS Note Principal Deficiency Sub-Ledger.
"**Principal Excess Amounts**"	The meaning given to it in Condition 5(c) (*Termination of the applicable Original Currency Swap*).
"**Principal Ledger**"	The ledger on which Principal Receipts (other than amounts recorded on each Cash Accumulation Ledger) received and disbursed by the Issuer will be recorded by the Cash Manager.
"**Principal Paying Agent**"	Citibank, N.A., London Branch, in its capacity as principal paying agent under the Agency Agreement, together with any successor principal paying agent appointed from time to time.
"**Principal Provision Fund**"	The amount reserved from time to time in the Transaction Accounts and credited to the Principal Provision Ledger in accordance with the Cash Management Agreement.
"**Principal Provision Fund Required Amount**"	On each Calculation Date, the aggregate, for each of the Class A Notes that are not Monthly Notes and that are Pass-Through Redemption Notes or Controlled Amortisation Notes, of the amount of principal expected to be due and payable on such Class A Notes on the next Note Payment Date in respect of such Class A Notes.
"**Principal Provision Ledger**"	The ledger maintained by the Cash Manager which will record amounts standing to the credit of the Principal Provision Fund at any time.
"**Principal Receipts**"	The aggregate of: (a) any payment in respect of principal received in respect of any Mortgage Loan, whether as all or part of a Monthly Payment, on redemption (including partial redemption), on enforcement or on the disposal of that Mortgage Loan or otherwise (including payments pursuant to any Insurance Policy); and (b) any Principal Redress Amounts.
"**Principal Redress Amount**"	Means any part of a Redress Payment referable to the principal amount of a Mortgage Loan.

"**Principal Shortfall Amount**"	Has the meaning given to it in Condition 5(c) (*Termination of the applicable Original Currency Swap*).
"**Priorities of Payments**"	The Pre-Enforcement Revenue Priority of Payments, each of the Pre-Enforcement Principal Priority of Payments and the Post-Enforcement Priority of Payments.
"**Product Switch**"	A variation to the financial terms or conditions included in the Mortgage Conditions applicable to a Mortgage Loan other than: (a) any variation agreed with a Borrower to control or manage arrears on a Mortgage Loan; (b) any variation in the maturity date of a Mortgage Loan; (c) any variation imposed by statute, applicable law, or any regulatory requirement or initiatives; (d) any variation in the frequency with which the interest payable in respect of the Mortgage Loan is charged; (e) any variation to the interest rate as a result of the Borrowers switching to a different rate by operation of the Mortgage Loan; (f) any change to a Borrower under the Mortgage Loan or the addition of a new Borrower under a Mortgage Loan; or (g) any change in the repayment method of the Mortgage Loan.
"**Product Switch Warranties**"	Mortgage Loan Warranties (a) to (e), (g), (h), (k), (o) to (q), (t), (u), (y), (aa) to (ee), (hh) to (kk), (mm) and (ss), in each case as at the date of origination of the relevant Mortgage Loan.
"**Profit Ledger**"	A ledger maintained by the Cash Manager to record the amount retained by the Issuer as profit.
"**Programme**"	The residential mortgage-backed note programme of White Rose Master Issuer PLC described in this Base Prospectus.
"**Programme Agreement**"	The programme agreement entered into on or about the Programme Date between, among others, each Joint Arranger, each Dealer, the Issuer and the Sellers, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time.
"**Programme Date**"	30 October 2024.
"**Programme Documents**"	Each of the following documents: (a) the YBS Mortgage Sale Agreement; (b) the Accord Mortgage Sale Agreement; (c) each Scottish Declaration of Trust;

(d) the Servicing Agreement;

(e) the Deed of Charge;

(f) each Scottish Supplemental Charge;

(g) the Corporate Services Agreement;

(h) the Account Bank Agreements;

(i) the Swap Collateral Account Bank Agreement;

(j) each Interest Rate Swap Agreement;

(k) each Currency Swap Agreement;

(l) the Cash Management Agreement;

(m) the Custody Agreement;

(n) the Swap Collateral Custody Agreement;

(o) the Incorporated Terms Memorandum;

(p) the Trust Deed;

(q) the Agency Agreement;

(r) the Programme Issuance Documents; and

(s) each other deed, document, agreement, instrument or certificate entered into or to be entered into by the Issuer under or in connection with any of the documents set out in paragraphs (a) through (r) above (inclusive) or the transactions contemplated in them.

"**Programme Issuance Documents**" In respect of each issuance of a Series or Class of Notes, or any Sub-Series of Class A Notes, each of the following documents, relating to that Series or Class of Notes, or Sub-Series of Class A Notes (as the case may be):

(a) each Subscription Agreement;

(b) each Supplemental Trust Deed (**provided that** the Programme Issuance Documents in relation to the Notes to be issued on the First Issuance Date do not include a Supplemental Trust Deed);

(c) each Final Terms;

(d) the Notes;

(e) each Currency Swap Agreement;

(f) each Interest Rate Swap Agreement;

(g) any Remarketing Agreement;

(h) any Conditional Note Purchase Agreement; and

(i) each other deed, document, agreement, instrument or certificate entered into or to be entered into by the Issuer under or in connection with any of the documents set out in paragraphs (a) through (h) above (and, in the case of the Notes issued on the First Issuance Date, not including a Supplemental Trust Deed) or the transactions contemplated in them.

"**Prudent Mortgage Lender**" Each Seller and/or the Servicer, as applicable, acting in accordance with the standards of a reasonably prudent prime residential mortgage lender lending to borrowers in England, Wales and/or Scotland who generally satisfy the lending criteria of traditional sources of residential mortgage capital.

"**QIB**" A "qualified institutional buyer" within the meaning of Rule 144A.

"**Qualified Institution**" A bank for the purposes of section 878 of the Income Tax Act 2007.

"**Qualifying Noteholder**" (a) (a) a person which is beneficially entitled to interest in respect of the Class Z VFN and is:

(i) a company resident in the United Kingdom for United Kingdom tax purposes;

(ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which will bring into account payments of interest in respect of the Notes in computing the chargeable profits (for the purposes of Section 19 of the CTA 2009) of that company; or

(iii) a partnership each member of which is:

(A) (A) a company resident in the United Kingdom; or

(B) (B) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which will bring into account in computing its chargeable profits (for the purposes of Section 19 of the CTA 2009) the whole of any share of a payment of interest in respect of the Notes that is attributable to it by reason of Part 17 of the CTA 2009; or

(b) a person which falls within any of the other descriptions in section 935 or 936 of the ITA 2007 and satisfies any conditions set out therein in order for

"**Rate of Interest**"	In respect of any Series and Class of Notes, the rate or rates (expressed as a percentage per annum) of interest payable in respect of such Notes specified in the applicable Final Terms or calculated and determined in accordance with the applicable Final Terms.
"**Rating Agencies**"	S&P, Fitch, Moody's and DBRS, and each Additional Rating Agency appointed in accordance with the procedure set out in Condition 11(f)(i)(S) (*Additional rights of modification*), each a "**Rating Agency**".
"**Ratings Confirmation**"	Either (i) an Actual Ratings Confirmation or (ii) a Deemed Ratings Confirmation.
"**Realisation**"	Has the meaning given to it in Condition 10(b) (*Limited Recourse*).
"**Recast UK STS Criteria Requirements**"	The requirements of SECN 2.2.2 to 2.2.29R (inclusive) of the FCA Securitisation Rules.
"**Receiver**"	In relation to the Security, a Receiver appointed by the Security Trustee under the Deed of Charge.
"**Record Date**"	Where the Note is in definitive form, at the opening of business in the place of the Registrar's (or, in the case of a VFN, the VFN Registrar's) specified office on the fifteenth day before the due date for such payment.
"**Redemption Amount**"	Has the meaning given to that term in Condition 5(i) (*Redemption Amounts*).
"**Redress**"	Any remediation required by (with) the FCA or any other competent regulatory authority or voluntarily agreed to be undertaken by a Seller in relation to harm suffered, or alleged to have been suffered, by any Borrower in connection with, without limitation, the regulations concerning the fair treatment of mortgage customers, and, in connection with any claim arising from such remediation, any resulting payment required to be made to a Borrower or set-off permitted to be exercised by a Borrower against the amount due by such Borrower under such Borrower's Mortgage Loan.
"**Redress Payment**"	The amount to be paid by a Seller to the Issuer in respect of a Redress following: (a) the voluntary election by that Seller to make such payment; and/or (b) the notification by the FCA or other relevant competent regulatory authority requiring that Seller to make, or procure to be made, such payment (and for the avoidance of doubt shall not include the consideration paid by the relevant Seller for any repurchase of any Mortgage Loan by that Seller for any repurchase of any Mortgage Loan by that Seller).
"**Reference Banks**"	The principal London office of each of HSBC Bank plc and Banco Santander, S.A., or any duly appointed substitute reference bank(s) as may be appointed by the Issuer to provide the Agent Bank with its offered quotation to leading banks in the London interbank market.

"**Reference Rate**"	In respect of any Series and Class of Notes and any Sub-Series of Class A Notes, the rate specified as such for such Notes in the applicable Final Terms.
"**Register**"	The register of holders of the Class A Notes maintained by the Registrar.
"**Registers of Scotland**"	The Land Register of Scotland and the General Register of Sasines.
"**Registrar**"	Citibank, N.A., London Branch, in its capacity as registrar in respect of the Class A Notes under the Agency Agreement, together with any successor registrar appointed from time to time pursuant to the Agency Agreement.
"**Regulated Mortgage Contract**"	Has the meaning given in the section entitled "Regulation of the UK Residential Mortgage Market".
"**Regulation S**"	Regulation S under the Securities Act.
"**Regulation S Global Note Certificates**"	Global Note Certificates in fully registered form representing any Regulation S Notes.
"**Regulation S Notes**"	Notes sold in reliance on Regulation S.
"**Regulatory Effective Date**"	The date of the creation of any new securitisation position on or following 1 November 2024.
"**Related Security**"	In relation to a Mortgage Loan, the security for the repayment of that Mortgage Loan including the relevant Mortgage and all other matters applicable thereto acquired as part of the Mortgage Portfolio.
"**Relevant Rating Agencies**"	(a) In respect of a particular Series or Class of Class A Notes, the Rating Agencies specified in the applicable Final Terms as providing a rating for such Series or Class of Notes; and (b) in respect of all outstanding Class A Notes under the Programme, the Series Specific Agencies for all outstanding Class A Notes.
"**Relevant Screen Page**"	In respect of any Series and Class of Notes, the screen page specified as such for such notes in the applicable Final Terms (or such replacement page on the relevant service which displays the information).
"**Relevant Seller Deferred Consideration Amount**"	On each day on which Deferred Consideration is paid in accordance with the relevant Priority of Payments an amount equal to A x B divided by C where: A = the aggregate Deferred Consideration available for distribution on such day in accordance with the relevant Priorities of Payments; B = the Current Balance of all Mortgage Loans in the Portfolio that have been sold by the Seller to the Issuer as at the end of the prior Calculation Period and

	C = the aggregate Current Balance of all Mortgage Loans in the Portfolio as at the end of the prior Calculation Period.
"**Relevant Seller ERC Deferred Consideration**"	In respect of a Seller an amount equal to the aggregate of all amounts received by the Issuer in respect of Early Repayment Charges during the immediately preceding Calculation Period in respect of Mortgage Loans that have been sold by that Seller to the Issuer
"**Remaining Available Enforcement Receipts**"	The amount that remains following the payment by the Security Trustee (or the Cash Manager on its behalf) of amounts referred to in paragraphs (a) to (b)(ii) of the Post-Enforcement Priority of Payments.
"**Remaining Available Principal Receipts**"	The amount of Available Principal Receipts that remain following the payment of the Senior Fees and Expenses in accordance with paragraph (a) of the Pre-Enforcement Principal Priorities of Payment (to the extent not funded by Available Revenue Receipts or Other Funding Note Revenue Receipts or any Reserve Fund Amount prior to the splitting the Remaining Available Principal Receipts into the Funding Note Principal Portion and the YBS Note Principal Portion in accordance with the Pre-Enforcement Principal Priorities of Payments.
"**Remaining Revenue Shortfall**"	Any deficit of Available Revenue Receipts (but not including any Reserve Fund Amount and any Enhanced Available Principal Receipts applied to make up any Remaining Revenue Shortfall) to pay the Senior Fees and Expenses and paragraphs (a) and (b) of the Funding Note Revenue Portion of the Pre-Enforcement Revenue Priority of Payments on any Payment Date that remains following the application of any amounts standing to the credit of the Reserve Fund, as determined by the Cash Manager on the relevant Calculation Date.
"**Remarketing Agent**"	For a Series and Class of Money Market Notes, the remarketing agent specified for such Notes in the applicable Final Terms.
"**Remarketing Agreement**"	For a Series and Class of Money Market Notes, an agreement to be dated on or about the Issuance Date for such Notes between, among others, the Issuer and the Remarketing Agent.
"**Replacement Exchange Rate**"	Following any termination of the Original Currency Swap (or any replacement Currency Swap) and the entry into a replacement Currency Swap, the exchange rate as specified in respect of that replacement Currency Swap.
"**Repayment Mortgage Loan**"	A Mortgage Loan in respect of which the Borrower is under an obligation to the mortgagee to make payments of principal and interest on a weekly, fortnightly or monthly basis through to the maturity date for that Mortgage Loan.
"**Replacement Swap Agreement**"	Any agreement between the Issuer and a replacement swap counterparty which replaces a Swap Agreement.
"**Remarketing Termination Event**"	For a Series and Class of Money Market Notes, either an Optional Remarketing Termination Event in relation to such Notes, in respect of which the applicable Remarketing Agent has terminated its appointment

	under the Remarketing Agreement or an Automatic Remarketing Termination event in relation to such Notes.
"**Required Retention Amount**"	On any date, an amount equal to the greater of: (a) 5% of the nominal value of the securitised exposures on that date in accordance with the text of Article 6(3)(b) of the EU Securitisation Regulation; (b) 5% of the nominal value of the securitised exposures on that date in accordance with the text of the UK Securitisation Regulation and, in particular, Article 6(3)(b) of Chapter 2 of the PRA Securitisation Rules; and (c) 5% of the aggregate principal amount outstanding of the Notes of all Series issued by the Issuer, other than any Notes that are at all times held by YBS (or its wholly owned affiliates), calculated in all cases in accordance with the US Credit Risk Retention Requirements and measured at the Issuance Date of each issuance of Notes and on a monthly basis on each Payment Date.
"**Required Subordination Amount**"	An amount calculated, on any date, in accordance with the following formula: (A / (1-B)) – A where: "A" = the Sterling Equivalent of the total initial Principal Amount Outstanding on the Issuance Date for each respective Series of Class A Notes which remain outstanding and has not been repaid in full; and "B" = the highest Required Subordination Percentage applicable from time to time with respect to all Class A Notes which remain outstanding and have not been repaid in full.
"**Required Subordination Percentage**"	The percentage specified as such in each of the relevant Final Terms, or as amended and notified to Noteholders in an Investor Report.
"**Reserve Deficit**"	Will arise where the amount standing to the credit of the Reserve Fund on such Calculation Date is less than the Reserve Fund Required Amount and there will be insufficient Enhanced Available Revenue Receipts to be applied in accordance with paragraph (d) of the application of the Funding Note Revenue Portion under the Pre-Enforcement Revenue Priority of Payments on the immediately succeeding Payment Date to credit the Reserve Fund to the Reserve Fund Required Amount.
"**Reserve Fund**"	The reserve fund that the Issuer has established in the Transaction Accounts which will be credited with amounts advanced under the Class Z(R) VFN and, where available, Enhanced Available Revenue Receipts up to an amount equal to the Reserve Fund Required Amount.

"**Reserve Fund Required Amount**"	An amount calculated, on any date, as the product of: (a) the highest Reserve Fund Series Percentage applicable from time to time with respect to all Class A Notes which remain outstanding and have not been repaid in full; and (b) the Sterling Equivalent Principal Amount Outstanding of all Class A Notes on such date (after giving effect to any payments of principal to be made on the Notes on such date).
"**Reserve Fund Series Percentage**"	The percentage specified as such in each of the relevant Final Terms, or as amended and notified to Noteholders in an Investor Report.
"**Reserve Ledger**"	The ledger maintained by the Cash Manager which will record amounts standing to the credit of the Reserve Fund at any time.
"**Revenue Ledger**"	The ledger on which Revenue Receipts received and disbursed by the Issuer will be recorded by the Cash Manager.
"**Revenue Receipts**"	The aggregate of: (a) any payment received from time to time in respect of any Mortgage Loan which is not a Principal Receipt (but excluding any Early Repayment Charges with respect to any Mortgage Loan in the Mortgage Portfolio and whether as all or part of a Monthly Payment by a Borrower on the relevant Mortgage Loan, on redemption (in whole or in part), on enforcement or on disposal of such Mortgage Loan or otherwise (including pursuant to any Insurance Policy)); and (b) any Revenue Redress Amounts.
"**Revenue Redress Amount**"	Any part of a Redress Payment referable to the amount of a Mortgage Loan other than in respect of its principal amount.
"**Revenue Shortfall**"	The amount, as determined by the Cash Manager on a Calculation Date, of any deficit of Enhanced Available Revenue Receipts (not including items (d) and (e) of Available Revenue Receipts) to pay: *firstly,* the Senior Fees and Expenses, and, *secondly,* paragraphs (a) to (c) of the Pre-Enforcement Revenue Priority of Payments (in respect of the application of the Funding Note Revenue Portion).
"**Revolving Period End Trigger Event**"	Each of the following Non-Asset Trigger Events: (a) the occurrence of an Insolvency Event in relation to a Seller or the Servicer; and/or (b) the occurrence of an Excess Principal Fund Threshold Event.
"**Right to Buy Mortgage Loan** "	means a Mortgage Loan in respect of a Mortgaged Property made in whole or in part to a Borrower for the purpose of enabling that Borrower

to exercise their 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 Mortgage Loans).

"**Rule 2a-7**" Rule 2a-7 under the US Investment Company Act of 1940, as amended.

"**Rule 144A**" Rule 144A under the Securities Act.

"**Rule 144A Global Note Certificate**" Any Global Note Certificates in fully registered form representing any Class A Notes sold in reliance on Rule 144A.

"**Rule 144A Note**" Each Series and Class of Notes which is not registered under the Securities Act and is offered in the United States or to US persons who are "qualified institutional buyers" (within the meaning of Rule 144A under the Securities Act) in reliance upon Rule 144A under the Securities Act (or, in the case of the initial subscription by the Dealers from the Issuer, in reliance upon Section 4(2) of the Securities Act).

"**S&P**" or "**Standard & Poor's**" Standard & Poor's Credit Market Securities Europe Limited, and includes any successor to its rating business.

"**S&P Framework**" S&P ratings framework elected by the Swap Counterparty from time to time.

"**S&P Relevant Notes**" The Notes that currently remain outstanding with the highest rating from S&P.

"**S&P Initial Required Rating**" The initial S&P rating as specified in the relevant column of the S&P Required Rating chart.

"**S&P Required Rating**" The S&P required ratings are set out in the table below:

	S&P Strong		S&P Adequate		S&P Moderate		S&P Weak	
Rating of the S&P relevant notes	**Initial S&P Rating Event**	**Subsequent S&P Rating Event**	**Initial S&P Rating Event**	**Subsequent S&P Rating Event**	**Initial S&P Rating Event**	**Subsequent S&P Rating Event**	**Initial S&P Rating Event**	**Subsequent S&P Rating Event**
AAA	A-	BBB+	A-	A-	A	A	NA	A+
AA+	A-	BBB+	A-	A-	A-	A-	NA	A+
AA	A-	BBB	BBB+	BBB+	A-	A-	NA	A
AA-	A-	BBB	BBB+	BBB+	BBB+	BBB+	NA	A-
A+	A-	BBB-	BBB	BBB	BBB+	BBB+	NA	A-
A	A-	BBB-	BBB	BBB	BBB	BBB	NA	BBB+
A-	A-	BBB-	BBB	BBB-	BBB	BBB	NA	BBB+
BBB+	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB
BBB	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB
BBB-	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB-
BB+ and	A-	At least as high as 3 notches	BBB	At least as high as 2 notches	BBB	At least as high as 1 notches	NA	At least as high as the Relevant Notes rating

bel ow	below the Relevant Notes rating	below the Relevant Notes rating	below the Relevant Notes rating

"**S&P Subsequent Required Rating**"	The subsequent S&P rating as specified in the relevant column of the S&P Required Rating chart.
"**Sale Period**"	Each period that will continue for as long as the following conditions are met: (a) an Asset Trigger Event has not occurred; (b) a Revolving Period End Trigger Event is not continuing; and (c) any Series of the Class A Notes which were outstanding at the time of the occurrence of the Revolving Period End Trigger Event have been redeemed by the Issuer in full.
"**Scottish Mortgage**"	A first-ranking standard security over a residential property in Scotland.
"**Scottish Mortgage Loan**"	A Mortgage Loan secured by a Scottish Mortgage.
"**Scottish Mortgaged Property**"	A Mortgaged Property situated in Scotland.
"**Scottish Declaration of Trust**"	Each declaration of trust by a Seller in favour of the Issuer granted pursuant to the relevant Mortgage Sale Agreement in respect of the relevant Scottish Trust Property.
"**Scottish Sub-Security**"	Each standard security executed pursuant to clause 5.2 (*Scottish Sub-Security*) of the Deed of Charge substantially in the applicable form set out in Schedule 2 (Form of *Scottish Sub-Security*) thereto.
"**Scottish Supplemental Charge**"	Each assignation in security granted by the Issuer in favour of the Security Trustee pursuant to the Deed of Charge in respect of the Issuer's right, title and interest in such Scottish Mortgage Loans and their Related Security as are sold to the Issuer on an Assignment Date (comprising the Issuer's beneficial interest under the corresponding Scottish Declaration of Trust).
"**Scottish Trust Property**"	The meaning specified in each Scottish Declaration of Trust.
"**SEC**"	The United States Securities and Exchange Commission.
"**Second Account Bank**"	Citibank, N.A., London Branch and any of its successors and assigns and any replacement thereof appointed pursuant to the Second Account Bank Agreement.
"**Second Account Bank Agreement**"	The second account bank agreement entered into on or about the Programme Date, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time, between the Issuer, the Second Account Bank and the Security Trustee which provides for the operation of the Bank Accounts named therein.

"**Second Transaction Account**"	The transaction account set up in the name of the Issuer with the Second Account Bank pursuant to the Second Account Bank Agreement.
"**Secured Creditors**"	The Security Trustee (in its own capacity and on behalf of the other Secured Creditors), the Note Trustee (in its own capacity and on behalf of the holders of the Notes), the Noteholders, the Sellers, the Servicer, the Back-up Servicer Facilitator, the Account Banks, the Custodian, the Cash Manager, the Swap Counterparties, the Corporate Services Provider, the Agents and any other person which becomes a Secured Creditor pursuant to the Deed of Charge.
"**Securities Act**"	The US Securities Act of 1933, as amended.
"**Security**"	Has the meaning given in the section entitled "Security for the Issuer's Obligations".
"**Security Trustee**"	Citicorp Trustee Company Limited and its successors or any further or other security trustee appointed pursuant to the terms of the Deed of Charge.
"**Sellers**"	Yorkshire Building Society and Accord Mortgages Limited.
"**Self-Certified Mortgage Loans**"	Mortgage Loans where the lender markets the fact that it will not verify income and charges a premium for the greater risk incurred.
"**Seller's Policy**"	The originating, lending and underwriting, administration, arrears and enforcement policies and procedures which are applied from time to time by the relevant Seller to Mortgage Loans and their Related Security for their repayment which are beneficially owned solely by the relevant Seller and which may be amended by that Seller from time to time.
"**Senior Fees and Expenses**"	The amounts referred to in paragraphs (a) to (d) of the Pre-Enforcement Revenue Priority of Payments.
"**Servicer**"	Yorkshire Building Society, or such other person or persons for the time being acting as servicer pursuant to the terms of the Servicing Agreement.
"**Servicer Termination Event**"	Any of the events described under "The Servicer and the Servicing Agreement – Removal or resignation of the Servicer".
"**Servicing Agreement**"	The servicing agreement entered into on or about the Programme Date, among the Servicer, the Issuer, the Sellers, the Back-up Servicer Facilitator and the Security Trustee which provides for the administration of the Mortgage Loans in the Mortgage Portfolio, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time, as further described under "The Servicer and the Servicing Agreement".
"**Share Trust Deed**"	The share trust deed signed by the Share Trustee on 15 March 2024 in relation to the shares in Holdings.

"**Share Trustee**"	Wilmington Trust SP Services (London) as share trustee under the Share Trust Deed.
"**Soft Bullet Final Redemption Date**"	For any Series and Class of Soft Bullet Redemption Notes, the Note Payment Date specified as such for such Series and Class of Notes in the applicable Final Terms.
"**Soft Bullet Scheduled Redemption Date**"	For any Series and Class of Soft Bullet Redemption Notes, the Note Payment Date specified as such for such Series and Class of Notes in the applicable Final Terms.
"**Soft Bullet Redemption Notes**"	Any Bullet Redemption Notes specified as such in the applicable Final Terms.
"**SONIA**"	The Sterling Overnight Index Average.
"**Specified Currency**"	Subject to any applicable legal or regulatory restrictions, Euro, Sterling, US Dollars and such other currency or currencies for any Series of Class A Notes as may be agreed from time to time by the Issuer, the relevant Dealer(s), the Principal Paying Agent and specified in the applicable Final Terms.
"**Specified Currency Exchange Rate**"	In relation to a Series and Class of Non-Sterling Notes, the Original Exchange Rate or, if the Original Currency Swap has been terminated, the Spot Rate or, if a replacement Currency Swap has been entered into, the Replacement Exchange Rate.
"**Specified Denomination**"	In respect of any Series and Class of Notes, the denomination specified as such for such Notes in the applicable Final Terms, which will be no less than £100,000 or, in respect of any note issued which has a maturity of less than a year, £100,000 (or, in each case, its equivalent in the relevant currencies as at the date of issue of such Notes).
"**Spot Rate**"	The spot rate of exchange available on any day with respect to any Series or Class of Non-Sterling Notes offered by a bank selected by the Cash Manager for the purchase of the relevant Specified Currency with Sterling.
"**Staff Mortgage Loan**"	Mortgage Loans made to full-time permanent staff of the YBS Group.
"**Standard Security**" or "**standard security**"	A standard security as defined in Part II of the Conveyancing and Feudal Reform (Scotland) Act 1970.
"**Standard Variable Rate**"	The Accord standard variable rate or the YBS standard variable rate, as the context may require.
"**Step-Up Date**"	In respect of any Series and Class of Notes, the Payment Date specified as such for such Notes in the applicable Final Terms.
"**Sterling Equivalent**"	In relation to (a) any Non-Sterling Note, the Sterling equivalent of such amount ascertained using the Original Exchange Rate and (b) any Sterling Note, the applicable amount in Sterling.

"**Sterling Equivalent Principal Amount Outstanding**"	In relation to any Sterling Note, the Principal Amount Outstanding of that Note and, in relation to any Non-Sterling Notes: (a) if the Original Currency Swap has not terminated early, the Sterling Equivalent of the Principal Amount Outstanding of such Non-Sterling Notes converted at the Original Exchange Rate (and rounded to the nearest whole penny); or (b) if the Original Currency Swap has terminated early (and irrespective of whether a replacement Currency Swap has been entered into), the Deemed Principal Amount Outstanding, as calculated by the Cash Manager.
"**Sterling Equivalent Redemption Date**"	The Payment date on which the Sterling Equivalent Principal Amount Outstanding of any Non-Sterling Notes is zero.
"**Sterling Note**"	Any Note whose Specified Currency is Sterling.
"**Sub-Class**"	Any Sub-Class of a Class of Notes.
"**Sub-Series**"	A sub-series of Class A Notes which are identical in all respects (including as to listing and admission to trading) except for their respective Issuance Dates, Interest Commencement Dates and/or issue prices with all other Class A Notes of the Series of which it is a part.
"**Subordination Deficit**"	Will occur where the Actual Subordination Amount, after the application of Available Principal Receipts in accordance with the relevant Priority of Payments on the immediately succeeding Payment Date, will be less than the Required Subordination Amount.
"**Subscription Agreement**"	With respect to each Series of Notes, the subscription agreement in such form as may be agreed between the Issuer, the Joint Arrangers and Dealer(s) for such Series of Notes.
"**Subsidiary**"	A subsidiary within the meaning of section 1159 of and schedule 6 to the Companies Act 2006, and unless the context otherwise requires, a subsidiary undertaking within the meaning of section 1162 of and schedule 7 to the Companies Act 2006.
"**Supplemental Trust Deed**"	In relation to each Series of Notes (other than the Notes issued on the First Issuance Date) and each Sub-Series of Class A Notes, the supplemental trust deed entered into on or about the date of issue of such Series of Notes or Sub-Series of Class A Notes between the Issuer and the Note Trustee constituting the relevant Series of Notes or Sub-Series of Class A Notes, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time.
"**Swap Agreements**"	Each Interest Rate Swap Agreement and each Currency Swap Agreement.
"**Swap Calculation Period**"	(Other than the first Swap Calculation Period in respect of each Swap Agreement), each period that commences on (and includes) a Swap

	Payment Date and ends on (but excludes) the immediately following Swap Payment Date and in respect of the first Swap Calculation Period in respect of each Swap Agreement, means the period commencing on (and including) the Issuance Date for the relevant Sub-Series of Class A Notes and ending on (but excluding) the Swap Payment Date immediately after such Issuance Date.
"**Swap Collateral**"	At any time, any asset (including, without limitation, cash and/or debt securities) which is paid or transferred by a Swap Counterparty to, or held by, the Issuer as collateral to support the performance by such Swap Counterparty of its obligations under the relevant Swap Agreement together with any income or distributions received in respect of such asset (if the Issuer is entitled to retain the same).
"**Swap Collateral Account**"	(i) In the case of Swap Collateral in the form of cash, any cash account opened in the name of the Issuer for the purpose of holding such Swap Collateral and maintained in accordance with the Swap Collateral Account Bank Agreement, and/or as relevant (ii) in the case of Swap Collateral in the form of securities, any securities custody account opened in the name of the Issuer for the purpose of holding such Swap Collateral and maintained in accordance with the Swap Collateral Custody Agreement.
"**Swap Collateral Account Bank**"	Citibank, N.A., London Branch, or any successor or replacement swap collateral account bank appointed pursuant to the Swap Collateral Account Bank Agreement.
"**Swap Collateral Account Bank Agreement**"	The agreement entered into on or about the Programme Date, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time, between, among others, the Issuer, the Swap Collateral Account Bank and the Security Trustee which provides for the operation of the accounts named therein.
"**Swap Collateral Account Surplus**"	The amounts applied as Funding Note Revenue Portion pursuant to the Swap Collateral Account Priority of Payments.
"**Swap Collateral Available Amounts**"	At any time in respect of a Swap Agreement, the amount of Swap Collateral standing to the credit of the relevant Swap Collateral Ledger following the return of any Swap Collateral Excluded Amounts to the relevant Swap Counterparty after the termination of the relevant Swap Agreement.
"**Swap Collateral Custody Account**"	Any securities custody account held with the Custodian (or any replacement thereof or successor thereto) and opened pursuant to the Swap Collateral Custody Agreement.
"**Swap Collateral Custody Agreement**"	The custody agreement entered into on or about the Programme Date, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time, between, among others, the Issuer, the Custodian and the Security Trustee which provides for the operation of the securities account(s) named therein opened in relation to any Swap Collateral held in the form of securities.

"**Swap Collateral Excluded Amounts**"	At any time in respect of a Swap Agreement, the amount of Swap Collateral standing to the credit of the relevant Swap Collateral Ledger, which is required at such time, in accordance with the terms of the relevant Swap Agreement, to satisfy the Issuer's obligations to the relevant Swap Counterparty, including swap collateral which is to be returned to the relevant Swap Counterparty as a return amount (as defined in the relevant Swap Agreement) from time to time in accordance with the terms of the relevant Swap Agreement and, ultimately upon termination of such relevant Swap Agreement, to make a payment of any termination payment owed to the relevant Swap Counterparty.
"**Swap Collateral Ledger**"	The Interest Rate Swap Collateral Ledger or the Currency Swap Collateral Ledger (as the case may be).
"**Swap Counterparties**"	Each Interest Rate Swap Counterparty and each Currency Swap Counterparty, or any one of them as the context requires.
"**Swap Counterparty Default**"	(a) The occurrence of an event of default (as defined in the relevant Swap Agreement) where the relevant Swap Counterparty is the defaulting party (as defined in the relevant Swap Agreement); (b) the occurrence of an additional termination event (as defined in the relevant Swap Agreement) as a result of the failure by the relevant Swap Counterparty to remedy a swap downgrade event in accordance with the relevant Swap Agreement where the relevant Swap Counterparty is the sole affected party (as defined in the relevant Swap Agreement); or (c) if applicable, the additional tax representation (as defined in the relevant Swap Agreement) proving to be incorrect or misleading in any material respect as a result of any action and/or any omission to take action by the relevant Swap Counterparty which could have prevented such breach of representation.
"**Swap Counterparty Downgrade Event**"	The occurrence of an Additional Termination Event (as defined in the relevant Swap Agreement) following the failure by a Swap Counterparty to comply with the requirements of the ratings downgrade provisions set out in the relevant Swap Agreement.
"**Swap Early Termination Event**"	Any early termination event under any Swap, as described in the section entitled "The Swap Agreements".
"**Swap Excess Reserve Account**"	Each account to be opened by the Cash Manager in the name of the Issuer with an Account Bank as soon as is reasonably practicable following the termination of the Original Currency Swap with respect to any Non-Sterling Notes.
"**Swap Excluded Termination Amount**"	The Interest Rate Swap Excluded Termination Amount or the Currency Swap Excluded Termination Amount, as applicable.

"**Swap Funding Note Percentage**"	In respect of each Monthly Calculation Date or each Issuance Date in the event the Issuer issues Class A Notes (including any Sub-Series of Class A Notes) which does not coincide with a Payment Date or each date on which the Principal Amount Outstanding of any VFN is increased which does not coincide with a Payment Date, the portion of the Fixed Rate Mortgage Loans in the Mortgage Portfolio attributable to the Relevant Class A Notes, determined on the basis of the following formula (and expressed as a percentage):

$$(A + B)/C$$

where:

A = the aggregate, as at the Monthly Calculation Date or the Issuance Date in the event the Issuer issues Class A Notes (including any Sub-Series of Class A Notes) which does not coincide with a Payment Date or the date on which the Principal Amount Outstanding of any VFN is increased which does not coincide with a Payment Date, of the Sterling Equivalent Principal Amount Outstanding of the Class A Notes that are hedged by the corresponding Interest Rate Swap Agreement (the "**Relevant Class A Notes**");

B = for so long as the Sterling Equivalent Principal Amount Outstanding of the Relevant Class A Notes as at the Monthly Calculation Date or the Issuance Date in the event the Issuer issues Class A Notes (including any Sub-Series of Class A Notes) which does not coincide with a Payment Date or the date on which the Principal Amount Outstanding of any VFN is increased which does not coincide with a Payment Date is greater than zero, an amount determined on the basis of the following formula:

$$X * (Y/Z)$$

where:

X = the Required Subordination Amount, as at the corresponding Monthly Calculation Date or Issuance Date in the event the Issuer issues Class A Notes (including any Sub-Series of Class A Notes) which does not coincide with a Payment Date or date on which the Principal Amount Outstanding of any VFN is increased which does not coincide with a Payment Date;

Y = the Sterling Equivalent Principal Amount Outstanding of the Relevant Class A Notes as at Issuance Date of the Relevant Class A Notes; and

Z = the aggregate of the Sterling Equivalent Principal Amount Outstanding of all Class A Notes then outstanding under the Programme as at the Issuance Date of the Relevant Class A Notes,

and thereafter, zero; and

	C = the aggregate, as at the Monthly Calculation Date or Issuance Date in the event the Issuer issues Class A Notes (including any Sub-Series of Class A Notes) which does not coincide with a Payment Date or date on which the Principal Amount Outstanding of any VFN is increased which does not coincide with a Payment Date, of the Sterling Equivalent Principal Amount Outstanding of all Class A Notes, YBS Note and Class Z(S) VFN then outstanding under the Programme.
"**Swap Payment Date**"	Such day of each calendar month as specified in a confirmation entered into pursuant to the relevant Swap Agreement and ending on the termination date of the relevant swap transaction, in each case subject to adjustment in accordance with the following business day convention as set out in the relevant Swap Agreement.
"**Swap Replacement Premium**"	Any payment received from a replacement Swap Counterparty in order to enter into a replacement Swap Agreement with such replacement Swap Counterparty replacing a Swap Agreement.
"**Swap Tax Credits**"	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 a Swap Counterparty to the Issuer under the terms of the Swap Agreement.
"**Swap Termination Payment**"	The amount payable because of a Swap Early Termination Event.
"**Swaps**"	The Interest Rate Swaps and the Currency Swaps, or any of them as the context requires.
"**Switch Date**"	The date of the grant of a Product Switch.
"**Target Balance**"	For any Series and Class of Controlled Amortisation Notes, the amount (if any) for each Note Payment Date specified as such in the applicable Final Terms, or, if no such amount is specified, the total initial Principal Amount Outstanding of the relevant Controlled Amortisation Notes as at their Issuance Date, multiplied by the percentage of the aggregate Principal Amount Outstanding specified for each Note Payment Date in the applicable Final Terms.
"**TARGET Business Day**"	A day on which the Trans-European Automated Real-time Gross Settlement Express (TARGET) system is open.
"**Tax**"	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) imposed or levied by or on behalf of any Tax Authority and "**Taxes**", "**taxation**", "**taxable**" and comparable expressions will be construed accordingly.
"**Tax Authority**"	Any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world including, without limitation, HMRC.

"**Tax Certificate**"	a tax certificate substantially in the form set out in Schedule 1 (Form of Tax Certificate) of the Agency Agreement
"**Tender Agent**"	For a Series and Class of Money Market Notes, the Agent appointed to act as tender agent in respect of such Notes pursuant to the terms of the applicable Remarketing Agreement.
"**Tested Underpayment Option**"	An Underpayment Option in an amount greater than £25.
"**Title Deeds**"	For each Mortgage Loan and its Related Security and the Mortgaged Property relating to it, the agreement or agreements for such Mortgage Loan, the deed constituting the relevant Mortgage and any documents of title (including in dematerialised form) to the relevant Mortgaged Property.
"**Tracker Mortgage Loan**"	A Mortgage Loan to the extent that, and for such period that, its Mortgage Conditions provide that it is subject to a rate of interest linked to or tracking a rate set by the Bank of England and, at the expiration of that period, generally converts to a Variable Rate Mortgage Loan or any other rate as specified in the relevant Mortgage Conditions.
"**Transaction Accounts**"	The First Transaction Account and the Second Transaction Account, any additional or replacement transaction account or any of them as the context requires.
"**Transaction Documents**"	In relation to a Series and Class of Notes, each Programme Document and each Programme Issuance Document relevant to such Series and Class of Notes.
"**Transaction Party**"	Each of the Issuer, the Joint Arrangers, the Dealers, Holdings, the Note Trustee, the Security Trustee, the Principal Paying Agent, the Agent Bank, the US Paying Agent, the Registrar, the Second Account Bank, the Custodian, the Exchange and Transfer Agent, the Sellers, the Servicer, the Cash Manager, the First Account Bank, the VFN Registrar, each Interest Rate Swap Counterparty, each Currency Swap Counterparty, the Rule 17g-5 Information Provider, the Corporate Services Provider, the Back-up Servicer Facilitator, the Swap Collateral Account Bank or any of their respective affiliates.
"**Trust Deed**"	The trust deed entered into on or about the Programme Date between the Issuer and the Note Trustee constituting the Notes, as amended, restated, supplemented or otherwise modified or replaced and in effect from time to time.
"**UK CRA Regulation**"	Regulation (EU) No. 1060/2009 (as amended) as it forms part of the domestic law of the UK by virtue of the Withdrawal Act.
"**UK CRR Regulation**"	(a) Regulation (EU) No 575/2013 as it forms part of domestic law by virtue of the EUWA; (b) the law of the United Kingdom or any part of it, which immediately before IP completion day (as defined in the

European Union (Withdrawal Agreement) Act 2020) implemented Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC and its implementing measures; and

(c) CRR rules, as such term is defined in Article 144A of FSMA.

"**UK Government's Mortgage Guarantee Scheme**"	The mortgage guarantee scheme announced by the UK Government on 3 March 2021
"**UK Government Securities**"	Sterling gilt-edged securities and/or Sterling treasury bills.
"**UK Investor Report**"	The monthly investor report or reports delivered within one month of each Payment Date containing information required by and in accordance with the UK Securitisation Framework and, in particular, SECN 6.2.1R(5) and Article 7(1)(e) of Chapter 2 of the PRA Securitisation Rules.
"**UK LCR Regulation**"	Articles 1 to 15, 17 to 35, 37 and Annexes I and II of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part of the PRA Rulebook, together with any applicable guidance and statements of policy and other regulations, rules, guidance or other measures of the FCA, the Bank of England or the PRA (or their successors) implementing standards published by the Basel Committee on Banking Supervision in relation to the liquidity coverage ratio.
"**UK Loan Level Report**"	A report containing certain loan-by-loan information in relation to the Mortgage Portfolio delivered simultaneously with the UK Investor Report each month as required by and in accordance with the UK Securitisation Framework and, in particular, SECN 6.2.1R(1) and Article 7(1)(a) of Chapter 2 of the PRA Securitisation Rules.
"**UK Prospectus Regulation**"	Regulation (EU) 2017/1129 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 the domestic law of the UK by virtue of the Withdrawal Act.
"**UK Prospectus Rules**"	The rules published by the FCA and contained in the Prospectus Rules sourcebook.
"**UK Risk Retention Requirements**"	The requirements set out in the UK Securitisation Framework and, in particular, PRA Retention Rules, for the sponsor of a securitisation to retain, on an ongoing basis, a material net economic interest in the securitisation of not less than 5%.
"**UK Securitisation Regulation**"	Regulation (EU) 2017/2402 as it forms part of the domestic law by virtue of the EUWA and any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the FCA, the Bank of

	England, the PRA, the Pensions Regulator or other relevant UK regulator (or their successors) in relation thereto, in each case as amended, varied, superseded or substituted from time to time.
"**UK Securitisation Repository**"	means European Datawarehouse Ltd or its substitute, successor or replacement.
"**UK Solvency II**"	The Solvency II regime applicable to the UK, comprising the Solvency II Regulations 2015, the Rulebook of the Prudential Regulation Authority, and Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, in each case as they form part of the current domestic law of the UK by virtue of the Withdrawal Act and secondary legislation made under it (including but not limited to The Solvency 2 and Insurance (Amendment, etc.) (EU Exit) Regulations 2019), in each case, as amended, including by the Withdrawal Act.
"**UK SR SI**"	The Securitisation Regulation 2024 (SI 2024/102), as amended.
"**UK STS Criteria Requirements**"	The requirements of the UK Securitisation Framework, and in particular SECN 2.2.2R to SECN 2.2.29R.
"**Underpayment**"	A situation where a Borrower makes a monthly payment on its Mortgage Loan that is less than the required monthly payment for that month.
"**Underpayment Option**"	The option for a Borrower whose account has an Overpayment Reserve in respect of its loan to request an underpayment which is less than the amount of its monthly repayment in respect of such loan.
"**United Kingdom**" or "**UK**"	The United Kingdom of Great Britain and Northern Ireland.
"**United States**"	The United States of America.
"**US Credit Risk Retention Requirements**"	The risk retention requirements under Section 15G of the Exchange Act and regulations promulgated thereunder.
"**US Person**"	A US person (as defined in Regulation S).
"**Valuation Report**"	The valuation report or reports for mortgage purposes, in the form of the pro-forma contained in the Standard Documentation, obtained by the relevant Seller from a Valuer in respect of a Mortgaged Property or a valuation report in respect of a valuation made using a methodology that would be acceptable to a Reasonable, Prudent, Residential Mortgage Lender.
"**Valuer**"	An Associate or Fellow of the Royal Institution of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers who was at the relevant times either a member of a firm that was on the list of Valuers approved by or on behalf of the relevant Seller from time to time or an Associate or Fellow of the Royal Institute of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers employed in-house by

	the relevant Seller and acting for the relevant Seller in respect of the valuation of a Mortgaged Property.
"**Variable Rate Mortgage Loan**"	A Mortgage Loan that is subject to a rate of interest linked to the Standard Variable Rate, or the Issuer Standard Variable Rate, as the case may be, for the remaining life of the Mortgage Loan or until an alternative product that the Borrower qualifies for is selected by that Borrower.
"**VAT**"	Value added tax imposed by the VATA and legislation and regulations supplemental thereto, including any other tax of a similar fiscal nature whether imposed in the United Kingdom (instead of or in addition to value added tax) or elsewhere from time to time.
"**VATA**"	The Value Added Tax Act 1994.
"**VFN**"	Each of the YBS Note, the Class Z(R) VFN and Class Z(S) VFN, and "**VFNs**" means all of them together.
"**VFN Enforcement Notice**"	An enforcement notice served under Condition 9(c) (*Class Z VFN Holder*).
"**VFN Holder**"	Yorkshire Building Society in its capacity as holder of the Class Z(S) VFNs and the YBS Note.
"**VFN Register**"	The register of the holders of the Class Z VFNs and the YBS Note maintained by the VFN Registrar.
"**VFN Registrar**"	Yorkshire Building Society or any successor VFN registrar appointed pursuant to the provisions of the Agency Agreement.
"**YBS Note**"	A variable funding note issued by the Issuer on the First Issuance Date to the holder of the YBS Note pursuant to the applicable Final Terms.
"**YBS Note Percentage**"	The ratio that the Sterling Equivalent Principal Amount Outstanding on the YBS Note bears to the aggregate of the Sterling Equivalent Principal Amount Outstanding of the Class A Notes, the Class Z(S) VFN and the YBS Note then outstanding under the Programme, expressed as a percentage.
"**YBS Note Permitted Principal Repayment Amount**"	Will be calculated in accordance with the following formula: $A = B - C - D$ where: A = YBS Note Permitted Principal Repayment Amount; B = Principal Amount Outstanding of the YBS Note; C = any amounts standing to the debit of the YBS Note Principal Deficiency Sub-Ledger; and D = the Minimum YBS Note Amount.

"**YBS Note Permitted Repurchase Procedure**"	The procedure pursuant to which YBS may, at any time, give written notice to the Issuer that YBS intends to repurchase the Mortgage Loans (selected at random by the Servicer) with an aggregate Current Balance less than or equal to the YBS Note Permitted Principal Repayment Amount. The Issuer shall apply the proceeds of such repurchase exclusively towards redemption of the Principal Amount Outstanding of the YBS Note (subject always to the Reapplication Rule and **provided that** the Principal Amount Outstanding of the YBS Note may not, after such repurchase and reduction, be less than the Minimum YBS Note Amount).
"**YBS Note Portion**"	The YBS Note Revenue Portion, the YBS Note Principal Portion and/or, as relevant, the YBS Note Post-Enforcement Portion.
"**YBS Note Principal Deficiency Sub-Ledger**"	One of the three sub-ledgers of the Principal Deficiency Ledger, being the sub-ledger that records any principal deficiency in respect of the YBS Note.
"**YBS Note Principal Portion**"	See "Credit Structure and Cashflows – Application of Available Principal Receipts or Enhanced Available Principal Receipts (as the case maybe) while no Asset Trigger Event has occurred and no Non-Asset Trigger Event is continuing and prior to the delivery of an Enforcement Notice".
"**YBS Note Post-Enforcement Portion**"	See "Credit Structure and Cashflows – Application of Available Funds Following the Delivery of an Enforcement Notice".
"**YBS Note Revenue Percentage**"	(i) (a) prior to the Calculation Date falling in November 2025 or (b) if there has been no issuance of any Class A Notes or the Principal Amount Outstanding of any VFN is increased during the Payment Period immediately prior to such Calculation Date, the ratio which will be calculated in accordance with the following formula, expressed as a percentage: *A/B* where: A = the aggregate, as at the relevant Calculation Date of the Sterling Equivalent Principal Amount Outstanding of the YBS Note then outstanding under the Programme; and B = the aggregate, as at the relevant Calculation Date of the Sterling Equivalent Principal Amount Outstanding of each of the Class A Notes, the Class Z(S) VFN and the YBS Note then outstanding under the Programme; or (ii) on and after the Calculation Date falling in November 2025, if there has been an issuance of any Class A Notes or the Principal Amount Outstanding of any VFN is increased during the Payment Period immediately prior to such Calculation Date, the ratio which will be

calculated in accordance with the following formula, expressed as a percentage:

$$\left(\left(\frac{A}{B}\right) \times \left(\frac{C}{D}\right)\right) + \left(\left(\frac{E}{F}\right) \times \left(\frac{G}{D}\right)\right)$$

where:

A = the aggregate, immediately prior to the issuance of such Notes, of the Sterling Equivalent Principal Amount Outstanding of the YBS Note, then outstanding under the Programme;

B = the aggregate, immediately prior to the issuance of such Notes of the Sterling Equivalent Principal Amount Outstanding of each of the Class A Notes, the Class Z(S) VFN and the YBS Note, then outstanding under the Programme;

C = the equivalent number of days during the Calculation Period up to but excluding the date of such issuance, which is calculated in accordance with the following formula:

$$\left(\frac{x}{y}\right) \times Z$$

where:

X = the number of days during the Payment Period up to, but excluding the date of issuance;

Y = the number of days during the relevant Payment Period; and

Z = the number of days during the Calculation Period which ends in such Payment Period.

D = the number of days in the Calculation Period which ends in such Payment Period;

E = the aggregate, as at the relevant Calculation Date of such Notes of the Sterling Equivalent Principal Amount Outstanding of the YBS Note, then outstanding under the Programme;

F = the aggregate, as at the relevant Calculation Date of such Notes of the Sterling Equivalent Principal Amount Outstanding of each of the Class A Notes, the Class Z(S) VFN and the YBS Note, then outstanding under the Programme; and

G = the equivalent number of days remaining in the Calculation Period from and including the date of such issuance which is calculated in accordance with the following formula:

$$\left(1 - \frac{x}{y}\right) \times Z$$

where:

X = the number of days during the Payment Period up to, but excluding the date of issuance;

Y = the number of during the relevant Payment Period; and

Z = the number of days during the Calculation Period which ends in such Payment Period.

"**YBS Note Revenue Portion**"	See "Credit Structure and Cashflows – Available Revenue Receipts".
"**Withdrawal Act**"	The European Union (Withdrawal) Act 2018 and secondary legislation made under it, in each case, as amended, including by the European Union (Withdrawal Agreement) Act 2020.

APPENDIX 1

FORM OF FINAL TERMS

IMPORTANT – PROHIBITION OF SALES TO EEA 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 Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared, and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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 ("**UK**"). 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 by virtue of the European Union (Withdrawal) Act 2018 and secondary legislation made under it, in each case, as amended, including by the European Union (Withdrawal Agreement) Act 2020 (the "**Withdrawal Act**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA 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 Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the Withdrawal Act. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the Withdrawal Act (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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, "**MiFID II**"); and (ii) all channels for distribution of the Notes 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 MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (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 only 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 the domestic law of the UK by virtue of the Withdrawal Act ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes 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 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 (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Final Terms
dated [*date*]
(to the base prospectus dated [●][, as supplemented by the prospectus supplement dated [●]])

WHITE ROSE MASTER ISSUER PLC
(*incorporated with limited liability under the laws of England and Wales, registered number 15528386 and LEI 213800JDJYU6B2ILZH33*)

Issue of [[Sub-Series [●] of] Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note]
under its Residential Mortgage-Backed Note Programme

The [[Sub-Series [●] of] Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] will comprise the following Notes:

									Ratings		
Class	**Series**	**Sub-Series**	**Currency**	**Initial Principal Amount**	**[Maximum Principal Amount**	**Interest Rate**	**Final Maturity Date**	**Issue Price**	**Fitch**	**Moody's**	**Standard & Poor's**	**DBRS**
[A]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note]	[●]	[●]	[●]	[●]	[●]]	[●]	The Note Payment Date falling in [●]	[●]%	[●]	[●]	[●]	[●]

Terms used herein will be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [as supplemented by the prospectus supplement dated [●]] (the "**Base Prospectus**") which constitutes a 'base prospectus' for the purposes of Regulation 2017/1129 as it forms part of the domestic law of the UK by virtue of the Withdrawal Act (the "**UK Prospectus Regulation**"). This document is not a prospectus for the purposes of Section 12(a)(2) or any other provision or rule under the US Securities Act of 1933, as amended (the "**Securities Act**"). This document constitutes the Final Terms of the [[Sub-Series [●] of] Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] described herein for the purposes of Article 8 of the UK Prospectus Regulation and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the [[Sub-Series [●] of] Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] is available only on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the offices of the Paying Agent at Citigroup Centre, Canada Square, London E14 5LB, and the offices of the Dealer(s) and copies are available at the registered address of the Issuer at [●]. These Final Terms may be used to offer and sell the [[Series [●] of] Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] only if accompanied by the Base Prospectus.

The [[Sub-Series [●] of]Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] [has][have] 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 and may not be offered, sold or delivered within the United States or to "**US persons**" (as defined in Regulation S of the Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The [[Sub-Series [●] of]Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note]

may be offered, sold or delivered only [[to non-US persons (as defined in Regulation S) outside the United States in reliance on Regulation S (the "**Regulation S Notes**")] / [to persons that are "qualified institutional buyers" (each a "**QIB**") in reliance on Rule 144A under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**")]].

An application has been made for the [[Sub-Series [●] of]Series [●] Class A Notes] to be admitted to the Official List and application has been made to the London Stock Exchange for the [[Sub-Series [●] of] Series [●] Class A Notes] to be admitted to trading on its regulated market.

The Base Prospectus, its supplements and the Final Terms will be made available in electronic form on the website of the regulated market of the London Stock Exchange at http://www.londonstockexchange.com/ exchange/news/market-news/market-news-home.html.

[Joint] Arrangers

[HSBC] [Santander Corporate & Investment Banking]

Dealer[s]

[●] [●]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set out in the [Trust Deed dated [●]]/[Supplemental Trust Deed dated [●]] and set forth in the Base Prospectus dated [[●]]/[●] (the "**Conditions**"). The following are the specific terms and conditions relating to the [[Sub-Series [●] of] Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] and form part of the Conditions as applied to the [[Sub-Series [●] of]Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] (and solely with respect to the [[Sub-Series [●] of]Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note]) by the [Trust Deed]/[Supplemental Trust Deed] and constitute the final terms of the [[Sub-Series [●] of] Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] for the purposes of Article 8 of the UK Prospectus Regulation.

1. Issue of the Notes

(a) ***Issuer***

WHITE ROSE MASTER ISSUER PLC

(b) ***Series***

[Series [●]]/[Not applicable].

(c) ***Sub-Series***

[●] to be fungible with and form a single series with [●]% Series [●] Class A Notes due [●] issued on [●].

(d) ***Issuance date***

[●] 20[●].

(e) ***Initial principal amount***

Notes	Initial principal amount
[Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note].	[●]
[Sub-Series [●] of Series [●] Class A Notes]	[●]

(f) ***Issue price***

[●]%.

(g) ***Ratings***

In respect of Class A Notes:

The Class A Notes to be issued are expected to be rated:

Notes	Moody's	Fitch	Standard & Poor's	DBRS
Series [●] Class A Notes	[●]	[●]	[●]	[●]

In respect of Class Z(S) VFN, Class Z(R) VFN or the YBS Note:

Not applicable.

(h) ***Selling restrictions***

The [Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] may be offered and sold only in compliance with applicable laws and regulations. See the section entitled "Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions" in the Base Prospectus.

(i) ***Simple, Transparent and Standardised Securitisation***

YBS (as sponsor for the purposes of the UK Securitisation Framework), [has]/[has not] procured a UK STS Notification to be submitted to the FCA, in accordance with Regulation 10(1) of the UK Securitisation Framework and SECN 2.5, that the UK STS Criteria Requirements have been satisfied with respect to the [Series [●] Class A Notes]. See the section entitled "Characteristics of the UK Residential Mortgage Market" below.

(j) ***Liability cashflow model***

YBS (in its capacity as a Seller) will make available a liability cashflow model [directly]/[through the European DataWarehouse (https://editor.eurodw.eu/home), being an entity which provides such liability cashflow models to investors generally].

2. Form and holding of the Notes

(a) ***Regulation S Notes [and Rule 144A Notes]***

In respect of Class A Notes:

[Regulation S Global Note Certificates [are registered in the name of a nominee of a Common Depositary for Euroclear and Clearstream, Luxembourg] / [are held under the NSS and registered in the name of the Common Safekeeper (or its nominee) for Euroclear and Clearstream, Luxembourg]].

[Rule 144A Global Note Certificates [denominated in a currency other than US Dollars] [are registered in the name of a nominee of a Common Depositary for Euroclear and Clearstream, Luxembourg] / [are held under the NSS and registered in the name of the Common Safekeeper (or its nominee) for Euroclear and Clearstream, Luxembourg]].

[Rule 144A Global Note Certificates [denominated in US Dollars] are registered in the name of Cede & Co. as nominee of DTC, and will be deposited with the DTC Custodian, on or about the relevant Issuance Date].

In respect of Class Z(S) VFN, Class Z(R) VFN or the YBS Note:

The [Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] is issued in definitive form and represented by Regulation S Individual Note Certificate.

(b) ***Specified Currency***

[●].

(c) ***Specified Denominations***

[●] and integral multiples of [●] in excess thereof.

(d) ***Additional Business Centre(s)***

[Chicago / Los Angeles / Brussels / Toronto / Beijing / Shanghai / Hong Kong / Frankfurt / Milan / Paris / Dublin / Tokyo / St Helier / Seoul / Oslo / Singapore / Madrid / Stockholm / Taipei]/[N/A].

(e) ***Any clearing system(s) other than DTC, Euroclear, or Clearstream, Luxembourg***

In respect of the Class A Notes:

[Not applicable / SIX Swiss Exchange].

In respect of the Class Z(S) VFN, Class Z(R) VFN and the YBS Note:

Not applicable.

(f) ***Additional Paying Agent(s)***

[Not applicable]/[●].

(g) ***Method of Distribution***

[Non-syndicated]/[Syndicated]/[●].

(h) ***Delivery***

[Against]/[Free of] payment.

(i) ***Clearing System Codes***

In respect of Class A Notes:

Notes	CUSIP number	Common code	ISIN	[FISN]	[CFI]	[other]
Series [●] Class A Notes	[●]	[●]	[●]	[●]	[●]	[●]

The Clearing System Codes in the table above are temporary and are to be consolidated and form a single series with the following codes:

Notes	CUSIP number	Common code	ISIN	[FISN]	[CFI]	[other]
Class A Notes.....	[●]	[●]	[●]	[●]	[●]	[●]

In respect of Class Z(S) VFN, Class Z(R) VFN or the YBS Note:

Not applicable.

(j) ***Listing***

[London]/[●].

(k) ***Estimate of total expenses related to admission to trading***

£[●].

3. Interest on the [Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note]

(a) ***Interest Commencement Date***

[●].

(b) ***Fixed Rate Note provisions***

[The Fixed Rate Note provisions are applicable]/[Not applicable].

(i) *Rates of interest*

Notes	Rate of interest
Series [●] Class A Notes.....	[●]

(ii) *Note Payment Dates*

The Payment Date falling in [●] up to and including the Final Maturity Date.

(iii) *Fixed Coupon Amounts*

Notes	Fixed coupon amounts
Series [●] Class A Notes	[●] per [●] in nominal amount

(iv) *Broken Amounts*

Notes	Broken amount
Series [●] Class A Notes.....	[●]

(v) *Day Count Fraction*

[Actual/Actual – ICMA]/[30/360]/[specify other].

(vi) *Interest Determination Date(s)*

[●] in each year.

(c) ***Floating Rate Note provisions***

[The floating rate note provisions are applicable]/[Not applicable].

(i) *Note payment dates*

The Payment Date falling in [●] in each year up to and including the Final Maturity Date. The first Note Payment Date will be the Note Payment Date falling in [●].

(ii) *Business Day Convention*

[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]/[specify other].

(iii) *Screen rate determination*

[The Screen Rate determination provisions are applicable]/[Not applicable].

(A) *Reference Rate*

[Compounded daily] [SONIA]/[EURIBOR]/[€STR]/[SOFR]. Additional information is required if other – including amendment to fallback provisions in the Agency Agreement.

(B) *Interest Determination Date(s)*

If EURIBOR, the second day on which the TARGET System is open prior to the start of each floating interest period.

If [SONIA]/[€STR]/[SOFR], *p* Business Days prior to the end of each Interest Period.

(C) *Relevant Screen Page*

[●].

(D) *Observation method*

[Lag]/[Lock-out]/[Shift],

(E) *Observation Period (p)*

[●] [London Banking Days]/[US Government Securities Business Days]/[TARGET Business Days].

(F) *Index Determination*

[Applicable / Not applicable],

[*Where Index Determination is applicable, "*Shift*" should be specified as the Observation Method*]

(iv) *ISDA determination*

[The ISDA determination provisions are applicable]/[Not applicable].

(A) *Floating Rate Option*

[●].

(B) *Designated maturity*

[●].

(C) *Reset date*

[●].

(D) *ISDA Definitions*

[●].

(v) *Margin(s)*

Notes	Margin for each floating interest period up to (but excluding) the Step-Up Date	Margin for each floating interest period from (and including) the Step-Up Date
[Series [●] Class A Notes]/[Class Z(S)VFN]/[Class Z(R) VFN]/[YBS Note]	[●]	[●]

(vi) *Step-up date*

In respect of Class A Notes:

Notes	Step-up date – the Note Payment Date falling in
Series [●] Class A Notes	[●]

In respect of Class Z(S) VFN, Class Z(R) VFN or the YBS Note:

N/A.

(vii) *Maximum rate of interest and minimum rate of interest*

	Minimum Rate of Interest		Maximum Rate of Interest	
Notes	for each Floating Interest Period up to the Step-Up Date	for Each Floating Interest Period following the Step-Up Date	for Each Floating Interest Period up to the Step-Up Date	for each Floating Interest Period following the Step-Up Date
[Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note]	0.00%	0.00%	[●]	[●]

(viii) *Day Count Fraction*

[Actual/365]/[Actual/365 (Fixed)]/[Actual/365 (Sterling)] /[Actual/360]/[30/360]/ [30E/360]/[other].

(ix) *Party responsible for calculating the rate of interest and interest amount (if not the Agent Bank)*

In respect of Class A Notes:

Not applicable.

In respect of Class Z(S) VFN, Class Z(R) VFN or the YBS Note:

VFN Registrar.

4. Repayment of the Notes

(a) ***Type of note***

[Bullet Redemption Notes]/[Controlled Amortisation Notes]/[Pass-Through Redemption Notes].

(b) ***Details relating to Bullet Redemption Notes***

[Applicable (Soft Bullet)]/[Applicable (Hard Bullet)]/[Not applicable]

(i) *[Bullet Redemption Date]*

Notes	**Bullet Redemption Date**
Series [●] Class A Notes	[●]

(ii) *[Soft Bullet Scheduled Redemption Date]*

Notes	**Soft Bullet Scheduled Redemption Date**
Series [●] Class A Notes.....	[●]

(iii) *[Soft Bullet Final Redemption Date]*

Notes	**Soft Bullet Final Redemption Date**
Series [●] Class A Notes.....	[●]

(iv) *Bullet Redemption Amount*

Notes	**Bullet Redemption Amount**
Series [●] Class A Notes	[●]

(c) ***Details relating to Controlled Amortisation Notes***

[Applicable]/[Not applicable]

Controlled amortisation dates the Note Payment Date falling in	% of the aggregate Principal Amount Outstanding as at the issuance date
[●].....	[●]
[●].....	[●]

(d) ***Details relating to Pass-Through Redemption Notes***

[Applicable]/[Not applicable].

(e) ***Redenomination***

[Applicable]/[Not applicable].

(f) ***Final maturity date***

Notes	Final maturity date – the Note Payment Date falling in
[Series [●] Class A Notes]/[Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note]	[●]

(g) ***Optional redemption in whole or in part pursuant to Condition 5(e) (Optional redemption in full or in part)***

[Applicable]/[Not applicable].

5. Money Market Notes

(a) ***Money Market Note Mandatory Transfer Arrangements***

[Money Market Note Mandatory Transfer Arrangements are applicable]/[Not applicable].

(b) ***Name of Remarketing Agent***

[●]/[Not applicable].

(c) ***Name of Conditional Note Purchaser***

[●]/[Not applicable].

(d) ***Money Market Note Mandatory Transfer Dates***

[The Payment Date falling in [●] and each subsequent Payment Date falling in each [●] thereafter]/[Not applicable].

(e) ***Maximum reset margin***

[●]/[Not applicable].

6. Required Amounts

In respect of Class A Notes:

(a) ***Required Subordination Percentage***

Notes	Required Subordination Percentage
Class A Notes	[●]

(b) ***Subordination Percentage at Closing***

Notes	Subordination Percentage
Class A Notes	[●]

(c) ***Reserve Fund Series Percentage***

[●]%.

(d) ***Aggregate Principal Amount Outstanding on Class Z(S) VFN as at Issuance Date***

£[●].

(e) ***Aggregate Principal Amount Outstanding on Class Z(R) VFN as at Issuance Date***

£[●].

(f) ***Excess Principal Fund Threshold Percentage***

[●]%.

(g) ***Required Retention Amount at Closing***

£[●].

(h) ***Minimum YBS Note Liquidity Amount***

£[●].

(i) ***Deposit Set-off Protection Excess Amount at Closing***

£[●].

(j) ***Minimum YBS Note Amount at Closing***

£[●].

In respect of the Class Z(S) VFN, Class Z(R) VFN and the YBS Note:

Not applicable.

7. Details of the Interest Rate Swaps relating to the Notes

Specified interest rate payable to the Issuer under the relevant interest rate swap agreement

[●]/[Not applicable].

Interest Rate Swap Counterparty Payment amount

[Periodic Sterling amounts calculated by reference to Compounded Daily SONIA (plus relevant applicable margin)]/[Not applicable]).

8. Details of the Currency Swaps relating to the Notes

Specified currency exchange rate

[●]/[Not applicable].

9. Cash Accumulation Start Date

[●]/[Not applicable].

10. Stabilising Manager(s) (if applicable)

[●].

11. Initial Purchase Price

£[●].

12. Eurosystem eligibility

In respect of Class A Notes:

[Yes.

Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper), and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

/

[No.

While the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at

any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

In respect of the Class Z(S) VFN, Class Z(R) VFN and the YBS Note:

No.

While the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

13. Bank of England collateral eligibility

In respect of Class A Notes:

[Yes.

Note that the designation "yes" simply means that the Notes are intended upon issue to constitute eligible collateral for the purposes of Bank of England financing schemes. It does not necessarily mean that the Notes will be recognised as eligible collateral for these purposes either upon issue or at any or all times during their life. Such recognition will depend upon the Bank of England being satisfied that the relevant eligibility criteria have been met.]

/

[No.

While the designation is specified as "no" at the date of these Final Terms, should the Bank of England eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be used as collateral for the purposes of Bank of England financing schemes. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for these purposes at any time during their life. Such recognition will depend upon the Bank of England being satisfied that the relevant eligibility criteria have been met.]

In respect of the Class Z(S) VFN, Class Z(R) VFN and the YBS Note:

No.

While the designation is specified as "no" at the date of these Final Terms, should the Bank of England eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be used as collateral for the purposes of Bank of England financing schemes. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for these purposes at any time during their life. Such recognition will depend upon the Bank of England being satisfied that the relevant eligibility criteria have been met.

[Remarketing Agents and Conditional Note Purchasers]

[●]/[Not applicable]

[*Delete the following text as appropriate for Class Z(S) VFN, Class Z(R) VFN and the YBS Note. Keep all options for the Class A Notes.*]

[Class Z(R) VFN]

[The [further] drawing under the Class Z(R) VFN to be made to the Issuer on the Issuance Date specified herein will be £[●].]

The aggregate Principal Amount Outstanding of the Class Z(R) VFN on the Issuance Date specified herein will be £[●].

[Class Z(S) VFN]

[The [further] drawing under the Class Z(S) VFN to be made to the Issuer on the Issuance Date specified herein will be £[●].]

The aggregate Principal Amount Outstanding of the Class Z(S) VFN on the Issuance Date specified herein will be £[●].

YBS Note

[The [further] drawing under the YBS Note to be made to the Issuer on the Issuance Date specified herein will be £[●].]

The aggregate Principal Amount Outstanding of the YBS Note on the Issuance Date specified herein will be £[●], representing approximately [●]% of aggregate unpaid principal balance of the Notes Outstanding of all Series (being £[●]) calculated on the basis of the Current Balance [of the Mortgage Portfolio] as at [●].[1]

The actual amount of the YBS Note as at the Issuance Date will not be determined until such Issuance Date which will be after the date of these Final Terms. YBS will disclose within a reasonable time after such Issuance Date the amount of the YBS Note on such Issuance Date if it is materially different from that disclosed herein.

Other Series of Notes issued

As of the Issuance Date specified herein, the aggregate Principal Amount Outstanding of Notes issued by the Issuer (converted, where applicable, into Sterling at the applicable specified currency exchange rate), including the Notes described herein, will be:

Class A Notes.....	£[●]
Class Z(R) VFN	£[●]
Class Z(S) VFN.....	£[●]
YBS Note.....	£[●]

[1] To be calculated as at a date no more than 135 days prior to the relevant Issuance Date.

MATURITY AND REPAYMENT CONSIDERATIONS

[*Delete the following text in respect of Class Z(S) VFN, Class Z(R) VFN and the YBS Note, and replace it with the following:* "The average life of the [Class Z(S) VFN]/[Class Z(R) VFN]/[YBS Note] is subject to factors largely outside the control of the Issuer. For more information relating to the risks involved in the use of these estimated average lives, see the section entitled 'Risk Factors' in the Base Prospectus."]

The average life of Series [●] Class A Notes refers to the average amount of time that will elapse from a certain date to the date of distribution to the investor of amounts distributed in net reduction of principal of a security to zero (assuming no losses). The average life of Series [●] Class A Notes cannot be stated because the actual rate of repayment of the Mortgage Loans and redemption of the mortgages and a number of other relevant factors are unknown. Calculations of the possible average life of Series [●] Class A Notes can be made, however, based on certain assumptions. The assumptions used to calculate the possible average lives of Series [●] Class A Notes in the following table include that:

(a) the Security is not enforced;

(b) Mortgage Loans are assumed to amortise in accordance with their scheduled payments and assumed constant payment rate indicated in the table below.

(c) no Trigger Event occurs;

(d) no event occurs that would cause payments on each Series [●] of Class A Notes to be deferred;

(e) the Issuer exercises its option to redeem each Series [●] of Class A Notes on the Step-Up Date relating to such Notes;

(f) immediately prior to the amortisation of the Series [●] of Class A Notes, the Mortgage Portfolio is at the size required to maintain the Required Subordination Amount and the Minimum YBS Note Amount. On the date at which Series [●] of Class A Notes begins to amortise, the portfolio will amortise in line with the existing portfolio;

(g) the Series [●] of Class A Notes is issued on the Issuance Date of [●];

(h) each payment made by the Issuer to the Noteholders is paid on the [●]th day of the relevant month in which such payment is payable, regardless of whether such date is a business day (except in relation to the Step-up Date);

(i) the Bank of England Base Rate is equal to [●]%, and Accord's Standard Variable Rate is [●]% per annum and YBS's Standard Variable Rate is [●]%;

(j) a day count fraction of [●] is utilised in respect of bond and swap payments, and a day count fraction of [●] is utilised in respect of loan payments;

(k) there is a balance of £0 in Cash Accumulation Ledger at the Issuance Date;

(l) no interest or fees are paid from any Enhanced Available Principal Receipts;

(m) the Mortgage Loans are not subject to any defaults or losses, and no Mortgage Loan falls into arrears; and

(n) no further Series of Notes is issued after the Issuance Date specified herein.

Based upon the foregoing assumptions, the approximate average lives of the Series [●] Class A Notes, at various constant payment rates for the Mortgage Loans, would be as follows:

Constant payment rate (% per annum)	**Possible average life of the Series [●] Class [●] Notes (in years)**
0%	[●]
5%	[●]
10%	[●]
15%	[●]
20%	[●]
25%	[●]
30%	[●]
35%	[●]

The average life of each Class of the Series [●] Class A Notes is subject to factors largely outside the control of the Issuer and consequently no assurance can be given that these assumptions and estimates are realistic and they must therefore be viewed with considerable caution. For more information relating to the risks involved in the use of these estimated average lives, see the section entitled "Risk Factors – Effects of prepayments on, or redemptions of, the Mortgage Loans on the yield to maturity of the Notes" in the Base Prospectus.

THE CUT-OFF DATE MORTGAGE PORTFOLIO

The statistical and other information contained in these Final Terms has been compiled by reference to the Mortgage Loans in the Cut-Off Date Mortgage Portfolio as of [●] (the "**Cut-Off Date**"). The Cut-Off Date Mortgage Portfolio comprised an aggregate Current Balance of £[●]. The Mortgage Loans in the Cut-Off Date Mortgage Portfolio were originated between [●] and [●].

A Mortgage Loan included in the Cut-Off Date Mortgage Portfolio (and which has not already been assigned to the Issuer pursuant to the terms of the relevant Mortgage Sale Agreement) will not be so assigned to the Issuer if, in the period up to (and including) the [Issuance Date]/[applicable Assignment Date], it is repaid in full or if it does not comply with the terms of the relevant Mortgage Sale Agreement on or about the Issuance Date.

Once the determination has been made as to the anticipated principal amount of the Notes to be issued and the corresponding size of the Mortgage Portfolio that would be required ultimately to support payments on the Notes, the relevant Seller(s) will then randomly select the Mortgage Loans to be assigned to the Issuer on the Issuance Date from the Mortgage Loans available to be so assigned on such date. It is expected that the aggregate Current Balance of the loans to be assigned to the Issuer on the [Issuance Date]/[applicable Assignment Date] will not exceed £[●].

As at the Issuance Date, and at any point thereafter, the Issuer's economic exposure to any single Borrower will not exceed [2]% of the aggregate Current Balance of the Mortgage Loans comprising the Mortgage Portfolio from time to time as required by Article 243(2)(a) of the UK CRR.

As of the Cut-Off Date, [●]% of the aggregate Current Balance of the Mortgage Loans in the Cut-Off Date Mortgage Portfolio were Fixed Rate Mortgage Loans. The remaining [●]% of the aggregate Current Balance of the Mortgage Loans in the Cut-Off Date Mortgage Portfolio as of the Cut-Off Date were [Variable Rate Mortgage Loans, Discount Variable Rate Mortgage Loans, Offset Mortgage Loans (if originated after 27 July 2021),] as described below.

As of the Cut-Off Date, Accord's Standard Variable Rate was [●]% per annum and YBS's Standard Variable Rate was [●]% per annum.

The tables set out in the section entitled "Mortgage portfolio" below show statistical and other information relating to all Mortgage Loans in the Cut-Off Date Mortgage Portfolio as of the Cut-Off Date.

Columns stating percentage amounts may not add up to 100% due to rounding.

Mortgage portfolio

Original balance

The following table shows the Original Balances of the Mortgage Loans (including Capitalised fees and/or charges, if applicable):

Range of Original Balances (£)	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<5,000	[●]	[●]%	[●]	[●]%
>=5,000 and <10,000	[●]	[●]%	[●]	[●]%
>=10,000 and <25,000	[●]	[●]%	[●]	[●]%
>=25,000 and <50,000	[●]	[●]%	[●]	[●]%

Range of Original Balances (£)	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
>=50,000 and <75,000	[●]	[●]%	[●]	[●]%
>=75,000 and <100,000	[●]	[●]%	[●]	[●]%
>=100,000 and <150,000	[●]	[●]%	[●]	[●]%
>=150,000 and <200,000	[●]	[●]%	[●]	[●]%
>=200,000 and <250,000	[●]	[●]%	[●]	[●]%
>=250,000 and <300,000	[●]	[●]%	[●]	[●]%
>=300,000 and <350,000	[●]	[●]%	[●]	[●]%
>=350,000 and <400,000	[●]	[●]%	[●]	[●]%
>=400,000 and <450,000	[●]	[●]%	[●]	[●]%
>=450,000 and <500,000	[●]	[●]%	[●]	[●]%
>=500,000 and <600,000	[●]	[●]%	[●]	[●]%
>=600,000 and <700,000	[●]	[●]%	[●]	[●]%
>=700,000 and <800,000	[●]	[●]%	[●]	[●]%
>=800,000 and <900,000	[●]	[●]%	[●]	[●]%
>=900,000 and <1,000,000	[●]	[●]%	[●]	[●]%
>=1,000,000	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

The largest Original Balance of any Mortgage Loan in the Portfolio was £[●], and the smallest £[●]. The weighted average Original Balance, as of the Cut-Off Date, was approximately £[●].

Current balances

The following table shows the Current Balance of the Mortgage Loans (including Capitalised fees and/or charges, if applicable), as of the Cut-Off Date:

Range of Outstanding Balances (£)	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<5,000	[●]	[●]%	[●]	[●]%
>=5,000 and <10,000	[●]	[●]%	[●]	[●]%
>=10,000 and <25,000	[●]	[●]%	[●]	[●]%
>=25,000 and <50,000	[●]	[●]%	[●]	[●]%
>=50,000 and <75,000	[●]	[●]%	[●]	[●]%
>=75,000 and <100,000	[●]	[●]%	[●]	[●]%
>=100,000 and <150,000	[●]	[●]%	[●]	[●]%
>=150,000 and <200,000	[●]	[●]%	[●]	[●]%
>=200,000 and <250,000	[●]	[●]%	[●]	[●]%
>=250,000 and <300,000	[●]	[●]%	[●]	[●]%
>=300,000 and <350,000	[●]	[●]%	[●]	[●]%
>=350,000 and <400,000	[●]	[●]%	[●]	[●]%
>=400,000 and <450,000	[●]	[●]%	[●]	[●]%
>=450,000 and <500,000	[●]	[●]%	[●]	[●]%
>=500,000 and <600,000	[●]	[●]%	[●]	[●]%
>=600,000 and <700,000	[●]	[●]%	[●]	[●]%
>=700,000 and <800,000	[●]	[●]%	[●]	[●]%
>=800,000 and <900,000	[●]	[●]%	[●]	[●]%
>=900,000 and <1,000,000	[●]	[●]%	[●]	[●]%
>=1,000,000	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

The largest Mortgage Loan has a Current Balance, as of the Cut-Off Date, of £[●]. The average Current Balance, as of the Cut-Off Date, was approximately £[●], while the smallest was £[●].

Original loan-to-value ratios

The following table shows the range of original loan-to-value ratios, which express the current balance of a Mortgage Loan, as at the date of its origination, divided by the value of the mortgaged property securing that Mortgage Loan at the same date.

Range of LTV ratios	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	[●]	[●]%	[●]	[●]%
>=25% and <50%	[●]	[●]%	[●]	[●]%
>=50% and <55%	[●]	[●]%	[●]	[●]%
>=55% and <60%	[●]	[●]%	[●]	[●]%
>=60% and <65%	[●]	[●]%	[●]	[●]%
>=65% and <70%	[●]	[●]%	[●]	[●]%
>=70% and <75%	[●]	[●]%	[●]	[●]%
>=75% and <80%	[●]	[●]%	[●]	[●]%
>=80% and <85%	[●]	[●]%	[●]	[●]%
>=85% and <90%	[●]	[●]%	[●]	[●]%
>=90% and <95%	[●]	[●]%	[●]	[●]%
>=95% and <100%	[●]	[●]%	[●]	[●]%
>=100%	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

The weighted average original loan-to-value ratio of the Mortgage Loans, as of the Cut-Off Date was [●]%, while the minimum original loan-to-value ratio was [●]% and the maximum was [●]%.

Current non-indexed LTV Ratios

The following table shows the range of current non-indexed LTV Ratios, which express the Current Balance of a Mortgage Loan, as of the Cut-Off Date, divided by the non-indexed value of the Mortgaged Property securing that Mortgage Loan, as of the same date.

Range of LTV ratios	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	[●]	[●]%	[●]	[●]%
>=25% and <50%	[●]	[●]%	[●]	[●]%
>=50% and <55%	[●]	[●]%	[●]	[●]%
>=55% and <60%	[●]	[●]%	[●]	[●]%
>=60% and <65%	[●]	[●]%	[●]	[●]%
>=65% and <70%	[●]	[●]%	[●]	[●]%
>=70% and <75%	[●]	[●]%	[●]	[●]%
>=75% and <80%	[●]	[●]%	[●]	[●]%
>=80% and <85%	[●]	[●]%	[●]	[●]%
>=85% and <90%	[●]	[●]%	[●]	[●]%
>=90% and <95%	[●]	[●]%	[●]	[●]%
>=95% and <100%	[●]	[●]%	[●]	[●]%
>=100%	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

The weighted average current non-indexed loan-to-value ratio of the Mortgage Loans, as of the Cut-Off Date, was [●]%, while the minimum current non-indexed loan-to-value ratio was [●]% and the maximum was [●]%.

Current LTV Ratios

The following table shows the range of Current LTV Ratios, which express the Current Balance of a Mortgage Loan, as of the Cut-Off Date, divided by the indexed value of the Mortgaged Property securing that Mortgage Loan, as of the same date (calculated using the Nationwide House Price Index).

Range of LTV ratios	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	[●]	[●]%	[●]	[●]%
>=25% and <50%	[●]	[●]%	[●]	[●]%
>=50% and <55%	[●]	[●]%	[●]	[●]%
>=55% and <60%	[●]	[●]%	[●]	[●]%
>=60% and <65%	[●]	[●]%	[●]	[●]%
>=65% and <70%	[●]	[●]%	[●]	[●]%
>=70% and <75%	[●]	[●]%	[●]	[●]%
>=75% and <80%	[●]	[●]%	[●]	[●]%
>=80% and <85%	[●]	[●]%	[●]	[●]%
>=85% and <90%	[●]	[●]%	[●]	[●]%
>=90% and <95%	[●]	[●]%	[●]	[●]%
>=95% and <100%	[●]	[●]%	[●]	[●]%
>=100%	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

The weighted average Current Indexed LTV Ratio of the Mortgage Loans, as of the Cut-Off Date, was [●]%, while the minimum Current Indexed LTV Ratio was [●]% and the maximum was [●]%.

Original term

The following table shows the original term of the Mortgage Loans, as at the Cut-Off Date.

Original Term of loans (months)	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<30	[●]	[●]%	[●]	[●]%
>=30 and <60	[●]	[●]%	[●]	[●]%
>=60 and <120	[●]	[●]%	[●]	[●]%
>=120 and <180	[●]	[●]%	[●]	[●]%
>=180 and <240	[●]	[●]%	[●]	[●]%
>=240 and <300	[●]	[●]%	[●]	[●]%
>=300 and <360	[●]	[●]%	[●]	[●]%
>=360	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

The weighted average original term of Mortgage Loans was [●] months. The maximum original term of such Mortgage Loans, as of the Cut-Off Date, was [●] months and the minimum original term of such Mortgage Loans, as of the Cut-Off Date, was [●] months.

Remaining term

Months to maturity	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<30	[●]	[●]%	[●]	[●]%
>=30 and <60	[●]	[●]%	[●]	[●]%
>=60 and <120	[●]	[●]%	[●]	[●]%
>=120 and <180	[●]	[●]%	[●]	[●]%
>=180 and <240	[●]	[●]%	[●]	[●]%
>=240 and <300	[●]	[●]%	[●]	[●]%
>=300 and <360	[●]	[●]%	[●]	[●]%
>=360	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

The weighted average remaining term of the Mortgage Loans, as of the Cut-Off Date, was [●] months. The maximum remaining term, as of the Cut-Off Date, was [●] months. The minimum remaining term, as of the Cut-Off Date, was [●] months.

The below table also indicates the remaining term of the Mortgage Loans split by repayment type.

Months to maturity	Repayment	Interest only	Combination (Interest Only and Repayment)
<30	[●]	[●]	[●]
>=30 and <60	[●]	[●]	[●]
>=60 and <120	[●]	[●]	[●]
>=120 and <180	[●]	[●]	[●]
>=180 and <240	[●]	[●]	[●]
>=240 and <300	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

Seasoning of Mortgage Loans

The following table shows length of time since the Mortgage Loans were originated as of the Cut-Off Date.

Age of loans in months	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<12	[●]	[●]%	[●]	[●]%
>=12 and <24	[●]	[●]%	[●]	[●]%
>=24 and <36	[●]	[●]%	[●]	[●]%
>=36 and <48	[●]	[●]%	[●]	[●]%
>=48 and <60	[●]	[●]%	[●]	[●]%
>=60 and <72	[●]	[●]%	[●]	[●]%
>=72 and <84	[●]	[●]%	[●]	[●]%
>=84 and <96	[●]	[●]%	[●]	[●]%
>=96 and <108	[●]	[●]%	[●]	[●]%
>=108 and <120	[●]	[●]%	[●]	[●]%
>=120 and <150	[●]	[●]%	[●]	[●]%
>=150 and <180	[●]	[●]%	[●]	[●]%
>=180	[●]	[●]%	[●]	[●]%
Totals	[●]	**100.0%**	[●]	**100.0%**

The weighted average seasoning of Mortgage Loans, as of the Cut-Off Date, was [●] months. The maximum seasoning of such Mortgage Loans, as of the Cut-Off Date, was [●] months and the minimum seasoning of such Mortgage Loans, as of the Cut-Off Date, was [●] months.

Origination year

The following table shows the origination year of the Mortgage Loans, as at the Cut-Off Date.

Origination Year	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
2014	[●]	[●]%	[●]	[●]%
2015	[●]	[●]%	[●]	[●]%
2016	[●]	[●]%	[●]	[●]%
2017	[●]	[●]%	[●]	[●]%
2018	[●]	[●]%	[●]	[●]%
2019	[●]	[●]%	[●]	[●]%
2020	[●]	[●]%	[●]	[●]%
20[●]	[●]	[●]%	[●]	[●]%
Total	[●]	**100.00%**	[●]	**100.00%**

Interest Rate Type

Type of rate	Current Balance (£)	% of total balance	Number of loans	% of total accounts	Weighted Average Rate
Fixed rate	[●]	[●]%	[●]	[●]%	[●]%
Capped	[●]	[●]%	[●]	[●]%	[●]%
Administered	[●]	[●]%	[●]	[●]%	[●]%
	[●]	[●]%	[●]	[●]%	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**	**2.0%**

Current interest rate

The following table shows the current interest rate of the Mortgage Loans, as at the Cut-Off Date.

Interest Rate	Current Balance (£)	% of total balance	Number of loans	% of total accounts
<=1.5%	[●]	[●]%	[●]	[●]%
>1.5% and <=2.0%	[●]	[●]%	[●]	[●]%
>2.0% and <=2.5%	[●]	[●]%	[●]	[●]%
>2.5% and <=3.0%	[●]	[●]%	[●]	[●]%
>3.0% and <=3.5%	[●]	[●]%	[●]	[●]%
>3.5% and <=4.0%	[●]	[●]%	[●]	[●]%
>4.0% and <=4.5%	[●]	[●]%	[●]	[●]%
>4.5% and <=5.0%	[●]	[●]%	[●]	[●]%
>5.0% and <=5.5%	[●]	[●]%	[●]	[●]%
>5.5% and <=6.0%	[●]	[●]%	[●]	[●]%
>6.0%	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

The weighted average current interest rate of Mortgage Loans, was [●]%. The maximum current interest rate of such Mortgage Loans, as of the Cut-Off Date, was [●]% and the minimum current interest rate of such Mortgage Loans, as of the Cut-Off Date, was [●]%.

Reversion Date Timing

End of Fixed Period	Current Balance (£)	% of total balance	Number of loans	% of total accounts
>0 and <=1 year	[●]	[●]%	[●]	[●]%
>1 and <=2 years	[●]	[●]%	[●]	[●]%
>2 and <=3 years	[●]	[●]%	[●]	[●]%
>3 and <=4 years	[●]	[●]%	[●]	[●]%
>4 and <=5 years	[●]	[●]%	[●]	[●]%
>5 and <=6 years	[●]	[●]%	[●]	[●]%
>6 and <=7 years	[●]	[●]%	[●]	[●]%
>7 and <=8 years	[●]	[●]%	[●]	[●]%
>8 and <=9 years	[●]	[●]%	[●]	[●]%
>9 and <=10 years	[●]	[●]%	[●]	[●]%
>10 years	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Originator

Originator	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Yorkshire Building Society	[●]	[●]%	[●]	[●]%
Accord Mortgages Limited	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Payment Frequency

Payment frequency	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Monthly	[●]	[●]%	[●]%	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Repayment method

Repayment Terms	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Repayment	[●]	99.6%	[●]	[●]%
Interest Only	[●]	0.4%	[●]	[●]%
Combination (Interest Only)	[●]	-	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Mortgage Loan Occupancy Status

Occupancy type	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Owner-occupied	[●]	[●]%	[●]	[●]%
Buy-to-let	[●]	[●]%	[●]	[●]%
Consent-to-let	[●]	[●]%	[●]	[●]%
Second home	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Property Type

Property type	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Residential detached or	[●]	[●]%	[●]	[●]%
Residential terraced house	[●]	[●]%	[●]	[●]%
Residential flat / apartment	[●]	[●]%	[●]	[●]%
Other	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Geographical distribution of Mortgaged Properties

The following table shows the spread of Mortgaged Properties securing the Mortgage Loans throughout England, Wales and Scotland as of the Cut-Off Date. No Mortgage Properties are situated outside England, Wales and Scotland. The geographical location of a property has no impact upon the Lending Criteria and credit scoring tests.

Regions	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
East Anglia	[●]	[●]%	[●]	[●]%
East Midlands	[●]	[●]%	[●]	[●]%
London	[●]	[●]%	[●]	[●]%
North	[●]	[●]%	[●]	[●]%
North West	[●]	[●]%	[●]	[●]%
South East	[●]	[●]%	[●]	[●]%
Scotland	[●]	[●]%	[●]	[●]%
South West	[●]	[●]%	[●]	[●]%
Wales	[●]	[●]%	[●]	[●]%
West Midlands	[●]	[●]%	[●]	[●]%
Yorkshire and Humberside	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Primary Borrower Employment status

Employment status	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Employed	[●]	[●]%	[●]	[●]%
Self-employed	[●]	[●]%	[●]	[●]%
Unemployed	[●]	[●]%	[●]	[●]%

Employment status	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Retired	[●]	[●]%	[●]	[●]%
Guarantor	[●]	[●]%	[●]	[●]%
Other	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Income Verification for Primary Income

Income verification type	Current Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Income verification	[●]	[●]%	[●]	[●]%
Self-certified	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Loan Purpose

Loan Purpose	Current Balance (£)	% of total balance	Number of loans	% of total accounts
House Purchase	[●]	[●]%	[●]	[●]%
Remortgage	[●]	[●]%	[●]	[●]%
Other	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Right to Buy

Right to Buy	Current Balance (£)	% of total balance	Number of loans	% of total accounts
Yes	[●]	[●]%	[●]	[●]%
No	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Arrears

Months in Arrears	Number of Mortgage Accounts	% of total	Current Balance (£)	% of total balance
Current	[●]	[●]%	[●]	[●]%
>0 and <1	[●]	[●]%	[●]	[●]%
>=1 and <2	[●]	[●]%	[●]	[●]%
>=2 and <3	[●]	[●]%	[●]	[●]%
>=3 and <6	[●]	[●]%	[●]	[●]%
>=6 and <12	[●]	[●]%	[●]	[●]%
>=12	[●]	[●]%	[●]	[●]%
Totals	**[●]**	**100.0%**	**[●]**	**100.0%**

Capitalised arrears are not included in the above balances.

[*Mortgage Charter Mortgage Loans*

	Current Balance (£)	Number loans	% of total accounts
Mortgage Loans subject to an MC Interest-only Agreement	[●]	[●]	[●]%
Mortgage Loans subject to an MC Extension Agreement	[●]	[●]	[●]%
Totals	**[●]**	**[●]**	**100.0%**

]

Delinquency and loss experience of the Mortgage Portfolio **[(including Mortgage Loans that previously formed part of the Mortgage Portfolio)]**

[Since the establishment of the Mortgage Portfolio, total losses on Mortgage Loans in the Mortgage Portfolio (including Mortgage Loans that previously formed part of the Mortgage Portfolio) were £[●] as at the Cut-Off Date.]

The following table summarises loans in arrears and repossession experience for Mortgage Loans in the Mortgage Portfolio [(including Mortgage Loans that previously formed part of the Mortgage Portfolio)] as at the Cut-Off Date. The relevant Seller(s) will represent and warrant on the Issuance Date that no Mortgage Loan to be transferred to the Issuer on the Issuance Date will have experienced any arrears in excess of an amount equal to one month's principal and interest in the prior 12 months.

The Mortgage Loans used for statistical purposes in the table below are administered in accordance with the relevant Seller's Policy. The method by which the relevant Seller classifies Mortgage Loans as being in arrears is described in the Base Prospectus under the section entitled "Assignment of the Mortgage Loans and Related Security – Arrears policy", and is important in helping to understand each Seller's arrears and repossession experience for Mortgage Loans in the Mortgage Portfolio as set forth in the following table.

Arrears & Delinquencies – Mortgage Loans in the Mortgage Portfolio **[(including Mortgage Loans that previously formed part of the Mortgage Portfolio)]**

	31 Dec [●][2]
Outstanding balance of loans current (and <1 month):	[●]
1 -<2 months	[●]
2 -<3 months	[●]
3 -<6 months	[●]
6 -<12 months	[●]
12+ months	[●]
Total outstanding loan balance in arrears (>1 month):	**[●]**
Total loan balances in arrears % (>1 month):	[●]
Total loan balances in arrears % (>3 months):	[●]
Outstanding balance of loans in possession (inc. interest):	[●]
Outstanding balance of loans sold:	[●]
Outstanding balance of loans sold in period:	[●]
Net loss on sold properties:	[●]
Ratio of net losses to total loans assigned to trust %:[3]	[●]
Average loss on all sold properties in the period:	[●]

[2] Year ended 31 December or applicable shorter period.
[3] Loans assigned to the Issuer to date at the period end.

	31 Dec [●][15]
Outstanding number of Mortgage Loans:	[●]
1 -<2 months	[●]
2 -<3 months	[●]
3 -<6 months	[●]
6 -<12 months	[●]
12+ months	[●]
Total outstanding number of loans in arrears (>1m):	**[●]**
Total number of loans in arrears % (>1m):	[●]
Total number of loans in arrears % (>3m):	[●]
Number of loans in possession:	[●]
Number of loans sold in the period:	[●]

Static and Dynamic Pool Data

This section sets out, to the extent material, certain static pool information with respect to the Mortgage Loans in the Mortgage Portfolio.

The Issuer has not included static pool information on prepayments in this section, as this information is not separately identified by the Servicer. However, prepayment rates in respect of the Mortgage Loans in the Mortgage Portfolio are set out in the monthly reports to investors that are prepared pursuant to the Servicing Agreement.

The sale of Additional Mortgage Loans by the Sellers to the Issuer is subject to conditions, including conditions required by the Rating Agencies, designed to maintain certain credit-related and other characteristics of the Mortgage Portfolio. These include limits on Mortgage Loans in arrears in the Mortgage Portfolio at the time of sale and limits on the LTV ratio post-sale in respect of any sale. See a description of these conditions in "Assignment of the Mortgage Loans and Related Security – Portfolio Criteria" in the Base Prospectus.

The following tables show, for each of the last [●] years of origination, the distribution of loans originated in that year by delinquency category as at each year end date starting in [●].

Dynamic historical performance data in relation to the mortgage loans originated by the Sellers was made available prior to pricing on the website of European DataWarehouse at https://editor.eurodw.eu/home. Such information will cover the period from [●] to [●]. The mortgage loans that are referred to in such data are originated under, and serviced in accordance with, the same or highly comparable policies and procedures as the Mortgage Loans comprising the Mortgage Portfolio and, as such, it is expected that the performance of such mortgage loans, over a period of four years, would not be significantly different to the performance of the Mortgage Loans in the Mortgage Portfolio.

MORTGAGE PORTFOLIO ARREARS BY YEAR OF ORIGINATION

Mortgage loans originated in [●]

31-Dec-[●]

	Balance (£)	Count	% of Balance	% of Count
0 to <1 Months	[●]	[●]	[●]%	[●]%
>=1 Months & 2 Months	[●]	[●]	[●]%	[●]%
>=2 Months & 3 Months	[●]	[●]	[●]%	[●]%
>=3 Months & 6 Months	[●]	[●]	[●]%	[●]%
>=6 Months & 9 Months	[●]	[●]	[●]%	[●]%
>=9 Months & 12 Months	[●]	[●]	[●]%	[●]%
>= 12 Months	[●]	[●]	[●]%	[●]%
Of which in Possession	[●]	[●]	[●]%	[●]%
Total	**[●]**	**[●]**	**100.00%**	**100.00%**

31-Dec-[●]

	Balance (£)	Count	% of Balance	% of Count
0 to <1 Months	[●]	[●]	[●]%	[●]%
>=1 Months & 2 Months	[●]	[●]	[●]%	[●]%
>=2 Months & 3 Months	[●]	[●]	[●]%	[●]%
>=3 Months & 6 Months	[●]	[●]	[●]%	[●]%
>=6 Months & 9 Months	[●]	[●]	[●]%	[●]%
>=9 Months & 12 Months	[●]	[●]	[●]%	[●]%
>= 12 Months	[●]	[●]	[●]%	[●]%
Of which in Possession	[●]	[●]	[●]%	[●]%
Total	**[●]**	**[●]**	**100.00%**	**100.00%**

31-Dec-[●]

	Balance (£)	Count	% of Balance	% of Count
0 to <1 Months	[●]	[●]	[●]%	[●]%
>=1 Months & 2 Months	[●]	[●]	[●]%	[●]%
>=2 Months & 3 Months	[●]	[●]	[●]%	[●]%
>=3 Months & 6 Months	[●]	[●]	[●]%	[●]%
>=6 Months & 9 Months	[●]	[●]	[●]%	[●]%
>=9 Months & 12 Months	[●]	[●]	[●]%	[●]%
>= 12 Months	[●]	[●]	[●]%	[●]%
Of which in Possession	[●]	[●]	[●]%	[●]%
Total	**[●]**	**[●]**	**100.00%**	**100.00%**

31-Dec-[●]

	Balance (£)	Count	% of Balance	% of Count
0 to <1 Months	[●]	[●]	[●]%	[●]%
>=1 Months & 2 Months	[●]	[●]	[●]%	[●]%
>=2 Months & 3 Months	[●]	[●]	[●]%	[●]%
>=3 Months & 6 Months	[●]	[●]	[●]%	[●]%
>=6 Months & 9 Months	[●]	[●]	[●]%	[●]%
>=9 Months & 12 Months	[●]	[●]	[●]%	[●]%
>= 12 Months	[●]	[●]	[●]%	[●]%
Of which in Possession	[●]	[●]	[●]%	[●]%
Total	**[●]**	**[●]**	**100.00%**	**100.00%**

31-Dec-[●]

	Balance (£)	Count	% of Balance	% of Count
0 to <1 Months	[●]	[●]	[●]%	[●]%
>=1 Months & 2 Months	[●]	[●]	[●]%	[●]%

Mortgage Portfolio Arrears by year of Origination

31-Dec-[●]				
	Balance (£)	**Count**	**% of Balance**	**% of Count**
>=2 Months & 3 Months	[●]	[●]	[●]%	[●]%
>=3 Months & 6 Months	[●]	[●]	[●]%	[●]%
>=6 Months & 9 Months	[●]	[●]	[●]%	[●]%
>=9 Months & 12 Months	[●]	[●]	[●]%	[●]%
>= 12 Months	[●]	[●]	[●]%	[●]%
Of which in Possession	[●]	[●]	[●]%	[●]%
Total	**[●]**	**[●]**	**100.00%**	**100.00%**

31-Dec-[●]				
	Balance (£)	**Count**	**% of Balance**	**% of Count**
0 to <1 Months	[●]	[●]	[●]%	[●]%
>=1 Months & 2 Months	[●]	[●]	[●]%	[●]%
>=2 Months & 3 Months	[●]	[●]	[●]%	[●]%
>=3 Months & 6 Months	[●]	[●]	[●]%	[●]%
>=6 Months & 9 Months	[●]	[●]	[●]%	[●]%
>=9 Months & 12 Months	[●]	[●]	[●]%	[●]%
>= 12 Months	[●]	[●]	[●]%	[●]%
Of which in Possession	[●]	[●]	[●]%	[●]%
Total	**[●]**	**[●]**	**100.00%**	**100.00%**

31-Dec-[●]				
	Balance (£)	**Count**	**% of Balance**	**% of Count**
0 to <1 Months	[●]	[●]	[●]%	[●]%
>=1 Months & 2 Months	[●]	[●]	[●]%	[●]%
>=2 Months & 3 Months	[●]	[●]	[●]%	[●]%
>=3 Months & 6 Months	[●]	[●]	[●]%	[●]%
>=6 Months & 9 Months	[●]	[●]	[●]%	[●]%
>=9 Months & 12 Months	[●]	[●]	[●]%	[●]%
>= 12 Months	[●]	[●]	[●]%	[●]%
Of which in Possession	[●]	[●]	[●]%	[●]%
Total	**[●]**	**[●]**	**100.00%**	**100.00%**

Mortgage Portfolio Arrears by year of Origination

CHARACTERISTICS OF THE UK 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 UK mortgage market.

Industry CPR rates

In the following tables, quarterly industry constant repayment rate data was calculated by dividing the amount of unscheduled repayments of mortgages made by banks, building societies and other specialist mortgage lenders in a quarter by the quarterly balance of mortgages outstanding for banks, building societies and other specialist mortgage lenders in the UK. These quarterly repayment rates were then annualised using standard methodology.

Year	Quarter	Industry CPR Rate for the Quarter	4-Quarter Rolling Average
[●]	[●]	[●]%	[●]%

Source: [●]

Repossession rate

The table below sets out the repossession rate of residential properties in the United Kingdom since [●].

Year	Repossessions (%)	Year	Repossessions (%)	Year	Repossessions (%)
[●]	[●]	[●]	[●]	[●]	[●]

Source: [●]

House price index

The UK housing market has been through various economic cycles in the recent past, with large year-to-year increases in the housing indices occurring in the late 1980s and large decreases occurring in the early 1990s and from 2007 to 2013.

Date		Index	% Annual Change
[●]	[●]	[●]	[●]

Source: [●]

House price-to-earnings ratio

Year	House Price to Earnings Ratio
[●]	[●]

Source: [●]

UK SECURITISATION FRAMEWORK

[UK STS Criteria Requirements

YBS (as sponsor for the purposes of the UK Securitisation Framework), [has]/[has not] procured a UK STS Notification to be submitted to the FCA, in accordance with Regulation 10(1) of UK Securitisation Framework and SECN 2.5, that the UK STS Criteria Requirements have been satisfied with respect to the Series [●] Class A Notes. It is expected that the UK STS Notification will be available on the FCA's STS Register, available at the following website: https://data.fca.org.uk/#/sts/stssecuritisations (or its successor website) (the "**FCA STS Register**"). For the avoidance of doubt, this website and the contents thereof do not form part of these final terms.]

[YBS [has not used the services of]/[has used the services of [●] as] an authorised verification agent authorised under [, the UK Securitisation Framework and Regulation 25 of UK Securitisation Framework] ("**Authorised Verification Agent**") to assess whether the Series [●] Class A Notes comply with the UK STS Criteria Requirements and prepare an STS Assessment.] It is expected that the STS Assessment prepared by the Authorised Verification Agent will be available on the website of the Authorised Verification Agent ([●]) (the "**PCS Website**") together with a detailed explanation of its scope at https://www.pcsmarket.org/disclaimer. For the avoidance of doubt, the PCS Website and the contents thereof do not form part of these Final Terms. For further information please refer to the Risk Factor entitled "Simple, Transparent and Standardised Securitisations and UK STS Designation". [*In respect of the Class Z(R) VFN, Class Z(S) VFN and the YBS Note, mark this section as not applicable.*]

Mitigation of interest rate [and currency] risk[s]

The Mortgage Loans and the Notes are affected by interest rate [and currency] risk[s] (see the sections entitled "The Notes may be subject to exchange rate and interest rate risks" and "Delinquencies or Default by Borrowers in paying amounts due on their Mortgage Loans" in the Risk Factors section of the Base Prospectus). The Issuer aims to hedge the relevant interest rate [and currency rate] exposure[s] in respect of the Mortgage Loans and the Notes, as applicable, by entering into certain Swap Agreements (see the section entitled "The Swap Agreements" in the Base Prospectus).

Interest rate risks are also managed through:

- a requirement in the Servicing Agreement that any discretionary rates set by the Servicer in respect of the Mortgage Loans are set in accordance with the relevant Seller's Policy (subject to the terms of the Mortgage Loans and applicable law);

- with respect to Variable Rate Mortgage Loans, interest on which is calculated by reference to the Standard Variable Rate, and Discount Variable Rate Mortgage Loans which become subject to a rate linked to the Standard Variable Rate, the correlation between the Standard Variable Rate and the relevant benchmark rate in respect of the Series [●] Notes (see further the table set out below); and

- the entry by the Issuer into the Swap Agreements with respect to the Fixed Rate Mortgage Loans.

Except for the purpose of hedging interest rate [or currency] risk, the Issuer will not enter into derivative contracts.

The following table shows the historical interest rates indicated for the period from [●] to [●]:

	BBR	SVR	
[●] 20[●]	[●]%	[●]%	

Source: Bank of England, Internal product data

Verification of data

The relevant Seller has caused the Mortgage Loans included in the Mortgage Portfolio (including the data disclosed in respect of those Mortgage Loans) to be verified by one or more appropriate and independent third party and completed on or about [●] with respect to the Mortgage Portfolio in existence as of [●] (the "**AUP Report**"). The Mortgage Portfolio has been subject to an agreed-upon procedures review to review a sample of Mortgage Loans selected from the total Mortgage Portfolio as at the Cut-Off Date for certain information and confirm that the actual errors, within a total population, are contained within the range of a predetermined precision limit. The relevant Seller also provided the relevant third party with a data file containing information on the Mortgage Portfolio to review conformity of each of the Mortgage Loans included with the Eligibility Criteria. No significant adverse findings arose from such review. This independent third party has also performed agreed-upon procedures in order to verify that the stratification tables disclosed in respect of the Mortgage Loans are accurate. The third party undertaking the review only has obligations to the parties to the engagement letters governing the performance of the agreed-upon procedures subject to the limitations and exclusions contained therein. The AUP Report was filed with the US Securities and Exchange Commission on [●] and is publicly available. The relevant Seller has reviewed the reports of such independent third parties and is of the opinion that there were no significant adverse findings in such reports.

General

Listing and admission to trading application

This document comprises the final terms required for the [Series [●] Sub-Series [●] Class A Notes] described herein to be admitted to the Official List maintained by the FCA and admitted to trading on the London Stock Exchange's regulated market pursuant to the Residential Mortgage-Backed Note Programme of WHITE ROSE MASTER ISSUER PLC.

Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:.....
Duly authorised

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