

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF NOTEHOLDERS (AS DEFINED BELOW). IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE, INCLUDING IN RESPECT OF ANY TAX CONSEQUENCES, IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (IF YOU ARE IN THE UNITED KINGDOM) OR FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER (IF YOU ARE NOT).

SILVERSTONE MASTER ISSUER PLC
(the Issuer)

(incorporated in England and Wales under the Registration Number 06612744)

NOTICE OF NOTEHOLDER MEETING

to each of the holders of the outstanding

£650,000,000 Series 2009-1 Class A3 Mortgage Backed Floating Rate Notes due 2055
(ISIN: XS0462896688, Common Code: 046289668)

(the Series 2009-1 Class A3 Notes and holders thereof, the Series 2009-1 Class A3 Noteholders)
(the Series 2009-1 Class A3 Notes together, the Series 2009-1 Notes and holders thereof, the Series 2009-1 Noteholders)

€1,100,000,000 Series 2010-1 Class A2 Mortgage Backed Floating Rate Notes due 2055

(Regulation S Notes: ISIN: XS0552150228, Common Code: 055215022;

Rule 144A Notes: ISIN: XS0552340787, Common Code: 055234078)

(the Series 2010-1 Class A2 Notes and holders thereof, the Series 2010-1 Class A2 Noteholders)

U.S.\$300,000,000 Series 2010-1 Class A3 Mortgage Backed Floating Rate Notes due 2055

(Regulation S Notes: ISIN: XS0553809533, Common Code: 055380953;

Rule 144A Notes: ISIN: US82846GAC42, Common Code: 055382727, CUSIP: 82846GAC4)

(the Series 2010-1 Class A3 Notes and holders thereof, the Series 2010-1 Class A3 Noteholders)

(the Series 2010-1 Class A2 Notes and Series 2010-1 Class A3 Notes together,

the Series 2010-1 Notes and the holders of the Series 2010-1 Notes, the Series 2010-1 Noteholders)

£170,000,000 Series 2011-1 Class 2A Mortgage Backed Floating Rate Notes due 2055

(Regulation S Notes: ISIN: XS0692717746, Common Code: 069271774;

Rule 144A Notes: ISIN: XS0692718041, Common Code: 069271804)

(the Series 2011-1 Class 2A Notes and holders thereof, the Series 2011-1 Class 2A Noteholders)

U.S.\$500,000,000 Series 2011-1 Class 4A Mortgage Backed Fixed Rate Notes due 2055

(Regulation S Notes: ISIN: XS0693096587, Common Code: 069309658;

Rule 144A Notes: ISIN: US82846GAE08, Common Code: 069385354, CUSIP: 82846GAE0)

(the Series 2011-1 Class 4A Notes and holders thereof, the Series 2011-1 Class 4A Noteholders)

(the Series 2011-1 Class 2A Notes and Series 2011-1 Class 4A Notes together, the Series 2011-1 Notes and holders of the Series 2011-1 Notes, the Series 2011-1 Noteholders)

U.S.\$1,000,000,000 Series 2012-1 Class 1A Mortgage Backed Floating Rate Notes due 2055

(Regulation S Notes: ISIN: XS0758797509, Common Code: 075879750;

Rule 144A Notes: ISIN: US82846GAG55, Common Code: 076047693, CUSIP: 82846G AG5)

(the Series 2012-1 Class 1A Notes and holders thereof, the Series 2012-1 Class 1A Noteholders)

U.S.\$1,050,000,000 Series 2012-1 Class 2A1 Mortgage Backed Floating Rate Notes due 2055

(Regulation S Notes: ISIN: XS0758797764, Common Code: 075879776;

Rule 144A Notes: ISIN: US82846GAH39, Common Code: 076052468, CUSIP: 82846G AH3)

(the Series 2012-1 Class 2A1 Notes and holders thereof, the Series 2012-1 Class 2A1 Noteholders)

£200,000,000 Series 2012-1 Class 2A2 Mortgage Backed Floating Rate Notes due 2055
(Regulation S Notes: ISIN: XS0758797848, Common Code: 075879784;
Rule 144A Notes: XS0758797921, Common Code: 075879792)
(the Series 2012-1 Class 2A2 Notes and holders thereof, the Series 2012-1 Class 2A2 Noteholders)
(the Series 2012 Class 1A Notes, Series 2012-1 Class 2A1 Notes and Series 2012-1 Class 2A2 Notes
together, the Series 2012-2 Notes and holders of the Series 2012-1 Notes, the Series 2012-1
Noteholders)

(the Series 2009-1 Notes, the Series 2010-1 Notes, the Series 2011-1 Notes and the Series 2012-1 Notes
together, the Notes, and holders thereof, the Noteholders)

NOTICE IS HEREBY GIVEN that a meeting of the Noteholders (the **Meeting**) convened by the Issuer will be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD on Monday, 27 October 2014. The Meeting will be held at 10:00 a.m. (London time) (6:00 a.m. New York time), for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as an Extraordinary Resolution in accordance with the provisions of the Note Trust Deed dated 25 July 2008 (as amended or supplemented from time to time, the **Note Trust Deed**) made between the Issuer and Citicorp Trustee Company Limited (the **Note Trustee**). Capitalised terms used in this notice shall have the meanings given to them in the Consent Solicitation Memorandum dated 3 October 2014, the Conditions of the Notes set out in the Note Trust Deed or the Master Definitions and Construction Schedule.

At the date of this Notice, among others, £650,000,000 in aggregate principal amount of the Series 2009-1 Class A3 Notes, €1,100,000,000 in aggregate principal amount of the Series 2010-1 Class A2 Notes, U.S.\$300,000,000 in aggregate principal amount of the Series 2010-1 Class A3 Notes, £170,000,000 in aggregate principal amount of the Series 2011-1 Class 2A Notes, U.S.\$500,000,000 in aggregate principal amount of the Series 2011-1 Class 4A Notes, U.S.\$1,000,000,000 in aggregate principal amount of the Series 2012-1 Class 1A Notes, U.S.\$1,050,000,000 in aggregate principal amount of the Series 2012-1 Class 2A1 Notes and £200,000,000 in aggregate principal amount of the Series 2012-1 Class 2A2 Notes have been issued by the Issuer and remain outstanding.

In accordance with normal practice, each of the Solicitation Agents, the Information and Tabulation Agent, the Note Trustee, the Issuer Security Trustee and the Funding 1 Security Trustee expresses no opinion and makes no representations as to the merits of the proposed amendments referred to in the Extraordinary Resolution set out below (which they have not been involved in negotiating). Each of the Solicitation Agents, the Information and Tabulation Agent, the Note Trustee, the Issuer Security Trustee and the Funding 1 Security Trustee has authorised it to be stated that it has no objection to the Extraordinary Resolution being submitted to the Noteholders for their consideration. Accordingly, each of the Solicitation Agents, the Note Trustee, the Information and Tabulation Agent, the Issuer Security Trustee and the Funding 1 Security Trustee recommends that Noteholders seek their own legal, financial, tax or other advice as to the impact of the implementation of the Extraordinary Resolution.

EXTRAORDINARY RESOLUTION OF THE NOTEHOLDERS

“THAT this Meeting of the holders of £650,000,000 Series 2009-1 Class A3 Mortgage Backed Floating Rate Notes due 2055 (the **2009-1 Notes** and holders thereof, the **2009-1 Noteholders**), €1,100,000,000 Series 2010-1 Class A2 Mortgage Backed Floating Rate Notes due 2055 (the **Series 2010-1 Class A2 Notes** and holders thereof, the **Series 2010-1 Class A2 Noteholders**), U.S.\$300,000,000 Series 2010-1 Class A3 Mortgage Backed Floating Rate Notes due 2055 (the **Series 2010-1 Class A3 Notes** and holders thereof, the **Series 2010-1 Class A3 Noteholders**, the Series 2010-1 Class A2 Notes and Series 2010-1 Class A3 Notes together, the **2010-1 Notes** and holders thereof, the **2010-1 Noteholders**), £170,000,000 Series 2011-1 Class 2A Mortgage Backed Floating Rate Notes due 2055 (the **Series 2011-1 Class 2A Notes** and holders thereof, the **Series 2011-1 Class 2A Noteholders**), U.S.\$500,000,000 Series 2011-1 Class 4A Mortgage Backed Floating Rate Notes due 2055 (the **Series 2011-1 Class 4A Notes** and holders thereof, the **Series 2011-1 Class 4A Noteholders**, the Series 2011-1 Class 2A Notes and Series 2011-1 Class 4A Notes together, the **2011-1 Notes** and holders thereof, the **2011-1 Noteholders**), U.S.\$1,000,000,000 Series 2012-1 Class 1A

Mortgage Backed Floating Rate Notes due 2055 (the **Series 2012-1 Class 1A Notes** and holders thereof, the **Series 2012-1 Class 1A Noteholders**), U.S.\$1,050,000,000 Series 2012-1 Class 2A1 Mortgage Backed Floating Rate Notes due 2055 (the **Series 2012-1 Class 2A1 Notes** and holders thereof, the **Series 2012-1 Class 2A1 Noteholders**) and £200,000,000 Series 2012-1 Class 2A2 Mortgage Backed Floating Rate Notes due 2055 (the **Series 2012-1 Class 2A2 Notes** and holders thereof, the **Series 2012-1 Class 2A2 Noteholders**, the Series 2012-1 Class 2A1 Notes and Series 2012-1 Class 2A2 Notes together, the **2012-1 Notes** and holders thereof, the **2012-1 Noteholders**, the Series 2009-1 Notes, Series 2010-1 Notes, Series 2011-1 Notes and Series 2012-1 Notes, the **Notes** and holders thereof, the **Noteholders**) issued by Silverstone Master Issuer PLC (the **Issuer**) constituted by the Note Trust Deed dated 25 July 2008 (as amended or supplemented from time to time, the **Note Trust Deed**) made between the Issuer and Citicorp Trustee Company Limited (the **Note Trustee**):

1. approves and assents to the Noteholder Proposal set out in the Consent Solicitation Memorandum distributed or otherwise made available to the Noteholders on 3 October 2014.
2. assents to and authorises, directs, requests and empowers the Note Trustee to (and to direct the Issuer Security Trustee to, and to direct the Issuer Security Trustee to in turn direct the Funding 1 Security Trustee to) consent to the Noteholder Proposal and the modification of the Cash Management Agreement, the Funding 1 Bank Account Agreement, the Funding 1 Deed of Charge, the Funding 1 Swap Agreement, the Intercompany Loan Terms and Conditions, the Issuer Bank Account Agreement, the Issuer Cash Management Agreement, the Issuer Master Definitions and Construction Schedule, the Issuer Swap Agreements, the Master Definitions and Construction Schedule, the Mortgages Trust Deed, the Mortgage Sale Agreement, the Mortgages Trustee Bank Account Agreement, the Note Trust Deed, the Paying Agent and Agent Bank Agreement and the Servicing Agreement (together the **Existing Documents**) by way of entry into the Deed of Amendment and the Fifth Amended and Restated Servicing Agreement, the Fourth Amended and Restated Mortgages Trust Deed, the Second Amended and Restated Funding 1 Bank Account Agreement, including the Schedule and Credit Support Annex thereto, the Second Amended and Restated Issuer Bank Account Agreement, the Second Amended and Restated Mortgages Trustee Bank Account Agreement, the Seventh Amended and Restated Master Definitions and Construction Schedule, the Sixth Amended and Restated Cash Management Agreement (including the Form of Collateral Agreement ISDA Master Agreement attached thereto), the Supplemental Funding 1 Deed of Charge, the Supplemental Note Trust Deed, the Third Amended and Restated Mortgage Sale Agreement, the Second Amended and Restated Funding 1 ISDA Master Agreement, including the Schedule and Credit Support Annex thereto, the Funding 1 Fixed Rate Loans Swap Confirmation, the Funding 1 SMR Loans Swap Confirmation, the Funding 1 BMR Loans Swap Confirmation, the Second Amended and Restated ISDA Master Agreement, including the Schedule and Credit Support Annex thereto, in respect of the Series 2009-1 Class A3 Notes, the Second Amended and Restated ISDA Master Agreement, including the Schedule and Credit Support Annex thereto, in respect of the Series 2010-1 Class A2 Notes, the Second Amended and Restated ISDA Master Agreement, including the Schedule and Credit Support Annex thereto, in respect of the Series 2010-1 Class A3 Notes, the Amended and Restated ISDA Master Agreement, including the Schedule and Credit Support Annex thereto, in respect of the Series 2011-1 Class 4A Notes, the Amended and Restated ISDA Master Agreement, including the Schedule and Credit Support Annex thereto, in respect of the Series 2012-1 Class 1A Notes, the Amended and Restated ISDA Master Agreement, including the Schedule and Credit Support Annex thereto, in respect of the Series 2012-1 Class 2A1 Notes, the Second Amended and Restated Issuer Cash Management Agreement, the Amended and Restated Issuer Master Definitions and Construction Schedule, the Amended and Restated Intercompany Loan Terms and Conditions, the Fifth Supplemental Note Trust Deed and the Second Amended and Restated Paying Agent and Agent Bank Agreement (together, the **Amendment Documents**) (each of the Amendment Documents being substantially in the form of the drafts produced to this meeting and for the purpose of identification, signed by the Chairman hereof) to give effect to the following (among other things):

(a) Updated Rating Agency Counterparty Criteria for the Account Banks

It is proposed to update the Funding 1 Bank Account Agreement, the Mortgages Trustee Bank Account Agreement and the Issuer Bank Account Agreement in line with the latest ratings criteria of the Rating Agencies.

(b) Amendments to the Account Bank Replacement Requirements

It is proposed to make certain amendments to the Funding 1 Bank Account Agreement and the Mortgages Trustee Bank Account Agreement to:

(1) For Funding 1:

- (i) enable Funding 1 to enter into panel bank arrangements with Eligible Banks, in order to diversify counterparty exposures. These arrangements also involve the placement of funds for fixed terms potentially enabling Funding 1, if it uses the arrangement, to increase the return it earns on its cash holdings;
- (ii) allow Nationwide, as cash manager (the **Cash Manager**), to elect to retain certain cash amounts (referred to herein as **Funding 1 Deposit Non-Reserved Amounts** and defined more specifically in *Section 6—Definitions* in the Consent Solicitation Memorandum) in the Funding 1 Collateralised GIC Account held with Nationwide rather than transferring these amounts to an alternative third party bank following Nationwide's downgrade below F1 short-term or A long-term by Fitch, P-1 short-term or A2 long-term by Moody's Investors Service Limited (Moody's) and A-1 short-term and A long-term (or, if not rated at least A-1 short-term, at least A+) by S&P (the **Funding 1 Account Bank Required Ratings**). The ability to so retain Funding 1 Deposit Non-Reserved Amounts is subject to Nationwide (A) continuing to be rated at least BBB- by Fitch and (B) providing sufficient collateralisation of these Account Bank exposures through either (i) sovereign bond posting or (ii) additional subordination through issuance of additional Class Z Notes (referred to herein as the **Class Z GIC Collateral Notes**); and
- (iii) require other cash amounts including (i) amounts allocated to the General Reserve Fund and the Funding 1 Liquidity Reserve Fund, (ii) amounts required to pay senior fees and interest in the Funding 1 Pre-Enforcement Revenue Priority of Payments on the next Interest Payment Date and (iii) any amounts of principal due and payable on any Class of Notes with a final legal maturity (the **Final Maturity Date**) within two years (including, for the avoidance of doubt, any Relevant Accumulation Amounts with respect to any Money Market Notes) to be held in the Funding 1 GIC Account (subject to Nationwide maintaining the Funding 1 Account Bank Required Ratings) or with an alternative, sufficiently rated, Account Banks following Nationwide's downgrade below the relevant Funding 1 Account Bank Required Ratings, and

(2) For the Mortgages Trustee:

- (i) allow Nationwide, as Cash Manager, to elect to retain Mortgages Trustee cash amounts in the Mortgages Trustee GIC Account held with Nationwide rather than transferring these amounts to an alternative third party bank following Nationwide's downgrade below F1 short-term or A long-term by Fitch, A3 long-term by Moody's and A-1 short-term and A long-term (or, if not rated at least A-1 short-term, at least A+) by S&P (the **Mortgages Trustee Account Bank Required Ratings**). The ability to so retain Mortgages Trustee cash amounts is subject to Nationwide (A) continuing to be rated at least BBB- by Fitch and (B) providing sufficient collateralisation of these Account Bank exposures through either (i) sovereign bond posting or (ii) additional subordination through issuance of Class Z GIC Collateral Notes; and

- (ii) require the Mortgages Trustee to open a bank account (the **Standby Mortgages Trustee GIC Account**) with a sufficiently rated account bank following Nationwide's downgrade below the Mortgages Trustee Account Bank Required Ratings. This Standby Mortgages Trustee GIC Account will be used if Nationwide is downgraded below BBB- by Fitch or if it fails to provide sufficient collateralisation of its Account Bank exposures as described under sub-paragraph (i) above.

(c) Class Z GIC Collateral Note

It is proposed to amend certain of the Transaction Documents to provide for the issuance of Class Z GIC Collateral Notes. The Class Z GIC Collateral Notes will provide the mechanism for collateralising Funding 1 Deposit Non-Reserved Amounts with mortgages as described in subparagraphs (b)(1)(ii) and (b)(2)(ii) of "*—Amendments to the Account Bank Replacement Requirements*" above. The Class Z GIC Collateral Notes will be non-rated Notes structured as variable funding notes that, when drawn, will provide additional subordination to the senior Rated Notes. If required, the Class Z GIC Collateral Notes will be drawn in an amount sufficient to over-collateralise the amounts in the Funding 1 Collateralised GIC Account which Nationwide has elected to collateralise with mortgages by reference to a ratio that will initially be set at 16.69%.

(d) Amendments to the Funding 1 Swap Agreement

The amendments to the Funding 1 Swap Agreement are based on an assessment of how, if Silverstone were being created today, the asset swaps would be structured. The key proposed changes include:

- (1) updating the Funding 1 Swap Agreement to reflect each Rating Agency's current counterparty criteria;
- (2) splitting the Funding 1 Swap into three separate swap transactions, one each in relation to the Fixed Rate Loans, the SMR Loans and the BMR Loans, respectively;
- (3) removing the tracker rate portion of the Funding 1 Swap. The Rating Agencies will consider additional risks in their ratings assessment and cashflow models, particularly those that take account of Bank of England Base Rate versus LIBOR spread risks;
- (4) removing the replacement requirement and associated collateral posting triggers in respect of the BMR and SMR portions of the Funding 1 Swap and providing an alternative mechanism for maintaining the minimum yield in respect of variable rates under the mortgages through a post-perfection margin covenant that compels the Servicer to set the rate on (1) BMR Loans no lower than the lesser of (x) LIBOR for three-month Sterling deposits plus 2% and (y) the Bank of England Base Rate plus 2%, and (2) SMR Loans no lower than LIBOR for three-month Sterling deposits plus 2%;
- (5) amending the Funding 1 Swap such that termination of the SMR and BMR swap transactions are linked to the occurrence of a perfection event as described in the Consent Solicitation Memorandum and the Amendment Documents; and
- (6) making certain changes to each Funding 1 Swap Agreement in order to address potential withholding under FATCA and regulatory requirements under EMIR.

Nationwide is best placed to provide the BMR and SMR hedges because the BMR Loans and SMR Loans are subject to administered rates set at Nationwide's discretion giving Nationwide, as swap provider in this context, a natural hedge while it provides these swaps. Forcing a transfer to a third party replacement counterparty that does not control the underlying loan interest rates in practice would be problematic.

(e) Repurchase of Surplus Loans following redemption of the Series 2011-1 Class 3A Notes

It is proposed that the Mortgage Sale Agreement be amended to permit Nationwide, as Seller, to offer to repurchase Surplus Loans from the Issuer upon the redemption of the Series 2011-1 Class 3A Notes which are held by Nationwide and have an aggregate Principal Amount Outstanding of £9,500,000,000. Under the proposed amendments, Nationwide, as Seller, would be permitted to offer to repurchase from the Issuer Surplus Loans in an aggregate Outstanding Principal Balance not exceeding £8,088,403,586. The aim of limiting the size of the repurchase to approximately £8,088,403,586 is to minimise the impact on the weighted average lives (**WALs**) of the remaining Notes. An Expected Repurchase Portfolio was selected by Nationwide as of 31 July 2014 from which the Surplus Loans subject to this proposed repurchase will be selected. The selection process for the Expected Repurchase Portfolio consisted of first removing nearly all Fixed Rate Loans in the portfolio and then selecting additional Loans on a random basis subject to the Programme's Eligibility Criteria. Nationwide will have the option to complete the redemption of the Series 2011-1 Class 3A Notes and repurchase the Surplus Loans at any time following the Signing Date. It is expected that this will occur in the first quarter of 2015 although, solely for purposes of calculating the WALs set out in Schedule 1 hereto, we have assumed that this redemption and repurchase will occur in October 2014.

(f) Other Amendments to the Programme

It is proposed:

- (1) *Stop Replenishment Trigger*—to amend the Mortgage Sale Agreement to remove the provision which prevents the Mortgages Trustee from purchasing Loans and their Related Security from the Seller if the Seller does not have certain minimum ratings and to remove related Moody's requirements for the sale of loans to the Mortgages Trustee which require the Seller, if its then short term, unsecured, unsubordinated and unguaranteed debt obligations are rated below P-1 by Moody's but are rated no lower than P-2 by Moody's to, depending on certain factors specified in the Mortgage Sale Agreement, obtain a report from independent accountants concerning both (x) any Loans to be sold to the Mortgages Trust on such Sale Date and (y) all Loans which have been sold to the Mortgages Trust subsequent to any previous accountant's report. This will enable Nationwide, following a downgrade below the current rating trigger, to continue to have the option to use and support the Mortgages Trust by adding additional Loans and their Related Security to the Trust Property, subject to the requirement that Nationwide issue a solvency certificate when such Loans are purchased by the Mortgages Trustee and subject at all times to the Programme's existing eligibility requirements.
- (2) *Direct Debit Redirection*—to amend the Servicing Agreement to remove the requirement that direct debits from Borrowers be redirected into an account controlled by a third party bank in the event that the Servicer does not have certain minimum ratings and instead to provide sufficient additional credit enhancement to mitigate the risk. This will be in-line with other recent new issues, and means that Nationwide can continue to service the securitised portfolio identically to its non-securitised portfolio following downgrade below the current rating trigger.
- (3) *Authorised Investments*—to amend the definition of "Authorised Investments" to permit amounts which may be invested in Authorised Investments pursuant to the Transaction Documents, to be invested in AAA money market funds.
- (4) *Minimum Seller Share*—to amend the definition of "Minimum Seller Share" to take into account the consequences of the Financial Services Compensation Scheme on the transactions such that the formula used to calculate the Minimum Seller Share more

accurately reflects the risks of set-off against which the Minimum Seller Share is designed to protect.

- (5) *Portfolio Representations and Warranties*—to supplement the existing representations and warranties in the Mortgage Sale Agreement with respect to the Loans and their Related Security comprising the Trust Property in order to meet the best practice standards in the asset-backed securities market set by the Prime Collateralised Securities (**PCS**). The PCS was launched on 14 November 2012 and is administered by Prime Collateralised Securities (PCS) UK Limited.
- (6) *EMIR and FATCA Compliance*—to amend the Cash Management Agreement to ensure that the Issuer and Funding 1 can each delegate the responsibility for compliance with its obligations under EMIR and FATCA to appropriate parties.
- (7) *Programme Maturity*—to amend the Mortgage Sale Agreement to allow the Mortgages Trustee to purchase longer-dated Loans which mature no later than the later of (i) 2 January 2053 and (ii) the earliest Final Maturity Date of any outstanding Notes (other than any Notes designated in the relevant Final Terms as Money Market Notes for the purposes of Rule 2a-7 under the Investment Company Act and any Notes with a Final Maturity Date of 21 January 2055) minus 2 years. In addition, it is proposed that the Seller will covenant to ensure that the aggregate True Balance of Loans comprising the Trust Property which mature no later than 2 January 2053 will be equal to or greater than the product of (i) 1 plus the Minimum Seller Share expressed as a percentage of the aggregate Outstanding Principal Balance of the Loans and (ii) the aggregate Principal Amount Outstanding of the Notes with a Final Maturity Date of 21 January 2055, and any two consecutive failures to meet such requirement will constitute a Non-Asset Trigger Event. This change will enable the Issuer to continue to issue Notes in the future without being constrained by the current Loan maturity date limit.
- (8) *Appointment of back-up servicer*—to amend the Servicing Agreement to replace the trigger to appoint a master servicer with a trigger to appoint a back-up servicer. Within 60 days of the Servicer ceasing to be assigned certain threshold ratings, the Servicer will use reasonable endeavours to appoint a back-up servicer satisfactory to the Mortgages Trustee, the Beneficiaries and the Funding 1 Security Trustee.

A master servicer, if appointed, would take the primary servicing role, whereas under the proposed back-up servicer arrangement, Nationwide will retain primary servicing responsibilities upon a downgrade. This will reduce inefficiencies arising from a servicing transfer at a time when, although Nationwide has been downgraded, a Servicer Termination Event has not occurred and Nationwide may still be capable of servicing the Loans.

- (9) *Appointment of back-up cash manager*—to amend the Cash Management Agreement to provide that, within 60 days of the Cash Manager ceasing to be assigned a long-term unsecured, unguaranteed and unsubordinated debt obligation rating by Moody's of at least Baa3, the Cash Manager will use reasonable endeavours to appoint a back-up cash manager satisfactory to the Mortgages Trustee, the Beneficiaries and the Funding 1 Security Trustee.
- (10) *Issuer Swap Agreements*—to amend the Issuer Swap Agreements to reflect each Rating Agency's current counterparty criteria, to address potential withholding under FATCA and to address regulatory requirements under EMIR.

(g) Incentive Fee:

- (1) It is proposed that the Issuer will pay the Incentive Fee to Eligible Noteholders (as described in more detail in paragraph 1 of *Section 2—Noteholder Proposal* in the Consent Solicitation

Memorandum) pursuant to item (d) of the Issuer Pre-Enforcement Priority of Payments or Post-Enforcement Priority of Payments, as applicable.

- (2) Any fees and expenses incurred by the Issuer (including any fees and expenses owing to legal counsel and Rating Agencies) as a result of the proposed changes to the Programme which are the subject of this Noteholder Proposal will be payable by the Issuer pursuant to item (d) of the Issuer Pre-Enforcement Priority of Payments or Post-Enforcement Priority of Payments, as applicable.

(h) All consequential amendments relating to paragraphs (a) to (g) above.

3. Sanctions and assents to every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders appertaining to the Notes against the Issuer, whether or not such rights arise under the Note Trust Deed, involved in or resulting from or to be effected by, the modifications referred to in paragraphs (1) and (2) of this Extraordinary Resolution and its implementation.
4. Authorises, directs, requests and empowers the Note Trustee to concur in the modifications referred to in paragraphs (1) and (2) of this Extraordinary Resolution and, in order to give effect thereto and to implement the same, forthwith to Execute the Amendment Documents and to direct the Issuer Security Trustee to, and to direct the Issuer Security Trustee to in turn direct the Funding 1 Security Trustee to (each document substantially in the form of the draft produced to this Meeting and for the purpose of identification, signed by the Chairman); and to concur in, and to execute and do, all such other deeds, instruments, acts and things as may be necessary or appropriate to carry out and give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraphs (1) and (2) of this Extraordinary Resolution.
5. Waives any and all requirements, restrictions or conditions precedent set forth in the Transaction Documents on any person in respect of implementation of the modifications to and the entry into of the documents listed at paragraph 2 to give effect to and implement paragraphs (1) and (2) of this Extraordinary Resolution.
6. Discharges, exonerates and indemnifies the Note Trustee, the Issuer Security Trustee and the Funding 1 Security Trustee from all liability of whatsoever nature for which it may have become or may become responsible under the Note Trust Deed, the Notes or any of the Transaction Documents or Funding 1 Transaction Documents (as the case may be) in respect of any act or omission in connection with this Extraordinary Resolution, the Consent Solicitation Memorandum, the Noteholder Proposal, the Amendment Documents even though it may be subsequently found that there is a defect in the passing of this Extraordinary Resolution or that for any reason, this Extraordinary Resolution is not valid or binding on the Noteholders.
7. Agrees that capitalised terms in this document which are not defined herein shall have the meanings given to them in the Consent Solicitation Memorandum dated 3 October 2014 and the Noteholder Proposal or the Note Trust Deed (including the Conditions) (copies of which are available on display as referred to in the Notice of Meeting).
8. Agrees and acknowledges that, by voting in favour of this Extraordinary Resolution, it has duly received notice of the Meeting and the Noteholder Proposal on 3 October 2014 in accordance with the Terms and Conditions of the Notes.”

NOTEHOLDER PROPOSAL

The Issuer has convened the Meeting of the Noteholders by the above notice to request that Noteholders consider and, if thought fit, pass the Extraordinary Resolution to give effect to the Noteholder Proposal.

The Noteholder Proposal is being put to Noteholders for the reasons set out in the Consent Solicitation Memorandum.

Noteholders are referred to the Consent Solicitation Memorandum which provides further background to, the full reasons for, and further implications of, the Noteholder Proposal.

GENERAL INFORMATION

The attention of Noteholders is particularly drawn to the quorum required for the Meeting and for an adjourned Meeting which is set out in paragraph C of **Voting and Quorum** below.

Copies of the Note Trust Deed (including the Conditions) and the draft Amendment Documents referred to in the Extraordinary Resolution set out above and of certain other relevant documents will be available for inspection during normal business hours by Noteholders at the specified office of the Information and Tabulation Agent set out below beginning on or about 8 October 2014. A copy of the Investor Presentation can also be downloaded from a password-protected website of the Information and Tabulation Agent at <http://www.transactionservices.citi.com/offerinfo>. Noteholders may obtain the password to this website upon request to the Information and Tabulation Agent, subject to satisfying the Consent Solicitation Restrictions.

VOTING AND QUORUM

A. For Notes held through Euroclear or Clearstream, Luxembourg:

The provisions governing the convening and holding of the Meeting are set out in Schedule 6 (*Provisions for Meetings of Noteholders*) to the Note Trust Deed, a copy of which is available for inspection by the Noteholders during normal business hours at the specified office of the Information and Tabulation Agent set out below. The following is a summary of the provisions in Schedule 6 (*Provisions for Meetings of Noteholders*) to the Note Trust Deed.

A Noteholder wishing to attend the Meeting in person must produce at the Meeting a valid voting certificate issued by the Information and Tabulation Agent relating to the Note(s) in respect of which he wishes to vote.

A Noteholder not wishing to attend and vote at the Meeting in person may give an electronic voting instruction (by giving his voting instructions to Clearstream, Luxembourg and/or Euroclear (as applicable)) instructing the Information and Tabulation Agent to appoint a proxy to attend and vote at the Meeting in accordance with his instructions. By giving such electronic voting instruction, the Noteholder irrevocably authorises Clearstream, Luxembourg and/or Euroclear (as applicable) to disclose to the Information and Tabulation Agent the identity of the Direct Participant account holder and all other information relating to or in connection with the holding of the Notes or the account in which the Notes are held.

A Noteholder must request Clearstream, Luxembourg and/or Euroclear (as applicable) to block the Notes in his own account and to hold the same to the order or under the control of the Information and Tabulation Agent not later than 48 hours before the time appointed for holding the Meeting in order to obtain voting certificates or give voting instructions in respect of the Meeting. Notes so blocked will not be released until the earlier of:

- (a) the conclusion of the Meeting (or, if applicable, any adjournment of such Meeting); and
- (a) (i) in respect of voting certificate(s), the surrender to the Information and Tabulation Agent of such voting certificate(s) and notification by the Information and Tabulation Agent to the relevant Clearing System of such surrender or the compliance in such other manner with the rules of Clearstream, Luxembourg and/or Euroclear (as applicable); or

- (ii) in respect of voting instructions, not less than 48 hours before the time for which the Meeting (or, if applicable, any adjournment of such Meeting) is convened, the notification in writing of any revocation of a Noteholder's previous instructions to the Information and Tabulation Agent and the same then being notified in writing by the Information and Tabulation Agent to the Issuer at least 24 hours before the time appointed for holding the Meeting and such Notes ceasing in accordance with the procedures of Clearstream, Luxembourg and/or Euroclear (as applicable) and with the agreement of the Information and Tabulation Agent to be held to its order or under its control.

B. For Notes held through DTC

This section B only applies to Notes held through DTC.

A Noteholder or Beneficial Owner wishing to vote on the Extraordinary Resolution may submit, or arrange to have submitted on its behalf, at or before the Expiration Deadline and the deadlines set by DTC, a duly completed Electronic Voting Instruction to DTC in accordance with the requirements of DTC using DTC's ATOP procedures described below and in the manner specified herein.

Pursuant to the ATOP requirements, the Information and Tabulation Agent (a) has confirmed with DTC that this Consent Solicitation and the Series 2009-1 Notes, the Series 2010-1 Notes, the Series 2011-1 Notes and the Series 2012-1 Notes are eligible for ATOP; and (b) has established an ATOP Account with respect to such Notes. Using the ATOP procedures, a Direct Participant of DTC registers a vote in respect of the Extraordinary Resolution by causing DTC to transfer a Noteholder or Beneficial Owner's Notes into the relevant ATOP Account. DTC then notifies the Information and Tabulation Agent of DTC's receipt of such vote by delivering an Agent's Message to the Information and Tabulation Agent.

Holders who wish to vote on the Extraordinary Resolution should note that they must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC on such respective date. Any instructions not received by the Information and Tabulation Agent prior to the Expiration Deadline will be disregarded and of no effect. **No Incentive Fee will be payable to any Noteholder if instructions from that Noteholder are not received by the Information and Tabulation Agent by the Early Voting Deadline.**

The Noteholder or Beneficial Owner (as the case may be) must clearly state in the Electronic Voting Instructions:

1. the aggregate principal amount of Notes with respect to which it wishes to vote in favour of the relevant Extraordinary Resolution; and
2. the Participant account number for DTC in which the Notes are held.

By submitting or delivering an Electronic Voting Instruction through DTC to the Information and Tabulation Agent, Noteholders are deemed to:

- (a) authorise DTC to disclose their Account holder identity, the principal amount of the Notes with respect to which the Noteholder wishes to vote and its DTC account details to each of the Issuer, the Solicitation Agents, the Note Trustee and the Information and Tabulation Agent;
- (b) represent and warrant that it has full power and authority to submit the Electronic Voting Instruction;
- (c) agree to be bound by the terms of this Consent Solicitation Memorandum; and
- (d) agree that the Issuer may enforce the Electronic Voting Instruction against it.

Notes that have been transferred into an ATOP Account will be held under a temporary CUSIP number and will be blocked to the order of the Information and Tabulation Agent during the Blocking Period. During the Blocking Period, any Notes that have been transferred into the ATOP Account may not be retransferred. On

the next business day following the expiration of the Blocking Period, the relevant Series 2009-1 Notes, Series 2010-1 Notes, Series 2011-1 Notes and Series 2012-1 Notes will be transferred back to the relevant Direct Participants and will trade under their original CUSIP numbers.

C. General provisions relating to the Meeting:

1. The quorum at the Meeting for passing an Extraordinary Resolution shall (subject as provided below) be two or more persons holding Notes or voting certificates or being proxies in respect thereof and holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes for the time being outstanding. If, within fifteen minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for the Meeting, a quorum is not present at the Meeting, the Meeting shall be adjourned for such period (which shall be not less than 13 clear days and not more than 42 clear days) and to such place as the Chairman determines (with the approval of the Note Trustee). The Extraordinary Resolution will be considered at an adjourned Meeting (notice of which will be given to the Noteholders). The quorum at such an adjourned Meeting will be one or more persons holding Notes or voting certificates whatever the aggregate Principal Amount Outstanding of the Notes of such Series and class or such one or more Series of the same class so held or represented.
2. Every question submitted to the Meeting will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman, the Issuer, the Note Trustee or any person present holding a Definitive Note or a voting certificate or being a proxy or representative (whatever the principal amount of the Notes so held or represented by him). On a show of hands every person who is present in person and produces a voting certificate or is a Holder of Notes or is a proxy or representative shall have one vote. On a poll every person who is so present in person and is a proxy shall have one vote in respect of each £1,000, €1,000 or \$1,000, as applicable, of the Principal Amount Outstanding represented or held by him. In case of equality of votes the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Noteholder or as a Holder of a voting certificate or as a proxy or as a representative.

To be passed, the Extraordinary Resolution requires a majority in favour consisting of not less than 75 per cent. of the votes cast on such Extraordinary Resolution. If passed, the Extraordinary Resolution will be binding upon all the Noteholders, whether or not present at the Meeting and whether or not voting. Noteholders should however be aware that the implementation of the Noteholder Proposal will be conditional upon, among other things, the passing of the Extraordinary Resolution.

**CITIBANK, N.A., LONDON BRANCH
(Information and Tabulation Agent)**

Attention: Exchange Team
Citigroup Centre
Canada Square
London E14 5LB

CITICORP TRUSTEE COMPANY LIMITED

(Note Trustee)
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

This Notice is given by:
Silverstone Master Issuer PLC
c/o Wilmington Trust SP Services (London) Limited
Third Floor, 1 King's Arms Yard
London EC2R 7AF

Dated 3 October 2014

Noteholders should contact the Information and Tabulation Agent for further information:

Citibank, N.A., London Branch, Attention: Exchange Team, Citigroup Centre, Canada Square, London, E14 5LB, Tel: +44 (0) 20 7508 3867, Email: exchange.gats@citi.com.

ISSUER

Silverstone Master Issuer PLC

c/o Wilmington Trust SP Services (London) Limited
Third Floor, 1 King's Arms Yard
London EC2Y 7AF
Attn: The Directors
Fax: +44 20 7397 3601

INFORMATION AND TABULATION AGENT

Citibank, N.A., London Branch

Citigroup Centre
Canada Square
London E14 5LB

Tel: +44 (0) 20 7508 3867

Attention: Exchange Team
Email: exchange.gats@citi.com

SOLICITATION AGENTS

Citigroup Global Markets Limited

Canada Square
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London E14 5LB
United Kingdom

Tel: +44 20 7986 8969

Email: liabilitymanagement.europe@citi.com

Attention: Liability Management Group

Nationwide Building Society

Nationwide House, Pipers Way
Swindon SN38 1NW