IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE U.S. EXCEPT TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED BELOW.

IMPORTANT: YOU MUST READ THE FOLLOWING BEFORE CONTINUING. THE FOLLOWING APPLIES TO THE PROSPECTUS FOLLOWING THIS PAGE (THE " **PROSPECTUS**"), AND YOU ARE THEREFORE ADVISED TO READ THIS CAREFULLY BEFORE READING, ACCESSING OR MAKING ANY OTHER USE OF THE PROSPECTUS. IN ACCESSING THE 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 INVITATION OR OFFER TO SELL OR THE SOLICITATION OF AN INVITATION OR 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 AND ANY CERTIFICATES (THEN IN ISSUE) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE U.S., AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT (THE "**INVESTMENT COMPANY ACT**") AND THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTED OR INDIRECTLY, WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. 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. CERTAIN NOTES MAY BE OFFERED AND SOLD IN THE UNITED STATES TO PERSONS THAT ARE "QUALIFIED INSTITUTIONAL BUYERS" ("**QIBS**") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") ACTING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS IN RELIANCE ON RULE 144A.

YOU MAY NOT FORWARD OR DISTRIBUTE THE PROSPECTUS TO ANY OTHER PERSON OR REPRODUCE THE PROSPECTUS IN ANY MANNER WHATSOEVER, AND, IN PARTICULAR, YOU MAY NOT FORWARD THE PROSPECTUS TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS OTHER THAN TO QIBS. ANY SUCH FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE 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 U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER U.S. OR STATE REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES APPROVED OR DISAPPROVED THIS PROSPECTUS OR CONFIRMED THE ACCURACY OR ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE UNDER U.S. LAW. THIS PROSPECTUS SUPERSEDES ANY PRIOR DOCUMENTS, INFORMATION OR MATERIALS PREVIOUSLY PROVIDED TO YOU.

THE PROSPECTUS HAS BEEN DELIVERED TO YOU ON THE BASIS THAT YOU ARE A PERSON INTO WHOSE POSSESSION THE PROSPECTUS MAY BE LAWFULLY DELIVERED IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH YOU ARE LOCATED. BY ACCESSING THE 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 PROSPECTUS BY ELECTRONIC TRANSMISSION, (C) YOU ARE EITHER (I) NOT A "U.S. PERSON" (WITHIN THE MEANING OF REGULATION S) OR ACTING FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON AND THE ELECTRONIC MAIL ADDRESS THAT YOU HAVE GIVEN TO US AND TO WHICH THIS EMAIL HAS BEEN DELIVERED IS NOT LOCATED IN THE UNITED STATES,

ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. 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 UNDER THE SECURITIES ACT, (D) IF YOU ARE A PERSON IN THE UNITED KINGDOM, 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**"); NOR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97/EU, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II.

THE 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 ARRANGER (AS DEFINED BELOW), THE LEAD MANAGER (AS DEFINED BELOW), PAVILLION MORTGAGES 2024-1 PLC, BARCLAYS BANK UK PLC, BARCLAYS BANK PLC 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 PROSPECTUS DISTRIBUTED TO YOU IN ELECTRONIC FORMAT AND THE HARD COPY VERSION AVAILABLE TO YOU ON REQUEST FROM THE ARRANGER OR THE LEAD MANAGER.

Neither the Notes nor any Certificates (then in issue) have been and nor will they be registered under the United States Securities Act 1933, as amended (the "Securities Act"), or the securities laws or "blue sky laws" of any state or other jurisdiction of the United States, and neither the Notes nor any Certificates (then in issue) may be offered or sold in transactions that occur outside the United States, except to persons that are "qualified institutional buyers" (QIBS) as defined in rule 144a under the securities act (Rule 144A) acting for their own account or for the account of one or more QIBS in reliance on Rule 144A. Prospective purchasers are accordingly hereby notified that sellers of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Notes and any Certificates (then in issue) will be subject to restrictions on resale and transfer. See "*Subscription and Sale and Transfer and Selling Restrictions*".

In addition, the Issuer has not been registered and does not intend to register as an Investment Company under the U.S. Investment Company Act of 1940, as amended (the Investment Company Act).

PAVILLION MORTGAGES 2024-1 PLC
(*incorporated in England and Wales with limited liability under registered number 15800566*)
Legal Entity Identifier: 635400CN5QLLGWRQSA75
Securitisation Transaction Unique Identifier: 635400CN5QLLGWRQSA75N202401

Class	Initial Class Principal Amount	Issue Price	Reference Rate[(1)]	Initial Margin (per annum)	Step-Up Margin (per annum)	Step-Up Date[(2)]	Expected Ratings (DBRS (sf) / Fitch (sf))[(3)]	Final Redemption Date
A	£730,049,000	99.8646%	Compounded Daily SONIA	0.75%	1.50%	Payment Date falling in April 2028	AAA / AAA	Payment Date falling in January 2076
B	£63,879,000	100.0000 %	Compounded Daily SONIA	1.40%	2.10%	Payment Date falling in April 2028	AA / AA-	Payment Date falling in January 2076
C	£41,065,000	99.8410%	Compounded Daily SONIA	1.75%	2.625%	Payment Date falling in April 2028	A / A	Payment Date falling in January 2076
D	£29,658,000	99.6860%	Compounded Daily SONIA	2.40%	3.40%	Payment Date falling in April 2028	BBB (low) / BBB	Payment Date falling in January 2076
E	£25,095,000	99.3887%	Compounded Daily SONIA	3.80%	4.80%	Payment Date falling in April 2028	BB (low) / BB	Payment Date falling in January 2076
F	£13,688,000	100.9008 %	Compounded Daily SONIA	5.30%	6.30%	Payment Date falling in April 2028	B (low) / B	Payment Date falling in January 2076
G	£9,126,000	91.4845%	Compounded Daily SONIA	7.00%	8.00%	Payment Date falling in April 2028	NR	Payment Date falling in January 2076
Z	£18,253,000	82.1878%	Compounded Daily SONIA	7.00%	8.00%	Payment Date falling in April 2028	NR	Payment Date falling in January 2076

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes are collectively the "**Notes**" or the "**Floating Rate Notes**". The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are together the "**Rated Notes**". The Class G Notes and the Class Z Notes are the "**Unrated Notes**".

Only the Notes (excluding the Notes purchased by the Retention Holder) are being sold through the Lead Manager. Any Certificates (then in issue) are not being offered by this Prospectus. Any transferee of any

Certificate (then in issue) is prohibited from relying on this Prospectus in connection with any such transaction.

(1) The rate of interest payable on each class of Floating Rate Notes and each accrual period will be based on a per annum rate equal to the SONIA reference rate plus the Initial Margin or the Step-Up Margin (as applicable) as described above.

(2) The Step-Up Date is the Payment Date in April 2028. The first Payment Date will occur on the Payment Date falling in January 2025, and thereafter will occur on the 25th of January, April, July and October in each year.

(3) A designation of "NR" means that the Rating Agencies will not rate that Class of Notes as of the Closing Date. The Class G Notes, the Class Z Notes and any Certificates (then in issue) will not be rated by any Rating Agency. The assignment of a rating is not a recommendation to invest in any class of Notes or to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

ARRANGER

BARCLAYS

LEAD MANAGER

BARCLAYS

The date of this Prospectus is 29 October 2024.

Issue date	The Issuer will issue the Notes on or about 31 October 2024 (the "**Closing Date**").
Significant Investor(s)	The Seller will, on the Closing Date, purchase 95 per cent. of the Class A Notes. One or more funds, or related funds, managed or advised by the same investment manager will acquire 95 per cent. of each of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes. As at the Closing Date, the Retention Holder will hold 5 per cent. of each Class of Notes and the Sponsor Administrator will be entitled to 100 per cent. of the Senior Deferred Consideration and the Residual Deferred Consideration. It is expected on the Closing Date that one or more third party investors will acquire 95 per cent. of the Residual Deferred Consideration from the Sponsor Administrator.
Standalone/programme issuance	Standalone issuance.
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 U.S. or any other relevant jurisdiction and may not be offered or sold within the U.S. or to, or for the account or benefit of, "U.S. 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 applicable state securities laws. Accordingly, the Notes are being offered and sold only (a) outside the United States to persons other than U.S. persons as defined in Regulation S in offshore transactions in reliance on, and in compliance with, Regulation S and (b) in the United States to a limited number of QIBs as defined in the Securities Act in connection with resales by the Lead Manager, in reliance on, and in compliance with, Rule 144A.
Underlying assets	The Issuer's primary source of funds to make payments on the Notes, the Senior Deferred Consideration and the Residual Deferred Consideration will be payments received in respect of a portfolio of first ranking residential mortgage loans originated by Barclays Bank UK PLC or Barclays Bank PLC and secured on properties located in England, Wales, Scotland and Northern Ireland which will be assigned to the Issuer on the Closing Date in accordance with the terms of the Mortgage Sale Agreement. As at the Closing Date, the Mortgage Loans included in the Mortgage Portfolio consist of Fixed Rate Mortgage Loans (and at the expiry of the relevant fixed rate term of any such Mortgage Loan, it will become a Tracker Rate Mortgage Loan), Tracker Rate Mortgage Loans, Discount Tracker Rate Mortgage Loans and Zero Rate Mortgage Loans. See "*The Mortgage Loans and the Mortgage Portfolio – Key features of the Mortgage Loans*" for a detailed description of the Mortgage Loans offered by the Seller that may be included in the Mortgage Portfolio.
Credit enhancement	(a) Over-collateralisation funded by Notes ranking junior to such Class of Notes in the Priority of Payments; (b) following the service of an Enforcement Notice, application of all amounts standing to the credit of the General Reserve Fund and the Liquidity Reserve Fund (if any) in accordance with the Post-Enforcement Priority of Payments;

(c) in respect of the Class Z Notes only, prior to the service of an Enforcement Notice and provided that the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes have been redeemed in full, application of amounts standing to the credit of the General Reserve Fund (if any) as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments; and

(d) the availability of excess Revenue Receipts to make payments in respect of principal deficiencies.

Liquidity support..... (a) Subordination in payment of those Classes of Notes and any Senior Deferred Consideration and Residual Deferred Consideration ranking junior in the Priority of Payments;

(b) in respect of the Rated Notes and the Senior Deferred Consideration only, prior to the service of an Enforcement Notice, application of amounts standing to the credit of the General Reserve Fund as Available Revenue Receipts in relation to General Reserve Fund Payments, in accordance with the Pre-Enforcement Revenue Priority of Payments (subject, where applicable, to the relevant PDL Condition being satisfied);

(c) in respect of the Class A Notes, the Class B Notes (subject to the relevant PDL Condition being satisfied) and the Senior Deferred Consideration only, prior to the Class B Notes being redeemed in full or the service of an Enforcement Notice, application of amounts standing to the credit of the Liquidity Reserve Fund (if any) as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments to pay Senior Revenue Amounts; and

(d) in respect of the Rated Notes only, the application of Principal Addition Amounts to cure any Revenue Shortfall (subject, where applicable, to the relevant PDL Condition being satisfied).

Redemption provisions..... Information on any optional and mandatory redemption of the Notes is summarised in "*Transaction Overview – Overview of the Characteristics of the Notes and Certificates (then in issue) – Redemption*" and set out in full in Condition 7 (*Redemption, Purchase and Cancellation*).

Rating Agencies ..... The Rated Notes will be rated by DBRS and Fitch, (each a "**Rating Agency**" and together, the "**Rating Agencies**").

As of the date of this prospectus (this "**Prospectus**"), each of the Rating Agencies is a credit rating agency established in the United Kingdom (the "**UK**") and is registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the EUWA (the "**UK CRA Regulation**").

As of the date of this Prospectus, DBRS and Fitch are not established in the European Union and have not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**EU CRA Regulation**"). The ratings that DBRS is expected to assign to the Rated Notes on or before the Closing Date will be endorsed by DBRS Ratings GmbH, which is established in the European

Union and registered under the EU CRA Regulation. The ratings that Fitch is expected to assign to the Rated Notes will be endorsed by Fitch Ratings Ireland Limited, which is established in the European Union and registered under the EU CRA Regulation.

Any credit rating assigned to a Class of Notes may be revised, suspended or withdrawn at any time. Certain nationally recognised statistical rating organisations **(**"**NRSROs**"), as defined in Section 3(a)(62) of the Exchange Act, that were not hired by the Issuer may use information they receive pursuant to Rule 17g-5 under the Exchange Act ("**Rule 17g-5**") to rate the notes. No assurance can be given as to what ratings a non-hired NRSRO would assign. The Rating Agencies have informed the Issuer that the "sf" designation in the ratings represents an identifier of structured finance product ratings and has been implemented by the Rating Agencies for ratings of structured finance products as of August 2010.

Credit ratings..... Ratings are expected to be assigned to the Rated Notes as set out above on or before the Closing Date. The Unrated Notes will not be rated.

The ratings assigned by Fitch and DBRS to the Rated Notes address the likelihood of (a)(i) full and timely payment of interest on the Class A Notes; (ii) ultimate payment of interest on the Class B Notes (unless the Class B Notes are the Most Senior Class of Notes when it addresses the likelihood of full and timely payment of interest accrued on the Class B Notes on and from the date on which they became the Most Senior Class of Notes (excluding, for the avoidance of doubt, any interest accruing on any Deferred Interest or Additional Interest which accrued prior to the date on which the Class B Notes became the Most Senior Class of Notes)); and (iii) ultimate payment of interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes; and, (b) ultimate payment of principal on the Rated Notes.

Except as described above, the Issuer has not requested a rating of any Class of Notes by any rating agency other than the Rating Agencies; there can be no assurance, however, as to whether any other rating agency would rate any Class of Notes, or what rating would be assigned by any such rating agency. Any rating assigned by such other rating agency to a Class of Notes could be lower than the rating assigned by the Rating Agencies to such Class of Notes.

Listing..... This Prospectus has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (as amended, the "**UK Prospectus Regulation**"). The FCA only approves this Prospectus 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 Prospectus or the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

Such approval relates only to each Class of Notes which are to be admitted to trading on the regulated market of the London Stock Exchange or other regulated markets for the purposes of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**") or which are to be offered to the public in the UK.

Application has been made to the FCA for the Notes to be listed on the Official List and to the London Stock Exchange plc for the Notes to be admitted to trading on its regulated market. The Senior Deferred Consideration (if certificated in the form of the Class S Certificates) and the Residual Deferred Consideration (if certificated in the form of the Class Y Certificates) (together, the "**Certificates**" and the holders thereof, the "**Certificateholders**") will not be listed or admitted to trading. Any Certificates (then in issue) are not being offered by this Prospectus. Information contained in this Prospectus relating to any Certificates (then in issue) is included herein for completeness.

Validity ..... This Prospectus is valid for 12 months after its approval. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once the Notes are admitted to the Official List and trading on its regulated market.

Obligations ..... The Notes and the requirement to pay the Senior Deferred Consideration and the Residual Deferred Consideration 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 and the requirement to pay the Senior Deferred Consideration and the Residual Deferred Consideration will not be obligations of or guaranteed by any other Transaction Party, their affiliates or any other party named in this 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 Prospectus.

UK and EU Risk Retention ..... On the Closing Date, Barclays Bank PLC (the "**Retention Holder**") will retain, as sponsor, on an ongoing basis a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6(1) of the UK Securitisation Regulation and Article 6(1) of the EU Securitisation Regulation (as required for the purposes of Article 5(1)(d) of the EU Securitisation Regulation) (the "**EU Retention Requirements**"**)** not taking into account any relevant national measures, as if it were applicable to it, but solely as such articles are interpreted and applied on the Closing Date and until such time when the Retention Holder is able to certify to the Issuer and the Note Trustee that a competent EU authority has confirmed that the satisfaction of the UK Retention Requirements will also satisfy the EU Retention Requirements (and together with the U.S. Risk Retention Requirements, the "**Risk Retention Requirements**") due to the application of an equivalence regime or similar analogous concept.

As at the Closing Date, such interest will be comprised of the Retention Holder holding no less than 5 per cent. of the nominal value of each Class of Notes and no less than 5 per cent. interest in the Senior Deferred Consideration in accordance with Article 6(3)(a) of the UK Securitisation Regulation and Article 6(3)(a) of the EU Securitisation Regulation (as if it were applicable to the Retention Holder and solely as it applies on the Closing Date) (and together with the EVI retained in accordance with the U.S. Risk Retention Rules the "**Retained Interest**").

Potential EU affected investors should note that the obligation of the Retention Holder to comply with the EU Retention Requirements is strictly contractual

pursuant to the terms of the Risk Retention Letter and applies with respect to Article 6 of the EU Securitisation Regulation together with any binding technical standards solely as in force on the Closing Date.

In addition, to the extent that Article 6 of the EU Securitisation Regulation is amended or new binding technical standards are introduced, the Retention Holder will be under no obligation to comply with such amendments.

Each potential EU and UK affected investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 5 of the EU Securitisation Regulation and Article 5 of the UK Securitisation Regulation and any corresponding national measures which may be relevant to such affected investors and none of the Issuer, the Seller, the Legal Title Holder, the Note Trustee, the Lead Manager, the Arranger, the Retention Holder, the Sponsor Administrator or any other Transaction Party makes any representation that any such information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

See further "*Certain Regulatory Requirements – The Securitisation Regulation – UK and EU risk retention requirements*".

UK Simple, Transparent and Standardised (STS) Securitisation .....

The Notes are not intended to be designated as UK STS securitisation for the purposes of the UK Securitisation Regulation (or as EU STS securitisation for the purposes of the EU Securitisation Regulation). See the section entitled "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity in respect of the Notes – Simple, transparent and standardised securitisations (STS) and UK STS designation – UK STS designation impacts on regulatory treatment of the Notes*" for further information.

U.S. Credit Risk Retention Requirements ..

The Seller, as the sponsor under the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**") (in such capacity, the "**Sponsor**"), is required to ensure that it (or a majority-owned affiliate of the sponsor) acquires and retains an economic interest in the credit risk of the assets collateralizing the issuance of "asset-backed securities" in an amount of no less than 5 per cent pursuant to the U.S. Risk Retention Rules. The Sponsor intends to satisfy the requirements under the U.S. Risk Retention Rules by retaining via the Retention Holder, as its majority-owned affiliate, an eligible vertical interest equal to a minimum of 5 per cent. of the nominal value of each class of Notes and Certificates (then in issue) issued by the Issuer ("**EVI**").

See the section entitled "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Non-compliance with U.S. Risk Retention Requirements may adversely affect the value of the Notes*" and "*Certain Regulatory Requirements – U.S. Credit Risk Retention Requirements*".

Volcker Rule .....

The Issuer is not now, and immediately after giving effect to any offering and sale of Notes and the application of the proceeds thereof will not be, a "covered fund" as defined in the regulations adopted under Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (commonly known as the "**Volcker Rule**"). In reaching this conclusion, although other statutory or regulatory

exemptions under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and under the Volcker Rule may be available, the Issuer has relied on the determinations that it may rely on an exemption from the definition of "investment company" under Section 3(c)(5)(C) of the Investment Company Act. Any prospective investor in the Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule. See further "*Certain Regulatory Requirements – Other U.S. Requirements – The Volcker Rule*".

Senior Deferred Consideration and the Residual Deferred Consideration.....

In consideration for the sale of the Mortgage Portfolio by the Seller to the Issuer, the Issuer will pay the purchase price to the Seller pursuant to the terms of the Mortgage Sale Agreement, which shall include a deferred purchase price in the form of the Senior Deferred Consideration and Residual Deferred Consideration.

On the Closing Date, the Seller will transfer the right to receive such Senior Deferred Consideration and Residual Deferred Consideration to the Sponsor Administrator. The Sponsor Administrator (in its capacity as Retention Holder) shall retain on an ongoing basis a 5 per cent. interest in the Senior Deferred Consideration and the Residual Deferred Consideration.

Any person entitled to the Senior Deferred Consideration or the Residual Deferred Consideration may request that the right to receive the Senior Deferred Consideration and/or the Residual Deferred Consideration be certificated in global form. If certificated, the Class S Certificate will represent the right to receive the Class S Certificate Payment in respect of the Senior Deferred Consideration and the Class Y Certificate will represent the right to receive the Class Y Certificate Payment in respect of the Residual Deferred Consideration, in accordance with the Certificate Conditions. See the section entitled "*Terms and Conditions of the Certificates*" for further details.

References herein to "any Certificates (then in issue)" shall be construed as meaning "any Certificates (then in issue as at the request of the person(s) entitled to the Senior Deferred Consideration and/or Residual Deferred Consideration, as applicable)".

In addition, any person entitled to receive 50 per cent. or more of the Residual Deferred Consideration shall have the right of the Portfolio Option Holder to exercise the Portfolio Purchase Option and the Refinancing Option Holder to exercise the Refinancing Option.

Any Certificates (then in issue) are not being offered by this Prospectus. Any transferee of any Certificate (then in issue) is prohibited from relying on this Prospectus in connection with any such transaction.

Any Certificates (then in issue) are not and will not be listed or rated.

UK Benchmarks Regulation .....

Amounts payable on the Floating Rate Notes are calculated by reference to the Sterling Overnight Index Average ("**SONIA**"). As at the date of this Prospectus, the administrator of SONIA is not included in the FCA's register of administrators under Article 36 of Regulation (EU) No. 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**"). The Bank of England, as administrator of SONIA, is exempt

under Article 2 of the UK Benchmarks Regulation but has issued a statement of compliance with the principles for financial benchmarks issued in 2013 by the International Organisation of Securities Commissions.

The section entitled "*Risk Factors*", starting on page 4, 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.

NOTICE TO INVESTORS

Responsibility

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

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

The Seller accepts responsibility for the information in the section entitled "*Barclays Bank UK PLC*". To the best of the Seller's knowledge, the information in the section entitled "*Barclays Bank UK PLC*", for which it is responsible, is in accordance with the facts and those sections make no omission likely to affect their import.

U.S. Bank Trustees Limited accepts responsibility for the information about itself in the section entitled "*The Note Trustee and the Security Trustee*". To the best of the knowledge of U.S. Bank Trustees Limited, the information about itself in the section entitled "*The Note Trustee and the Security Trustee*", for which it is responsible, is in accordance with the facts and that section makes no omission likely to affect its import.

U.S. Bank Global Corporate Trust Limited accepts responsibility for the information about itself in the section entitled "*The Cash Manager*". To the best of the knowledge of U.S. Bank Global Corporate Trust Limited, the information about itself in the section entitled "*The Cash Manager*", for which it is responsible, is in accordance with the facts and that section makes no omission likely to affect its import.

The Notes and the requirement to pay the Senior Deferred Consideration and the Residual Deferred Consideration 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, the Senior Deferred Consideration and the Residual Deferred Consideration will be accepted by any of the other Transaction Parties.

The Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager, the Back-up Servicer Facilitator and the Agents do not accept any responsibility for compliance of the Issuer, the Seller or any other party with the requirements of the UK Securitisation Regulation or the EU Securitisation Regulation and have not assisted or advised the Issuer, the Seller or any other party with their compliance with the requirements of the UK Securitisation Regulation or the EU Securitisation Regulation.

Prospectus

This Prospectus has been approved by the FCA as a Prospectus for the purposes of Article 6 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 Prospectus is not a prospectus for the purposes of Section 12(a)(2) or any other provision or order under the Securities Act.

Prospective investors should read the entire Prospectus carefully, especially the risks of investing in the Notes summarised in the section entitled "*Risk Factors*".

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 Seller, the Legal Title Holder, the Servicer, the Transaction Account Bank, the Back-up Servicer Facilitator, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager, the Retention Holder, the Sponsor Administrator or the Agents as to (a) (other than as set out in the section entitled "*Responsibility*" above) the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the Transaction or (b) any other statement made or proposed to be made by any of the Seller, the Legal Title Holder, the Servicer, the Transaction Account Bank, the Back-up Servicer Facilitator, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager, the Retention Holder, the Sponsor Administrator or the Agents or on their behalf in connection with the Issuer or the issue and/or offering of any Notes. None of the Seller, the Legal Title Holder, the Servicer, the Transaction Account Bank, the Back-up Servicer Facilitator, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager, the Retention Holder, the Sponsor Administrator or the Agents accepts any liability in relation to the information contained in this Prospectus, other than as set out in the section entitled "*Responsibility*" above, or any other information provided by the Issuer or the Seller in connection with the Transaction or the Notes or any document or agreement relating to the Notes or any Transaction Document. Accordingly, each of the Seller, the Legal Title Holder, the Servicer, the Transaction Account Bank, the Back-up Servicer Facilitator, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager, the Retention Holder, the Sponsor Administrator 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 Prospectus or any such statement or information.

In particular, none of the Seller, the Legal Title Holder, the Servicer, the Transaction Account Bank, the Back-up Servicer Facilitator, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager, the Retention Holder, the Sponsor Administrator or 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 Seller, the Legal Title Holder, the Servicer, the Transaction Account Bank, the Back-up Servicer Facilitator, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager, the Retention Holder, the Sponsor Administrator or the Agents is responsible for any matter which is the subject of any statement, representation, warranty or covenant of the Issuer contained in the Notes or any Transaction Documents, or any other agreement or document relating to the Notes or any Transaction Document or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. In particular, but without limitation, none of the Servicer, the Transaction Account Bank, the Back-up Servicer Facilitator, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager or the Agents makes any representation, warranty or guarantee that the Seller or Retention Holder, or any other party, its affiliates or the transactions contemplated in this Prospectus will be in compliance with the Risk Retention Requirements, the U.S. Credit Risk Retention Requirements or the Volcker Rule.

None of the Transaction Account Bank, the Back-up Servicer Facilitator, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Cash Manager or the Agents is responsible for the obligations of the Retention Holder or the Issuer for compliance with the requirements (including existing or ongoing reporting requirements) of Article 7 of the UK Securitisation Regulation or any corresponding national measures which may be relevant.

The only persons authorised to use this Prospectus in connection with an offer of Notes is the Lead Manager.

No person is or has been authorised to give any information or to make any representation not contained in this 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 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 Transaction 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 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 United Kingdom), except in circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

U.S. Risk Retention

The Sponsor under the U.S. risk retention rules, intends to retain, via the Retention Holder, as its majority-owned affiliate, at least 5 per cent. of the credit risk of the securitised assets for purposes of compliance with the final rules promulgated under Section 15g of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**").

The Sponsor is required by the U.S. Credit Risk Retention Requirements to acquire and retain, either directly or through a majority-owned affiliate, an eligible vertical interest (the "**EVI**") until the later of: (a) the fifth anniversary of the Closing Date and (b) the date on which the total outstanding principal balance of the Mortgage Loans has been reduced to 25 per cent. of the total outstanding principal balance of the Mortgage Loans at the Closing Date, but in any event no longer than the seventh anniversary of the Closing Date (the "**Sunset Date"**). See "*Certain Regulatory Requirements – U.S. Credit Risk Retention Requirements*".

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: (a) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (b) 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 the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (a) the target market for the Notes is only eligible counterparties, as defined in the FCA Conduct of Business sourcebook, and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018; and (b) 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 manufacturer's target market assessment; however, a Distributor subject to the FCA handbook product intervention and product governance sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation – prohibition of sales to EEA retail investors

The Notes and any Certificates (then in issue) 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 (the "**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 (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; or (c) not a qualified investor as defined in the Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes and any Certificates (then in issue) or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or any Certificates (then in issue) or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PRIIPs Regulation – prohibition of sales to UK retail investors

The Notes and any Certificates (then in issue) 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 UK. For these purposes, a retail investor means a person who is one (or more) of: (a) 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 EUWA; or (b) 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 EUWA; or (c) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or any Certificates (then in issue) or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or any Certificates (then in issue) 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 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 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 Prospectus to "**$**", "**US$**", "**U.S. Dollars**" are to the lawful currency for the time being of the United States of America.

References in this Prospectus to 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, 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 United Kingdom.

References in this Prospectus to the "**United States**" and "**U.S.**" are abbreviated references to the United States of America.

References in this Prospectus to the assignment, transfer or sale of Mortgage Loans and their Related Security are, in the context equivalent to the sale, transfer or equitable assignment of Scottish Mortgage Loans or of Northern Irish Mortgage Loans, and their Related Security, to be read as references to the transfer of the beneficial interest therein (in respect of the Scottish Mortgage Loans and their Related Security, by the making of the Scottish Declaration of Trust), and the terms "**sale**", "**sell**", "**assigned**", "**assign**" and "**transferred**" will in that context be construed accordingly.

Unless the context otherwise requires, any reference to European Union law that is directly applicable or directly effective in the UK at any time is a reference to it as it applies in England and Wales, Scotland or Northern Ireland, as applicable, from time to time including as amended or re-enacted from time to time.

In this Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

Capitalised terms used, but not defined, in certain sections of this Prospectus, including this overview section, may be found in other sections of this Prospectus, unless otherwise stated. An index of defined terms is set out at the end of this Prospectus in the section entitled "*Index of Defined Terms*".

Governing law

The Transaction Documents are governed by the laws of England and Wales, save in relation to aspects specific to Scottish Mortgage Loans which are governed by the laws of Scotland, in relation to the Scottish Declaration of Trust and the Scottish Supplemental Charge which are governed by Scots law, and save in relation to aspects specific to Northern Irish Mortgage Loans which are governed by the laws of Northern Ireland.

The Notes of each Class will be offered and sold in reliance of Regulation S and/or Rule 144A and will be represented on issue by one or more Global Notes, in fully registered form without interest coupons or principal receipts attached. The Global Notes and Global Certificates then in issue are expected to be deposited with, and registered in the name of a nominee of, a Common Safekeeper, for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**").

The Notes offered pursuant to Rule 144A are referred to herein as **Rule 144A Notes** and the Notes offered pursuant to Regulation S are referred to herein as **Regulation S Notes**. Rule 144A Notes issued in global form are referred to herein as **Rule 144A Global Notes** and Regulation S Notes issued in global form are referred to herein as **Regulation S Global Notes**. Collectively, Rule 144A Global Notes and Regulation S Global Notes are referred to herein as **Global Notes**.

Information as to placement within the U.S.

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 U.S. and may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. 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 applicable state securities laws. Accordingly, the Notes are being offered and sold only (a) outside the United States to persons other than U.S. persons as defined in Regulation S in offshore transactions in reliance on, and in compliance with, Regulation S and (b) in the United States to a limited number of QIBs as defined in the Securities Act in connection with resales by the Lead Manager, in reliance on, and in compliance with, Rule 144A.

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 Prospectus has been prepared by the Issuer solely for use in connection with the offering of the Notes. This Prospectus is personal to each potential investor to whom it has been delivered by the Issuer, the Lead Manager 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 and/or any Certificates (then in issue). Additionally, each purchaser of Notes will be deemed to have made the representations, warranties and acknowledgements that are described in this Prospectus under "*Subscription and Sale and Transfer and Selling Restrictions – Transfer restrictions*".

Subscription and sale and transfer and selling restrictions

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Arranger or the Lead Manager to subscribe for or purchase any of the Notes. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Lead Manager 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 Prospectus, see "*Subscription and Sale and Transfer and Selling Restrictions*". Neither this Prospectus nor any part hereof constitutes an offer of, or an invitation by, or on behalf of, the Issuer, the Arranger or the Lead Manager to subscribe for or purchase any Notes and neither this 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.

United States distribution restrictions

THE NOTES AND CERTIFICATES (THEN IN ISSUE) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OR "BLUE SKY" LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THEREFORE MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR FEDERAL SECURITIES LAWS. ACCORDINGLY, (A) THE RULE 144A NOTES ARE BEING OFFERED AND SOLD IN THE UNITED STATES ONLY TO QUALIFIED INSTITUTIONAL BUYERS (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 UNITED STATES TO PERSONS OTHER THAN U.S. PERSONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON RESALES OR TRANSFERS, SEE "*SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS*" HEREIN.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR ANY OTHER U.S. REGULATORY AUTHORITY AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

IT IS EXPECTED THAT EACH CLASS OF NOTES (OTHER THAN THE CLASS E NOTES, CLASS F NOTES, CLASS G NOTES AND CLASS Z NOTES) WILL BE ERISA-ELIGIBLE NOTES (AS DEFINED HEREIN). EACH PURCHASER OF ANY NOTE THAT IS AN ERISA-ELIGIBLE NOTE (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT EITHER (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS SUCH A NOTE (OR INTEREST THEREIN) WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), AN EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (**ERISA**), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE **CODE**) APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) (**BENEFIT PLAN INVESTOR**), OR A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL LAW OF THE UNITED STATES OR NON-U.S. LAW THAT IS

SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE (**SIMILAR LAW**), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES OR WILL CONSTITUTE THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, OR (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE (OR 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-U.S. PLAN, A VIOLATION OF ANY SIMILAR LAW. EACH PURCHASER AND TRANSFEREE THAT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR WILL BE FURTHER DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (I) NONE OF THE ISSUER, THE PRINCIPAL PAYING AGENT, ANY TRANSFER AGENT, THE REGISTRAR OR ANY OTHER PARTY TO THE TRANSACTIONS REFERRED TO IN THIS PROSPECTUS, OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED, AND NONE OF THEM WILL PROVIDE, ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE TO IT, OR ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR (PLAN FIDUCIARY), IN CONNECTION WITH ITS DECISION TO INVEST IN THE NOTES, AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE BENEFIT PLAN INVESTOR OR THE PLAN FIDUCIARY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THE NOTES; AND (II) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGEMENT IN EVALUATING THE INVESTMENT IN THE NOTES.

EACH PURCHASER AND TRANSFEREE OF ANY NOTE OR A CERTIFICATE (THEN IN ISSUE) THAT IS NOT AN ERISA-ELIGIBLE 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 CERTIFICATE (THEN IN ISSUE) (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-U.S. PLAN, (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS SUCH NOTE OR CERTIFICATE (THEN IN ISSUE) (OR INTEREST THEREIN) WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE OR CERTIFICATE (THEN IN ISSUE) (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 CERTIFICATE (THEN IN ISSUE) (OR INTEREST THEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SIMILAR LAW. SEE "*CERTAIN ERISA AND RELATED CONSIDERATIONS*" HEREIN.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE **SEC**), ANY STATE SECURITIES COMMISSION OR ANY OTHER U.S. OR STATE REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

This prospectus is not a prospectus for the purposes of Section 12(a)(2) or any other provision of or rule under the Securities Act.

Available information

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 which 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 Prospectus will be available for inspection at the registered offices of the Issuer, at the specified offices of the Principal Paying Agent 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 Prospectus Rules.

The Issuer has agreed that, for so long as any of the Rule 144A Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will furnish, upon the request of a holder or of any beneficial owner of such a Note or of any prospective purchaser designated by such holder or beneficial owner, 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 not a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or is not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

Rule 15Ga-2

Rule 15Ga-2, which became effective on 15 June 2015, 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 organisation to furnish a form via the SEC's EDGAR database describing the findings and conclusions of any third-party due diligence report obtained by the issuer or underwriter (a "**Form ABS-15G Report"**), 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 diligence 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.

A Form ABS-15G Report containing diligence findings and conclusions with respect to a third-party due diligence report in respect of a sample of the Mortgage Loans prepared for the purpose of the transaction contemplated by this Prospectus has been prepared and furnished by the Seller on 20 September 2024, being no later than five business days prior to the pricing date, and is publicly available on EDGAR pursuant to Rule 15Ga-2. This Form ABS-15G Report is not, by this reference or otherwise, incorporated into this Prospectus and should not be relied upon by any prospective investor as a basis for making a decision to invest in the Notes.

Prospective investors should rely exclusively on this Prospectus as a basis for making a decision to invest in the Notes.

Rule 17g-5 Compliance

In order to permit the Rating Agencies to comply with their obligations under Rule 17g-5, 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 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 Prospectus will be, in each case, posted to the Rule 17g-5 Website.

For further information please refer to the Risk Factor entitled "*Risks relating to the Structure and the Notes – Ratings assigned to any Class of Rated Notes may be qualified, lowered or withdrawn after Noteholders purchase those Rated Notes, which may lower the market value of those Rated Notes*".

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 which preceded them.

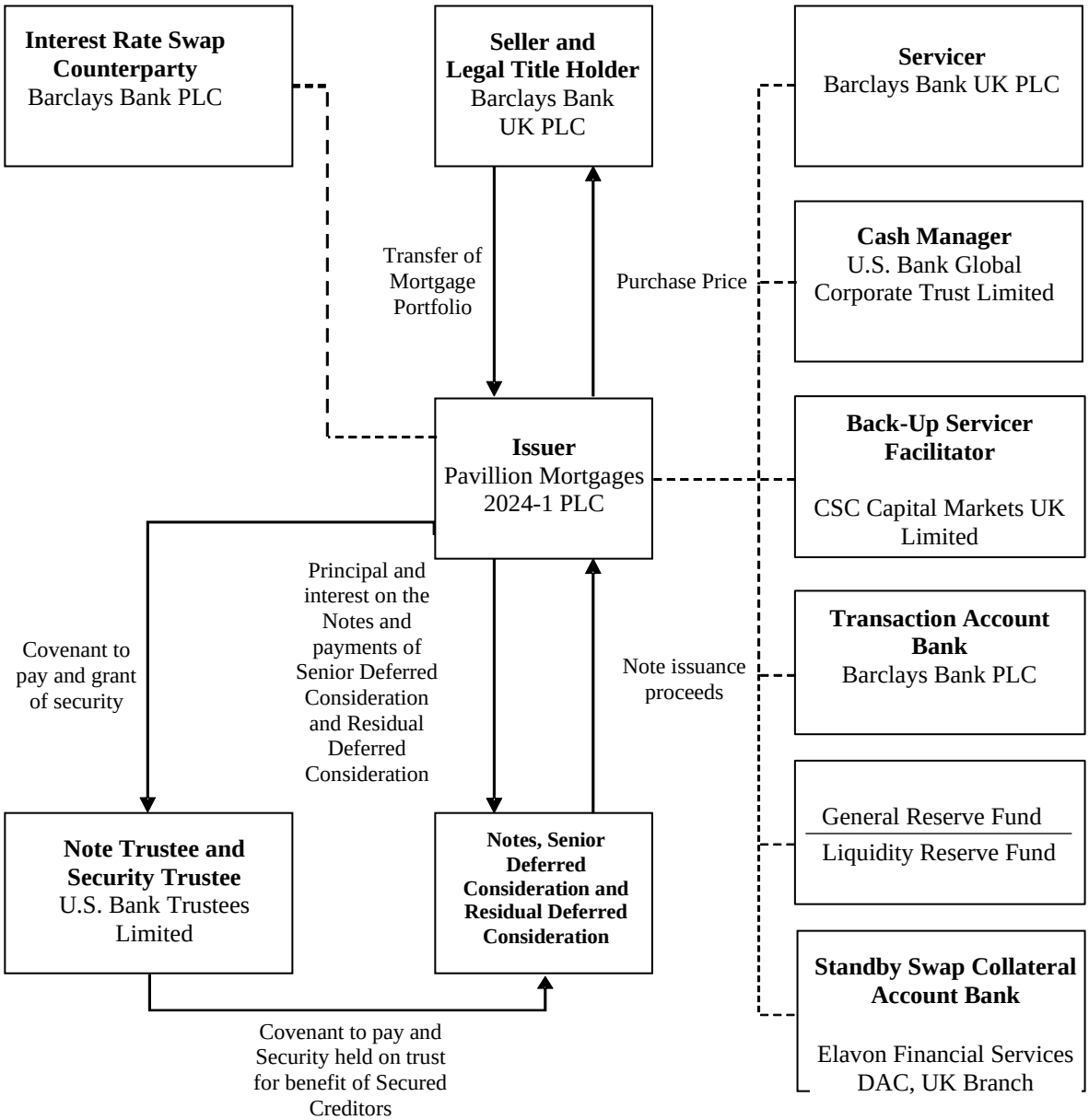
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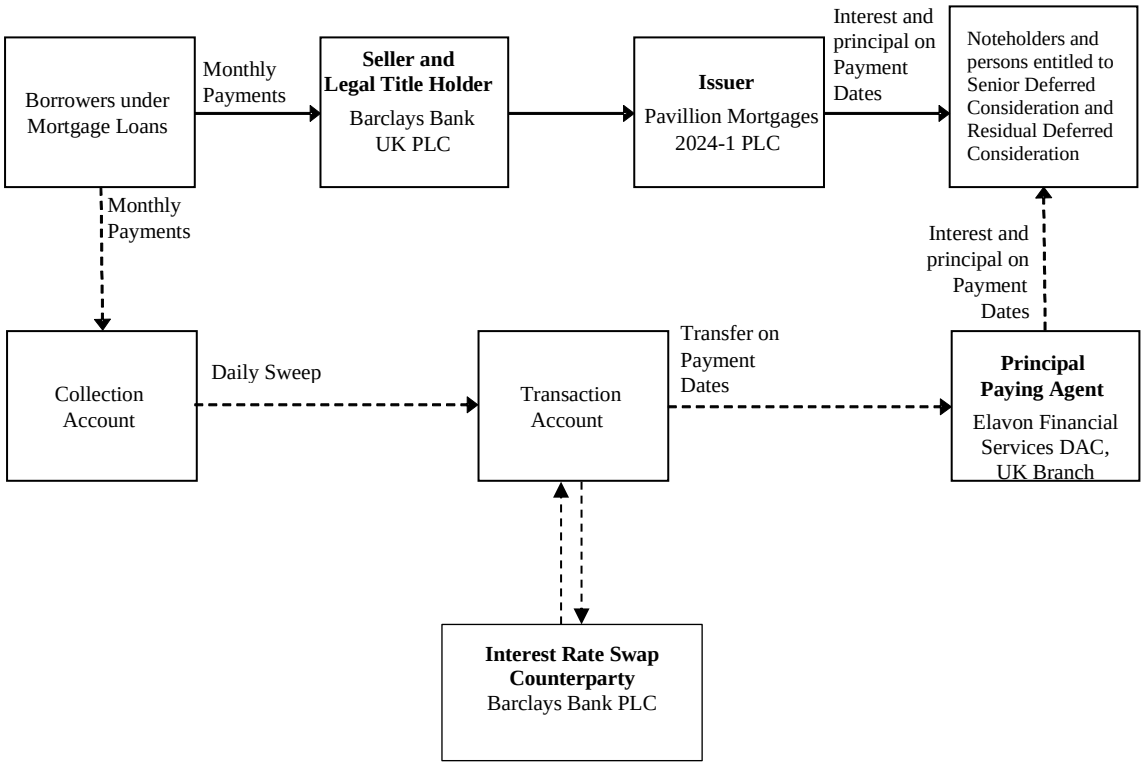
DIAGRAMMATIC OVERVIEWS

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

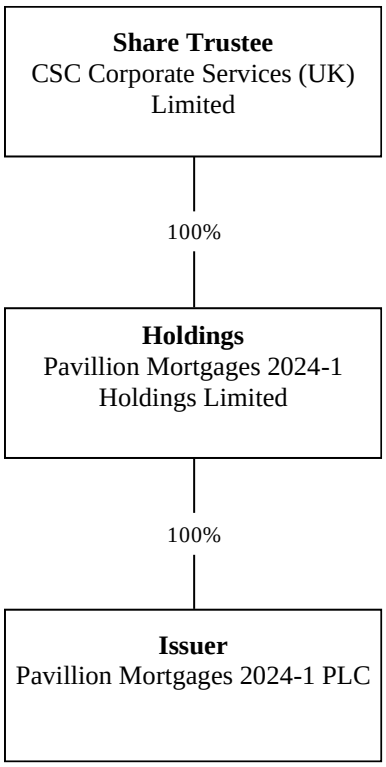
1. DIAGRAMMATIC OVERVIEW OF THE TRANSACTION



2. DIAGRAMMATIC OVERVIEW OF ONGOING CASHFLOWS



3. DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE



This diagram illustrates the ownership structure of the Issuer.

(a) The Issuer is a wholly-owned subsidiary of Holdings.

(b) 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 Seller. The payments under the Notes or in respect of the Senior Deferred Consideration or Residual Deferred Consideration will not be affected by this arrangement. See "*Holdings*".

RISK FACTORS

This section describes the material risks associated with an investment in the Notes. It does not cover the material risks associated with an investment in any Certificates (then in issue, or material risks associated with the Senior Deferred Consideration and Residual Deferred Consideration (as applicable)). An investment in the Notes and any Certificates (then in issue, or entitlement to receive the Senior Deferred Consideration and Residual Deferred Consideration (as applicable)) involves substantial risks and is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to suffer any potential loss stemming therefrom.

The Issuer considers that the risks described below are the material risks inherent in the transaction for Noteholders. 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 and/or any Certificates (then in issue, or the amount of Senior Deferred Consideration and Residual Deferred Consideration payable (as applicable)) 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 which investors may face when making an investment in the Notes and/or any Certificates (then in issue, or risks which investors entitled to receive the Senior Deferred Consideration and Residual Deferred Consideration may face (as applicable)).

Prospective Noteholders and Certificateholders (when any Certificates are then in issue or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable)) should (a) read the information set out below and elsewhere in this Prospectus 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 any Certificates (then in issue or the Senior Deferred Consideration and Residual Deferred Consideration (as applicable)) 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 Prospectus so as to arrive at their own independent evaluation of the investment, and (d) confirm that an investment in the Notes and any Certificates (then in issue or entitlement to receive the Senior Deferred Consideration and Residual Deferred Consideration (as applicable)) is fully consistent with their respective financial needs, objectives and any applicable investment restrictions and is suitable for them.

1. RISKS RELATING TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES

The Issuer has a limited amount of resources available to it to make payments on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration

The Issuer is the only party responsible for making payments on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration. The Notes and the requirement to pay Senior Deferred Consideration and the Residual Deferred Consideration 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 and persons entitled to receive the Senior Deferred Consideration and the Residual Deferred Consideration in respect of any failure by the Issuer to pay any amount due under the Notes or in respect of the Senior Deferred Consideration and the Residual Deferred Consideration.

The ability of the Issuer to make payments of interest on, and principal of, the Notes and amounts due in respect of the Senior Deferred Consideration and the Residual Deferred Consideration and to pay its operating and administrative expenses will therefore be dependent solely on Revenue Receipts and Principal Receipts in respect of the Mortgage Loans in the Mortgage Portfolio, interest earned on certain amounts standing to the credit of the Transaction Account, income from any Authorised Investments and amounts standing to the credit of the General

Reserve Fund and the Liquidity Reserve Fund. 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 Floating Rate Notes are exposed in relation to the Fixed Rate Mortgage Loans in the Mortgage Portfolio.

Other than the foregoing, the Issuer will not have any other significant sources of funds available to meet its obligations under the Notes, its obligations in respect of the Senior Deferred Consideration and the Residual Deferred Consideration and/or any other payments (whether or not ranking in priority to the Notes and/or the Senior Deferred Consideration and the Residual Deferred Consideration). If the resources described above are insufficient, any such insufficiency will be borne by the Noteholders, persons entitled to receive the Senior Deferred Consideration and the Residual Deferred Consideration and the other Secured Creditors, subject to the applicable Priority of Payments.

If the Issuer has insufficient funds on a Payment Date, there will be a deferral of interest payments

If, on any Payment Date, the Issuer has insufficient funds to make payment in full of (a) all amounts of interest (including any accrued interest thereon) due on the Notes (other than the Class A Notes and, if then the Most Senior Class of Notes outstanding, the Class B Notes) or, (b) the Senior Deferred Consideration, that would otherwise be payable (absent the deferral provisions in respect of the Notes (other than the Class A Notes, and if then the Most Senior Class of Notes outstanding, the Class B Notes) and the Certificates) after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer will be entitled under Condition 6.9 (*Subordination by deferral*) of the Conditions or Certificate Condition 6.7 (*Subordination by deferral*) (as applicable) of the Certificate Conditions to defer payment of that amount (to the extent of the insufficiency) until the following Payment Date or such earlier date as the relevant Class of Notes or Senior Deferred Consideration becomes due and repayable in full in accordance with the Conditions or Certificate Conditions.

In the event that such amounts of interest are not paid in full on the Notes (other than the Class A Notes and, if then the Most Senior Class of Notes outstanding, the Class B Notes) or such amount of the Senior Deferred Consideration is not paid in full as a result of the deferral provisions in Condition 6.9 (*Subordination by deferral*) of the Conditions or Certificate Condition 6.7 (*Subordination by deferral*) of the Certificate Conditions (as applicable) as noted above, such failure will not constitute an Event of Default until the Final Redemption Date or such earlier date on which the Notes are redeemed in accordance with Condition 7.4 (*Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*), Condition 7.5 (*Mandatory Redemption in full pursuant to the exercise of the Refinancing Option*), Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*), Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*), Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*) or Condition 7.9 (*Optional redemption for tax and other reasons*) and the Note Trustee and the Security Trustee will not be able to accelerate the Notes or payments due in respect of the Senior Deferred Consideration or take any action to enforce the Security or to effect a sale or disposal of the Mortgage Portfolio.

Failure to pay interest on the Class A Notes and, if then the Most Senior Class of Notes outstanding, the Class B Notes, within any applicable grace period in accordance with the Conditions shall constitute an Event of Default under the Notes, which may result in the Notes being accelerated and the Security Trustee enforcing the Security.

The Liquidity Reserve Fund may not be available to cover all losses and at all times

The Liquidity Reserve Fund will be established on the Closing Date from the proceeds of the Class Z Notes and the amount required, from time to time, to be standing to the credit of the Liquidity Reserve Ledger shall be an amount equal to the Liquidity Reserve Fund Required Amount. Available Revenue Receipts will be available (in accordance with the Pre-Enforcement Revenue Priority of Payments) to fund and replenish the Liquidity Reserve Fund in accordance with the requirements described herein. The Liquidity Reserve Fund will be available to be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments to pay Senior Revenue Amounts (but subject, where applicable, to the relevant PDL Condition being satisfied and

only to the extent necessary after applying all other Available Revenue Receipts (other than Principal Addition Amounts under paragraph (f) of the definition of "Available Revenue Receipts")) or in accordance with the Post-Enforcement Priority of Payments (as applicable). Any Liquidity Reserve Fund Excess Amount on a Payment Date will be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments. See further "*Credit Structure and Cashflows*". The Liquidity Reserve Fund will not be available to make up any shortfalls in amounts due to pay interest on any Class of Notes or towards payment of the Residual Deferred Consideration other than the Class A Notes, the Senior Deferred Consideration and (subject to the relevant PDL Condition being satisfied) the Class B Notes. No assurance can be made as to the effectiveness of such liquidity support features set out above, or that such features will support the Noteholders and persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration from all risk of delayed payment and/or loss and the use thereof may lead to a reduction in the amounts available to the Issuer and ultimately affect its ability to make payments under the Notes and in respect of the Senior Deferred Consideration and the Residual Deferred Consideration.

Effects of prepayments on, or redemptions or repurchases 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 – Certain factors affecting the economic performance and value of the Mortgage Portfolio*".

Variation in the rate and timing of prepayments of principal on the Mortgage Loans may affect each Class of Notes. 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 fell to levels much lower than the historical CPR levels in respect of the Mortgage Portfolio, this may affect the repayment rates on any Notes. Alternatively, it is unlikely that the average lives of the Notes would be reduced unless CPRs rose to levels much higher than the historical CPR levels in respect of the Mortgage Portfolio (or the United Kingdom mortgage market in general). If prepayment rates decline, then the Issuer may have insufficient proceeds to repay 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 the Legal Title Holder of a Product Switch may cause the rates of prepayments and scheduled repayments on the Mortgage Loans to be different than expected.

The rate of prepayment of Mortgage Loans is influenced by a wide variety of economic, social and other factors, including the prevailing mortgage market interest rates, the availability of alternative financing programmes, local and global economic and market conditions (including the deterioration of economic conditions caused by the conflicts in Ukraine and the Middle East) and homeowner mobility. However, the rate of payment cannot be predicted. Subject to the terms and conditions of the Mortgage Loans, a Borrower may overpay or prepay principal at any time. While the Borrower under a Fixed Rate Mortgage Loan, a Discount Tracker Rate Mortgage Loan or a Tracker Rate Mortgage Loan that is partially or fully redeemed during the relevant early repayment charge period as set out in the applicable Mortgage Conditions may incur an early repayment charge, Borrowers under a Flexible Mortgage Loan (which may, for the avoidance of doubt, include a Fixed Rate Mortgage Loan, a Discount Tracker Rate Mortgage Loan or a Tracker Rate Mortgage Loan) may be able to make overpayments up to a certain amount at any time without incurring any early repayment charges. No assurance can be given as to the level of prepayments that the Mortgage Portfolio will experience. Accelerated prepayments will lead to a reduction in the weighted average life of the Notes. Generally, when market interest rates increase (as has been the case during recent times), borrowers are less likely to prepay their mortgage loans, while conversely, when market interest rates decrease, borrowers (in particular those paying by reference to a fixed interest rate, where there are no or minimal associated early repayment charges) are generally more likely to prepay their mortgage loans, save where

such decrease in interest rates arises as a result of action taken by government and/or the Bank of England to ease the effects of any widespread economic, social or health emergency. Borrowers may prepay mortgage loans when they refinance their loans or sell their properties (either voluntarily or as a result of enforcement action taken). If the Seller is required to repurchase a Mortgage Loan and its Related Security because, for example, one of the Mortgage Loans does not materially comply with the Mortgage Loan Warranties, then the payment received by the Issuer will have the same effect as a prepayment of all the relevant Mortgage Loans.

No assurance can be given as to the timing or level of redemption of the Notes.

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

Mortgage Loans subject to Product Switches and Further Advances may be repurchased by the Legal Title Holder, which will affect the prepayment rate of the Mortgage Loans, and this may affect the yield to maturity of the Notes

The Servicer may offer Product Switches to Borrowers in accordance with the Seller's Policy. In respect of any Product Switches, if a Borrower requests a Product Switch and the Servicer agrees to such request, provided the relevant Mortgage Loan is not in arrears by two months or more, on the first Business Day of the following month after the Product Switch occurred, the Legal Title Holder agrees with the Issuer that the Legal Title Holder will repurchase the relevant Mortgage Loan and its Related Security pursuant to the terms of the Mortgage Sale Agreement at the time specified below. The Legal Title Holder will determine the number of months in arrears in respect of a Mortgage Loan which is subject to a Product Switch only, by dividing (i) the outstanding arrears balance of the Borrower; by (ii) the average of the Monthly Payment(s) that would have fallen due for each month since the Mortgage Loan most recently went into arrears, in each case, as at the end of last London Business Day of the month in which the Product Switch occurred. The Issuer may also be obliged to accept a Product Switch in respect of a Mortgage Loan which is in arrears by two months or more, subject to certain conditions (see "*The Servicer and the Servicing Agreement – Product Switches*").

By the third Business Day of the following month after the date on which the Product Switch was made, the Legal Title Holder will deliver a Product Switches Notice to the Issuer setting out the details of the relevant Mortgage Loan and its Related Security subject to such Product Switch which shall be repurchased by the Legal Title Holder (subject to the above paragraph). Upon receipt of the Product Switches Notice, the Issuer shall re-assign to the Legal Title Holder the relevant Mortgage Loan and its Related Security subject to a Product Switch and immediately following such re-assignment, the Legal Title Holder will be obliged to repurchase that Mortgage Loan and its Related Security together with any other Mortgage Loan secured or intended to be secured by such Related Security or any part of it in an amount equal to the Current Balance of such Mortgage Loan (as at the first Business Day of the following month after the date on which the Product Switch was made) which shall be paid to the Issuer in accordance with the terms of the Servicing Agreement. Upon such re-assignment following a Product Switch, the Legal Title Holder shall be entitled to receive any repayments of principal, interest or any other such amounts relating to that Mortgage Loan accruing from, and including, the first Business Day of the following after the date on which the Product Switch was made.

The Servicer may offer Further Advances to Borrowers. In respect of any Further Advances, if a Borrower requests a Further Advance and the Servicer agrees to such request, the Legal Title Holder agrees with the Issuer that the Legal Title Holder will repurchase the relevant Mortgage Loan and its Related Security pursuant to the terms of the Mortgage Sale Agreement.

By the third Business Day of the following month after the date on which the Further Advance was made, the Legal Title Holder will deliver a Further Advance Notice to the Issuer setting out the details of the relevant Mortgage Loan and its Related Security subject to such Further Advance which shall be repurchased by the Legal Title Holder. Upon receipt of the Further Advances Notice, the Issuer shall re-assign to the Legal Title Holder the relevant Mortgage Loan and its Related Security subject to a Further Advance and immediately following such

re-assignment, the Seller will be obliged to repurchase that Mortgage Loan and its Related Security together with any other Mortgage Loan secured or intended to be secured by such Related Security or any part of it in an amount equal to the Current Balance of such Mortgage Loan (as at the first Business Day of the following month after the date on which the Further Advance was made) which shall be paid to the Issuer in accordance with the terms of the Servicing Agreement. Upon such re-assignment following a Further Advance, the Legal Title Holder shall be entitled to receive any repayments of principal, interest or any other such amounts relating to that Mortgage Loan accruing from, and including, the first Business Day of the following after the date on which the Further Advance was made.

The number of Further Advance and Product Switch requests received by the Servicer on behalf of the Legal Title Holder will affect the timing of principal amounts received by the Issuer and hence payments of principal and (in the event of a shortfall) interest on the Notes.

The yield to maturity of the Notes may be affected by the repurchase of any Mortgage Loan pursuant to any Further Advances or Product Switches as described above. For more information on Further Advances and Product Switches please see "*The Servicer and the Servicing Agreement – Product Switches* and "*The Servicer and the Servicing Agreement – Further Advances*.

Certain call options may have an effect on prepayments on, or redemptions or repurchases of, the Mortgage Loans and this may affect the yield to maturity of the Notes

Pursuant to the Clean-up Purchase Option, the Seller has the option to elect to repurchase the Mortgage Loans from the Issuer subject to certain restrictions, as detailed in the section "*Early Redemption of the Notes pursuant to the Portfolio Purchase Option, Clean-up Purchase Option, Refinancing Option, Risk Retention Regulatory Change Option, Regulatory Change Event Option or Optional Redemption for Tax and Other Reasons*". There are no conditions or restrictions (whether by reference to time period or otherwise) on the exercise by the Seller of the Clean-up Purchase Option subject to the purchase price payable by the Seller (or its nominee) in respect of the Clean-up Purchase Option being an amount equal to the New Issue Proceeds Amount. The Issuer shall, following the exercise of the Clean-up Purchase Option by the Seller, redeem all of the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) and cancel any Certificates (then in issue or terminate the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable) in accordance with Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*).

Pursuant to the Regulatory Change Event Option, following the occurrence of a Regulatory Change Event, and the Seller giving notice of its intention to exercise the Regulatory Change Event Option, the Portfolio Option Holder (or its nominee) may elect to purchase the Mortgage Loans under the Portfolio Purchase Option. In the event that the Portfolio Option Holder (or its nominee) does not elect to purchase the Mortgage Loans, the Seller may offer to repurchase the Mortgage Loans. The Issuer shall, following the exercise of the Regulatory Change Event Option, redeem all of the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) and cancel any Certificates (then in issue or terminate the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable) in accordance with Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*).

Pursuant to the Portfolio Purchase Option, the Portfolio Option Holder has the right to require the Issuer to redeem (in whole and not in part) the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled) on or after the Optional Redemption Date, subject to certain restrictions, as detailed in the section "*Early Redemption of the Notes pursuant to the Portfolio Purchase Option, Clean-up Purchase Option, Refinancing Option, Risk Retention Regulatory Change Option, Regulatory Change Event Option or Optional Redemption for Tax and Other Reasons*". The Portfolio Option Holder is not obliged to exercise its rights in respect of the Portfolio Purchase Option on or after the Optional Redemption Date or at any time thereafter and, as such, no assurance can be given that the Notes will be redeemed in full or, where relevant, in part on or following the Optional Redemption Date.

Pursuant to the Refinancing Option, the Refinancing Option Holder has the right to require the Issuer to redeem (in whole and not in part) the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) on the First Optional Redemption Date or any Payment Date thereafter and to issue new notes (and, where applicable, certificates) on the Refinancing Date, subject to certain restrictions, as detailed in the section "*Early Redemption of the Notes pursuant to the Portfolio Purchase Option, Clean-up Purchase Option, Refinancing Option, Risk Retention Regulatory Change Option, Regulatory Change Event Option or Optional Redemption for Tax and Other Reasons*". The Refinancing Option Holder is not obliged to exercise its rights in respect of the Refinancing Option on the First Optional Redemption Date or at any time thereafter and, as such, no assurance can be given that the Notes will be redeemed in full on or following the First Optional Redemption Date as a result of such a refinancing of the Mortgage Portfolio.

Pursuant to the Risk Retention Regulatory Change Option, if the Seller and the Retention Holder jointly determine that a Risk Retention Regulatory Change Event has occurred, and the Risk Retention Regulatory Change Event Option Holder gives notice of its intention to exercise the Risk Retention Regulatory Change Option, the Portfolio Option Holder (or its nominee) may elect to purchase the Mortgage Loans under the Portfolio Purchase Option. In the event that the Portfolio Option Holder (or its nominee) does not elect to purchase the Mortgage Loans, the Retention Holder (or any of its nominees) has the right (but not the obligation) pursuant to the Retention Holder Deed Poll to acquire (or procure the acquisition of) the entire beneficial interest of the Issuer in the Mortgage Portfolio and thereby effect a redemption of the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) following the occurrence of a Risk Retention Regulatory Change Event. In the event that neither the Portfolio Option Holder (or its nominee) nor the Retention Holder (or any of its nominees) elects to purchase the Mortgage Loans, the Seller (or any of its nominees) has the right (but not any obligation) to re-acquire (or procure the re-acquisition of) the entire beneficial interest of the Issuer in the Mortgage Portfolio and thereby effect a redemption of the Notes following the occurrence of a Risk Retention Regulatory Change Event. The Notes are subject to mandatory redemption following the occurrence of a Risk Retention Regulatory Change Event if the Portfolio Option Holder exercises the Portfolio Purchase Option or the Retention Holder or the Seller (or any of their delegates) (as applicable) exercises its Risk Retention Regulatory Change Option in accordance with Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*). Subject to the Conditions, the Portfolio Option Holder has the right to exercise the Portfolio Purchase Option on the First Optional Redemption Date or any Payment Date following the First Optional Redemption Date. See further "*Terms and Conditions of the Notes*".

In addition, subject to the Conditions, and the Seller giving notice of its intention to exercise the Tax/Illegality Option, the Portfolio Option Holder (or its nominee) may exercise the Portfolio Purchase Option to elect to purchase the Mortgage Loans if a Tax/Illegality Event has occurred. If the Portfolio Option Holder (or its nominee) does not elect to purchase the Mortgage Loans upon the occurrence of such Tax/Illegality Event, the Seller may elect to repurchase the Mortgage Loans. See further "*Terms and Conditions of the Notes*".

The New Issue Conditions Precedent must in the reasonable opinion of Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank be satisfied prior to the Refinancing Option Holder or the Portfolio Option Holder purchasing any Mortgage Loans pursuant to the Portfolio Purchase Option or executing the Refinancing pursuant to the Refinancing Option. One of the New Issue Conditions Precedent is that Barclays Bank UK PLC in such capacities is of the opinion that the exercise of the relevant Option and the entry into any agreements or arrangements in connection with such Option would not cause it (in such respective capacities) to be in breach of any Ring-Fencing Rules (as determined in its sole opinion). The Ring-Fencing Rules are subject to ongoing review by the UK government and may be subject to change at the conclusion of that review. There is also limited guidance from HM Treasury and the PRA on the scope of and/or exercise of certain exclusions and/or exemptions under this regime. No assurance can be given that such New Issue Conditions Precedent will be met in order for the relevant Option to be exercised in accordance with its terms and as such, no assurance can be given that the Notes will be redeemed in full on or following occurrence of the events giving rise to such relevant Option.

There is no obligation on any party to the transaction to purchase or repurchase the Mortgage Portfolio and the Issuer is not required to accept any such offer to repurchase. As such, no assurance can be given that the Notes will be redeemed in full on or following the occurrence of the circumstances described above.

Any redemption of the Notes and cancellation of any Certificates (then in issue or termination of the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable) following such matters, in particular where such an event occurs within a short time of the Closing Date, may adversely affect the yield to maturity of the Notes and/or the amounts payable in respect of the Senior Deferred Consideration and Residual Deferred Consideration. There is no assurance that Noteholders or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration will be able to reinvest the proceeds of such redemption or cancellation at the same or a higher rate than the return they would have earned on the Notes and/or in respect of any Senior Deferred Consideration and Residual Deferred Consideration had they not been redeemed or cancelled, as applicable. In particular, there is no assurance that persons entitled to Senior Deferred Consideration and Residual Deferred Consideration would receive any amounts on such an early redemption.

The Issuer's ability to pay amounts due on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration may be affected by a high rate of default on the Mortgage Loans

The amounts required to pay amounts due on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration 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 amounts due on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration on the relevant Payment Dates or Final Redemption Dates or at all. As to arrears in the Mortgage Portfolio as at the Portfolio Reference Date, please refer to "*Certain factors affecting the economic performance and value of the Mortgage Portfolio*" – "*Levels of arrears*" and "*Provisional Portfolio*" below for further details.

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. There are, however, several requirements which would need to be complied with before proceeds could be realised from such security and be applied in or towards repayment 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 the Legal Title Holder 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 relating to possession proceedings (see "*The Servicer and the Servicing Agreement*" and the discussion of the FCA's changes to MCOB with respect to forbearance in "*Further Information relating to the Regulation of Mortgages in the UK – Regulation of the UK Residential Mortgage Market*") and obtaining a court order for possession. In Scotland, it is not necessary for the relevant heritable creditor to enter into possession to sell the property; however the enforcement process is similarly involved in Scotland and requires compliance with relevant statutory procedures and with equivalent codes of practice and protocols. There is also a requirement to market the property for a reasonable period in order to ensure a proper price is obtained.

The combined effect of the above is that there may be several months 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) 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 payments due in respect of the relevant Mortgage Loan. The Issuer's ability to make payments on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration may therefore be reduced.

There may be insufficient funds available to repay the Noteholders and persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration as a result of income or principal deficiencies

If, on any Payment Date prior to the service of an Enforcement Notice, as a result of shortfalls in Available Revenue Receipts there would be a Revenue Shortfall, the Issuer shall apply Available Principal Receipts (if any) in accordance with item (i) of the Pre-Enforcement Principal Priority of Payments to cure such Revenue Shortfall (subject, where applicable, to satisfaction of the relevant PDL Condition) (such reapplied amounts, which for the avoidance of doubt, shall not be applied in respect of any payment due in respect of Senior Deferred Consideration, the "**Principal Addition Amounts**").

The application of any Available Principal Receipts as Principal Addition Amounts together with any Losses will be recorded as a debit to the Principal Deficiency Ledger.

Such debits will be recorded in sequential order to the Class G Principal Deficiency Sub-Ledger up to an amount equal to the Principal Amount Outstanding of the Class G Notes then outstanding, the Class F Principal Deficiency Sub-Ledger up to an amount equal to the Principal Amount Outstanding of the Class F Notes then outstanding, the Class E Principal Deficiency Sub-Ledger up to an amount equal to the Principal Amount Outstanding of the Class E Notes then outstanding, the Class D Principal Deficiency Sub-Ledger up to an amount equal to the Principal Amount Outstanding of the Class D Notes then outstanding, the Class C Principal Deficiency Sub-Ledger up to an amount equal to the Principal Amount Outstanding of the Class C Notes then outstanding, the Class B Principal Deficiency Sub-Ledger up to an amount equal to the Principal Amount Outstanding of the Class B Notes then outstanding and the Class A Principal Deficiency Sub-Ledger up to an amount equal to the Principal Amount Outstanding of the Class A Notes then outstanding.

During the course of the life of the Notes, some but not necessarily all principal deficiencies (should they arise) recorded to the Principal Deficiency Ledger will be recouped from Available Revenue Receipts. Available Revenue Receipts will be applied, after meeting prior ranking obligations as set out under the Pre-Enforcement Revenue Priority of Payments, to credit *first* the Class A Principal Deficiency Sub-Ledger, *second* the Class B Principal Deficiency Sub-Ledger, *third* the Class C Principal Deficiency Sub-Ledger, *fourth* the Class D Principal Deficiency Sub-Ledger, *fifth* the Class E Principal Deficiency Sub-Ledger, *sixth* the Class F Principal Deficiency Sub-Ledger and *seventh* the Class G Principal Deficiency Sub-Ledger.

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

(a) the Available Revenue Receipts and Available Principal Receipts may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest due on the Notes; and

(b) there may be insufficient Available Revenue Receipts and Available Principal Receipts to repay the Notes on or prior to the Final Redemption Date of the Notes.

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

Subordination of other Classes may not protect Noteholders or persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration from all risk of loss

To the extent that the Issuer does not have sufficient funds to satisfy its obligations to all its creditors, the holders of the lower ranking Notes and persons entitled to receive the Residual Deferred Consideration will be the first to see their claims against the Issuer unfulfilled. However, there is no assurance that these subordination provisions will protect the holders of the higher ranking Notes or persons entitled to receive Senior Deferred Consideration from all or any risk of loss. There is no assurance that these subordination rules will protect the holders of Notes

or persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration from all risk of loss.

In addition to the above, payments on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration are subordinate to payments of certain fees, costs and expenses payable to the other Secured Creditors and certain third parties.

Payments of principal in respect of all Classes of Notes will be subordinate to payments of any Principal Addition Amounts.

Details of the terms of the subordination of the Notes, the Senior Deferred Consideration and the Residual Deferred Consideration are further set out in "*Credit Structure and Cashflows – Available Revenue Receipts*", "*Credit Structure and Cashflows – Available Principal Receipts*" and "*Credit Structure and Cashflows – Application of Available Funds following the delivery of an Enforcement Notice*".

2. RISKS RELATING TO THE MORTGAGE LOANS

Certain factors affecting the economic performance and value of the Mortgage Portfolio

(a) *Borrowers may default on their obligations under their Mortgage Loans*

Borrowers may default on their obligations due under the Mortgage Loans through failure to pay amounts due under the Mortgage Loans. Defaults by Borrowers may occur for a variety of financial and personal reasons which may, individually or in combination, lead to an increase in delinquencies by and bankruptcies of Borrowers and could adversely affect the ability of Borrowers to make scheduled payments on their Mortgage Loans. Certain national and international macro-economic factors – for example global conflicts, acts of terrorism, natural disasters, pandemics and similar events, may also contribute to or hinder the economic health of a Borrower and thus the economic performance of the Mortgage Portfolio. Recent geopolitical and economic risks, including those resulting from the conflicts in Ukraine and the Middle East, could impact the UK economy, in particular by pushing up energy and oil prices and increasing inflation (and increasing the cost of living) further which negatively impacts household and business incomes, could have an adverse effect on the ability of Borrowers to make payments on their Mortgage Loans, decrease loan redemption levels, increase loan delinquency rates and increase loan losses, which may also result in losses on the Notes and the Certificates.

In addition, the ability of a Borrower to sell a Charged Property given as security for a Mortgage Loan at a price sufficient to repay amounts outstanding under that Mortgage Loan will depend on a number of factors, including the availability of buyers for that Charged Property, the value of that Charged Property and property values in general at that time.

As to arrears in the Mortgage Portfolio as at the Portfolio Reference Date, please refer to "*Certain factors affecting the economic performance and value of the Mortgage Portfolio*" – "*Levels of arrears*" and "*Provisional Portfolio*" below for further details.

(b) *Increases in prevailing market interest rates may adversely affect the performance of the Mortgage Portfolio*

The UK economy is experiencing a range of economic effects with uneven impacts. As at the date of this Prospectus, the UK is experiencing high energy prices and the cost of living, termed by many as a "cost of living crisis" (the cost of living in the UK having risen at its fastest rate in 30 years) which could lead to further economic stress as consumers reduce their household expenditure leading to a negative impact on businesses (in particular those in the retail and service sectors). Developments such as consumer energy price inflation and disruption to global supply chains alongside elevated global demand for goods and supply shortages of specific goods have led to inflationary pressure over the past number of years,

although such inflationary pressure has begun to ease in recent months. After a period during which the UK has benefited from a historically low interest rate climate as the Bank of England attempted to limit the slowdown in economic activity in the UK since the global financial crisis, the Bank of England's Monetary Policy Committee has, reversed its policy and increased its base rate several times since December 2021 in response to recent inflationary pressure (see section (d) *Levels of arrears* below), albeit with a first cut in its base rate in several years in August 2024. In addition, market expectations for future base rate changes have resulted in increases in new mortgage rates for all UK lenders over recent years. Notwithstanding the decrease in the Bank of England base rate in August 2024, there can be no guarantee that there will not be further interest rate increases, including of the Bank of England base rate, which could adversely affect Borrowers' disposable income and ability to meet their payment obligations under their Mortgage Loans, particularly against a background of price rises for essential goods, and thus arrears and default levels on the Mortgage Loan may increase. Widespread economic impacts have the potential to create contagion effects. A deflationary environment may negatively affect property values.

Further increases in the Bank of England base rate may result in Borrowers with a Mortgage Loan subject to a tracker rate of interest, or for which the related interest rate adjusts following an initial fixed rate, as applicable, including Discount Tracker Rate Mortgage Loans and Fixed Rate Mortgage Loans, being exposed to increased Monthly Payments as and when the related mortgage interest rate increases (or, in the case of the latter, at the end of the relevant fixed period). This increase in Borrowers' Monthly Payments, which (in the case of the latter) may be compounded by any further increase in the related mortgage interest rate during the relevant fixed period, may ultimately result in higher delinquency rates and losses in the future.

Borrowers seeking to avoid these increased Monthly Payments by refinancing their Mortgage Loans may no longer be able to find available replacement loans at comparably low interest rates. Any decline in housing prices may also leave Borrowers with insufficient equity in their homes to permit them to refinance. In addition, the ongoing conflict in Ukraine and the Middle East could also impact interest rates.

These events, alone or in combination, may contribute to higher delinquency rates and losses on the Mortgage Portfolio. Ultimately, if the timing and payment of the Mortgage Loans is adversely affected by any of the risks described above, the ability of the Issuer to meet its obligations and, among other things, make payments under the Notes could be reduced or delayed.

(c) *Values of residential property may decline*

There are conflicting indicators around the robustness of the United Kingdom's residential housing market with some house price falls being registered and confidence falling. There has been direct Bank of England intervention in the housing market through limits on loan-to-income ratios and such action may become more extensive. A deeper slowdown in the UK, with lower growth, higher unemployment and a greater fall in property prices could exacerbate these risks and lead to a more pronounced impact on the housing market and the financial stability of borrowers and lenders. If the residential property market in England, Wales, Northern Ireland and/or Scotland experiences a decline in property values, the value of the Mortgaged Property could be significantly reduced thereby potentially resulting in: (i) the inability of Borrowers to sell the relevant Mortgaged Property at an appropriate level, which could ultimately have an adverse impact on the ability of Borrowers to repay the Mortgage Loans; (ii) the inability to recover sufficient proceeds following the enforcement of the Mortgage for a Mortgage Loan in default to repay in full the amounts outstanding under that Mortgage Loan; (iii) Borrowers having insufficient equity in their homes to refinance their Mortgage Loans; and/or (iv) ultimately, losses to the Noteholders and persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration if the Security is required to be enforced following an Event of Default. This risk is exacerbated with respect to Mortgage Loans where there is a higher Original LTV or Current LTV, including those Mortgage Loans that have an Original LTV or Current LTV of 100 per cent. or more.

(d) *Levels of arrears*

Approximately 35.16 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Mortgage Portfolio are one or more months in arrears, which can be broken down as follows:

(i) 19.93 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Mortgage Portfolio are between one month and less than three months in arrears;

(ii) 4.40 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Mortgage Portfolio are between three months and less than six month in arrears; and

(iii) 10.83 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Mortgage Portfolio are six months or more in arrears.

If any of such Mortgage Loans are subject to any recovery proceedings or restructurings, the recoveries depend to an extent on the ability of the Servicer to manage the Mortgage Portfolio, including re-scheduling the Mortgage Loans as well as enforcing and selling the related Property. Current market and political conditions and other factors may cause substantial delays in the ability of the Servicer to enforce the relevant Mortgage Loans and related Property and may adversely affect the amount of proceeds received in respect of a Property. In addition, 6.68 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans are subject to a restructuring arrangement.

There can be no assurance that the future 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.

In addition, 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 (as is relevant at the current time). 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 high levels of arrears and repossessions. Any increase in the level of forbearance, payment deferrals, defaults and/or repossessions could have an adverse effect on the ability of the Issuer to make payments under the Notes.

(e) *Servicing of the Mortgage Portfolio*

Pursuant to the terms of the Servicing Agreement, the Servicer is required to administer the Mortgage Portfolio in accordance with the then applicable Servicer's policy, which includes procedures which relate to the day-to-day servicing of performing Mortgage Loans, the setting of interest rates on Mortgage Loans and how the Servicer manages and handles Mortgage Loans in arrears, default and repossession. In summary, the Servicer is required to administer the Mortgage Portfolio (including making offers of Further Advances and Product Switches) in the same manner as the Servicer administers its own mortgage account portfolio and also as would a Prudent Mortgage Lender servicing mortgages in the UK. Failure of the Servicer to perform its functions in accordance with the terms of the Servicing Agreement may ultimately lead to the termination of the appointment of the Servicer, but any such failure may also have had an impact on the ability of the Issuer to collect in a full and/or timely manner Revenue Receipts or Principal Receipts. In addition, any such failure of the Servicer to carry out its services in accordance with the standards and duty of care required under the Servicing Agreement may have an adverse effect on the market value of the Mortgage Loans and which may, ultimately, result in losses to the Noteholders and persons entitled to receive the Senior Deferred Consideration and the Residual Deferred Consideration in the event the security granted by the Issuer is required to be enforced under the Deed of Charge following an Event of Default.

(f) *Geographic concentration*

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 and 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 this section. Certain geographic regions within the United Kingdom rely on different types of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and the strength of the rental markets and consequently the repayment ability of the Borrowers in that region or in the region that relies most heavily on that industry. Government actions taken in response to a downturn may include cuts in public benefits or public sector employment, or other austerity measures that may directly affect Borrowers by reducing or eliminating their income, which could impact their ability to pay their debts. Private businesses may also reduce hiring or implement layoffs or reduce hours of work, which would potentially affect Borrowers. In addition, self-employed Borrowers may see a reduction in volume of work and/or income. Different geographic areas of the United Kingdom might be impacted differently by any economic downturn and by any government action taken or inaction in relation to it.

In addition, any natural disasters or widespread health crises (including, new strains of COVID-19 or reduced vaccine efficacy may increase the likelihood and/ or magnitude of other risks described herein (with consequential volatility in Borrower's ability 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. 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 (f) 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.

If the timing of the payments, as well as the quantum of such payments, in respect of the Mortgage Loans is adversely affected by any of the risks described above, then payments on the Notes could be reduced and/or delayed and could ultimately result in losses on the Notes.

Repurchases of Mortgage Loans by the Legal Title Holder or the Seller (as applicable) may have the same effect as prepayments on the Mortgage Loans

If the Legal Title Holder or Seller (as applicable) repurchases a Mortgage Loan from the Issuer, including, without limitation, if that Mortgage Loan:

(a) is subject to a Product Switch and the relevant Mortgage Loan is less than two months in arrears on the first Business Day of the following month after the Product Switch occurred ("*The Servicer and the Servicing Agreement – Product Switches*");

(b) is subject to a Further Advance;

(c) is in breach of the Mortgage Loan Warranties, where that breach has a material adverse effect on that Mortgage Loan or its Related Security,

then the payment received by the Issuer pursuant to such repurchase, may have the same effect as a prepayment of such Mortgage Loans, and the yield to maturity of the Notes may consequently be affected. 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, which may in turn affect the yield to maturity of the Notes of each Class. See "*Risks relating to the availability of funds to pay the Notes – Effects of prepayments on, or redemptions or repurchases of, the Mortgage Loans on the yield to maturity of the Notes*" and "*Risks relating to the availability of funds to pay the Notes – Mortgage Loans subject to Product*

Switches and Further Advances may be repurchased by the Legal Title Holder, which will affect the prepayment rate of the Mortgage Loans, and this may affect the yield to maturity of the Notes".

The Issuer will only have recourse to the Seller if there is a breach of warranty by the 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 the Mortgage Sale Agreement by the Seller.

If any Mortgage Loan Warranty is untrue on the Cut-Off Date, and such breach could have a material adverse effect on such Mortgage Loan and/or its Related Security, then, in the first instance, the Seller will be required to remedy the error (if capable of remedy) within 28 Business Days of the 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 Seller or waived within such 28 Business Day period or if the error is not capable of remedy, then the Issuer will re-assign the relevant Mortgage Loan and its Related Security to the Seller (or its nominee) and the Legal Title Holder (or its nominee) 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 secured or intended to be secured by the same and their Related Security or any part of it that are in the Mortgage Portfolio, in an amount equal to the aggregate of the Current Balance and expenses payable relating thereto (excluding, if applicable, the amount of any Further Advance which has not yet been paid for by the Issuer) as at the date of completion of such repurchase.

There can be no assurance that the 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 Seller in relation to such breach of warranty under the Mortgage Sale Agreement.

Provisional Portfolio

The information in the section entitled "*Characteristics of the Provisional Portfolio*" has been extracted from the systems of the Seller as at 31 July 2024 (the "**Portfolio Reference Date**"). The pool of Mortgage Loans from which the Mortgage Portfolio will be selected (the "**Provisional Portfolio**") as at the Portfolio Reference Date comprises 6,215 Mortgage Loans with an aggregate Current Balance of £921,349,823. The characteristics of the Mortgage Portfolio as at the Closing Date will vary from those of the Provisional Portfolio as a result of Mortgage Loans which redeem prior to the Closing Date. Accordingly, there may be material changes in the characteristics of the Mortgage Portfolio between the Portfolio Reference Date and the Closing Date, which may adversely 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 and towards the Senior Deferred Consideration and the Residual Deferred Consideration.

There are four Mortgage Loans in the Provisional Portfolio (each a "**Provisional LTV Exception Mortgage Loan**") with respect to which the Original LTV at origination was greater than 100 per cent. and the maximum LTV requirements set out in the Lending Criteria in force at the time were not met. The Provisional LTV Exception Mortgage Loans included in the Provisional Portfolio represent approximately 0.04 per cent. of the aggregate Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Provisional Portfolio. The Provisional LTV Exception Mortgage Loans included in the Provisional Portfolio will be included in the Mortgage Portfolio purchased by the Issuer unless they are redeemed prior to the Closing Date.

See sections "*The Mortgage Loans and the Mortgage Portfolio*" and "*Characteristics of the Provisional Portfolio*" for more detail.

The Provisional Portfolio has been selected by the Seller to specifically include Mortgage Loans (i) categorised as Stage 2 and 3 under the IFRS 9 credit risk classification criteria applied by the Seller; (ii) where the Borrower(s) has one or more county court judgements (or the Scottish equivalent) issued following origination; (iii) with an

Current LTV of greater than or equal to 85 per. cent; and (iv) which are either Zero Rate Mortgage Loans, Help to Buy Mortgage Loans, Shared Ownership Mortgage Loans, Right to Buy Loans and Family Springboard Mortgage Loans, in each case as at the Cut-Off Date.

Investors should note that the Mortgage Loans in the Provisional Pool have not been selected by the Seller on a random basis or in a manner that would minimise the risks associated with the Mortgage Portfolio on the Closing Date. In particular, such selection may result in the Mortgage Portfolio having risk associated with it which are more severe than the wider portfolio of mortgage loans originated by the Seller or Barclays Bank PLC. Such particular risks may adversely 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 and towards the Senior Deferred Consideration and the Residual Deferred Consideration. See sections "*The Mortgage Loans and the Mortgage Portfolio*" and "*Characteristics of the Provisional Portfolio*" for more detail.

Risk of losses associated with high LTV Mortgage Loans

As of the Portfolio Reference Date, the approximately 18.6 per cent. of the Mortgage Loans have an indexed current loan-to-value ratio (calculated by dividing the aggregate Current Balance of all sub-accounts with respect to each Mortgage Loan (including capitalised interest and capitalised fees) by the indexed valuation of the mortgaged property securing such Mortgage Loan) in excess of 85 per cent. Mortgage Loans with higher Original LTVs typically experience higher rates of delinquency, write-offs, enforcement and bankruptcy than mortgage loans with lower Original LTVs, which may impact the ability of the Issuer to meet its payment obligations under the Notes.

Risk of losses associated with Interest Only Mortgage Loans and Part and Part Mortgage Loans

Approximately 4.67 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Provisional Portfolio constitute Interest Only Mortgage Loans. Approximately 2.45 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Provisional Portfolio constitute Part and Part 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 Borrower will be required to make a "bullet" repayment that will represent the entirety of the principal amount outstanding thereof. While Borrowers under a Part and Part Mortgage Loan are required to repay part of the principal amount of the Mortgage Loan on a monthly basis, there is similarly a requirement to make a "bullet" repayment in one lump sum upon the maturity of a Part and Part Mortgage Loan. The ability of such a Borrower to repay an Interest Only Mortgage Loan or a Part and Part Mortgage Loan in full at maturity may often depend on such Borrower's ability to refinance the Property or obtain funds from another source such as pension policies, personal equity plans or endowment policies. None of the Issuer, the Security Trustee, the Note Trustee, the Seller, the Legal Title Holder, the Arranger or the Servicer has verified that the Borrower has any such other source of funds and none of them has obtained security over the Borrower's right in respect of any such other source of funds. The ability of a Borrower to refinance the Property will be affected by a number of factors, including the value of the Property, the Borrower's equity in the Property, the financial condition of the Borrower and general economic conditions at the time. Because of the greater risk relating to refinancing of Interest Only Mortgage Loans and Part and Part Mortgage Loans, a significant downturn in the property markets or the economy could lead to a greater increase in defaults. Moreover, the Mortgage Conditions in respect of Interest Only Mortgage Loans and Part and Part Mortgage Loans do not require a Borrower to put in place alternative funding arrangements to provide for the repayment of the relevant Mortgage Loan at maturity. While the Seller requires Borrowers to have in place a repayment strategy, such repayment strategy may involve the sale of the property rather than putting in place specific alternative funding arrangements.

Borrowers may have insufficient equity to refinance their Mortgage Loans with lenders other than the Legal Title Holder 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.

If a Borrower cannot repay an Interest Only Mortgage Loan or a Part and Part Mortgage Loans, a loss may occur and this may affect payments on the Notes.

Risks associated with Zero Rate Mortgage Loans

Approximately 0.50 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Provisional Portfolio constitute Zero Rate Mortgage Loans.

Zero Rate Mortgage Loans (sometimes referred to as "Interest Free Assistance Loans") represent a unique category of lending products that were historically offered by the Seller to Borrowers. These loans were designed to assist Borrowers who found themselves in substantial hardship, that required Borrowers to move properties as part of a hardship scheme historically undertaken by the Seller. The determination of substantial hardship was made on an individual case by case basis and typically included scenarios such as severely limited mobility due to age, illness, or disability and needing to move closer to a family member, the need to downsize following the death of a spouse or partner, suffered from a severely debilitating illness/disability and needing to move to a property that is more suitable (e.g. single storey property, or adapting a current property for stair lift, ramps, widened doors) or the requirement to care for a family member with a debilitating illness or disability who needs to move to a property that is more suitable.

The absence of interest and regular repayments during the term of the mortgage means that the entire principal amount is due upon specified triggering events. This could potentially result in a significant financial burden on the Borrower or their estate, particularly if the property's value has not appreciated or if the Borrower's financial circumstances have deteriorated.

Additionally, the unique nature of these loans, with their specific eligibility criteria and hardship considerations, may limit the Seller's ability to predict the timing and likelihood of repayment. This uncertainty could affect the cash flows and overall performance of the Mortgage Portfolio.

Furthermore, the provision allowing for the deferral of repayment in cases of subsequent substantial hardship introduces additional variability into the repayment schedule. The Seller's policies and discretion in assessing such hardship deferral requests could influence the timing and amount of recoveries on these loans.

Investors should be aware that the performance of Zero Rate Mortgage Loans within the Mortgage Portfolio may not follow typical patterns observed with standard mortgage products. The ability of Borrowers to fulfil their repayment obligations is inherently linked to personal and economic factors that may be difficult to predict or quantify. Consequently, the inclusion of Zero Rate Mortgage Loans in the Mortgage Portfolio introduce a distinct set of risks that could impact the returns on the Notes.

Risks associated with Help to Buy Mortgage Loans

Approximately 3.91 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Provisional Portfolio constitute Help to Buy Mortgage Loans.

The Help to Buy Mortgage Loans provided by the UK Government are typically secured by way of a second charge mortgage on the relevant property. Following a sale of a property which benefits from a Help to Buy Government Loan, the UK Government (through Homes England) will be repaid a *pro rata* amount of the disposal proceeds of the property equal to the percentage of the original purchase price funded by the Help to Buy Government Loan regardless of whether the disposal value has increased or decreased relative to the original purchase price. In circumstances where the disposal proceeds are insufficient to discharge in full both the Help to Buy Mortgage Loan and the Help to Buy Government Loan secured on the property, the disposal proceeds will be applied to discharge the first ranking legal Mortgage and the remaining proceeds (if any) applied to discharge

the Help to Buy Government Loan. The enforcement or repossession of the Help to Buy Loan by the Seller will not require the consent of Homes England, however any disposal of a property which benefits from a Help to Buy Government Loan (including following an enforcement of a Help to Buy Mortgage Loan), will require the consent of Homes England which may result in a delay to the enforcement of the relevant Mortgage.

Risks associated with Shared Ownership Mortgage Loans

Approximately 5.01 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Provisional Portfolio constitute Shared Ownership Mortgage Loans. The Shared Ownership Mortgage Scheme (which operates in England and Wales) was introduced by the Housing Act 1985 and enables eligible persons (each, a "**Shared Ownership Scheme Borrower**") to purchase a share in a property which is owned by a Housing Association (as defined in Section 5 of the Housing Act 1985).

Under the Shared Ownership Mortgage Scheme, the relevant Housing Association grants a long lease of a property to a Shared Ownership Scheme Borrower, who also pays an initial premium in respect of the initial share in the property being acquired. The Shared Ownership Scheme Borrower also pays rent under the lease granted by the Housing Association, the level of rent being proportional to the share of the property which is retained by the Housing Association (the payment of such rent is considered and tested as part of the affordability checks undertaken by the Seller prior to origination). The Shared Ownership Scheme Borrower enjoys exclusive possession of the relevant property and owns a leasehold interest in such property.

The Shared Ownership Scheme Borrower is allowed to purchase additional shares in the property by paying additional lump sums in respect of the further share being acquired. Any such additional acquisition results in a proportionate reduction in the rent payable to the relevant Housing Association. Upon completion of the purchase of the final share the Shared Ownership Scheme Borrower can require the Housing Association to transfer its freehold title to the property to such Borrower.

In Shared Ownership Mortgage Loan documentation where a suitable mortgagee protection clause exists, any shortfall in the amount owed to a Housing Association for its share in the property, after the mortgagee has recovered amounts to which it is entitled, is treated as a debt owed by the Shared Ownership Scheme Borrower to such Housing Association. The Housing Association has no further recourse to the mortgagee.

Additionally, in a Shared Ownership Mortgage Loan, where the customer has defaulted, the Seller will request to purchase the Housing Association’s percentage in order to market the property as a whole. The offer made to the Housing Association will be reduced to offset the potential shortfall where a mortgage protection clause is in place, however in some cases the shortfall encountered may still result in a loss to the Seller.

The possible inclusion of Shared Ownership Mortgage Loans in the Mortgage Portfolio 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.

Risks associated with Family Springboard Mortgage Loan

Approximately 2.52 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Provisional Portfolio constitute Family Springboard Mortgage Loans. The unique structure of Family Springboard Mortgage Loans introduces specific risks that may affect the performance of the Mortgage Portfolio. The reliance on a family member's retainer as security adds an additional layer of complexity and potential risk, particularly in relation to the enforcement or use of the retainer. The ability of Borrowers to maintain payments and the performance of the underlying property market are critical factors that may influence the overall risk profile of the Mortgage Portfolio. Losses may occur if Borrowers default and the security provided by the family member's retainer is insufficient to cover the outstanding loan balance. Such losses could impact the ability of the Issuer to make payments due on the Notes.

Risks associated with Flexible Mortgage Loans

Certain of Mortgage Loans in the Mortgage Portfolio constitute Flexible Mortgage Loans. Flexible Mortgage Loans have features described in "*The Mortgage Loans and the Mortgage Portfolio - Flexible features*", including the flexibility for the Borrower to make overpayments and/or underpayments, in each case without the corresponding penalty. Such flexibility may limit the ability to predict the timing and likelihood of repayment and such uncertainty could affect the cash flows and overall performance of the Mortgage Portfolio.

No declaration of trust over the Collection Account in favour of the Issuer

Collections, including principal, interest, fees, expenses and recoveries received by or on behalf of the Legal Title Holder into the Collection Account in payment of any amount payable under any Mortgage Loan in the Mortgage Portfolio from or on behalf of any Borrower, are transferred into the Transaction Account on a daily basis. However, as Barclays Bank UK PLC is also acting as the Servicer on the Closing Date and the Collection Account is held in the same legal entity, a declaration of trust in favour of the Issuer over the amounts standing to the Collection Account cannot be granted by Barclays Bank UK PLC in order to separate the balance of the Collection Account from the insolvency estate of Barclays Bank UK PLC as Servicer. As such, investors should be aware that in the event of insolvency of Barclays Bank UK PLC, the balance of the Collection Account will not be isolated in favour of the Issuer and this may affect the Issuer's ability to recover any amounts due which in turn might affect the ability to meet its payments obligations under the Notes.

3. RISKS RELATING TO THE STRUCTURE AND THE NOTES

The Notes and the requirement to pay Senior Deferred Consideration and Residual Deferred Consideration are limited recourse obligations of the Issuer

The Notes and the requirement to pay Senior Deferred Consideration and Residual Deferred Consideration are limited recourse obligations of the Issuer. If at any time following:

(a) the occurrence of either:

  (i) the Final Redemption Date or any earlier date upon which all of the Notes 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 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 on the Notes.

Apart from the Security Trustee, none of the Secured Creditors, including the Noteholders and persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration, will be entitled to institute against the Issuer any bankruptcy, reorganisation, arrangement, examinership, 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 Transaction Documents unless (i) the Security Trustee has become bound to institute proceedings and has failed to do so within a reasonable period of becoming so bound and

(ii) such failure is continuing, and then only if and to the extent that such Secured Creditor is able to do so under applicable law.

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

The ratings (if any) assigned by DBRS and Fitch to Rated Notes address their respective opinions on the likelihood of (a)(i) full and timely payment of interest on the Class A Notes; (ii) ultimate payment of interest on the Class B Notes (unless the Class B Notes are the Most Senior Class of Notes when it addresses the likelihood of full and timely payment of interest accrued on the Class B Notes on and from the date on which they became the Most Senior Class of Notes (excluding, for the avoidance of doubt, any interest accruing on any Deferred Interest or Additional Interest which accrued prior to the date on which the Class B Notes became the Most Senior Class of Notes)); and (iii) ultimate payment of interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes and, (b) ultimate payment of principal on the Rated Notes.

The Issuer has not requested that the Class G Notes, the Class Z Notes or any Certificates (then in issue) be rated by the Rating Agencies.

Any Rating Agency may lower, withdraw, qualify or suspend its rating of a 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 judgement 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 Class of Notes is subsequently suspended, lowered, withdrawn or qualified, the market value of the Notes may be reduced.

Except as described above, the Issuer has not requested a rating of any Class of Notes by any rating agency other than the Rating Agencies; there can be no assurance, however, as to whether any other rating agency will rate any Class of Notes or, if it does, what rating would be assigned by such rating agency. Any rating assigned by such other rating agency to a Class of Notes could be lower than the rating assigned by the Rating Agencies to such Class of Notes, and could have an adverse effect on the value of the Rated Notes. Rating agencies other than the Rating Agencies could seek to rate the Rated Notes, in each case relying on information they receive pursuant to Rule 17g-5 under the Exchange Act, or otherwise, and if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the liquidity, market value and regulatory characteristics of the Rated Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to "**ratings**" or "**rating**" in this Prospectus is to the ratings assigned by the Rating Agencies only. Although unsolicited ratings may be issued by any rating agency, a rating agency might be more likely to issue an unsolicited rating if it was not selected after having provided preliminary feedback to the Issuer.

The Issuer selected DBRS and Fitch to rate all of the Classes of Notes (other than the Unrated Notes). There can be no assurance that, had the Issuer selected other rating agencies to rate the Notes, the ratings that such rating agencies would have ultimately assigned to those Classes of Notes would have been equivalent to those assigned by DBRS and Fitch. Neither the Issuer nor any other person or entity will have any duty to notify you if any other nationally recognised statistical rating organisation issues, or delivers notice of its intention to issue, unsolicited ratings on one or more Classes of the Notes after the Closing Date. 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 and that determination may have an adverse effect on the liquidity, market value and regulatory characteristics of the Notes.

As highlighted above, the ratings assigned to the Rated Notes by each Rating Agency are based on, among other things, the issuer default rating and the short-term and/or long-term unsecured, unguaranteed and unsubordinated debt ratings, or its equivalent, of the Transaction Account Bank and the Collection Account Bank and any replacement Collection Account Bank. In the event one or more of these transaction parties are downgraded below the requisite ratings trigger, there can be no assurance that a replacement to that counterparty will be found that has the ratings required to maintain the then current ratings of the Rated Notes, noting that the Standby Swap

Collateral Account Bank has been appointed by the Issuer. If a replacement counterparty with the requisite ratings cannot be found, this is likely to have an adverse impact on the rating of the Rated Notes and, as a consequence, the resale price of the Rated Notes in the market and the prima facie eligibility of certain classes of the Rated Notes for use in liquidity schemes established by, inter alios, various central banks.

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the European Securities and Markets Authority on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (i) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (ii) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of the Rating Agencies rating the Notes changes for the purposes of the EU CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Prospectus.

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 Transaction Documents in order to maintain the then current rating by that Rating Agency of a 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 Noteholders (see "*Risks relating to Changes to the Structure and the Documents – Conflict between Noteholders and persons entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, and other Secured Creditors*", "*Risks relating to Changes to the Structure and the Documents – Conflict between Classes of Noteholders or persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration*" and Condition 13.6) or with the consent of Noteholders provided by way of an Extraordinary Resolution (see Condition 13 (*Meetings of Noteholders, modifications and waiver*)).

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

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

the Note Trustee, or, as the case may be, the Security Trustee will not cause the current ratings of the Rated Notes to be reduced, qualified, adversely affected or withdrawn thereby (a "**Rating Agency Confirmation**").

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

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

Where the Transaction Documents allow the Note Trustee to seek a Rating Agency Confirmation and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer and (i) (A) one or more Rating Agencies (each such Rating Agency, a "**Non-Responsive Rating Agency**") indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given and (ii) the Issuer has otherwise received no indication from that Rating Agency that its then current rating of the Rated Notes would be reduced, qualified, withdrawn or put on negative watch as a result of such step, action or matter, then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive Rating Agency if the Issuer provides to the Note Trustee and the Security Trustee a certificate signed by two directors certifying and confirming that (I) a written request for such Rating Agency Confirmation has been delivered to each Rating Agency by or on behalf of the Issuer and (II) each of the events in paragraphs (i)(A) or (B) and (ii) above has occurred, and each of the Note Trustee and the Security Trustee shall be entitled to rely on such certificate without further enquiry or liability. Where a Rating Agency Confirmation is a condition to any action or step under any Transaction Document and it is deemed to be modified as a result of a Non-Responsive Rating Agency not having responded to the relevant request from the Issuer within 30 days, there remains a risk that such Non-Responsive Rating Agency may subsequently downgrade, qualify or withdraw the then current ratings of the Rated Notes as a result of the action or step. Such a downgrade, qualification or withdrawal to the then current ratings of the Rated Notes may have an adverse effect on the value of the Rated Notes.

The Notes may be subject to interest rate risks

As at the Closing Date, the majority of the Mortgage Loans in the Mortgage Portfolio are Fixed Rate Mortgage Loans that pay interest at a fixed rate for a specified period of time, and at the expiration of such period are subject to a rate which 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 is calculated pursuant to a margin over SONIA. The Issuer has entered into an Interest Rate Swap Agreement and an Interest Rate Swap with respect to the Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement in order to hedge its exposure against the variance between the fixed rate of interest payable in respect of those (i) Fixed Rate Mortgage Loans; and (ii) any Floating Rate Notes. Note, however, that as at the date of this Prospectus, the Issuer has not entered into any Interest Rate Swap Agreement with respect to any Tracker Rate Mortgage Loans or Discount Tracker Rate Mortgage Loans in the Mortgage Portfolio, and accordingly no assurance can be given that the Issuer may be exposed to basis risk in respect of these Mortgage Loans.

If a Mortgage Loan which is not a Fixed Rate Mortgage Loan as at the Cut-Off Date, subsequently becomes a Fixed Rate Mortgage Loan, but is not a Product Switch which is repurchased by the Legal Title Holder and remains in the Mortgage Portfolio, the Issuer is subject to the risk of a mismatch between the rate of interest (including margin) payable in respect of such Mortgage Loan and the rate of interest (including margin) payable in respect of the Notes.

If the Interest Rate Swap Agreement terminates, the Issuer will, in addition to the above, be exposed to the variance between the rates of interest payable on (i) the Fixed Rate Mortgage Loans; and (ii) the floating rate of interest payable from time to time on the Floating Rate Notes ("**Floating Rate of Interest**"). Unless replacement Interest Rate Swaps are entered into, the Issuer may have insufficient funds to make payments due on the Notes of any Class or towards the Senior Deferred Consideration and the Residual Deferred Consideration.

If on any date the Additional Fixed Rate Loan Hedging Condition is not satisfied, the Servicer will use reasonable endeavours to procure that the Issuer enters into one or more Interest Rate Swaps with an Interest Rate Swap Counterparty selected by the Servicer (which has the Swap Counterparty Required Ratings). If the Additional Fixed Rate Loan Hedging Condition is not satisfied for a period of 60 calendar days from the date of the relevant breach, the Portfolio Option Holder may instruct the Issuer to enter into one or more Interest Rate Swaps with an Interest Rate Swap Counterparty selected by the Portfolio Option Holder, in each case at prevailing market rates with the Swap Notional Amount Schedule being equal to the excess of the projected Principal Amount Outstanding of the Fixed Rate Mortgage Loans over the aggregate of the Swap Notional Amount Schedule(s) of the existing Interest Rate Swap(s) (if any), determined assuming a constant prepayment rate of zero. In addition, the Portfolio Option Holder shall have a right to veto (acting reasonably) any proposed Interest Rate Swap to be entered into by the Issuer. The interest rate risk between the fixed rate of interest payable on the Fixed Rate Mortgage Loans and the floating rates of interest on the Notes will be partially mitigated (but not obviated) if the Issuer enters into an Interest Rate Swap concluded in accordance with an Interest Rate Swap Agreement. If the Portfolio Option Holder vetoes a proposed Interest Rate Swap or the Issuer is unable to enter into an Interest Rate Swap when the Additional Fixed Rate Loan Hedging Condition is not satisfied, the Issuer will be exposed to the possible variance between the rates of interest payable in respect of any Fixed Rate Mortgage Loans in the Mortgage Portfolio and the rate of interest payable in respect of the Notes.

Set-off risks in relation to the Mortgage Loans may adversely affect the funds available to the Issuer to repay the Notes

As described in "*The Legal Title Holder will initially retain legal title to the Mortgage Loans*" below, the Seller has made an equitable assignment of the relevant Mortgage Loans and their Related Security, to the Issuer, or has entered into a Scottish Declaration of Trust in favour of the Issuer in respect of relevant Scottish Mortgage Loans and their Related Security, with legal title, in each case, being retained by the Seller. Therefore, the rights of the Issuer may be subject to the direct rights of the Borrowers against the Seller, including rights of set-off existing prior to notification to the Borrowers of the transfer of legal title of the Mortgage Loans. Set-off rights may occur if the Seller fails to pay to a Borrower a drawdown under certain Mortgage Loans and any relevant preconditions

to the release of such funds have been met. In such event, the relevant Borrower may set-off any damages claim arising from the Seller's breach of contract against the Seller's (and, as assignee or holder of the beneficial interest in the Mortgage Loans and their Related Security, the Issuer's) claim for payment of principal and/or interest under the Mortgage Loan as and when it becomes due. These set-off claims will constitute transaction set-off as described in "*Further Information relating to the Regulation of Mortgages in the UK – Regulation of the UK Residential Mortgage Market*" For the purposes of this Prospectus, references herein to "set-off" shall be construed to include analogous rights in Scotland.

Following a Perfection Trigger Event, once notice has been given to Borrowers of the transfer of the legal title of the Mortgage Loans and their Related Security to the Issuer, independent set-off rights which a Borrower has against the Seller 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 or an equitable set-off (which are set-off claims arising out of a transaction connected with the Mortgage Loan) will not be affected by that notice. These set-off rights if exercised could reduce the Mortgage Loan receipts available to the Issuer to distribute for payments on the Notes.

The amount of any set-off claim in respect of a drawing will, in many cases, be the cost to the Borrower of finding an alternative source of finance. The Borrower may obtain a loan elsewhere in which case the damages would be equal to any difference in the borrowing costs together with any consequential losses, namely the associated costs of obtaining alternative funds (for example, legal fees and survey fees). If the Borrower is unable to obtain an alternative loan, he or she may have a claim in respect of other losses arising from the Seller's breach of contract where there are special circumstances communicated by the Borrower to the Seller at the time the Mortgage Loan was taken out or which otherwise were reasonably foreseeable. In either case, the damages claim will be limited by general legal principles concerning remoteness of loss and mitigation. These include (i) the principle that something, which is a real possibility but would only occur in a small minority of cases, will not usually fall within the contractual measure of damages and (ii) the Borrower's duty to mitigate loss.

A Borrower may also attempt to set-off against his or her mortgage payments an amount greater than the amount of his or her damages claim. In that case, the Servicer will be entitled to take enforcement proceedings against the Borrower although the period of non-payment by the Borrower is likely to continue until a judgment is obtained.

No assurance that the Issuer will receive benefit of any claims under insurance contracts

The Mortgage Loans contain requirements for the relevant Property to be insured. However, it will be difficult in practice for the Servicer to determine whether a Borrower has valid insurance in place at any time. The Issuer does not have the benefit of any contingency insurance to cover the risk of Borrowers failing to have buildings insurance. No assurance can be given that there are any applicable buildings insurance contracts, that the Issuer will always receive the benefit of any claims made under any applicable buildings insurance contracts or that the amounts received in respect of a successful claim will be sufficient to reinstate the affected Property. This could adversely affect the Issuer's ability to make payments of interest and/or principal in respect of the Notes.

4. LEGAL AND REGULATORY RISKS RELATING TO THE STRUCTURE AND THE NOTES

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

Investors should be aware that the market continues to develop in relation to SONIA as a reference rate in the capital markets and its adoption as an alternative to Sterling LIBOR. In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA, including term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term). The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Conditions and used in relation to Notes that reference a SONIA rate issued under this Prospectus. Interest on Notes which reference a SONIA rate is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Payment Date. It may be difficult for investors in Notes which reference a SONIA rate to reliably estimate the amount of interest which will be payable on such Notes.

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

Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity in respect of the Notes

In Europe, the United Kingdom, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in multiple measures for increased regulation which are at various stages of implementation and which may have an adverse impact on the regulatory position of certain investors in securitisation exposures and/or on 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 should consult their own advisers in this respect. None of the Issuer, the Arranger, the Lead Manager or the Seller makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory treatment of their investment on the Closing Date, or at any time in the future.

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 ("**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 reforms. 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 in this respect.

Non-compliance with the UK Securitisation Regulation and/or the EU Securitisation Regulation, 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) No. 2021/557. 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 wider review. In this regard it should be noted that in October 2024 the European Commission published a consultation on various policy options for the wide reforms to the prudential and non-prudential regulation of securitisation, including, among other things, reforms aimed at potentially reducing the regulatory burden in relation to the investor due diligence and transparency requirements under the EU Securitisation Regulation. It is expected that, in H1 of 2025, this consultation will be followed by the publication of a package of legislative amendments by the European Commission, followed by the negotiation of this package of reforms with the European Parliament and the Council of the European Union. Furthermore, the European Securities and Markets Authority ("**ESMA**") is expected before the end of 2024 to confirm the outcome of its 2023 consultation on the review of the EU reporting templates. However, any progress with the amendments to the EU reporting templates by ESMA is likely to be impacted by and will be subject to the wider securitisation reforms mentioned above. Therefore, when any such reforms will be finalised and become applicable and whether such reforms will benefit the parties to this Transaction and/or the Notes remains to be seen.

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).

The EU Securitisation Regulation has direct effect in member states of the EU, once the EU Securitisation Regulation is incorporated into the EEA Agreement, it will apply more broadly in the EEA, including Iceland, Norway and Liechtenstein.

Following the UK's withdrawal from the EU at the end of 2020, the UK Securitisation Regulation applies in the UK and it largely mirrors (with some adjustments) the EU Securitisation Regulation as it applied in the EU at the end of 2020. However, the currently applicable UK regime will be revoked and replaced with a new recast regime as a result of the UK post-Brexit move to "A Smarter Regulatory Framework for financial services" (the "**UK SR Reforms**"). The new UK regime is being introduced under the Financial Services and Markets Act 2000 regime, as amended ("**FSMA**") and related thereto (i) the Securitisation Regulations 2024 (SI 2024/102), as amended ("**2024 UK SR SI**"); as well as (ii) the Securitisation Part of the Prudential Regulation Authority ("**PRA**") Rulebook (PRA Securitisation Rules) and the securitisation sourcebook (**SECN**) of the Financial Conduct Authority ("**FCA**") Handbook (together the "**UK Securitisation Rules Framework**"). It should be noted that the implementation of the UK SR Reforms is a protracted process. The first phase, which will revoke the existing regime and replace it with the UK Securitisation Framework will come into force on 1 November 2024. In Q4 2024/Q1 2025, there will be a phase two to the reforms whereby the UK government, the PRA and the FCA will consult on further changes including, but not limited to, the recast of the transparency and reporting requirements. Therefore, at this stage, not all of the details are known on the implementation of the UK SR Reforms. Note also that while the UK Securitisation Framework will apply to new securitisations with the UK nexus closed after 1 November 2024 and investments made in relevant securitisation positions by the UK institutional investors on or after that date, the UK Securitisation Framework also has potential implications for securitisations in-scope of the UK Securitisation Regulation that closed prior to 1 November 2024. Please note that some divergence between EU and UK regimes exists already. While the UK Securitisation Framework regime 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/or the UK Securitisation Regulation requirements will apply to the relevant institutional investors. 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, 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 Article 5 of the UK Securitisation Regulation, as applicable. 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.

If the relevant European- 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.

Aspects of the requirements of the EU Securitisation Regulation and the UK Securitisation Regulation and the UK Securitisation Framework and what is or will be required to demonstrate compliance to national regulators remain unclear. 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.

Various parties to the securitisation transaction described in this Prospectus (including the Retention Holder and the Issuer) are subject to the requirements of the UK Securitisation Regulation. 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 section entitled "*Certain Regulatory Requirements – The Securitisation Regulation*" for further details and should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with such undertakings will be adequate for any prospective institutional investors to comply with their due diligence obligations under the UK Securitisation Regulation or under the EU Securitisation Regulation (as if it were applicable to the Retention Holder and as in force on the Closing Date). Prospective investors should also note that the Retention Holder has contractually elected and agreed to comply with the requirements of the EU Securitisation Regulation relating to the risk retention as such requirements interpreted and applied solely on the Closing Date (there is no obligation to comply with any amendments to applicable EU technical standards, guidance or policy statements introduced in relation thereto after the Closing Date).

Non-compliance with the UK Securitisation Regulation 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 (STS) and UK STS designation – UK STS designation impacts on regulatory treatment of the Notes.

The UK Securitisation Regulation (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 a UK STS securitisation.

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.

The Notes are not intended to be designated as an STS securitisation for the purposes of the UK Securitisation Regulation or the EU Securitisation Regulation. Prospective investors are themselves responsible for analysing their own regulatory position, and should consult their own advisers in this respect and should consider (and where appropriate, take independent advice on) the consequence from a regulatory perspective of the Notes not being considered an STS securitisation in the EU or the UK, including (but not limited to) that the lack of such designation may negatively affect the regulatory position of, and the capital charges on, the Notes and, in addition, have a negative effect on the price and liquidity of the Notes in the secondary market.

Non-compliance with U.S. Risk Retention Requirements may adversely affect the value of the Notes

The Sponsor is required under the U.S. Risk Retention Rules, to ensure that it (or a majority-owned affiliate of the Sponsor) acquires and retains an economic interest in the credit risk of the assets collateralising the issuance of "asset-backed securities" in an amount equal to at least five per cent. The Sponsor intends to satisfy the U.S. Risk Retention Rules via the Retention Holder, as its majority-owned affiliate, acquiring and retaining an EVI. See "*Certain Regulatory Requirements – U.S. Credit Risk Retention Requirements*".

There may be an adverse result on the value of the Notes and Certificates (then in issue) if the Retention Holder fails to comply with the U.S. Risk Retention Rules with respect to the Notes and Certificates (then in issue).

English law security and insolvency considerations

Under the Deed of Charge, the Issuer has created 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 – Deed of Charge*"). In certain circumstances, including the occurrence of certain Insolvency Events in respect of the Issuer, the ability to realise

the Security may be delayed and/or the value of the relevant 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 which received Royal Assent on 25 June 2020 and came into effect on 26 June 2020. The changes include, among other things: (a) 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; (b) a ban on 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 (c) 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 exclusion of certain companies providing financial services and 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 or the persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration would not be adversely affected by the application of insolvency laws (including English insolvency laws and, if applicable, Scottish insolvency laws, or Northern Irish insolvency laws, 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 recharacterised 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, 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 or the persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security.

Insolvency proceedings and subordination provisions

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

The UK Supreme Court has held that a flip clause as described above is valid under English law. Contrary to this, however, the U.S. Bankruptcy Court has held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a U.S. bankruptcy of the counterparty. However, a subsequent 2016 U.S. Bankruptcy Court decision held that in certain circumstances flip clauses are protected under the bankruptcy code and therefore

enforceable in bankruptcy. The 2016 decision was affirmed on 14 March 2018 by the U.S. District Court for the Southern District of New York, which 2018 decision was further affirmed on 11 August 2020 by the U.S. Court of Appeals for the Second Circuit. The implications of this conflict remain unresolved.

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 U.S.), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision of the Priorities of Payments which refers to the ranking of the Interest Rate Swap Counterparty's payment rights). In particular, based on the decision of the U.S. Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to a range of entities which may act as the Interest Rate Swap Counterparty, including U.S. established entities and certain non-U.S. established entities with assets or operations in the U.S. (although the scope of any such proceedings may be limited if the relevant non-U.S. entity is a bank with a licensed branch in a U.S. state).

In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales and any relevant foreign judgment or order was recognised by the English courts, there can be no assurance that such actions would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes. Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of 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 Notes. If any rating assigned to the Notes is lowered, the market value of the Notes may reduce.

Liquidation expenses payable on floating charge realisation will reduce amounts available to satisfy the claims of secured creditors of the Issuer

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 provisions set out in the Insolvency (England and Wales) Rules 2016 (as amended).

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 Secured Creditors under the Deed of Charge will be reduced by at least a significant proportion of any liquidation expenses. There can be no assurance that the Noteholders or the persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration will not be adversely affected by such a reduction in floating charge realisations.

UK Banking Act 2009 and the Bank Recovery and Resolution Directive

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 the Seller, the Legal Title Holder, the Retention Holder, the Transaction Account Bank, the Collection Account Bank, the Servicer and the Interest Rate Swap Counterparty.

The tools available under the Banking Act include share and property transfer powers (including powers for partial property transfers), bail-in powers, certain ancillary powers (including powers to modify contractual arrangements in certain circumstances) and special insolvency procedures which may be commenced by the UK authorities. It is possible that the 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 Transaction Documents and/or result in the cancellation, modification or conversion of certain unsecured liabilities of such entities under the Transaction Documents or in other modifications to such documents. In particular, modifications may be made pursuant to powers permitting (a) certain trust arrangements to be removed or modified, (b) 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 (c) in connection with the modification of an unsecured liability through use of the bail-in tool, the discharge of a relevant entity from further performance of its obligations under a contract. In addition, subject to certain conditions, powers would apply to require a relevant instrument or order (and related events) to be disregarded in determining whether certain widely defined "default events" have occurred (which events may include trigger events included in the Transaction Documents in respect of the relevant entity, including termination events and (in the case of the Legal Title Holder) trigger events in respect of perfection of legal title to the 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.

At present, the UK authorities have not made an instrument or order under the Banking Act in respect of the entities referred to above and there has been no indication that any such instrument or order will be made, but there can be no assurance that this will not change and/or that Noteholders 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.

Securitisation company tax regime

The Taxation of Securitisation Companies Regulations 2006 (the "**TSC Regulations**"), as amended, deal with the corporation tax position of securitisation companies such as the Issuer with effect for periods of account beginning on or after 1 January 2007.

If the TSC Regulations apply to a company, then, broadly, it will be subject to corporation tax on the cash profit retained by it for each accounting period in accordance with the Transaction Documents. Based on advice received, the Issuer expects to be taxed under the special tax regime for which provision is made by the TSC Regulations.

Investors should note, however, that the TSC Regulations are in short form and advisers rely significantly upon guidance from the United Kingdom tax authorities when advising on the scope and operation of the TSC Regulations including whether any particular company falls within the regime.

Prospective Noteholders should note that if the Issuer did not fall to be taxed under the regime then its profits or losses for tax purposes might be different from its cash position and there might be a risk of the Issuer incurring unfunded tax liabilities. In addition, the deduction of interest paid on the Notes could well be disallowed for United Kingdom corporation tax purposes, which could cause a significant divergence between the cash profits and the taxable profits of the Issuer. Any unforeseen taxable profits in the Issuer could have an adverse effect on its ability to make payments to the Noteholders.

Withholding tax

Provided that the Notes are and continue to be "listed on a recognised stock exchange" (within the meaning of Section 1005 of the Income Tax Act 2007 for the purposes of Section 987 of that Act), as at the date of this Prospectus no withholding or deduction for or on account of United Kingdom income tax will be required on payments of interest on the 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 United Kingdom income tax is imposed in respect of payments made to the Noteholders under the Notes, neither the Issuer nor any other person is obliged to gross up or otherwise compensate the Noteholders for the lesser amounts the Noteholders will receive as a result of such withholding or deduction.

The Issuer is expected to be treated as a Passive Foreign Investment Company and may be treated as a Controlled Foreign Corporation for U.S. federal income tax purposes

The Issuer is expected to be a passive foreign investment company for U.S. federal income tax purposes, which means that a United States holder of the Class E Notes, Class F Notes, Class G Notes and Class Z Notes (and any other Class of Notes treated as equity for U.S. federal income tax purposes) may be subject to adverse tax consequences which may be mitigated if such holder elects to treat the Issuer as a qualifying electing fund (a "**QEF**") and to recognise currently its proportionate share of the Issuer's ordinary income and long-standing capital gain whether or not distributed to such holder. In addition, and depending on the overall ownership of interests in the Issuer, a United States holder of more than 10 per cent. of the Class E Notes, Class F Notes, Class G Notes and Class Z Notes may be treated as a United States shareholder in a controlled foreign corporation and required to recognise currently its proportionate share of the "subpart F income" of the Issuer, whether or not distributed to such holder. The Issuer will cause its independent accountants to provide United States holders, upon request by such United States holder and at the Issuer's expense, with the information reasonably available to the Issuer that such holder reasonably requests (i) with respect to a United States holder of the Class E Notes, Class F Notes, Class G Notes and Class Z Notes, to allow such holder to make an election to treat the Issuer as a QEF and to satisfy filing requirements that such holder is required to satisfy in the event the Issuer is treated as a controlled foreign corporation, and (ii) with respect to any United States holder of the Class B Notes, Class C Notes and Class D Notes, to allow such holder to file a protective statement preserving such United States holder's ability to make a retroactive QEF election if the IRS recharacterizes such Class as equity rather than debt for U.S. federal income tax purposes (although there is no guidance that such protective statements are effective or permitted). A United States holder that makes a QEF election or that is required to recognise currently its proportionate share of the subpart F income of the Issuer will be required to include in its current income its pro rata share of such earnings, income or amounts whether or not the Issuer actually makes any payments to such holder. Potential investors should consult with their tax advisers regarding the applications of the passive foreign investment

company rules to an investment in the Notes and the controlled foreign corporation rules and the applicability of such rules to each such potential investor.

U.S. tax characterization of the Notes

The Issuer has agreed and, by its acceptance of a U.S. Note (as defined below under "*United States Federal Income Taxation – Characterisation of the Rule 144A Notes*"), each holder (and any beneficial owners of any interest therein) will be deemed to have agreed, to treat the U.S. Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law and for certain limited purposes. The determination of whether a Note will or should be treated as debt for U.S. federal income tax purposes is based on the facts and circumstances existing at the time the 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 U.S. Internal Revenue Service will not seek to characterise as something other than indebtedness any particular Class or Classes of the U.S. Notes. If any of the U.S. Notes were treated as equity for U.S. federal income tax purposes, adverse U.S. federal income tax consequences might apply.

The Issuer has agreed and, by its acceptance of a Class E Notes, Class F Notes, Class G Notes and Class Z Notes, each holder (and any beneficial owners of any interest therein) will be deemed to have agreed, to treat such Class E Notes, Class F Notes, Class G Notes and Class Z Notes as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law.

European Market Infrastructure Regulation

As noted above, the Notes will have the benefit of one or more derivative instruments; namely the Interest Rate Swaps. In this regard, it should be noted that the derivatives markets are subject to extensive regulation in a number of jurisdictions, including in the UK pursuant to Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK EMIR**") as amended from time to time, and in the U.S. under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

It is possible that such regulation 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 Interest Rate Swap Agreement, 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.

UK EMIR (as amended from time to time) prescribes a number of regulatory requirements for counterparties to derivatives contracts including (a) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the "**Clearing Obligation**"), (b) collateral exchange, daily valuation and other risk mitigation requirements for OTC derivatives contracts not subject to clearing (the "**Risk Mitigation Requirements**") and (c) certain reporting requirements (the "**Reporting Obligation**"). In general, an application of such regulatory requirements in respect of the Interest Rate Swap will depend on the classification of the counterparties to such derivative transactions.

Pursuant to UK EMIR, counterparties can be classified as (i) financial counterparties ("**FCs**") (which includes a sub-category of small FCs), and (ii) non-financial counterparties ("**NFCs**"). The NFC classification is further split into: (A) non-financial counterparties above the "clearing threshold" ("**NFC+s"**) and (B) non-financial counterparties below the "clearing threshold" ("**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 exchange obligation and the daily valuation obligation under the Risk Mitigation Requirements, such obligations do not apply 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 the UK EMIR reforms is yet to be confirmed.

The Issuer is currently an NFC-, although a change in its position cannot be ruled out. Should the status of the Issuer change to an NFC+ or FC, this may result in the application of the Clearing Obligation the collateral exchange obligation and daily valuation obligation under the Risk Mitigation Requirements.

Certain other of the Risk Mitigation Requirements may also apply in a different way (for example, the portfolio reconciliation requirement may increase in frequency). In respect of the Reporting Obligation, "mandatory reporting" would also cease to apply which means that Issuer would be legally liable and responsible for its own reporting obligations under UK EMIR (although this requirement can be delegated).

Prospective investors should note that there is some uncertainty with respect to the ability of the Issuer to comply with the Clearing Obligation, the daily valuation obligation and the collateral exchange obligation and the Reporting Obligation were they to be applicable, which may (A) lead to regulatory sanctions, (B) adversely affect the ability of the Issuer or defined to continue to be party to the Interest Rate Swaps (possibly resulting in a restructuring or termination of the Interest Rate Swaps) or to enter into Interest Rate Swaps and/or (C) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer or defined 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.

Prospective investors should also note that uncertainty remains as to the full impact on the Interest Rate Swaps of the reforms to UK EMIR.

Lastly, it should be noted that as described above under "*Risks relating to Changes to the Structure and the Documents – The Note Trustee may agree to modifications to the Transaction Documents without, the Noteholders', the persons' entitled to Senior Deferred Consideration and Residual Deferred Consideration or the Secured Creditors' prior consent*", amendments relating to UK EMIR may be made to the Transaction Documents and/or to the terms and conditions applying to Notes.

The Legal Title Holder will initially retain legal title to the Mortgage Loans

The sale of the English Mortgage Loans, the Northern Irish Mortgage Loans and their Related Security to the Issuer (until transfer of legal title) will take effect in equity only. The sale of the Scottish Mortgage Loans and their Related Security to the Issuer will be given effect by the Scottish Declaration of Trust by the Seller. The holding of a beneficial interest under a Scottish trust has (broadly) equivalent legal consequences in Scotland to the holding of an equitable interest in England, Wales and Northern Ireland. In each case, this means that legal title to the Mortgage Loans and their Related Security will remain with the Legal Title Holder until such time as certain additional steps have been taken including the giving of notices of the sale to the Borrowers and, in the case of Scottish Mortgage Loans, the granting, delivery and registration of assignations of standard securities. In addition, it may not be possible for there to be a legal assignment or assignation of the benefit of those Insurance Contracts in relation to which the Issuer has acquired only an equitable interest or interest as beneficiary under the Scottish Declaration of Trust.

In accordance with the terms of the Servicing Agreement, none of the Seller, the Legal Title Holder, the Issuer or the Security Trustee will require notification of such sales to the Borrowers or the execution and completion of such transfers and conveyances in favour of the Issuer or the registration of such transfers in order to effect the transfer of legal title to the Mortgage Loans and their Related Security (including, where appropriate, their registration), except following the occurrence of a Perfection Trigger Event.

The Issuer has the right to demand that the Seller transfers to it legal title to the Mortgage Loans and the Related Security in the circumstances described in "*Assignment of the Mortgage Loans and Related Security – Transfer of title to the Mortgage Loans to the Issuer*" below. Until then, no notice of the sale of the Mortgage Loans and their Related Security will be given to any Borrower and no application will be made to HM Land Registry, the Central Land Charges Registry, the Land Register of Scotland, the General Register of Sasines, or the Land Registers of Northern Ireland to register or record its equitable interest or, as applicable, beneficial interest in the Mortgage Loans and their Related Security.

At any time during which the Issuer does not hold the legal title to the Mortgage Loans and the Related Security or has not notified the Borrowers of its interest in the Mortgage Loans and the Related Security, there are risks, as follows:

(a) if the Seller wrongly sold to another person a Mortgage Loan and that Mortgage Loan has already been assigned to the Issuer, and that person acted in good faith and did not have notice of the interests of the Issuer in the Mortgage Loan and that person notified the Borrower of that sale to it of the Mortgage Loan and its Related Security or registered its interest in that Mortgage, then that person might obtain good title to the Mortgage Loan, free from the interests of the Issuer. If this occurred then the title of the Issuer to the affected Mortgage Loan and its Related Security would be subordinated to the title of that person and the Issuer would not be entitled to payments by a Borrower in respect of such a Mortgage Loan. This may affect the ability of the Issuer to repay the Notes;

(b) the rights of the Issuer may be subject to the rights of the Borrowers against the Legal Title Holder such as rights of set-off (and certain analogous rights in Scotland and Northern Ireland) (see in particular "*Further Information relating to the Regulation of Mortgages in the UK – Flexible Mortgage Loans*") which occur in relation to transactions or deposits made between certain Borrowers and the Legal Title Holder and the rights of Borrowers to repay their Mortgage Loans directly to the Legal Title Holder. If these rights were to be exercised, the Issuer may receive less money than anticipated from the Mortgage Loans, which may reduce the incoming cashflow to the Issuer and affect the ability of the Issuer to repay the Notes; and

(c) the Issuer would not be able to enforce any Borrower's obligations under a Mortgage Loan or Mortgage itself but would have to join the Seller and Legal Title Holder as a party to any legal proceedings.

Eligibility of the Notes for central bank schemes is subject to the applicable collateral framework criteria and could have an impact on the liquidity of the Notes in general

While central bank schemes (such as the Bank of England's Discount Window Facility, the Indexed Long-Term Repo Facility and other schemes under its Sterling Monetary Framework, and the Eurosystem monetary policy framework for the European Central Bank), including emergency liquidity operations introduced by central banks in response to a financial crisis or a widespread health crisis (such as the COVID-19 pandemic), provide an important source of liquidity in respect of eligible securities, relevant eligibility criteria for eligible collateral apply (and will apply in the future) under such schemes and liquidity operations. Investors should make their own conclusions and seek their own advice with respect to whether or not the Notes constitute eligible collateral for the purposes of any of the central bank liquidity schemes, including whether and how such eligibility may be impacted by the UK withdrawal from the EU and the UK no longer being part of the EEA (see also "*Macro-Economic Risks – Lack of liquidity in the secondary market may adversely affect the market value of the Notes*" below). No assurance is given that any Notes or any Certificates (then in issue) will be eligible for any specific central bank liquidity schemes.

If the Notes cannot meet the central bank eligibility, it may impact on the liquidity of the Notes and could have an adverse effect on their value.

Registered Definitive Notes and denominations in integral multiples

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

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

Considerations relating to book-entry interests

The Notes are initially issued in global form, and if Certificates are issued, they will initially be issued in global form. In each case, the Global Notes and any Global Certificates will be deposited with a Common Safekeeper for Euroclear and/or Clearstream, Luxembourg. Interests in the Global Notes and the Global Certificates will trade in book-entry form only. The Common Safekeeper for Euroclear and/or Clearstream, Luxembourg is and will be the sole holder of the Global Notes and Global Certificates representing the Notes and the Certificates (then in issue) (as applicable). Accordingly, owners of book-entry interests must rely on the procedures of Euroclear and/or Clearstream, Luxembourg, and non-participants in Euroclear and/or Clearstream, Luxembourg must rely on the procedures of the participant through which they own their interests, to exercise any rights and obligations of a holder of Notes and/or the Certificates (then in issue).

Unlike the holders of the Notes and the Certificates (then in issue) themselves, owners of book-entry interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from holders of the Notes and the Certificates. The procedures to be implemented through Euroclear and/or Clearstream, Luxembourg may not be adequate to ensure the timely exercise of rights under the Notes and any Certificates (then in issue).

The lack of Notes and Certificates (then in issue) in physical form could, among other things:

(a) result in payment delays on such Notes or Certificates (then in issue) because the Issuer will be sending distributions on the Notes and Certificates (then in issue) to Euroclear, Clearstream, Luxembourg or any alternative clearing system agreed by the Issuer instead of directly to you;

(b) make it difficult for you to pledge such Notes or Certificates (then in issue) if notes or certificates in physical form are required by the party demanding the pledge; and

(c) hinder your ability to resell such Notes or Certificates (then in issue) because some investors may be unwilling to buy Notes or Certificates (then in issue) that are not in physical form.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of book-entry interests among participants of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Security Trustee or the Note Trustee, or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants of their respective obligations under the rules and procedures governing their operations.

Certain transfers of Notes and/or Certificates (then in issue) or interests therein may only be affected in accordance with, and subject to, certain transfer restrictions and certification requirements.

5. 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 Transaction. In particular, the Servicer, the Cash Manager, the Transaction Account Bank, the Back-up Servicer Facilitator, the Interest Rate Swap Counterparty, the Agents and the Corporate Services Provider 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). In addition, Noteholders may be adversely affected if the appointment of a third party is terminated and no replacement can be found.

In particular, the Servicer's ability to administer the mortgages in accordance with the Servicing Agreement may be adversely affected by disruptions to its infrastructure, business processes and technology services, resulting from the unavailability of staff due to illness or the failure of third parties to supply services. The performance of any such third parties, including the Servicer, may be affected by economic, social, political and other factors, such as changes in the global and local economic and market conditions, changes in laws, geopolitical developments and regulatory policies, natural disasters, conflict, war and illness, which may result in a material delay or default in the performance of certain services in relation to the Notes by such third parties, which then may impact the ability of the Issuer to perform its obligations under the Notes, including its obligations to make timely payments on the Notes.

The Issuer may from time to time become subject to regulatory, rating or other requirements that may require the affected entity 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 perform them itself. Moreover, any such regulatory requirements may give rise to additional costs and expenses for the affected entity, 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 the Notes may be adversely affected.

Swap Termination Payments may adversely affect the funds available to make payments on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration

If the Interest Rate Swap Agreement terminates, the Issuer may be obliged to pay a Swap Termination Payment to the relevant Interest Rate Swap Counterparty. The amount of the applicable Swap Termination Payment will be based on the cost of entering into a replacement Interest Rate Swap or replacement Interest Rate Swaps, as applicable. 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 Interest Rate Swap Agreement. Any such Swap Termination Payment could be substantial.

No assurance can be given that the Issuer will have the funds available to make any Swap Termination Payment under the Interest Rate Swap Agreement or to make subsequent payments in respect of the Notes. In addition, no assurance can be given that the Issuer will be able to enter into a replacement Interest Rate Swap or, if one is entered into, that the credit rating of the replacement Interest Rate Swap Counterparty (notwithstanding the terms of the Transaction Documents) will be sufficiently high to prevent a reduction, qualification or withdrawal of the then current ratings of the Rated Notes by the Rating Agencies.

Except where termination of the Interest Rate Swap Agreement occurs as a result of an Interest Rate Swap Counterparty Default, any Swap Termination Payment due by the Issuer under the 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 the 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 interest rate swap), will also rank in priority to payments due on the Notes.

Therefore, if the Issuer is obliged to make a termination payment to the Interest Rate Swap Counterparty or to pay any other additional amount as a result of the termination of the Interest Rate Swap Agreement, this may affect the amount of funds which the Issuer has available to make payments on the Notes of any Class and towards the Senior Deferred Consideration and the Residual Deferred Consideration.

Change of counterparties may reduce amounts available to the Issuer to make payments to Noteholders and persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration

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

These criteria include requirements imposed by the FCA under the FSMA and requirements in relation to the short-term and long-term unguaranteed and unsecured ratings ascribed to such parties by the Rating Agencies. If a party concerned ceases to satisfy the applicable criteria, including the ratings criteria set out in the relevant Transaction Documents and as described in this Prospectus, then the rights and obligations of that party (including the right or obligation to receive monies on behalf of the Issuer) may be required to be transferred to another entity which does satisfy the applicable ratings criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the relevant Transaction Document and the cost to the Issuer may therefore increase. In addition, it may not be possible to find an entity with the ratings prescribed in the relevant Transaction Document who would be willing to act in the role. This may reduce amounts available to the Issuer to make payments of interest, principal and other amounts (as applicable) on the Notes and towards the Senior Deferred Consideration and Residual Deferred Consideration.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may agree to amend or waive certain of the terms of such document, including the applicable criteria (although this will not apply to mandatory provisions of law), in order to avoid the need for a replacement entity to be appointed. The consent of Noteholders and/or persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration may not be required in relation to such amendments and/or waivers.

Termination of the Servicer and appointment of a substitute Servicer

The Legal Title Holder has been appointed by the Issuer as Servicer to service the Mortgage Loans. If a Servicer Termination Event occurs, then the Issuer will be entitled to and, if instructed to do so by the Security Trustee, shall terminate the appointment of the Servicer and appoint a substitute Servicer. The Back-up Servicer Facilitator has been appointed to provide assistance with the appointment of a replacement Servicer.

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, among other things, 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 the Legal Title Holder) 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 "*Further Information*

relating to the Regulation of Mortgages in the UK – 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 or inability to appoint a substitute Servicer (if a substitute Servicer can be found) 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 Issuer Accounts

The Transaction Account Bank is required to satisfy certain criteria (including certain criteria and/or permissions set or required by the FCA from time to time) in order to continue to receive deposits in the Issuer Accounts, including that the Transaction Account Bank satisfies the Account Bank Required Ratings. The Issuer is permitted to, at any time, enter into a Standby Account Bank Agreement with a Qualified Institution to act as the Standby Account Bank on substantially the same terms as the relevant provisions of the Account Bank Agreement (other than in relation to the Swap Collateral Account). The Transaction Account Bank shall use reasonable efforts to assist the other parties hereto to enter into a Standby Account Bank Agreement.

If the Transaction Account Bank ceases to satisfy the Account Bank Required Ratings, then the Issuer will: (a) if it has not done so previously, enter into a Standby Account Bank Agreement with a Qualified Institution to act as the Standby Account Bank on substantially the same terms as the relevant provisions of the Account Bank Agreement (other than in relation to the Swap Collateral Account as there is a Standby Swap Collateral Account Bank appointed on the Closing Date)), (b) close the Issuer Accounts (other than the Swap Collateral Account) with the Transaction Account Bank and transfer their closing credit balance to the Standby Issuer Accounts held with the Standby Account Bank, or, if the Standby Account Bank (if appointed) no longer satisfies the Account Bank Required Ratings, to another entity which is a Qualified Institution; (c) close the Swap Collateral Account with the Transaction Account Bank and transfer its closing credit balance to the Standby Swap Collateral Account held with the Standby Swap Collateral Account Bank or, if the Standby Swap Collateral Account Bank no longer satisfies the Account Bank Required Ratings, to another entity which is a Qualified Institution, (d) obtain a guarantee in support of the Transaction Account Bank's obligations under the Account Bank Agreement from a financial institution which has the Account Bank Required Ratings; or (e) take any other reasonable action as the Rating Agencies may agree will not result in a downgrade of the Rated Notes. In scenario (b) and (c) above, the Transaction Account Bank shall use reasonable efforts to assist the orderly transition of the banking arrangements documented under the Account Bank Agreement, including without limitation, transferring all amounts standing to the credit of the Issuer Accounts to the Standby Issuer Accounts or the accounts with the replacement financial institution notified to it by the Issuer (as applicable).

The failure to take one of the actions listed at (a) to (e) above if the Transaction Account Bank no longer satisfies the Account Bank Required Ratings may increase the risk of losses on amounts held by the Issuer at the affected Transaction 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 Notes, which could reduce the market value of the Notes.

For a summary of the Account Bank Required Ratings as of the date of this Prospectus, see "*Cash Management – Account Bank Agreement and Issuer Accounts – Account Bank Required Ratings*". These criteria are subject to change by the Rating Agencies.

Certain conflicts of interest involving or relating to the Arranger, the Lead Manager, the Retention Holder, the Sponsor Administrator and their affiliates

The Seller will, on the Closing Date, purchase 95 per cent. of the Class A Notes. One or more funds, or related funds, managed or advised by the same investment manager will acquire 95 per cent. of each of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes.

Barclays Bank PLC and/or its affiliates (the "**Barclays Parties**"), will play various roles in relation to the offering of the Notes, as described below.

The Barclays Parties 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 such Barclays Parties would expect to earn fees and other revenues from these transactions.

The Barclays Parties may act as retention holder, sponsor administrator, lead manager, arranger, placement agent and/or initial purchaser or investment manager 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 Barclays Parties 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 Prospectus except where required in accordance with applicable law.

In the ordinary course of business, the Barclays Parties and employees or customers of the Barclays Parties 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. As at the Closing Date, the Seller will retain 95 per cent. of the Class A Notes. If any of the Barclays Parties 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 Barclays Parties 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 Barclays Parties 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.

The Arranger and/or the Lead Manager and/or their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Seller, the Legal Title Holder, the Retention Holder and/or their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Arranger and/or the Lead Manager and/or the Seller and/or the Legal Title Holder and/or the Retention Holder and/or their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments issued by the Issuer, the Seller, the Legal Title Holder, the Retention Holder or their affiliates. The Lead Manager and/or the Arranger and/or their affiliates that have a commercial relationship with the Retention Holder routinely hedge their credit exposure to the Retention Holder consistent with their customary risk management policies. Typically, such Arranger and/or the Lead Manager and/or the Retention Holder and/or their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes or whether a specified barrier or level is reached. The Arranger and/or the Lead Manager and/or their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Such recommendations may adversely affect the market for trading in any securities, including the Notes.

The Arranger, the Lead Manager, the Retention Holder, the Sponsor Administrator and/or their affiliates may hold Notes or be entitled to receive Senior Deferred Consideration and Residual Deferred Consideration from time to time and each may exercise their rights as Noteholder or as a person entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration in a manner which is adverse to the other Noteholders or other persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration. Other parties to the transaction may also perform multiple roles.

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.

To the maximum extent permitted by applicable law, none of the Arranger, the Lead Manager, the Retention Holder, the Sponsor Administrator and/or their affiliates are restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents, the Notes or the Senior Deferred Consideration and the Residual Deferred Consideration, or the interests described above and may otherwise continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders or other persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration, and in so doing may act in its own commercial interests and without notice to, and without regard to, the interests of any such person.

Exposure to counterparties

The Issuer will be exposed to a number of counterparties throughout the life of the Notes. Investors should note that following the UK's withdrawal from the EU and depending on the terms of any future trading relationship between the UK and the EU, such counterparties may be unable to perform their obligations due to changes in regulation, including the loss of, or changes to, existing regulatory rights to do cross-border business in the EU or the costs of such transactions with such counterparties may increase. In addition, counterparties may be adversely affected by rating actions or volatile and illiquid markets (including currency markets and bank funding markets) arising from the result of the withdrawal of the UK from the EU, therefore increasing the risk that such counterparties may become unable to fulfil their obligations. Such inability could adversely impact the Issuer and could be materially detrimental to Noteholders.

6. RISKS RELATING TO CHANGES TO THE STRUCTURE AND THE DOCUMENTS

Conflict between Classes of Noteholders or persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration

The Trust Deed and the Deed of Charge contain provisions requiring the Note Trustee and the Security Trustee (acting in accordance with the direction of the Note Trustee) to have regard to the interests of all Classes of Noteholders and/or persons entitled to receive Senior Deferred Consideration or Residual Deferred Consideration and the Retention Holder as regards all powers, trusts, authorities, duties and discretions of the Note Trustee and the Security Trustee (except where expressly provided otherwise).

If, in the Note Trustee's opinion, however, there is or may be a conflict between the interests of the holders of one or more Classes of Notes or any person entitled to receive Senior Deferred Consideration or Residual Deferred Consideration (as applicable), on the one hand, and the interests of the holders of one or more Classes of Notes or any person entitled to receive Senior Deferred Consideration or Residual Deferred Consideration (as applicable), on the other hand, then the Note Trustee is required to have regard only to the interests of the holders of the relevant affected Class of Notes or the Senior Deferred Consideration or Residual Deferred Consideration (as applicable) ranking in priority to other relevant Classes of Notes or relevant Senior Deferred Consideration or Residual Deferred Consideration (as applicable) in the Post-Enforcement Priority of Payments (other than the

Senior Deferred Consideration in respect of which the Note Trustee will have regard only in respect of the Senior Deferred Consideration Entrenched Rights).

As a result (other than in respect of a Basic Terms Modification, the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) holders of Notes or any persons entitled to receive Senior Deferred Consideration or Residual Deferred Consideration other than the Most Senior Class may not have their interests taken into account by the Note Trustee when the Note Trustee exercises discretion.

In addition, prospective investors should note that the Trust Deed provides that (other than in respect of a Basic Terms Modification, the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) no Extraordinary Resolution of the holders of a Class of Notes or any person entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, other than the holders of the Most Senior Class, shall take effect for any purpose while the Most Senior Class remains outstanding unless such Extraordinary Resolution shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class or the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of the Most Senior Class.

In addition, it is expected that on the Closing Date the Seller will acquire 95 per cent. of the Class A Notes, giving it a sufficient holding of such Notes to allow it to pass or block Noteholder resolutions which are controlled by the Most Senior Class of Notes (while the Class A Notes are the Most Senior Class of Notes) and in respect of Basic Terms Modifications or resolutions in respect of such Class of Notes. Therefore, no assurance can be given that any other Noteholder will not have influence to block or pass certain Noteholder resolutions.

Conflict between Noteholders and persons entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, and other Secured Creditors

So long as any of the Notes are outstanding or right to receive Senior Deferred Consideration and Residual Deferred Consideration exists, neither the Security Trustee nor the Note Trustee shall have regard to the interests of the other Secured Creditors, subject to the provisions of the Trust Deed and Condition 16 (*Notice to Noteholders*) and Certificate Condition 15 (*Notice to Certificateholders*). Noteholders and persons entitled to receive Senior Deferred Consideration or Residual Deferred Consideration should be aware that the interests of Secured Creditors (and amounts payable to such Secured Creditors) rank higher in the Post-Enforcement Priority of Payments.

Where in the opinion of the Note Trustee, there is a conflict between the interests of the Noteholders of one Class of Notes and the Noteholders of any other Class(es) of Notes and/or the persons entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, the Note Trustee will (except as expressly provided otherwise in the Trust Deed) be required to have regard only to the holders of the Most Senior Class of Notes outstanding and will not have regard to any lower ranking Class of Notes or Residual Deferred Consideration, nor to the interests of the other Secured Creditors other than to apply the proceeds of any enforcement in accordance with the Post-Enforcement Priority of Payments.

Retained Interest Entrenched Rights

Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution or Ordinary Resolution may authorise or sanction any modification or waiver and no such modification or waiver may otherwise be made which affects any Retained Interest Entrenched Rights, unless the Retention Holder has consented to such modification or waiver in writing. There can be no assurance that the Retention Holder will provide consent to any such modification in a timely manner or at all. The Retention Holder may act solely in its own interests and it does not have any duties to any Noteholders or any persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration and as such may consent to such modification that negatively impacts the Noteholders or any persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration.

Senior Deferred Consideration modifications and Senior Deferred Consideration Entrenched Rights

Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution or Ordinary Resolution may authorise or sanction any modification or waiver and no such modification or waiver may otherwise be made which affects any Senior Deferred Consideration Entrenched Rights, unless the person entitled to receive the Senior Deferred Consideration has consented to such modification or waiver in writing. There can be no assurance that the person entitled to receive the Senior Deferred Consideration will provide consent to any such modification in a timely manner or at all. The person entitled to receive the Senior Deferred Consideration may act solely in its own interests and it does not have any duties to any Noteholders or persons entitled to Residual Deferred Consideration and as such may consent to such modification that negatively impacts the Noteholders, or persons entitled to Residual Deferred Consideration.

The Note Trustee may agree to modifications to the Transaction Documents without, the Noteholders', the persons' entitled to Senior Deferred Consideration and Residual Deferred Consideration or the Secured Creditors' prior consent

Pursuant to the Conditions, the Certificate 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, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or the other Secured Creditors may agree with the Issuer or any other parties in making or sanctioning any modifications to the Notes or any Certificates (then in issue) including the Conditions or the Certificate Conditions applicable thereto (other than in respect of a Basic Terms Modification or matters affecting a Senior Deferred Consideration Entrenched Right or a Retained Interest Entrenched Right in the case of paragraphs (i) and (iii) to (v) below):

(i) where 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 Class or the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (as applicable);

(ii) where such modification is made to correct a manifest error or of a formal, minor or technical nature or made to comply with mandatory provisions of law;

(iii) where such modification is for the purposes of making any changes which the Issuer has certified to the Note Trustee and/or the Security Trustee are necessary to facilitate a Refinancing;

(iv) where such modification would result in the Issuer entering into any new and/or amended bank account agreement, collection account agreement or into a Standby Account Bank Agreement (including where the unsecured, unsubordinated and unguaranteed debt obligations of the Transaction Account Bank or Collection Account Bank are downgraded below any relevant rating level as set out in the relevant Transaction Document, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings);

(v) where such modification would result in the Issuer entering into any new and/or amended interest rate swap agreement (including where (A) a swap downgrade event occurs under the Interest Rate Swap Agreement, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings or (B) the Additional Fixed Rate Loan Hedging Condition is not met);

(vi) where such modification is required to effect the appointment of a successor Servicer (including, but not limited to, the Issuer entering into any new and/or amended servicing agreement) provided that the conditions to the appointment of that successor Servicer set out in the Servicing Agreement are satisfied;

(vii) where such modification is to enable the Issuer or any of the other transaction parties to comply with (i) Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, any regulations or agreements

thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (FATCA) or (ii) Section 15G of the Exchange Act; or

(viii) where such modification is to comply with the provisions of Rule 17g-5 of the Securities Exchange Act of 1934,

provided that (A) in the case of amendments pursuant to paragraphs (vii) and (viii) above, that neither the Note Trustee nor the Security Trustee shall be obliged to agree to any such new agreement and/or amendment until the Issuer 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; and (B) in the case of amendments pursuant to paragraphs (iii) and/or (iv) and/or (v) above that neither the Note Trustee nor the Security Trustee shall be obliged to agree to any such new agreement and/or amendment (including, for the avoidance of doubt, any new appointment made thereunder) which, in the sole opinion of the Note Trustee or the Security Trustee, would have the effect of: (i) 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 (ii) 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 and/or the Certificate Conditions.

In addition, the Conditions also provide that, subject to certain conditions being met (refer to Condition 13.6. for further details), 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 the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable) or, subject to receipt of the consent from each other Secured Creditor who is a party to the Transaction Document being modified or in relation to which it holds security, any other Secured Creditor, to concur with the Issuer in making and/or approving any modification (other than a Basic Terms Modification, a Senior Deferred Consideration Entrenched Right or a Retained Interest Entrenched Right) to the Notes or any Certificates (then in issue) including the conditions applicable thereto or of any Transaction Document, in order to enable the Issuer (or, where applicable, any other transaction parties) to:

(a) comply with, implement or reflect any change in the criteria of one or more Rating Agencies which may be applicable from time to time;

(b) comply with its obligations under UK EMIR and any such provisions, rules, regulations, directions, processes, guidelines and procedures relating to UK EMIR which have been clarified, updated, delivered, amended, modified or become operative or applicable, subject to the terms of the Interest Rate Swap Agreement and subject to receipt by the Security Trustee of a certificate issued by the Issuer or the Cash Manager on behalf of the Issuer certifying to the Security Trustee the requested amendments are to be made solely for the purpose of enabling the Issuer and/or the Interest Rate Swap Counterparty, as the case may be, to satisfy such requirements under UK EMIR and have been drafted solely to that effect and the Security Trustee shall be entitled to rely absolutely on such certification without any liability to any person for so doing;

(c) (I) comply with, implement or reflect any changes in the requirements (including, but not limited to, risk retention, transparency and/or investor due diligence) of, or to enable the Issuer or any other transaction party to comply with an obligation under, the UK Securitisation Regulation or the EU Securitisation Regulation (as in force, interpreted and applied as at the Closing Date only), together with any relevant laws, regulations, technical standards, rules, other implementing legislation, official guidance or policy statements, in each case as amended, varied or substituted from time to time after the Closing Date; or (II) comply with any changes in the requirements of the U.S. Credit Risk Retention Requirements, including as a result of any other U.S. risk retention legislation, regulations or official guidance in relation thereto, in each case applying in respect of the Transaction;

(d) ensure the Notes are (or remain) listed on the London Stock Exchange;

(e) comply with FATCA;

(f) comply with any changes in the requirements of the UK CRA Regulation after the Closing Date including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation or regulations or official guidance in relation thereto;

(g) comply (or continue to comply) with any changes in the requirements of the CRR or the Solvency II Regulation applicable to the Notes;

(h) in connection with the transfer of the Interest Rate Swap Agreement to a replacement Interest Rate Swap Counterparty, effect such modifications to the original Interest Rate Swap Agreement as may be agreed with the replacement Interest Rate Swap Counterparty, **provided that** the Servicer or the replacement Interest Rate Swap Counterparty certifies to the Note Trustee and the Security Trustee that, following any such modifications, the Interest Rate Swap Agreement will satisfy the rating criteria of the Rating Agencies;

(i) in connection with the transfer of any Account Bank Agreement to a replacement Transaction Account Bank, effect such modifications to the original Account Bank Agreement as may be agreed with the replacement Transaction Account Bank; and

(j) effect a Base Rate Modification or a Swap Rate Modification.

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

Base Rate Modifications and Swap Rate Modifications

Investors should note the various circumstances in which a modification may be made to the Conditions or any other Transaction Documents for the purposes of making a Base Rate Modification and to the Interest Rate Swap Agreement for the purpose of making a Swap Rate Modification. These circumstances broadly relate to the disruption or discontinuation of an applicable benchmark rate (which is expected to be SONIA for Sterling), but also specifically include, among other things, any public statements by the administrator of the applicable benchmark rate or certain regulatory bodies that that benchmark rate will be discontinued or may no longer be used, and a Base 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 Base Rate Modification or the Swap Rate Modification, subject to certain conditions. Investors should note the various circumstances in which a Base Rate Modification or a Swap Rate Modification may be made, which are specified in Condition 13.6 and should also note the various options permitted as an Alternative Base Rate specified therein. In the event of a Base Rate Modification, there can be no assurance that the Issuer and the Interest Rate Swap Counterparty would agree to modify the base floating rate used to determine payments under the Interest Rate Swap Agreement such that the rate corresponds to the rate used to determine interest payments under the Notes or that any such amendment made would allow the Interest Rate Swap Agreement to effectively mitigate interest rate risk on the Notes. As a result, and in such circumstances, the Issuer's obligation under the SONIA-linked Notes may be unhedged.

The Note Trustee may agree to certain waivers under the Transaction Documents without, the Noteholders', the persons' entitled to Senior Deferred Consideration and Residual Deferred Consideration or the Secured Creditors' prior consent

The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or the other Secured Creditors, if in its opinion the interests of the Noteholders of each Class or the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration will not be materially prejudiced thereby, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in the Conditions, the Certificate

Conditions or any of the Transaction Documents by any party thereto. In similar circumstances, the Note Trustee may also determine that any Event of Default shall not be treated as such.

Any waiver granted in the manner described above will be binding on all Noteholders. There is no guarantee that any such waiver under the Transaction Documents will not ultimately adversely affect the rights of Noteholders or payments on the Notes.

7. MACRO-ECONOMIC RISKS

Lack of liquidity in the secondary market may adversely affect the market value of the Notes

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. Any investor in the Notes must be prepared to hold their Notes for an indefinite period of time or until their Final Redemption Date or alternatively such investor 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 significant disruptions and limited liquidity. Limited liquidity in the secondary market may have an adverse effect on the market value of mortgage-backed securities (including the Notes issued by the Issuer), 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.

In addition, potential investors should be aware that global markets have recently been negatively impacted by the then prevailing global market conditions and reduced growth expectations for the Organisation for Economic Co-operation and Development economies, which could affect any secondary market for instruments similar to the Notes. Additionally, the market conditions have been exacerbated in the UK and the European Union by developments such as consumer energy price inflation and disruption to global supply chains. This, alongside elevated global demand for goods and supply shortages of specific goods has led to recent inflationary pressure and rises in UK interest rates. Continuing inflationary pressure may result in further interest rate increases over time. There are also geopolitical risks arising from war and terrorism, for example around the conflict in Ukraine and the Middle East, which could impact the UK economy, in particular by increasing energy and oil prices (and therefore petrol and diesel retail prices) and increasing inflation further.

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 there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

None of the Issuer, the Arranger or Lead Manager is or will be obliged to make a market for Notes issued by the Issuer.

Rule 17g-5, unsolicited ratings and ratings assigned to the Rated Notes may be lowered or withdrawn which may affect the market value of the Rated Notes

The expected ratings of the Rated Notes to be assigned on the Closing Date are set out under "Ratings" under the section "*Overview of the Terms and Conditions of the Notes and the Senior Deferred Consideration and Residual Deferred Consideration*". A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency if, in its judgement, circumstances

(including a reduction in the perceived creditworthiness of third parties, including a reduction in the credit rating of the Transaction Account Bank) in the future so warrant.

The rating process addresses structural and legal aspects associated with the securities, including the nature of the Mortgage Loans. The ratings assigned to mortgage-backed securities do not represent any assessment of the likelihood that principal prepayments will be made by the borrowers or the degree to which such prepayments will differ from those originally anticipated. The ratings of the Rated Notes do not address the possibility that the holders of those Notes might suffer a lower than anticipated yield due to non-credit events.

At any time, any Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to the Rated Notes may be withdrawn, lowered or qualified. A qualification, downgrade or withdrawal of any of the ratings mentioned above may adversely impact upon the value of the Notes. The Issuer has not requested that the Unrated Notes or the Certificates be rated by the Rating Agencies.

The Issuer selected DBRS and Fitch to rate all of the Rated Notes. There can be no assurance that, had the Issuer selected other rating agencies to rate the Notes, the ratings that such rating agencies would have ultimately assigned to those Classes of Notes would have been equivalent to those assigned by DBRS and Fitch. Neither the Issuer nor any other person or entity will have any duty to notify you if any other nationally recognised statistical rating organisation issues, or delivers notice of its intention to issue, unsolicited ratings on one or more Classes of the Notes after the Closing Date. 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 and that determination may have an adverse effect on the liquidity, market value and regulatory characteristics of the Notes.

Except as described above, the Issuer has not requested a rating of any Class of Notes by any rating agency other than the Rating Agencies; however, a nationally recognised statistical rating organisations, as defined in Section 3(a)(62) of the Exchange Act, that the Issuer has not engaged to rate any Class of Notes may nevertheless issue unsolicited credit ratings on one or more Classes of Notes, in each case relying on information they receive pursuant to Rule 17g-5 under the Exchange Act (**Rule 17g-5**), or otherwise. There can be no assurance, however, as to whether any other rating agency will rate any Class of Notes or, if it does, what rating would be assigned by such rating agency. Any rating assigned by such other rating agency to a Class of Notes could be lower than the rating assigned by the Rating Agencies to such Class of Notes, and could have an adverse effect on the liquidity, market value and regulatory characteristics of the Rated Notes. Although unsolicited ratings may be issued by any rating agency, a rating agency might be more likely to issue an unsolicited rating if it was not selected after having provided preliminary feedback to the Issuer. For the avoidance of doubt and unless the context otherwise requires, any reference to ratings or rating in this Prospectus is to the ratings assigned by the Rating Agencies only.

Changes or uncertainty in respect of SONIA and/or other interest rate benchmarks may affect the value, liquidity or payment of interest under the Mortgage Loans or the Notes

Interest rates and indices which are deemed to be "benchmarks" (including SONIA) are the subject of recent national and international regulatory guidance and reform, including the UK Benchmarks Regulation. These reforms may cause such benchmarks to perform differently from the way they did in the past or to disappear entirely or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

Regulation (EU) 2016/1011 as it forms part of domestic law of the United Kingdom (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 UK Benchmarks Regulation could have a material impact on any Notes linked to or referencing a benchmark, in particular if the methodology or other terms of the benchmark are changed in order to comply with the

requirements of the UK Benchmarks Regulation. 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.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

These reforms and other pressures may cause one or more interest rate benchmarks (including SONIA) to disappear entirely or to perform differently from the way they did 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. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark; and/or (iii) leading to the disappearance of the benchmark. Any of the above changes, or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Notes.

Interest on the Notes is calculated by reference to SONIA and prospective investors should in particular be aware that:

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

(b) while an amendment may be made under Condition 13 (Meetings of Noteholders, modifications and waiver) of the Conditions of the Notes to change the base rate on the Floating Rate Notes from SONIA to an alternative base rate under certain circumstances broadly related to SONIA dysfunction or discontinuation and subject to certain conditions being satisfied, there can be no assurance that any such amendment will be made or, if made, that it (i) will fully or effectively mitigate all relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the Floating Rate Notes or (ii) will be made prior to any date on which any of the risks described in this risk factor may become relevant; and

(c) if SONIA is discontinued or is otherwise unavailable, then the rate of interest on the Notes may be determined for a period by any applicable fall-back provisions provided for under Condition 6 (Interest) although such provisions may not operate as intended (depending on market circumstances and the availability of rates information at the time) and may in certain circumstances result in the effective application of a fixed rate based on the rate which applied in the previous period when SONIA was available.

In addition, it should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Mortgage Loans and the Notes 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 or any other significant change to the setting or existence of SONIA could affect the ability of the Issuer to meet its obligations under the Notes and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes. Changes in the manner of administration of SONIA could result in adjustment to the Conditions, early redemption, delisting or other consequences in relation to the Floating Rate Notes. No assurance may be provided that relevant changes will not occur with respect to SONIA or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist. Investors should consider these matters when making their investment decision with respect to the Notes. See also "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Eligibility of the Notes for central*

bank schemes is subject to the applicable collateral framework criteria and could have an impact on the liquidity of the Notes in general".

Effects of the Volcker Rule on the Issuer, the Notes and the holders of the Notes

The enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "**Dodd-Frank Act**"), which was signed into law on 21 July 2010, imposed a new regulatory framework over the U.S. financial services industry and the U.S. consumer credit markets in general. On 10 December 2013, U.S. regulators adopted final regulations to implement Section 619 of the Dodd-Frank Act, which added a new Section 13 to the Bank Holding Company Act of 1956, commonly referred to as the "Volcker Rule".

The Volcker Rule generally prohibits "banking entities" (broadly defined to include U.S. 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. The Issuer has been structured so as not to constitute a "covered fund" for purposes of the Volcker Rule and its implementing regulations. If the Issuer is considered a "covered fund", the liquidity of the market for the Notes may be materially and adversely affected, since banking entities could be prohibited from, or face restrictions in, investing in the Notes.

See "*Other U.S. Requirements – The Volcker Rule*" for information on the Issuer's status under the Volcker Rule. Any prospective investor in the Notes or Certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

8. LEGAL AND REGULATORY RISKS RELATING TO THE MORTGAGE LOANS

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 or 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 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 "*Further Information relating to the Regulation of Mortgages in the UK*" 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 an FCA or PRA rule, 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 (or exercise analogous rights in Scotland). Any such set-off in respect of the Mortgage Loans may adversely affect the Issuer's ability to make payments on the Notes and in respect of the Senior Deferred Consideration and Residual Deferred Consideration. Further detail is included in the section headed "*Further Information relating to the Regulation of Mortgages in the UK – Regulation of the UK Residential Mortgage Market*".

Guidance Issued by the Regulators. Guidance issued by the regulators has changed over time and it is possible that it may change in the future. No assurance can be given that any changes in legislation, guidance or case law as it relates to the Mortgage Portfolio will not have a material adverse effect on the group and its businesses and operations. This may adversely affect the Issuer's ability to make payments in full when due on the Notes. There can be no assurance that any such changes (including changes in regulators' responsibilities) will not affect the Mortgage Loans. Any such changes (including changes in regulators' responsibilities) may also adversely affect the Issuer's operating results, financial condition and prospects. Further detail is included in the section

headed "*Further Information relating to the Regulation of Mortgages in the UK – Potential effects of any additional regulatory changes*".

Unfair Relationships. If a court determined that there was an unfair relationship between the lender and the Borrowers in respect of the Mortgage 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/or the ability of the Issuer to make payments under the Notes. Further detail is included in the section headed "*Further Information relating to the Regulation of Mortgages in the UK – Unfair relationships*".

Distance Marketing. The Financial Services (Distance Marketing) Regulations 2004 allow, in certain specified circumstances, a borrower to cancel a credit agreement it has entered into with lenders. If a significant proportion of the Mortgage Loans are treated as being cancellable under these regulations, 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 under the Notes. Further detail is included in the section headed "*Further Information relating to the Regulation of Mortgages in the UK – Distance Marketing Regulations*".

UTCCR and CRA. The UTCCR and CRA provide that a consumer may, in certain circumstances, challenge a term in an agreement on the basis that it is unfair. 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 Mortgage Loans which have been made to Borrowers covered by the UTCCR and/or CRA may contain unfair terms that may result in the possible unenforceability of the terms of the underlying loans. If any term of the Mortgage Loans is found to be unfair for the purpose of the UTCCR and/or 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 (including analogous rights under Scots law) arising as a result of a term of a loan being found to be unfair (and therefore not binding on the consumer).

No assurance can be given that any changes in legislation, guidance or case law on unfair terms will not have a material adverse effect on the Seller, the Legal Title Holder, the Issuer and/or the Servicer and their respective businesses and operations. No assurance can be given that any such changes in guidance on the UTCCR and the CRA, or reform of the UTCCR and the CRA, will not affect the Mortgage Loans and will not have a material adverse effect on the Issuer's ability to make payments on the Notes and in respect of the Senior Deferred Consideration and Residual Deferred Consideration. Further detail in relation to the UTCCR and the CRA is included in the section headed "*Further Information relating to the Regulation of Mortgages in the UK – Unfair Terms in Consumer Contracts Regulations 1994 and 1999 and Consumer Rights Act 2015*" and "*Further Information relating to the Regulation of Mortgages in the UK – Regulation of the UK Residential Mortgage Market*".

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 may lead to liability for misrepresentation or breach of contract in relation to the underlying credit agreements, which 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. Further detail in relation to the CPUTR is included in the section headed "*Further Information relating to the Regulation of Mortgages in the UK – Consumer Protection from Unfair Trading Regulations 2008*".

Help to Buy Mortgage Loans: In March 2013, the UK Government announced the "Help to Buy" Scheme involving two separate proposals to assist home buyers in England and Wales. The first involves a shared equity loan made available from 1 April 2013 by the UK Government (through Homes England) to borrowers, for up to 20 per cent. of the property price, for the purchase of new homes. The upper limit for the equity loan was increased, from February 2016, to up to 40 per cent. of the property price for properties in London by the "London Help to Buy Scheme". The shared equity loan provided by the UK Government is secured by way of a second charge mortgage on the relevant property. Following a sale of a property which benefits from a Help to Buy equity loan,

the UK Government (through Homes England) will be repaid a *pro rata* amount of the disposal proceeds of the property equal to the percentage of the original purchase price funded by the Help to Buy equity loan regardless of whether the disposal value has increased or decreased relative to the original purchase price. In circumstances where the disposal proceeds are insufficient to discharge in full both the Mortgage Loan and the Help to Buy equity loan secured on the property, the disposal proceeds will be applied to discharge the first ranking legal Mortgage and the remaining proceeds (if any) applied to discharge the Help to Buy equity loan. The enforcement of the Help to Buy Loan by the Seller will not require the consent of Homes England, however any disposal of a property which benefits from a Help to Buy equity loan (including following an enforcement of a Help to Buy Loan), will require the consent of Homes England which may result in a delay to the enforcement of the relevant Mortgage. The second "Help to Buy" Scheme involves a guarantee provided by the UK Government for loans made to borrowers allowing up to a 95 per cent. LTV. The guarantee loans were available from 1 October 2013 (each of the loans under this scheme, a "**Help to Buy Loan**").

Equivalent Help to Buy schemes previously applied in Scotland run by the Scottish Government, under which up to 15 per cent of the purchase price was available to qualifying participants, subject to certain maximum threshold prices and second ranking security being granted in favour of the Scottish Ministers. No new applications are currently being accepted under the primary Help to Buy (Scotland) scheme although some additional financial support schemes for home buyers still remain available through the Scottish Government.

No Loans in the Mortgage Portfolio benefit from any guarantee provided under the Help to Buy Scheme or the equivalent Scottish schemes. For more information as to the risks specific to the Issuer and/or holding of the Notes arising from Help to Buy Mortgage Loans please see "Certain factors affecting the economic performance and value of the Mortgage Portfolio" and "*Risks associated with Help to Buy Mortgage Loans*".

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. 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 a 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. Further detail is included in the section headed "*Further Information relating to the Regulation of Mortgages in the UK – Financial Ombudsman Service*".

Mortgage repossessions. The protocols for mortgage repossession may have adverse effects in relation to the ability of the Seller 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 "*Further Information relating to the Regulation of Mortgages in the UK – Repossessions*".

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. There is a risk that in certain circumstances, where a long lease in England and Wales 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 "*Further Information relating to the Regulation of Mortgages in the UK – Assured Shorthold Tenancy (AST)*".

Consumer Duty. The FCA published in July 2022 its finalised rules and guidance 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 Consumer Duty came into effect from 31 July 2023 for new and existing products or services that are open to sale or renewal and came into effect from 31 July 2024 for closed products and services. It is not yet possible to predict the precise effect of the new Consumer Duty on the Loans with any certainty. The FCA has its usual enforcements 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 Portfolio, it could adversely affect the amounts received or recoverable in relation to the Mortgage Portfolio. This may adversely affect the ability of the Issuer to make payments in full on the Notes when due. Further detail is included in the section headed "*Further Information relating to the Regulation of Mortgages in the UK*"

Mortgage Charter. On 26 June 2023, the HM Treasury published the 'Mortgage Charter' in light of the current pressures on households following interest rate rises and the cost of living crisis. The Mortgage Charter states that the UK's largest mortgage lenders and the FCA have agreed with the Chancellor a set of standards that they will adopt when helping their regulated mortgage borrowers worried about high interest rates (the "**Mortgage Charter**). The Issuer 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. This may adversely affect the ability of the Issuer to make payments in full on the Notes when due. Further detail in relation to the Mortgage Charter is included in the section headed "*Further Information relating to the Regulation of Mortgages in the UK – Mortgage Charter"* below.

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 with debt problems legal protection from creditor action for up to 60 days; and a mental health crisis breathing space will give an individual 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 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 "*Further Information relating to the Regulation of Mortgages in the UK – Breathing Space Regulations".*

FCA measures and guidance

On 16 June 2022 the FCA published a Dear CEO Letter which stated that the FCA consider that the Mortgages Tailored Support Guidance published on 25 March 2021 (the "**Mortgages Tailored Support Guidance**") which was issued to address exceptional circumstances arising out of coronavirus, is also relevant for borrowers in financial difficulties due to other circumstances such as the rising cost of living. Therefore, if a borrower indicates that they are experiencing or reasonably expect to experience payment difficulties due to the rising cost of living, the FCA have said that lenders should offer prospective forbearance to enable them to avoid, reduce, or manage any payment shortfall that would otherwise arise. This includes borrowers who have not yet missed a payment. For further detail, see below in the section entitled "*Further Information relating to the Regulation of Mortgages in the UK – FCA response to the cost-of-living crisis"*.

There can be no assurance that the FCA, or other UK government or regulatory bodies or industry associations etc., may not take further steps, including in response to the current cost of living crisis, which may have a further impact on the industry. As the measures introduced by the FCA expire, the Mortgage Loans may experience a higher level of defaults and delinquencies. There can be no assurance that the FCA, or other UK government or regulatory bodies or industry associations etc., will not take further steps in the UK which may adversely affect the performance of the Mortgage Loans, including further amending and extending the scope of the above guidance.

Additionally, on 3 November 2022, the FCA published a report setting out the key findings of its review of firms' treatment of borrowers in financial difficulty ("**BiFID**") following the COVID-19 pandemic. While the FCA notes examples of firms delivering good outcomes, the FCA's assessments have shown that many firms must do much

better. The FCA has identified issues across firms in the mortgage and consumer lending markets. Its findings are set out in the following four key areas where the FCA considers lenders need to focus on to improve outcomes for borrowers in financial difficulty:

(a) Engaging with customers;

(b) Effectiveness of conversations with customers;

(c) Helping customers to consider and access money guidance and debt advice; and

(d) Fees and charges.

The FCA expects all firms to review the findings and where necessary make changes and remedy any past failings. The FCA notes that it will continue to monitor data to assess how firms are considering and delivering forbearance in response to the cost of living crisis and will investigate firms that, based on the range of data sources available, appear to be outliers and which are potentially not delivering good outcomes.

The FCA also states that it plans to consult on the future of the Mortgages Tailored Support Guidance and this may include proposals to make changes to the FCA Handbook.

It is unclear what impact this review will have on the Mortgage Loans, if any, and there can be no guarantee that any future redress required will not impact the Mortgage Loans.

It is currently unclear what impact the cost of living crisis will have on the mortgages and loans sector and there can be no assurance that the FCA, or other UK government or regulatory bodies, will not take further steps in response to the cost of living crisis which may impact the performance of the Mortgage Loans.

TRANSACTION OVERVIEW

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

OVERVIEW OF TRANSACTION PARTIES

Party	Name	Address	Document under which appointed/Further Information
Issuer	Pavillion Mortgages 2024-1 PLC	10th Floor 5 Churchill Place London E14 5HU	N/A. See the section entitled "*The Issuer*" for more information.
Holdings.....	Pavillion Mortgages 2024-1 Holdings Limited	10th Floor 5 Churchill Place London E14 5HU	N/A. See the section entitled "*Holdings*" for more information.
Seller	Barclays Bank UK PLC	1 Churchill Place London E14 5HP	N/A. See the section entitled "*Barclays Bank UK PLC*" for further information.
Legal Title Holder..	Barclays Bank UK PLC	1 Churchill Place London E14 5HP	N/A. See the section entitled "*Barclays Bank UK PLC*" for further information.
Retention Holder (for UK, EU and U.S. risk retention purposes) **.....**	Barclays Bank PLC	1 Churchill Place London E14 5HP	N/A. See the section entitled "*Certain Regulatory Requirements – The Securitisation Regulation – UK and EU risk retention requirements*" for further information.
Sponsor Administrator	Barclays Bank PLC	1 Churchill Place London E14 5HP	The Sponsor Administrator was appointed pursuant to the Sponsor Administration Agreement. See the section entitled "*The Sponsor Administrator, the Retention Holder and the interest rate swap counterparty*" for further information.
Servicer.....	Barclays Bank UK PLC	1 Churchill Place London E14 5HP	The Servicer was appointed pursuant to the Servicing Agreement. See the sections entitled "*Barclays Bank UK PLC*" and "*The Servicer and the Servicing Agreement*" for further information. The Servicer may delegate its duties under the Servicing Agreement. As of the date of this Prospectus, the Servicer intends to delegate its duties to Barclays Execution Services Limited.
Security Trustee.....	U.S. Bank Trustees Limited	125 Old Broad Street Fifth Floor London EC2N 1AR	The Security Trustee was appointed pursuant to the Deed of

Party	Name	Address	Document under which appointed/Further Information
			Charge. See the section entitled "*The Note Trustee and the Security Trustee*" for more information.
Note Trustee.....	U.S. Bank Trustees Limited	125 Old Broad Street Fifth Floor London EC2N 1AR	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.....	CSC Corporate Services (UK) Limited	10th Floor 5 Churchill Place London E14 5HU	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.....	U.S. Bank Global Corporate Trust Limited	125 Old Broad Street Fifth Floor London EC2N 1AR	The Cash Manager was appointed pursuant to the Cash Management Agreement. See the section entitled "*Cash Management*" for more information.
Corporate Services Provider.....	CSC Capital Markets UK Limited	10th Floor 5 Churchill Place London E14 5HU	The Corporate Services Provider was appointed pursuant to the Corporate Services Agreement.
Transaction Account Bank.....	Barclays Bank PLC	1 Churchill Place London E14 5HP	The Transaction Account Bank was appointed pursuant to the Account Bank Agreement. See the section entitled "*Cash Management – Account Bank Agreement and Issuer Accounts*" for more information.
Collection Account Bank.....	Barclays Bank UK PLC	1 Churchill Place London E14 5HP	N/A. See the sections entitled "*Barclays Bank UK PLC*" and "*The Servicer and the Servicing Agreement*" for more information.
Standby Swap Collateral Account Bank	Elavon Financial Services DAC, UK Branch	125 Old Broad Street Fifth Floor London EC2N 1AR	The Standby Swap Collateral Account Bank was appointed pursuant to the Standby Swap Collateral Account Bank Agreement. See "*Standby Swap Collateral Account Bank Agreement*" for more information.
Interest Rate Swap Counterparty	Barclays Bank PLC	1 Churchill Place London E14 5HP	N/A. See the sections entitled "*Barclays Bank UK PLC*" and "*The Interest Rate Swap Agreement*" for more information.

Party	Name	Address	Document under which appointed/Further Information
Principal Paying Agent.....	Elavon Financial Services DAC, UK Branch	125 Old Broad Street Fifth Floor London EC2N 1AR	The Principal Paying Agent was appointed pursuant to the Agency Agreement.
Agent Bank.....	Elavon Financial Services DAC, UK Branch	125 Old Broad Street Fifth Floor London EC2N 1AR	The Agent Bank was appointed pursuant to the Agency Agreement.
Registrar.....	Elavon Financial Services DAC, UK Branch	125 Old Broad Street Fifth Floor London EC2N 1AR	The Registrar was appointed pursuant to the Agency Agreement.
Back-up Servicer Facilitator.....	CSC Capital Markets UK Limited	10th Floor 5 Churchill Place London E14 5HU	The Back-up Servicer Facilitator was appointed pursuant to the Servicing Agreement.
Arranger.....	Barclays Bank PLC acting through its investment bank or its affiliates	1 Churchill Place London E14 5HP	The Arranger was appointed pursuant to the Subscription Agreement. See the section entitled "*Subscription and Sale and Transfer and Selling Restrictions*" for further information.
Lead Manager.....	Barclays Bank PLC acting through its investment bank or its affiliates	1 Churchill Place London E14 5HP	The Lead Manager was appointed pursuant to the Subscription Agreement. See the section entitled "*Subscription and Sale and Transfer and Selling Restrictions*" for further information.
Listing Authority ...	The Financial Conduct Authority	N/A	N/A
Stock Exchange.....	The London Stock Exchange's regulated market	N/A	N/A
Clearing Systems ...	Euroclear/Clearstream, Luxembourg	N/A	N/A
Rating Agencies	DBRS	20 Fenchurch Street 31st Floor London EC3M 3BY	N/A
	Fitch	30 North Colonnade Canary Wharf London E14 5GN	N/A

OVERVIEW OF MORTGAGE PORTFOLIO AND SERVICING

Please refer to the sections entitled "The Mortgage Loans and the Mortgage Portfolio", "Characteristics of the Provisional Portfolio" 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 will consist of Mortgage Loans and their Related Security sold by the Seller to the Issuer in accordance with the terms of the Mortgage Sale Agreement.

Each Mortgage Loan will be governed by English law, Northern Irish law or Scots law, as applicable.

As at the Closing Date, the Mortgage Loans comprising the Mortgage Portfolio will be a mix of Fixed Rate Mortgage Loans (and at the expiry of the relevant fixed rate term of any such Mortgage Loan, it will become a Tracker Rate Mortgage Loan), Tracker Rate Mortgage Loans, Discount Tracker Rate Mortgage Loans and Zero Rate Mortgage Loans.

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, Wales or Northern Ireland or by first ranking standard securities over heritable or long leasehold properties located in Scotland except in so far as there is a prior ranking statutory charge where the Mortgage Loan is a Shared Ownership Mortgage Loan.

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

Features of Mortgage Loans[1] .....

The following is a summary of certain features of all of the Mortgage Loans as at the Closing Date and investors should refer to, and carefully consider, the section entitled "*The Mortgage Loans and the Mortgage Portfolio*".

Type of Mortgage Loan (repayment)	Repayment Mortgage Loans (being 92.88 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date)
	Interest Only Mortgage Loans (being 4.67 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date)
	Part and Part Mortgage Loans (being 2.45 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date)
Self-Certified Mortgage Loans	No
Fast-track Mortgage Loans	No

[1] *Totals will not add up to 100% due to rounding off.*

	Buy-to-Let Mortgage Loans	No
	Standard owner-occupied Mortgage Loans	86.02 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date
	Right to Buy Mortgage Loans	0.65 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date
	Shared Ownership Mortgage Loans	5.01 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date
	Family Springboard Mortgage Loans	2.52 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date
	Help to Buy Mortgage Loans	3.91 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date
	Zero Rate Mortgage Loans	0.50 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date
	Other Mortgage Loans (including family sale, shared equity, local schemes and builder schemes)	1.39 per cent. of the aggregate Current Balance of the Mortgage Portfolio as at the Portfolio Reference Date

See section entitled "*Characteristics of the Provisional Portfolio*" for further information.

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

(a) the Initial Purchase Price; and

(b) the deferred consideration consisting of the Senior Deferred Consideration and the Residual Deferred Consideration.

See further the section entitled "*Assignment of the Mortgage Loans and Related Security*".

Eligibility Criteria ..... Any Mortgage Loan and its Related Security to be sold to the Issuer must comply with the Eligibility Criteria as at the Cut-Off Date.

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

Representations and warranties..... The Seller is required to give the Mortgage Loan Warranties in respect of the Mortgage Portfolio (as at the Cut-Off Date) sold to the Issuer on the Closing Date.

See further the section entitled "*Assignment of the Mortgage Loans and Related Security*".

Mandatory repurchase of the Mortgage Loans and Related Security.....

The Seller will be required to repurchase the relevant Mortgage Loans and their Related Security if (i) any Mortgage Loan Warranty proves to have been untrue, and such breach has a material adverse effect on a Mortgage Loan or its Related Security, as at the Cut-Off Date, (ii) following the making of a Further Advance and (iii) following the granting of a Product Switch (provided that the relevant Mortgage Loan subject to a Product Switch is less than two months in arrears, in each case on the first Business Day of the following month after the Product Switch occurred).

See further the sections entitled "*The Mortgage Loans and the Mortgage Portfolio – Flexible features – Further Advances*" and "*Assignment of the Mortgage Loans and Related Security*" and "*The Servicer and the Servicing Agreement*".

Consideration for repurchase.....

Consideration payable by the Seller or the Legal Title Holder (as applicable) in respect of any repurchase of any Mortgage Loan and its Related Security will be an amount equal to the aggregate of the Current Balance thereof and expenses payable relating thereto (excluding, if applicable, the amount of any Further Advance which has not yet been paid for by the Issuer) as at the date of completion of such repurchase.

Perfection Trigger Events .....

Transfer of the legal title to the relevant Mortgage Loans will be completed following 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*", the definition of "Perfection Trigger Event" set out therein, and "*The Servicer and the Servicing Agreement*".

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 the Scottish Declaration of Trust and will therefore be subject to certain risks as set out in the section entitled "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – The Legal Title Holder will initially retain legal title to the Mortgage Loans*".

Servicing of the Mortgage Portfolio .....

The Servicer will be appointed by the Issuer to administer the Mortgage Loans on a day-to-day basis in accordance with the Servicing Agreement. The Servicer performs the day-to-day servicing of the Mortgage Loans from its mortgage service centres and telephone banking and operations centres. The appointment of the Servicer may be terminated by the Issuer following the occurrence of certain Servicer Termination Events, which include:

(a) the Servicer fails to pay any amount due and payable by it and such failure is not remedied for a period of 30 calendar days after the Servicer becoming aware of such failure;

(b) the Servicer becomes subject to an Insolvency Event;

(c) default is made by the Servicer in the performance or observance of any of its other material covenants or material obligations under the

Servicing Agreement or any of the other Transaction Documents which, in the opinion of the Security Trustee, acting on the direction of the Note Trustee, is materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding, and such default continues unremedied for a period of 30 London Business Days after the Servicer becoming aware of such default, 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 thereunder, such default will not constitute a Servicer Termination Event if, within such 30 London Business Day-period, either:

(i) the relevant sub-contractor or delegate remedies the relevant default; or

(ii) the Servicer replaces the relevant sub-contractor or delegate with an entity capable of remedying such default (and ensures that such default is remedied by such entity) or alternatively indemnifies the Issuer against the consequences of such default; or

(d) the Servicer at any time fails to obtain or maintain the necessary licence or regulatory approval required by virtue of the UK mortgage regulatory regime and which is required in order to enable it to continue administering the Mortgage Loans, including, without limitation, the FCA authorisations.

See further "*The Servicer and the Servicing Agreement*

Upon termination of the appointment of the Servicer following a Servicer Termination Event, the Back-up Servicer Facilitator shall use its reasonable endeavours to assist the Issuer in appointing, as soon as reasonably practicable, a replacement servicer that satisfies the following conditions:

(A) such replacement servicer has experience of administering Mortgage Loans secured on residential mortgaged properties in England, Wales, Northern Ireland and Scotland;

(B) such replacement servicer enters into a deed on substantially the same terms as the relevant provisions of the Servicing Agreement with the Issuer, the Seller, the Legal Title Holder and the Security Trustee (and the Servicer will not be released from its obligations under the relevant provisions of the Servicing Agreement until such replacement servicer has entered into such new deed); and

(C) such replacement Servicer is authorised and licensed to act as such under the FSMA.

The Servicer may also resign upon giving 12 months' notice to the Issuer and the Security Trustee, provided that the conditions referred to above are satisfied, the Issuer and the Security Trustee consent in writing to such termination, and a replacement servicer will be appointed (subject to the prior written consent of the Security Trustee), such appointment to be effective not later than the date of such termination (and the Servicer will notify the Rating Agencies in writing of the identity of such replacement servicer).

Sub-contracting or delegation .....

The Servicer may sub-contract or delegate some or all of its servicing function to a third party provided that it meets the conditions set out in the Servicing Agreement. As at the Closing Date, the Servicer intends to delegate certain of its servicing functions to Barclays Execution Services Limited.

See "*The Servicer and the Servicing Agreement*".

Purchase options .....

The Mortgage Loans in the Mortgage Portfolio are subject to several different purchase options as outlined below. If any of these purchase options are exercised, the Notes will be redeemed in full (or in certain limited circumstances (as outlined below), in part) and, in certain circumstances, any Certificates (then in issue) will be cancelled.

Portfolio Purchase Option.....

Exercise

The Portfolio Option Holder may exercise the Portfolio Purchase Option to effect an early redemption of the Notes:

(a) on the First Optional Redemption Date or any Payment Date following the First Optional Redemption Date;

(b) on any Payment Date following the date on which the Retention Holder (or any of its nominees) give notice of its intention to exercise the Risk Retention Regulatory Change Option following the date on which a Risk Retention Regulatory Change Event has occurred;

(c) on the Payment Date following the date on which the Seller gives notice of its intention to exercise the Regulatory Change Event Option following the date on which the Seller has determined that a Regulatory Change Event has occurred; or

(d) on the Payment Date following the date on which the Seller gives notice of its intention to exercise the Tax/Illegality Option following the date on which a Tax/Illegality Event has occurred, provided that any election to exercise the Portfolio Purchase Option in these circumstances must be notified to the Note Trustee within 20 Business Days of receipt of such notice.

The Portfolio Purchase Option may be exercised by the Portfolio Option Holder giving notice to the Issuer with a copy to the Cash Manager, the Note Trustee, the Security Trustee, the Seller, the Legal Title Holder, the Retention Holder and each of the Rating Agencies with such purchase to take effect on the Calculation Date immediately preceding the Optional Redemption Date specified in the exercise notice (such purchase date, the "**Portfolio Sale Completion Date**"). The Notes shall be redeemed in full (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) on the relevant Optional Redemption Date subject to the satisfaction of the New Issue Conditions Precedent in the reasonable opinion of Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or

Collection Account Bank being satisfied prior to the Portfolio Sale Completion Date.

The Issuer has covenanted in the Portfolio Option Deed Poll in favour of the Portfolio Option Holder that prior to the service of an Enforcement Notice it shall not agree to any sale of the Mortgage Portfolio that is not already provided for under the Transaction Documents without the prior written consent of the Portfolio Option Holder.

The "**Portfolio Option Holder**" is the person entitled to receive more than 50 per cent. of the Residual Deferred Consideration or an entity representing persons in aggregate entitled to receive more than 50 per cent. of the Residual Deferred Consideration (other than any Residual Deferred Consideration entitlement held directly or indirectly by or on behalf of the Retention Holder).

Purchase price

The purchase price payable by the Portfolio Option Holder in respect of the Portfolio Purchase Option shall be an amount equal to the New Issue Proceeds Amount. The "**New Issue Proceeds Amount**" is an amount greater than or equal to the higher of:

(a) the "**New Issue Proceeds Base Amount**" being an amount equal to:

(i) (A) the aggregate Principal Amount Outstanding of the Rated Notes, or (B) in respect of the exercise by the Seller of the Risk Retention Regulatory Change Option, the Regulatory Change Event Option or the Tax/Illegality Option, the aggregate Principal Amount Outstanding of the Notes, in both cases plus accrued and unpaid interest thereon as at the Optional Redemption Date; plus

(ii) the amount (if any) required to be paid by the Issuer to the Interest Rate Swap Counterparty in respect of the termination of the Interest Rate Swap(s) as a result of the exercise of the relevant Option determined in accordance with the Interest Rate Swap Agreement; plus

(iii) any fees, costs, amounts and expenses of the Issuer payable senior to payment of Residual Deferred Consideration in the Post-Enforcement Priority of Payments as at the Optional Redemption Date; less

(iv) any amounts standing to the credit of the Transaction Account as at the date of the most recent Servicer Report (but disregarding any amounts standing to the credit of the Issuer Profit Ledger); less

(v) the amount (if any) required to be paid, and actually paid, by the Interest Rate Swap Counterparty to the Issuer in respect of the termination of the Interest Rate Swap as a result of the exercise of the relevant Option determined in accordance with the Interest Rate Swap Agreement; and

(b) the fair market value of all (but not some only) of the Mortgage Loans in the Mortgage Portfolio as determined by the relevant Option Holder in accordance with the relevant Option Deed Poll (the "**New Issue Proceeds Current Value Amount**"). The New Issue Proceeds Current Value Amount shall be determined by the relevant Option Holder calculating such price and giving notice of it to the Retention Holder:

(i) for the purposes of the Portfolio Purchase Option, notwithstanding any other provision, if the relevant Option Holder and the Retention Holder cannot agree on the New Issue Proceeds Current Value Amount they may together appoint an independent third party valuer who shall, following consultation with such parties, propose, on a binding basis, an alternative New Issue Proceeds Current Value Amount; and

(ii) for the purposes of the Refinancing Option, if the relevant Option Holder and the Retention Holder cannot agree on a New Issue Proceeds Current Value Amount they may together appoint an independent third party valuer who shall, following consultation with such parties, propose an alternative New Issue Proceeds Current Value Amount, which shall be binding on the parties.

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that the Portfolio Option Holder holds any of the Notes and/or is entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, it may set-off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder and/or as the person entitled to Senior Deferred Consideration or Residual Deferred Consideration on the Optional Redemption Date.

See the section entitled "*Early Redemption of the Notes pursuant to the Portfolio Purchase Option, Clean-up Purchase Option, Refinancing Option, Risk Retention Regulatory Change Option, Regulatory Change Event Option or Optional Redemption for Tax and Other Reasons*" for further details.

Refinancing Option ..... *Exercise*

The Issuer will, pursuant to the Refinancing Option Deed Poll, grant to the Refinancing Option Holder the option (the "**Refinancing Option**") to require the Issuer to:

(a) redeem (in whole and not in part) the Rated Notes and, in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled), on the First Optional Redemption Date or any Payment Date thereafter;

(b) as agreed between the Issuer, the Refinancing Option Holder and the Class S Certificateholder (where Class S Certificates are in issue), cancel some or all of the Certificates (then in issue) on such date and/or leave some or all of the Certificates (then in issue) outstanding on such date; and

(c) issue the Refinancing Instruments on the Refinancing Date.

Refinancing Option Holder

The person entitled to receive more than 50 per cent. of the Residual Deferred Consideration or an entity representing persons in aggregate entitled to receive more than 50 per cent. of the Residual Deferred Consideration (other than any Residual Deferred Consideration entitlement held directly or indirectly by or on behalf of the Retention Holder).

Required refinancing proceeds

The refinancing proceeds available following exercise of the Refinancing Option is required to be an amount at least equal to the New Issue Proceeds Amount.

See the section entitled "*Early Redemption of the Notes pursuant to the Portfolio Purchase Option, Clean-up Purchase Option, Refinancing Option, Risk Retention Regulatory Change Option, Regulatory Change Event Option or Optional Redemption for Tax and Other Reasons*" for further details.

Clean-up Purchase Option.....

Exercise

The Seller may exercise the Clean-up Purchase Option to effect an early redemption of the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) on any Payment Date on which the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio (as of the immediately preceding Calculation Date) is less than or equal to 10 per cent. of the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio as at the Cut-Off Date.

The Clean-up Purchase Option may be exercised by the Seller giving notice to the Issuer with a copy to the Cash Manager, the Note Trustee, the Security Trustee, the Retention Holder, the Portfolio Option Holder and the Rating Agencies with such purchase to take effect on the Calculation Date immediately preceding the Optional Redemption Date (the "**Clean-up Sale Completion Date**"). The Notes shall be redeemed on the Payment Date falling immediately after the Clean-up Sale Completion Date.

Purchase price

The purchase price payable by the Seller (or its nominee) in respect of the Clean-up Purchase Option shall be an amount equal to the New Issue Proceeds Amount.

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that the purchaser of the Mortgage Loans holds any of the Notes, the Seller may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder on the Optional Redemption Date.

See the section entitled "*Early Redemption of the Notes pursuant to the Portfolio Purchase Option, Clean-up Purchase Option, Refinancing Option, Risk Retention Regulatory Change Option, Regulatory Change Event Option or Optional Redemption for Tax and Other Reasons*" for further details

Risk Retention Regulatory Change Option.....

Exercise

If the Seller and the Retention Holder jointly determine that a Risk Retention Regulatory Change Event has occurred, and the Risk Retention Regulatory Change Event Option Holder gives notice of its intention to exercise the Risk Retention Regulatory Change Option, the Portfolio Option Holder (or its nominee) may elect to purchase the Mortgage Loans under the Portfolio Purchase Option. In the event that the Portfolio Option Holder (or its nominee) does not elect to purchase the Mortgage Loans, the Retention Holder (or any of its nominees) has the right (but not any obligation) to acquire (or procure the acquisition of) the entire beneficial interest of the Issuer in the Mortgage Portfolio upon the occurrence of a Risk Retention Regulatory Change Event in accordance with the terms of Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*).

In the event that neither the Portfolio Option Holder (or its nominee) nor the Retention Holder (or any of its nominees) elects to purchase the Mortgage Loans, the Seller (or any of its nominees) has the right (but not any obligation) to re-acquire (or procure the re-acquisition of) the entire beneficial interest of the Issuer in the Mortgage Portfolio and thereby effect a redemption of the Notes following the occurrence of a Risk Retention Regulatory Change Event.

Purchase price

The price payable by or on behalf of the Retention Holder or the Seller (or any of its nominees) (as applicable) to the Issuer to acquire or re-acquire (as applicable) the beneficial interest of the entire Mortgage Portfolio from the Issuer shall be a price equal to the New Issue Proceeds Amount as calculated three Business Days prior to acquisition or re-acquisition (as applicable).

An exercise of a purchase right in respect of the entire Mortgage Portfolio following a Risk Retention Regulatory Change Event is referred to as the "**Risk Retention Regulatory Change Option**".

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that the Retention Holder or the Seller (or any of its nominees) (as applicable) holds any of the Notes, or is entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, it may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder or as the person entitled to Senior Deferred Consideration or Residual Deferred Consideration on the Payment Date on which the Notes are to be redeemed.

Regulatory Change Event Option.....

Exercise

Following a determination by the Seller (acting in a commercially reasonable manner) that a Regulatory Change Event has occurred, and the Seller giving notice of its intention to exercise the Regulatory Change Event Option, the Portfolio Option Holder (or its nominee) may elect to purchase the Mortgage Loans under the Portfolio Purchase Option. In the event that the Portfolio Option Holder (or its nominee) does not elect to purchase the Mortgage Loans, the Seller shall have the right (but not any obligation) to re-acquire (or procure the re-acquisition of) the entire beneficial interest of the Issuer in the Mortgage

Portfolio upon the occurrence of a Regulatory Change Event in accordance with the terms of Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*).

Purchase price

The price payable by or on behalf of the Seller to the Issuer to re-acquire the beneficial interest of the entire Mortgage Portfolio from the Issuer shall be a price equal to the New Issue Proceeds Amount as calculated three Business Days prior to acquisition or re-acquisition (as applicable).

An exercise of a purchase right in respect of the entire Mortgage Portfolio following a Regulatory Change Event is referred to as the "**Regulatory Change Event Option**".

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that the Seller holds any of the Notes or is entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, it may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder or as the person entitled to receive Senior Deferred Consideration or Residual Deferred Consideration on the Payment Date on which the Notes are to be redeemed.

Optional redemption of the Notes for tax and other reasons.....

Exercise

Pursuant to Condition 7.9 (*Optional redemption for tax and other reasons*), following the occurrence of any of the following events, as determined by the Seller: (a) a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date which would require a deduction or withholding from any payment on any Notes or Senior Deferred Consideration or Residual Deferred Consideration (other than because the relevant person entitled to such payment has some connection with the United Kingdom other than the holding of such Notes, or having the right to Senior Deferred Consideration or Residual Deferred Consideration) of any tax; (b) a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, it has become or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or any of the Notes or pay the Senior Deferred Consideration and Residual Deferred Consideration; or (c) a change in law or a change in guidance and/or interpretation (either communicated publicly by any relevant regulatory authority or bilaterally following communications between Barclays Bank UK PLC and the UK Regulators) has occurred after the Closing Date which would cause Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank to breach any Ring-Fencing Rules or prohibit it from performing or otherwise it is unable to perform the services contemplated to be provided by it in such capacities in the Transaction in respect of which the Issuer has appointed it (each a "**Tax/Illegality Event**").

Upon the occurrence of any of the above Tax/Illegality Events, and the Seller giving notice of its intention to exercise the Tax/Illegality Option, the Portfolio Option Holder (or its nominee) may exercise the Portfolio Purchase Option to elect to purchase the Mortgage Loans. If the Portfolio Option Holder (or its nominee) does not elect to purchase the Mortgage Loans, the Seller may (but is not obliged to) repurchase the Issuer's interest in the Mortgage Loans and their

Related Security in respect of any optional redemption of the Notes pursuant to Condition 7.9 (*Optional redemption for tax and other reasons*) (the "**Tax/Illegality Option**").

Purchase price

The consideration payable by the Seller shall be an amount equal to the New Issue Proceeds Amount, as at the close of business on the immediately preceding Business Day.

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that Seller holds any of the Notes or is entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, it may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder or as the person entitled to receive Senior Deferred Consideration or Residual Deferred Consideration on the Payment Date on which the Notes are to be redeemed.

Redemption of Notes and cancellation of Certificates (then in issue) following the exercise of a call option .

The Issuer will redeem the Notes (or, in the case of the exercise of the Portfolio Purchase Option, the Refinancing Option, the Clean-up Purchase Option, the Risk Retention Regulatory Change Option, the Regulatory Change Event Option or the Tax/Illegality Option), in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled) and (in certain situations) cancel any Certificates (then in issue) following the exercise of the Portfolio Purchase Option, the Refinancing Option, the Clean-up Purchase Option, the Risk Retention Regulatory Change Option, the Regulatory Change Event Option or the Tax/Illegality Option.

For further details, see Condition 7.4 (*Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*), Condition 7.5 (*Mandatory Redemption in full pursuant to the exercise of the Refinancing Option*), Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*), Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*), Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*) or Condition 7.9 (*Optional redemption for tax and other reasons*).

Repurchases of securitisation positions ..

Any purchase or repurchase of positions in the securitisation (including the Notes, any Certificates (then in issue) or the right to receive Senior Deferred Consideration or Residual Deferred Consideration (as applicable)) by the Seller (or an entity that is an originator within the meaning of Article 4(1)(13) of the Capital Requirements Regulation (Regulation 575/2013 EC) as it formed part of domestic law at 11pm on 31 December 2020, or, from 31 March 2022, within the meaning of Article 4(1)(13) of the Capital Requirements Regulation as it forms part of domestic law of the United Kingdom) in relation to the securitisation as a related entity of the Seller (a "**Group Originator**") beyond its contractual obligations would be exceptional, and any such purchase or repurchase, and any repurchase, restructuring or substitution of underlying assets by the Seller (or a Group Originator) beyond its contractual obligations would be made in accordance with prevailing market conditions with the parties to them acting in their own interests as free and independent parties (arm's length).

OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES AND THE SENIOR DEFERRED CONSIDERATION AND RESIDUAL DEFERRED CONSIDERATION

	CLASS A NOTES	CLASS B NOTES	CLASS C NOTES	CLASS D NOTES	CLASS E NOTES	CLASS F NOTES	CLASS G NOTES	CLASS Z NOTES	SENIOR DEFERRED CONSIDERATION	RESIDUAL DEFERRED CONSIDERATION
Principal Amount:	£730,049,000	£63,879,000	£41,065,000	£29,658,000	£25,095,000	£13,688,000	£9,126,000	£18,253,000	N/A	N/A
Credit enhancement features:	Over collateralisation funded by other Notes and Available Revenue Receipts applied to reduce a debit on the Principal Deficiency Ledger and, following service of an Enforcement Notice, amounts standing to the credit of the Liquidity Reserve Fund and General Reserve Fund	Over collateralisation funded by other Notes (other than the Class A Notes) and Available Revenue Receipts applied to reduce a debit on the Principal Deficiency Ledger and, following service of an Enforcement Notice, amounts standing to the credit of the Liquidity Reserve Fund and General Reserve Fund	Over collateralisation funded by other Notes (other than the Class A Notes and the Class B Notes), Available Revenue Receipts applied to reduce a debit on the Principal Deficiency Ledger and, following service of an Enforcement Notice, amounts standing to the credit of the Liquidity Reserve Fund and General Reserve Fund	Over collateralisation funded by other Notes (other than the Class A Notes, the Class B Notes and the Class C Notes), Available Revenue Receipts applied to reduce a debit on the Principal Deficiency Ledger and, following service of an Enforcement Notice, amounts standing to the credit of the Liquidity Reserve Fund and General Reserve Fund	Over collateralisation funded by other Notes (other than the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes), Available Revenue Receipts applied to reduce a debit on the Principal Deficiency Ledger and, following service of an Enforcement Notice, amounts standing to the credit of the Liquidity Reserve Fund and General Reserve Fund	Over collateralisation funded by other Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes), Available Revenue Receipts applied to reduce a debit on the Principal Deficiency Ledger and, following service of an Enforcement Notice, amounts standing to the credit of the Liquidity Reserve Fund and General Reserve Fund	Over collateralisation funded by other Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes), Available Revenue Receipts applied to reduce a debit on the Principal Deficiency Ledger and, following service of an Enforcement Notice, amounts standing to the credit of the Liquidity Reserve Fund and General Reserve Fund	Available Revenue Receipts applied to reduce a debit on the Principal Deficiency Ledger and, following service of an Enforcement Notice, all amounts standing to the credit of the General Reserve Fund and the Liquidity Reserve Fund	N/A	N/A
Liquidity support features:	Subordination in payment of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class Z Notes and the Residual Deferred Consideration, Available Principal Receipts applied as Principal Addition Amounts to cure any Revenue Shortfall, amounts standing to the credit of the General Reserve Fund and amounts standing to the credit of the Liquidity Reserve Fund to pay Senior Revenue Amounts	Subordination in payment of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class Z Notes and the Residual Deferred Consideration, Available Principal Receipts applied as Principal Addition Amounts to cure any Revenue Shortfall (subject to the relevant PDL Condition being satisfied) amounts standing to the credit of the General Reserve Fund (subject to the relevant PDL Condition being satisfied) and amounts standing to the credit of the Liquidity Reserve Fund (subject to the	Subordination in payment of the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class Z Notes and the Residual Deferred Consideration, Available Principal Receipts applied as Principal Addition Amounts to cure any Revenue Shortfall (subject to the relevant PDL Condition being satisfied) and amounts standing to the credit of the General Reserve Fund (subject to the relevant PDL Condition being satisfied)	Subordination in payment of the Class E Notes, the Class F Notes, the Class G Notes, the Class Z Notes and the Residual Deferred Consideration, Available Principal Receipts applied as Principal Addition Amounts to cure any Revenue Shortfall (subject to the relevant PDL Condition being satisfied) and amounts standing to the credit of the General Reserve Fund (subject to the relevant PDL Condition being satisfied)	Subordination in payment of the Class F Notes, the Class G Notes, the Class Z Notes and the Residual Deferred Consideration, Available Principal Receipts applied as Principal Addition Amounts to cure any Revenue Shortfall (subject to the relevant PDL Condition being satisfied) and amounts standing to the credit of the General Reserve Fund (subject to the relevant PDL Condition being satisfied)	Subordination in payment of the Class G Notes, the Class Z Notes and the Residual Deferred Consideration, Available Principal Receipts applied as Principal Addition Amounts to cure any Revenue Shortfall (subject to the relevant PDL Condition being satisfied) and amounts standing to the credit of the General Reserve Fund (subject to the relevant PDL Condition being satisfied)	N/A	N/A	Subordination in payment of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class Z Notes and the Residual Deferred Consideration, and amounts standing to the credit of the General Reserve Fund and the Liquidity Reserve Fund to pay Senior Revenue Amounts	N/A

	CLASS A NOTES	CLASS B NOTES	CLASS C NOTES	CLASS D NOTES	CLASS E NOTES	CLASS F NOTES	CLASS G NOTES	CLASS Z NOTES	SENIOR DEFERRED CONSIDERATION	RESIDUAL DEFERRED CONSIDERATION
		relevant PDL Condition being satisfied) to pay Senior Revenue Amounts								
Issue Price:	99.8646 per cent.	100.0000 per cent.	99.8410 per cent.	99.6860 per cent.	99.3887 per cent.	100.9008 per cent.	91.4845 per cent.	82.1878 per cent.	N/A	N/A
Reference Rate:	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	N/A	N/A
Coupon:	Reference Rate + Initial Margin/Step-Up Margin (as applicable)	Reference Rate + Initial Margin/Step-Up Margin (as applicable)	Reference Rate + Initial Margin/Step-Up Margin (as applicable)	Reference Rate + Initial Margin/Step-Up Margin (as applicable)	Reference Rate + Initial Margin/Step-Up Margin (as applicable)	Reference Rate + Initial Margin/Step-Up Margin (as applicable)	Reference Rate + Initial Margin/Step-Up Margin (as applicable)	Reference Rate + Initial Margin/Step-Up Margin (as applicable)	N/A	N/A
Initial Margin (payable to but excluding the Step-Up Date) (per annum):	0.75 per cent.	1.40 per cent.	1.75 per cent.	2.40 per cent.	3.80 per cent.	5.30 per cent.	7.00 per cent.	7.00 per cent.	Payment of the Senior Deferred Consideration	Payment of the Residual Deferred Consideration
Step-Up Margin (payable on and from the Step-Up Date) (per annum):	1.50 per cent.	2.10 per cent.	2.625 per cent.	3.40 per cent.	4.80 per cent.	6.30 per cent.	8.00 per cent.	8.00 per cent.	N/A	N/A
Interest Accrual Method:	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	N/A	N/A
Payment Dates:	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year	25th day of January, April, July and October in each year
First Payment Date:	The Payment Date falling in January 2025	The Payment Date falling in January 2025	The Payment Date falling in January 2025	The Payment Date falling in January 2025	The Payment Date falling in January 2025	The Payment Date falling in January 2025	The Payment Date falling in January 2025	The Payment Date falling in January 2025	N/A	N/A
Final Redemption Date:	The Payment Date falling in January 2076	The Payment Date falling in January 2076	The Payment Date falling in January 2076	The Payment Date falling in January 2076	The Payment Date falling in January 2076	The Payment Date falling in January 2076	The Payment Date falling in January 2076	The Payment Date falling in January 2076	N/A	N/A
Application for Exchange Listing:	London Stock Exchange	London Stock Exchange	London Stock Exchange	London Stock Exchange	London Stock Exchange	London Stock Exchange	London Stock Exchange	London Stock Exchange	N/A	N/A
Regulation S ISIN	XS2903324940	XS2903325590	XS2903325673	XS2903325756	XS2903325830	XS2903325913	XS2903326051	XS2903326994	N/A	N/A
Regulation S Common Code	290332494	290332559	290332567	290332575	290332583	290332591	290332605	290332699	N/A	N/A
Rule 144A ISIN:	XS2903327885	XS2903328263	XS2903337926	XS2903353709	XS2903375934	XS2903389307	XS2903407133	XS2903409428	N/A	N/A
Rule 144A Common Code:	290332788	290332826	290333792	290335370	290337593	290338930	290340713	290340942	N/A	N/A
Ratings (DBRS (sf) /Fitch (sf)):	AAA / AAA	AA / AA-	A / A	BBB (low) / BBB	BB (low) / BB	B (low) / B	NR	NR	N/A	N/A
Regulation S Minimum Denomination:	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	N/A	N/A

	CLASS A NOTES	CLASS B NOTES	CLASS C NOTES	CLASS D NOTES	CLASS E NOTES	CLASS F NOTES	CLASS G NOTES	CLASS Z NOTES	SENIOR DEFERRED CONSIDERATION	RESIDUAL DEFERRED CONSIDERATION
Rule 144A Minimum Denomination:	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof	N/A	N/A
Governing law of the Notes:	English	English	English	English	English	English	English	English	N/A	N/A

OVERVIEW OF THE CHARACTERISTICS OF THE NOTES AND CERTIFICATES (THEN IN ISSUE)

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

Payment priority and ranking of the Notes .....

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

(a) Class A mortgage backed floating rate notes due January 2076 (the "**Class A Notes**");

(b) Class B mortgage backed floating rate notes due January 2076 (the "**Class B Notes**");

(c) Class C mortgage backed floating rate notes due January 2076 (the "**Class C Notes**");

(d) Class D mortgage backed floating rate notes due January 2076 (the "**Class D Notes**");

(e) Class E mortgage backed floating rate notes due January 2076 (the "**Class E Notes**");

(f) Class F mortgage backed floating rate notes due January 2076 (the "**Class F Notes**");

(g) Class G mortgage backed floating rates notes due January 2076 (the "**Class G Notes**"); and

(h) Class Z mortgage backed floating rate notes due January 2076 (the "**Class Z Notes**"),

and the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are together the "**Rated Notes**". The Class G Notes and the Class Z Notes are the "**Unrated Notes**". The Rated Notes together with the Unrated Notes are the "**Notes**" and the holders thereof, the "**Noteholders**".

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

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 Noteholders or persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration from all risk of loss*".

Certificates .....

Any person entitled to the Senior Deferred Consideration or the Residual Deferred Consideration may request that the right to receive the Senior Deferred Consideration and/or the Residual Deferred Consideration be certificated in

global form. The Class S Certificates will represent the right to receive the Class S Certificate Payment (being the Senior Deferred Consideration) and the Class Y Certificates will represent the right to receive the Class Y Certificate Payment (being the Residual Deferred Consideration), in accordance with the Certificate Conditions.

Where such request is made, the Issuer will issue the Class S Certificates (the "**Class S Certificates**" and the holders thereof, the "**Class S Certificateholders**") and the Class Y Certificates (the "**Class Y Certificates**" and the holders thereof, the "**Class Y Certificateholders**") as certificates, to be constituted under the Trust Deed (the "**Certificates**" and the holders thereof, the "**Certificateholders**").

The Certificates will be issued in registered form. The Certificates are not being offered by this Prospectus and will not be listed or rated. The Certificates will be cleared through Euroclear and/or Clearstream, Luxembourg, as set out in "*Description of the Trust Deed, the Global Notes and the Global Certificates*" below.

The Certificates do not have a Principal Amount Outstanding. However, for the purposes of the voting and quorum provisions, any reference to the Principal Amount Outstanding of the Class S Certificates and the Class Y Certificates shall be deemed to be £1,000,000 in respect of each Class of Certificate. Where there is more than one holder of the relevant Class of Certificates, any reference to the Principal Amount Outstanding of such Class of Certificates held by that person shall be a reference to their pro rata proportion of such amount.

Sequential order ..... The Class A Notes rank pro rata and *pari passu* without preference or priority among its holders in relation to payment of interest and principal at all times, and pro rata and *pari passu* without preference or priority among its holders in relation to payment of (in respect of the Class A Notes) interest and Senior Deferred Consideration, as provided in the Conditions and the Transaction Documents.

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

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

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

The Class E Notes rank pro rata and *pari passu* without preference or priority among its holders in relation to payment of interest and principal at all times,

but subordinate to the Senior Deferred Consideration and payments of interest and principal in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, as provided in the Conditions and the Transaction Documents.

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

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

The Class Z Notes rank pro rata and *pari passu* without preference or priority among its holders in relation to payment of interest and principal at all times, but subordinate to the Senior Deferred Consideration and payments of interest and payments of principal in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes as provided in the Conditions and the Transaction Documents.

The Senior Deferred Consideration ranks pro rata and *pari passu* with the payment of interest on the Class A Notes, as provided in the Conditions, the Certificate Conditions and the Transaction Documents.

The Residual Deferred Consideration ranks pro rata and *pari passu* without preference or priority among its holders in accordance with the applicable Priority of Payments, but subordinate to the Notes and the Senior Deferred Consideration, as provided in the Conditions, the Certificate Conditions and the Transaction Documents.

Payments of principal in relation to all Classes of Notes will be subordinate to payments of Principal Addition Amounts.

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

Security..... As security for the payment of all monies payable in respect of the Notes, the Senior Deferred Consideration and Residual Deferred Consideration, the Issuer will, pursuant to the Deed of Charge, create security in favour of the Security Trustee for itself and on trust for, among others, the Noteholders and persons entitled to receive Senior Deferred Consideration and Residual Deferred Consideration over, among other things, the following:

(a) 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, the Northern Irish Mortgage Loans and their Related Security and all other related rights under the same;

(b) 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, the Scottish Declaration of Trust and the Scottish Supplemental Charge (and, in respect of the Interest Rate Swap Agreement, after giving effect to all applicable netting and set-off provisions therein));

(c) a first fixed charge over the Issuer's right, title, interest and benefit in each Issuer 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;

(d) 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;

(e) an assignment by way of first fixed security of the Issuer's rights, title, interest and benefit in any Insurance Contracts;

(f) 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 the Scottish Declaration of Trust); and

(g) 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 Scottish assets and undertaking whether or not effectively charged or assigned by way of security as aforesaid).

See "*Security for the Issuer's Obligations – Deed of Charge*" for more information.

Interest provisions ..... Please refer to the "*Overview of the Terms and Conditions of the Notes and the Senior Deferred Consideration and Residual Deferred Consideration*" table above and as fully set out in Condition 6 (*Interest*).

Interest deferral ..... The Issuer may defer payments of interest on the Notes (other than the Class A Notes and, if they are then the Most Senior Class of Notes outstanding, the Class B Notes) with Condition 6.9 (*Subordination by deferral*). Payments in respect

of the Senior Deferred Consideration may be deferred in accordance with Certificate Condition 6.7 (*Subordination by deferral*).

Payments in respect of the Residual Deferred Consideration are not deferrable as in circumstances where the Issuer has insufficient proceeds available to meet its obligations ranking senior to any Residual Deferred Consideration, the amount due in respect of the Residual Deferred Consideration shall be zero.

Gross-up ..... None of the Issuer, the Note Trustee or the Security Trustee, any Principal Paying Agent or any other person will be obliged to gross up payments in respect of the Notes if there is any withholding or deduction required by applicable law, or in connection with FATCA (defined below), on account of any present or future taxes, duties, assessments or governmental charges of whatever nature.

Redemption ..... The Notes, the Senior Deferred Consideration and the Residual Deferred Consideration are subject to the following redemption and cancellation events:

(a) mandatory redemption of the Notes in whole, and cancellation of any Certificates (then in issue or termination of the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable), on the Payment Date falling in January 2076 (the "**Final Redemption Date**"), as fully set out in Condition 7.1 (*Final redemption*);

(b) prior to the service of an Enforcement Notice, mandatory redemption in part on each Payment Date subject to availability of Available Principal Receipts (to the extent not applied to cover any Revenue Shortfall) as fully set out in Condition 7.2 (*Mandatory redemption of the Notes in part*);

(c) mandatory redemption of the Notes in whole (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)), and cancellation of any Certificates (then in issue or termination of the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable), following the exercise by the Portfolio Option Holder of the Portfolio Purchase Option as fully set out in Condition 7.4 (*Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*);

(d) mandatory redemption of the Notes in whole (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)), and (where applicable) cancellation of any Certificates (then in issue or termination of the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable), following the exercise by the Refinancing Option Holder of the Refinancing Option as fully set out in Condition 7.5 (*Mandatory Redemption in full pursuant to the exercise of the Refinancing Option*);

(e) mandatory redemption of the Notes in whole (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)), and cancellation of any

Certificates (then in issue or termination of the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable) following the exercise by the Seller of the Clean-up Purchase Option as fully set out in Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*);

(f) mandatory redemption of the Notes in whole (or, in the case of the exercise of the Risk Retention Regulatory Change Option by the Retention Holder, in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)), and cancellation of any Certificates (then in issue or termination of the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable) following the exercise by the Retention Holder or the Seller of the Risk Retention Regulatory Change Option as fully set out in Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*);

(g) mandatory redemption in respect of the Notes in whole, and cancellation of any Certificates (then in issue or termination of the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration, as applicable) following the exercise by the Seller of the Regulatory Change Event Option as fully set out in Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*); and

(h) optional redemption exercisable by the Seller, in whole for tax or other reasons (including if it becomes unlawful for the Issuer to allow to remain outstanding any of the Notes) on any Payment Date following the date on which there is a change in tax law or other law, as fully set out in Condition 7.9 (*Optional redemption for tax and other reasons*).

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.

Upon all of the Notes being redeemed in full and the determination by the Security Trustee that no amounts are available to be paid in respect of the Security, the Notes will be cancelled.

Upon all of the Notes being redeemed in full or cancelled and the determination by the Security Trustee that no amounts are available to be paid in respect of the Security, any Certificates (then in issue) will be cancelled (or the Mortgage Sale Agreement evidencing the obligation to pay Senior Deferred Consideration and Residual Deferred Consideration terminated, as applicable).

Events of Default ..... As fully set out in Condition 11 (*Events of default*), an Event of Default broadly includes (where relevant, subject to any applicable grace period):

(a) non-payment of interest and/or principal due in respect of the Class A Notes and, if they are then the Most Senior Class of Notes outstanding, the Class B Notes where such non-payment continues for a period of

fourteen Business Days in the case of interest and seven Business Days in the case of principal;

(b) default on the Final Redemption Date (or such other date on which the Notes are due to be redeemed in full) in the payment of interest or principal on any Class of Notes or in the payment of any amounts due in respect of the Senior Deferred Consideration and the Residual Deferred Consideration;

(c) breach of any contractual obligations by the Issuer under the Transaction Documents which, in the opinion of the Note Trustee, is materially prejudicial to the interests of the holders of the Most Senior Class if such breach is incapable of remedy or, if it is capable of remedy, has not been remedied within the applicable grace period;

(d) any material representation made by the Issuer is incorrect when given if the matters giving rise to such misrepresentation are in the opinion of the Note Trustee materially prejudicial to the interests of the holders of the Most Senior Class, and the Note Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy or, if capable of remedy, such matters are not remedied within the applicable grace period; and

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

Following the occurrence of an Event of Default, the Note Trustee may (or if so directed by an Extraordinary Resolution of the Most Senior Class or in writing by the holders of at least 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class, shall) serve an Enforcement Notice on the Issuer that all Classes of Notes are immediately due and payable, provided that, in each case, the Note Trustee is indemnified and/or pre-funded and/or secured to its satisfaction. Following service of an Enforcement Notice to the Issuer, the Security Trustee may enforce the Security.

Other than in respect of the Class A Notes and, and, if they are then the Most Senior Class of Notes outstanding, the Class B Notes, non-payment of any interest in respect of any Notes as a result of the deferral provisions in Condition 6.9 (*Subordination by deferral*) will not constitute an Event of Default unless such amounts remain unpaid on the Final Redemption Date.

Limited recourse..... All Notes and the requirement to pay the Senior Deferred Consideration and the Residual Deferred Consideration 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 and the Senior Deferred Consideration and the Residual Deferred Consideration are not paid in full, any such unpaid amounts will cease to be due and payable, which is described in more detail in Condition 13.17 (*Limited recourse*).

Non-petition ..... The Noteholders and the persons entitled to receive Senior Deferred Consideration and the Residual Deferred Consideration 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 Security Trustee has become bound to institute such proceedings but has failed to do so within a reasonable period of becoming so bound and the failure is continuing. See Condition 13.17 (*Limited recourse*) and Certificate Condition 12.17 (*Limited recourse*).

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.

ERISA Considerations It is expected that the Notes (other than the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes)) will be ERISA-Eligible Notes (as defined herein). Any Note that is an ERISA-Eligible Note may not be purchased or held by, or with the assets of, an employee benefit plan (as defined in Section 3(3) of the U.S. Employee Retirement Income Security act of 1974, as amended ("**ERISA**")) that is subject to the provisions of Part 4 of Subtitle B of Title I of ERISA, a plan to which Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) applies, or an entity whose underlying assets include plan assets by reason of such an employee benefit plan or plan's investment in such entity within the meaning of 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA) ("**Benefit Plan Investor**"), or a governmental, church or non-U.S. plan which is subject to any state, local, other federal law of the United States or non-U.S. law that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Similar Law**") unless the acquisition, holding and disposition of such Note (or 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-U.S. plan, a violation of any Similar Law. Each purchaser of such Note (or interest therein) will be deemed to have represented, warranted and agreed that either (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 or a governmental, church or non-U.S. plan which is subject to any Similar Law, and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes or will constitute the assets of any Benefit Plan Investor or such governmental, church or non-U.S. plan, or (ii) its acquisition, holding and disposition of such Note (or 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-U.S. plan, a violation of any Similar Law. Each purchaser and transferee that is, or is acting on behalf of, a Benefit Plan Investor will be further deemed to represent, warrant and agree that: (i) none of the Issuer, the Principal Paying Agent, any transfer agent, the Registrar or any other party to the transactions referred to in this Prospectus, or other persons that provide marketing services, or any of their respective affiliates, has provided, and none of them will provide, any investment recommendation or investment advice to it, or any fiduciary or other person investing the assets of the Benefit Plan Investor ("**Plan Fiduciary**"), in connection with its decision to invest in the Notes, and they are not otherwise undertaking to act as a Fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Plan Fiduciary in connection with the Benefit Plan Investor's acquisition of the Notes; and (ii) the Plan Fiduciary is exercising its own independent judgement in evaluating the investment in the Notes. Each purchaser of a Note that is not an ERISA-Eligible Note (such as the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes) 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 a Note (or interest therein) will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church or non-U.S. plan which is subject to any Similar Law, and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes or will constitute the assets of any Benefit Plan Investor or such governmental, church or non-U.S. plan, or (ii) if it is a governmental, church or non-U.S. plan, its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a violation of any Similar Law. See "*Certain ERISA and Related Considerations*".

OVERVIEW OF RIGHTS OF NOTEHOLDERS AND CERTIFICATEHOLDERS

Please refer to sections entitled "Terms and Conditions of the Notes" and "Terms and Conditions of the Certificates" and "Risk Factors" for further information in respect of the rights of Noteholders, conditions for exercising such rights and relationship with other Secured Creditors. References in this section to Certificates or Certificateholders shall be deemed to apply only when Certificates are in issue and, except where the context otherwise requires, shall otherwise be read as references to Senior Deferred Consideration (in respect of the Class S Certificates) and Residual Deferred Consideration (in respect of the Class Y Certificates) and persons entitled to such Senior Deferred Consideration and Residual Deferred Consideration.

Convening a meeting ..... Prior to the occurrence of an Event of Default, Noteholders holding not less than 10 per cent. of the Principal Amount Outstanding of the Notes or persons entitled to not less than 10 per cent. interest in the Senior Deferred Consideration or the Residual Deferred Consideration are entitled to convene a Noteholders' meeting or meeting of persons entitled to the Senior Deferred Consideration or the Residual Deferred Consideration respectively.

All meetings of Noteholders and persons entitled to the Senior Deferred Consideration and/or the Residual Deferred Consideration shall be held in the UK or by way of conference call, including by use of video conference platform, as applicable.

However, so long as no Event of Default has occurred and is continuing, neither the Noteholders nor persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration are entitled to instruct or direct the Issuer to take any actions, either directly or through the Note Trustee, without the consent of the Issuer and, if applicable, certain other Transaction Parties, unless the Issuer has an obligation to take such actions under the relevant Transaction Documents.

Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding in relation to the holders of the Residual Deferred Consideration (other than in respect of a Basic Terms Modification) if passed in accordance with the Conditions. Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution (or Ordinary Resolution) of any Class of Noteholders may authorise or sanction any modification or waiver which constitutes a Basic Terms Modification affecting the Residual Deferred Consideration and no such modification or waiver may otherwise be made which is a Basic Terms Modification which affects the Residual Deferred Consideration, unless the persons entitled to the Residual Deferred Consideration have consented to such modification or waiver (in writing).

Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding in relation to the Retained Interest (other than any resolutions in respect of a Retained Interest Entrenched Right) if passed in accordance with the Conditions. Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution (or Ordinary Resolution) may authorise or sanction any modification or waiver of which constitutes a Retained Interest Entrenched Right unless the Retention Holder has consented to such modification or waiver (in writing).

Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding in relation to the holders of the Senior Deferred Consideration (other than any resolutions in respect of a Senior Deferred Consideration Entrenched Right) if passed in accordance with the Conditions. Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution or Ordinary Resolution may authorise or sanction any modification or waiver and no such modification or waiver may otherwise be made which affects any Senior Deferred Consideration Entrenched Rights, unless the persons entitled to the Senior Deferred Consideration have consented to such modification or waiver (in writing).

The persons entitled to the Senior Deferred Consideration shall only be entitled to convene meetings of the persons entitled to the Senior Deferred Consideration and/or pass resolutions in respect of the Senior Deferred Consideration in relation to matters affecting Senior Deferred Consideration Entrenched Rights.

The persons entitled to the Residual Deferred Consideration shall only be entitled to convene meetings of the persons entitled to the Residual Deferred Consideration and/or pass resolutions in respect of the Residual Deferred Consideration in relation to Basic Terms Modifications affecting the Residual Deferred Consideration.

The Retention Holder will not be entitled to convene, count in the quorum or pass resolutions in respect of Notes, Senior Deferred Consideration or Residual Deferred Consideration comprising the Retained Interest save that, in respect of any matter that affects a Retained Interest Entrenched Right, the prior written consent of the Retention Holder will be required.

Following an Event of Default .....

Following the occurrence of an Event of Default which is continuing, the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Most Senior Class, or if an Extraordinary Resolution of the holders of the Most Senior Class is passed, direct the Note Trustee to give an Enforcement Notice to the Issuer and the Security Trustee that all classes of the Notes are immediately due and repayable at their respective Principal Amount Outstanding together with accrued (but unpaid) interest or that all due and unpaid Senior Deferred Consideration or Residual Deferred Consideration are immediately due and repayable, as applicable. The Note Trustee shall not be bound to take any such action unless first indemnified and/or pre-funded and/or secured to its satisfaction. In addition, Noteholders holding not less than 10 per cent. of the Principal Amount Outstanding of the Notes are entitled to convene a Noteholders' meeting and persons entitled to not less than 10 per cent. interest in

the Senior Deferred Consideration and Residual Deferred Consideration are entitled to convene a meeting, as applicable.

Noteholders' meeting provisions .....

Notice Periods

Initial meeting	No less than 21 clear days (and no more than 365 calendar days, exclusive of the day on which the notice is given and the day on which the meeting is held).
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 one-quarter of the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Classes and/or one or more persons entitled to not less than one-quarter interest in the Senior Deferred Consideration and Residual Deferred Consideration.	one or more persons holding or representing not less than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Classes so held or represented by them and/or one or more persons entitled to not less than 10 per cent. interest in the Senior Deferred Consideration and Residual Deferred Consideration.
Extraordinary Resolution	one or more persons holding or representing more than half of the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Classes and/or one or more persons entitled to not less than half of the interest in the Senior Deferred Consideration and Residual Deferred Consideration.	one or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Classes and/or one or more persons entitled to not less than 25 per cent. of the interest in the Senior Deferred Consideration and Residual Deferred Consideration.
Extraordinary Resolution including a Basic Terms Modification	one or more persons holding or representing not less than three-quarters of the aggregate principal amount of the Notes outstanding of the relevant Class or Classes and/or one or more persons entitled to not less than three-quarter interest in the Senior	one or more persons holding or representing not less than half of the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Classes and/or one or more persons entitled to not less than half of the interest in the Senior Deferred

	Deferred Consideration and Residual Deferred Consideration.	Consideration Consideration and Residual Deferred Consideration.

Required majority

Ordinary Resolution	A simple majority of votes cast.
Extraordinary Resolution	A majority consisting of not less than 75 per cent. of votes cast for matters requiring an Extraordinary Resolution.
Written resolution	A resolution signed by or on behalf of 75 per cent. of the Noteholders of the relevant Class or Classes of Notes and/or signed by or on behalf of the persons entitled to 75 per cent. interest in the Senior Deferred Consideration or Residual Deferred Consideration. A written resolution has the same effect as an Ordinary Resolution or an Extraordinary Resolution.

Matters requiring Extraordinary Resolution

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

(a) sanctioning a Basic Terms Modification;

(b) sanctioning any compromise or arrangement proposed to be made between, among others, the Issuer or any other party to any Transaction Document;

(c) sanctioning any abrogation, modification, compromise or arrangement in respect of the rights of, among others, the Note Trustee or any other party to any of the Transaction Documents or against any of their property, whether such rights will arise under the Trust Deed, any other Transaction Document or otherwise;

(d) to approve the substitution of any person for the Issuer as principal debtor under the Notes other than in accordance with Condition 7.9 (*Optional redemption for tax and other reasons*) or Condition 13.16 (*Issuer substitution condition*);

(e) assenting to any modification of the provisions of the Trust Deed or any other Transaction Document which will be proposed by the Issuer, the Note Trustee, or any Noteholder or person entitled to Senior Deferred Consideration and Residual Deferred Consideration or any other person other than those modifications which are sanctioned by the Note Trustee without the consent or sanction of the Noteholders in accordance with the terms of the Trust Deed;

(f) approving a person to be appointed as a Note Trustee or Security Trustee and power to remove any Note Trustee or Security Trustee for the time being;

(g) 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 or the Notes;

(h) 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;

(i) to authorise the Note Trustee, the Security Trustee and/or any Appointee to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(j) to appoint any persons as a committee to represent the interests of the Noteholders or the person entitled to Senior Deferred Consideration and Residual Deferred Consideration and to confer upon such committee any powers which the Noteholders or the person entitled to Senior Deferred Consideration and Residual Deferred Consideration could themselves exercise by Extraordinary Resolution;

(k) other than in relation to a Refinancing, to sanction any scheme or proposal for the exchange, sale, conversion or cancellation of the Notes or any Certificates (then in issue) for or partly or wholly in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company or partly or wholly in consideration of cash; and

(l) to give any other authorisation or sanction that under the Trust Deed or any other Transaction Document is required to be given by Extraordinary Resolution.

See Condition 13 (*Meetings of Noteholders, modifications and waiver*) for further information.

Retained Interest Entrenched Rights..... Notwithstanding any other provision of the Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution or Ordinary Resolution may authorise or sanction any modification or waiver and no such modification or waiver may otherwise be made which is adverse to the holder of the Retained Interest (the "**Retention Holder**"), where a corresponding modification or waiver is not made in respect of other Classes of Notes and/or Certificates on an equivalent basis (the "**Retained Interest Entrenched Rights**"), unless the Retention Holder has consented to such modification or waiver in writing.

Senior Deferred Consideration Entrenched Rights..... Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution or Ordinary Resolution may authorise or sanction any modification or waiver and no such modification or waiver may otherwise be made that affects any Senior Deferred Consideration Entrenched Rights, unless the persons entitled to the Senior Deferred Consideration have consented to such modification or waiver in writing.

"**Senior Deferred Consideration Entrenched Rights**" means any modification or waiver which changes: (a) the date of payment of amounts due in respect of the Senior Deferred Consideration; (b) the method of calculating the amounts

payable in respect of the Senior Deferred Consideration; (c) the priority of payments of amounts in respect of the Senior Deferred Consideration; and (d) the definition of "Senior Deferred Consideration Entrenched Rights".

Principal Amount Outstanding of the Certificates (then in issue) .....

Any Certificates (then in issue) will not have a Principal Amount Outstanding. However, for the purposes of the voting and quorum provisions set out in the Conditions, the Certificate Conditions and the Trust Deed, any reference to the Principal Amount Outstanding of the Class S Certificates and the Class Y Certificates (in each case, then in issue) shall each be deemed to be a reference at all times to £1,000,000 respectively (and where there is more than one holder of Class S Certificates or Class Y Certificates, as applicable, any reference to the Principal Amount Outstanding of the Class S Certificates or Class Y Certificates held by that person shall be a reference to their pro rata proportion of such amount).

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 pre-funded to their satisfaction.

Subject to the provisions governing a Basic Terms Modification, Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights, an Extraordinary Resolution of a relevant Class of Notes or the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall be binding on all other Classes of Notes or all other persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration which are subordinate to such Class of Notes or such Senior Deferred Consideration and Residual Deferred Consideration in the Pre-Enforcement Revenue Priority of Payments, irrespective of the effect upon them. No Extraordinary Resolution of any other Class of Noteholders or of any person entitled to Senior Deferred Consideration and Residual Deferred Consideration shall take effect for any purpose unless it shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class or the Note Trustee is of the opinion it would not be materially prejudicial to the interests of the holders of the Most Senior Class.

A Basic Terms Modification requires an Extraordinary Resolution of the holders of each affected Class of Notes and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (other than the person entitled to Senior Deferred Consideration unless the matter is also a Senior Deferred Consideration Entrenched Right) then outstanding or in issue, as applicable.

The persons entitled to the Senior Deferred Consideration shall only be entitled to convene meetings of the persons entitled to Senior Deferred Consideration and/or pass resolutions in respect of the Senior Deferred Consideration in relation to matters affecting a Senior Deferred Consideration Entrenched Right.

Subject to the Retained Interest Entrenched Rights, the Retention Holder will not be entitled to convene, count in the quorum or pass resolutions (including Extraordinary Resolutions and Ordinary Resolutions) in respect of Notes or the Senior Deferred Consideration or Residual Deferred Consideration comprising the Retained Interest save that, in respect of any matter that affects a Retained

	Interest Entrenched Right, the prior written consent of the Retention Holder will be required. The persons entitled to Residual Deferred Consideration are not entitled to convene meetings of the Residual Deferred Consideration and/or pass resolutions in respect of the Residual Deferred Consideration (other than in relation to Basic Terms Modifications affecting the Residual Deferred Consideration).
Seller as Noteholder.....	There are no restrictions on the ability of the Seller to exercise voting rights to the extent that it holds any of the Notes other than where such rights are in relation to (i) a waiver in respect of (x) breaches of Mortgage Loan Warranties provided by the Seller pursuant to the Mortgage Sale Agreement or (y) the termination of the Servicer following a Servicer Termination Event; and (ii) the nomination of a Successor Servicer subject to the conditions set out in the Transaction Documents.
Relationship between Noteholders, persons entitled to Senior Deferred Consideration and Residual Deferred Consideration and other Secured Creditors.....	So long as any of the Notes are outstanding or the right to Senior Deferred Consideration and Residual Deferred Consideration exists, neither the Security Trustee nor the Note Trustee shall have regard to the interests of the other Secured Creditors. So long as any of the Notes are outstanding and/or the right to Senior Deferred Consideration and Residual Deferred Consideration exists, the Note Trustee will have regard to the interests of each Class of Noteholders and persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (but at all times having regard to and subject always to the Senior Deferred Consideration Entrenched Right and the Retained Interest Entrenched Rights), but if in the Note Trustee's sole opinion there is a conflict between the interests of any Classes of Notes and/or the interests of any persons entitled to Senior Deferred Consideration and Residual Deferred Consideration, it will (subject to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) have regard solely to the interests of the holders of the Class of Notes and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration ranking in priority to the other relevant Classes of Notes or Senior Deferred Consideration or Residual Deferred Consideration (as applicable) in the Post-Enforcement Priority of Payments (other than the Senior Deferred Consideration, in respect of which the Note Trustee or, as the case may be, the Security Trustee will have regard only as to the Senior Deferred Consideration Entrenched Rights) and no Noteholder or person entitled to Senior Deferred Consideration and Residual Deferred Consideration shall have any claim against the Note Trustee for so doing.
Provision of information to the Noteholders and persons entitled to Senior Deferred Consideration and Residual Deferred Consideration.....	Please refer to the section entitled "*Certain Regulatory Requirements – The Securitisation Regulation – Transparency and reporting*" and the section entitled "*General Information*" for more information in relation to investor reporting to be provided.

Communication with Noteholders and persons entitled to Senior Deferred Consideration and Residual Deferred Consideration.....

Any notice to be given by the Issuer or the Note Trustee to Noteholders and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration may be given in the following manner:

(a) so long as the Notes and/or any Certificates (then in issue) are held in the Clearing Systems, by delivering to the relevant Clearing System for communication by it to Noteholders and/or Certificateholders; or

(b) sent by first class mail (or its equivalent) or (if posted to a non-UK address) by airmail at the respective addresses on the Register, and published in the *Financial Times*; or

(c) 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 operated by 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.

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, Revenue Receipts received from Borrowers on the Mortgage Loans in the Mortgage Portfolio will be greater than the sum of the interest on the Notes which the Issuer will be required to pay under the Pre-Enforcement Revenue Priority of Payments.
General Reserve Fund.....	Prior to the delivery of an Enforcement Notice, the General Reserve Fund may be utilised by the Issuer to pay General Reserve Fund Payments. Following the delivery of an Enforcement Notice, the General Reserve Fund may be utilised by the Issuer in payment of any of its other liabilities and is applied in accordance with the Post-Enforcement Priority of Payments. The General Reserve Fund will be funded on the Closing Date from the proceeds of the Class Z Notes in an amount equal to the General Reserve Fund Required Amount. Thereafter, it will be replenished through the application of Available Revenue Receipts. The General Reserve Fund will be required to be maintained in an amount no less than the General Reserve Fund Required Amount from time to time. See further the section entitled "*Credit Structure and Cashflows – General Credit Structure – General Reserve Fund*".
Liquidity Reserve Fund ..	Prior to the delivery of an Enforcement Notice, the Liquidity Reserve Fund may be utilised by the Issuer to pay Senior Revenue Amounts. Following the delivery of an Enforcement Notice, the Liquidity Reserve Fund may be utilised by the Issuer in payment of any of its other liabilities and is applied in accordance with the Post-Enforcement Priority of Payments. The Liquidity Reserve Fund will be funded on the Closing Date from the proceeds of the Class Z Notes in an amount equal to the Liquidity Reserve Fund Required Amount. Thereafter, it will be replenished through the application of Available Revenue Receipts. The Liquidity Reserve Fund will be required to be maintained in an amount no less than the Liquidity Reserve Fund Required Amount from time to time. See further the section entitled "*Credit Structure and Cashflows – General Credit Structure – Liquidity Reserve Fund*".
Principal deficiencies and the Principal Deficiency Ledger.....	The Principal Deficiency Ledger will record any Losses and any Principal Addition Amounts. Losses on the Mortgage Loans in the Mortgage Portfolio and any Principal Addition Amounts will be recorded on the Principal Deficiency Sub-Ledger for each Class of Notes in reverse sequential order, starting with the Class G Notes.

See "*Credit Structure and Cashflows – General Credit Structure – Principal deficiencies and the Principal Deficiency Ledger*" for more details.

Interest Rate Swap Agreement ..... The Issuer will enter into an Interest Rate Swap with the Interest Rate Swap Counterparty to hedge against the difference between the rates of interest payable by the Borrowers under any Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement in the Mortgage Portfolio and interest payments due by the Issuer on the Floating Rate Notes and may enter into further Interest Rate Swaps. See "*The Interest Rate Swap Agreement*" for more information.

Key terms of the Interest Rate Swap Agreements ... The Interest Rate Swap Agreement will include the following key commercial terms:

Swap notional amount	In relation to an Interest Rate Swap, as set out in a pre-agreed table to that Interest Rate Swap and sized by reference to the balance of Fixed Rate Mortgage Loans hedged by that Interest Rate Swap during the term of the relevant Interest Rate Swap, with the initial Interest Rate Swap fixed profile based on the Current Balance of Fixed Rate Mortgage Loans as at the Cut-Off Date, as based on an internal Seller forecast.
Issuer payment	In relation to an Interest Rate Swap, periodic Sterling amounts calculated by reference to an agreed fixed rate of interest applied against the relevant day count fraction in respect of such period.
Interest Rate Swap Counterparty payment	Periodic Sterling amounts calculated by reference to the compounded SONIA-based rate.
Frequency of payment	Quarterly

Transfer of collections..... Collections of interest and principal in respect of the Mortgage Loans in the Mortgage Portfolio are received by the Legal Title Holder into the Collection Account and swept into the Transaction Account on a daily basis. Payments of interest and principal are predominantly payable monthly in arrear.

See "*The Servicer and the Servicing Agreement*" for more details.

Transaction Accounts..... The Issuer holds the Transaction Account with the Transaction Account Bank, subject to the terms of the Account Bank Agreement. The Issuer holds the Standby Swap Collateral Account with the Standby Swap Collateral Account Bank, subject to the terms of the Standby Swap Collateral Account Bank Agreement.

See "*Cash Management*" for more details.

Authorised Investments .. Amounts standing to the credit of the Transaction Account (including the General Reserve Fund and the Liquidity Reserve Fund) may be invested in Authorised Investments. See "*Credit Structure and Cashflows*" and "*Cash Management*" for more details.

Summary of Priorities of Payments ..... The Cash Manager will apply Available Revenue Receipts and Available Principal Receipts on each Payment Date in accordance with the order of priority set out in the Cash Management Agreement, as summarised below.

Pre-Enforcement Revenue Priority of Payments

(i) Amounts due to the Security Trustee and Note Trustee and any Appointee

(ii) Amounts due to the Agents, Servicer, Cash Manager, Corporate Services Provider, Back-up Servicer Facilitator the Transaction Account Bank, (if applicable) the Standby Account Bank, the Swap Collateral Standby Account Bank and (if applicable) the Securitisation Repository

(iii) Amounts due to third party creditors of the Issuer

(iv) Issuer Profit Amount

(v) Amounts (including such part of any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts) due to the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement (excluding any Interest Rate Swap Excluded Termination Amount)

(vi) Interest on the Class A Notes and payment of Senior Deferred Consideration

Pre-Enforcement Principal Priority of Payments

(i) Principal Addition Amounts to be applied to meet any Revenue Shortfall

(ii) Principal amounts due on the Class A Notes

(iii) Principal amounts due on the Class B Notes

(iv) Principal amounts due on the Class C Notes

(v) Principal amounts due on the Class D Notes

(vi) Principal amounts due on the Class E Notes

(vii) Principal amounts due on the Class F Notes

(viii) Principal amounts due on the Class G Notes

(ix) Payment of Residual Deferred Consideration

Post-Enforcement Priority of Payments

(i) Amounts due to the Security Trustee and Note Trustee, any Receiver and any Appointee

(ii) Amounts due to the Agents, Servicer, Back-up Servicer Facilitator, Cash Manager, Corporate Services Provider, the Transaction Account Bank, (if applicable) the Standby Account Bank, the Swap Collateral Standby Account Bank and (if applicable) the Securitisation Repository

(iii) Amounts (including such part of any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts) due to the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement (excluding any Interest Rate Swap Excluded Termination Amount)

(iv) All amounts payable on the Class A Notes and payment of Senior Deferred Consideration due

(v) All amounts payable on the Class B Notes

(vi) All amounts payable on the Class C Notes

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priority of Payments	Post-Enforcement Priority of Payments
(vii) Eliminate debit entries on the Class A Principal Deficiency Sub-Ledger		(vii) All amounts payable on the Class D Notes
(viii) Interest on the Class B Notes		(viii) All amounts payable on the Class E Notes
(ix) Credit the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount		(ix) All amounts payable on the Class F Notes
(x) Eliminate debit entries on the Class B Principal Deficiency Sub-Ledger		(x) All amounts payable on the Class G Notes
(xi) Interest on the Class C Notes		(xi) All amounts payable on the Class Z Notes
(xii) Eliminate debit entries on the Class C Principal Deficiency Sub-Ledger		(xii) Interest Rate Swap Excluded Termination Amounts
(xiii) Interest on the Class D Notes		(xiii) Issuer Profit Amount
(xiv) Eliminate debit entries on the Class D Principal Deficiency Sub-Ledger		(xiv) Payment of Residual Deferred Consideration
(xv) Interest on the Class E Notes		
(xvi) Eliminate debit entries on the Class E Principal Deficiency Sub-Ledger		
(xvii) Interest on the Class F Notes		
(xviii) Eliminate debit entries on the Class F Principal Deficiency Sub-Ledger		
(xix) Credit the General Reserve Fund up to the General Reserve Fund Required Amount		

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priority of Payments	Post-Enforcement Priority of Payments
(xx) Eliminate debit entries on the Class G Principal Deficiency Sub-Ledger		
(xxi) Interest on the Class G Notes		
(xxii) Interest on the Class Z Notes		
(xxiii) If all the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes have been redeemed in full, in or towards the payment of principal due and payable on the Class Z Notes		
(xxiv) Interest Rate Swap Excluded Termination Amounts		
(xxv) Payment of Residual Deferred Consideration		

TRIGGERS TABLES

RATING TRIGGERS TABLE

Transaction Party	Required Ratings/Triggers	Possible effects of trigger being breached
Interest Rate Swap Counterparty (or any credit support provider from time to time in respect of the Interest Rate Swap Counterparty)	**Fitch derivative counterparty rating (or, in the absence of such a rating with respect to such entity, the long-term issuer default rating) and short-term issuer default rating requirements**	
	Derivative counterparty rating or long-term issuer default rating of at least "A" or short-term issuer default rating of at least "F1" by Fitch (the "**Initial Fitch Required Rating**")	Subject to the terms of the Interest Rate Swap Agreement, if the Interest Rate Swap Counterparty (or its successor, assignee or any relevant guarantor) does not have the Initial Fitch Required Rating (an "**Initial Fitch Rating Event**"), the Interest Rate Swap Counterparty (a) will be obliged to post collateral within 14 calendar days of the Initial Fitch Rating Event (or, if an Initial Fitch Rating Event has continued since the date the Interest Rate Swap Agreement (or any replacement swap agreement) was entered into, on such date) to the Standby Swap Collateral Account; and (b) may within 60 calendar days of such Initial Fitch Rating Event, either (i) procure a transfer to an eligible replacement of its obligations under the Interest Rate Swap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Swap Agreement or (iii) take such other action as required to maintain or restore the rating of the Rated Notes by Fitch as immediately prior to such Initial Fitch Rating Event, **provided that**, if required, pending the taking of any of the actions in paragraphs (b)(i) to (iii) above, the Interest Rate Swap Counterparty posts collateral as required under paragraph (a) above. A failure by the Interest Rate Swap Counterparty to take such steps will, in certain circumstances, allow the Issuer

Transaction Party	Required Ratings/Triggers	Possible effects of trigger being breached
		to terminate the Interest Rate Swap Agreement.
	Derivative counterparty rating or long-term issuer default rating of at least "BBB-" or short-term issuer default rating of at least "F3" by Fitch (the "**Subsequent Fitch Required Rating**")	Subject to the terms of the Interest Rate Swap Agreement, if the Interest Rate Swap Counterparty (or its successor, assignee or any relevant guarantor) does not have the Subsequent Fitch Required Rating (a "**Subsequent Fitch Rating Event**"), the Interest Rate Swap Counterparty will be obliged to (a) post or continue to post collateral within 14 calendar days of such Subsequent Fitch Rating Event (pending the taking of any actions set out in paragraph (b) below) to the Standby Swap Collateral Account and also (b) may within 60 calendar days of such Subsequent Fitch Rating Event, use commercially reasonable efforts to take one of the following actions: (i) procure a transfer to an eligible replacement of its obligations under the Interest Rate Swap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Swap Agreement or (iii) take such other action (as confirmed by Fitch) as required to maintain or restore the rating of the Rated Notes by Fitch as immediately prior to such Subsequent Fitch Rating Event, **provided that**, if required, in accordance with the credit support annex under the Interest Rate Swap Agreement, pending the taking of any of the actions in paragraphs (i) to (iii) above, the Interest Rate Swap Counterparty posts additional collateral within 14 calendar days of the Subsequent Fitch Rating Event. A failure by the Interest Rate Swap Counterparty to take such steps will, in certain circumstances, allow the Issuer to terminate the Interest Rate Swap Agreement.
	DBRS rating requirements	

Transaction Party	Required Ratings/Triggers	Possible effects of trigger being breached
	Failure by the Interest Rate Swap Counterparty to maintain a Long-Term DBRS Rating at least as high as "A" and provided that the highest rated Rated Notes rated by DBRS have a rating of at least a rating of AA(low) (the "**Initial DBRS Rating Event**").	The Interest Rate Swap Counterparty must, at its own cost, within 30 Business Days of the occurrence of such Initial DBRS Rating Event, either: (a) post collateral; (b) transfer its rights and obligations under the Interest Rate Swap Agreement to an appropriately rated replacement third party (or a replacement third party with an appropriately rated guarantor); (c) procure a co-obligation or guarantee from an appropriately rated third party; or (d) take such other actions (as confirmed by DBRS) as will result in the rating of the highest rated class of Notes will be rated by DBRS following the taking of such action being maintained at, or restored to, the same level as immediately prior to such Initial DBRS Rating Event. The Issuer may terminate the Interest Rate Swap Agreement if the Interest Rate Swap Counterparty fails to take either of the relevant actions in paragraphs (a) to (d) above in the relevant time period.
	Failure by the Interest Rate Swap Counterparty to maintain a Long-Term DBRS Rating at least as high as "BBB" (the "**Subsequent DBRS Rating Event**").	The Interest Rate Swap Counterparty must, at its own cost, within 30 Business Days of the occurrence of such Subsequent DBRS Rating Event, as soon as practicable: (a) post collateral; and (b) use commercially reasonable efforts to either (i) transfer its rights and obligations under the Interest Rate Swap Agreement to an appropriately rated replacement third party (or a replacement third party with an appropriately rated guarantor); (ii) procure a co-obligation or guarantee from an appropriately rated third party; or (iii) take such other actions (as confirmed by DBRS) as will result in the rating of the highest rated class of Notes will be rated by DBRS following the taking of such action being maintained at, or restored to, the same level as immediately prior

Transaction Party	Required Ratings/Triggers	Possible effects of trigger being breached
		to such Subsequent DBRS Rating Event. The Issuer may terminate the Interest Rate Swap Agreement if the Interest Rate Swap Counterparty fails to provide collateral in respect of the Interest Rate Swap Agreement in the relevant time period. The Issuer may also terminate the Interest Rate Swap Agreement if the Interest Rate Swap Counterparty fails to take the relevant actions in paragraphs (b)(i) to (iii) above in the relevant time period.

Transaction Party	Required Ratings/Triggers	Possible effects of trigger being breached
Collection Account Bank	(a) **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, (b) "**DBRS**". A Long-Term DBRS Rating of at least "BBB(low)", 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 current ratings of the Rated Notes (the "**Collection Account Bank Required Rating**").	If the rating of the Collection Account Bank falls below the Collection Account Bank Required Rating and there exists a financial institution having a rating of at least the Collection Account Bank Required Rating and which is a Qualified Institution, the Servicer shall assist the Legal Title Holder (or any other entity which may then hold legal title to the Mortgage Loans), and the Legal Title Holder (or any other entity which may then hold legal title to the Mortgage Loans) shall, as soon as reasonably practicable (such time period to be not more than 60 calendar days) following such occurrence: (a) open a replacement collection account in the name of the Legal Title Holder with a financial institution: (i) having a rating of at least the Collection Account Bank Required Rating; (ii) approved in writing by the Issuer and the Security Trustee; and (iii) which is a Qualified Institution; or (b) obtain an unconditional and unlimited guarantee of the obligations of the Collection Account Bank from a financial institution having the Collection Account Bank Required Rating; or (c) take any other action as the Rating Agencies may agree will not result in a downgrade of the Rated Notes.

Transaction Party	Required Ratings/Triggers	Possible effects of trigger being breached
Transaction Account Bank (transfer of Issuer Accounts)	(a) **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. (b) **DBRS**. The higher of (A) if a critical obligations rating ("**COR**" or "**Critical Obligations Rating**") is currently maintained in respect of the Transaction Account Bank, a rating which is one notch below the Transaction Account Bank's long-term COR, being "A" from DBRS (B) if no COR has been assigned by DBRS, the higher of (I) the issuer rating assigned by DBRS to such entity or (II) the rating assigned by DBRS to such entity's long term senior unsecured debt obligations, in each case at least equal to "A" from DBRS; or (C) if no such rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating of 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 current ratings of the Rated Notes.	If the Transaction Account Bank no longer satisfies the Account Bank Required Ratings, then the Issuer (with the assistance of the Cash Manager) shall use all reasonable endeavours to, within 60 calendar days (but no sooner than 35 calendar days) following the first day on which such downgrade occurred: (a) close the Issuer Accounts with such Transaction Account Bank and transfer their closing credit balance to the Standby Issuer Accounts, or, if the Standby Account Bank or the Standby Swap Collateral Account Bank, as applicable, no longer satisfies the Account Bank Required Ratings, to another entity which is a Qualified Institution; or (b) obtain a guarantee in support of the Transaction Account Bank's obligations under the Account Bank Agreement from a financial institution which has the Account Bank Required Ratings; or (c) take any other reasonable action as the Rating Agencies may agree will not result in a downgrade of the Rated Notes.
Standby Account Bank (if appointed) and Standby Swap Collateral Account Bank	(a) **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. (b) **DBRS**. The higher of (A) if a COR is currently maintained in respect of the Standby Account Bank or the Standby	If the Standby Account Bank (if appointed) or the Standby Swap Collateral Account Bank no longer satisfies the Account Bank Required Ratings, then within 60 calendar days (but no sooner than 35 calendar days) following the first day on which such

Transaction Party	Required Ratings/Triggers	Possible effects of trigger being breached
	Swap Collateral Account Bank, as applicable, a rating of "A" from DBRS, (B) if no COR has been assigned by DBRS, the higher of (I) the solicited public issuer rating assigned by DBRS to such entity or (II) the solicited public rating assigned by DBRS to such entity's long term senior unsecured debt obligations, in each case at least equal to "A" from DBRS; or (C) if no such solicited public rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating of at least equal to "A",	downgrade occurred the Issuer (with the assistance of the Cash Manager): (a) shall open replacement accounts with a financial institution that is a Qualified Institution; or (b) may obtain a guarantee in support of the Standby Account Bank's or the Standby Swap Collateral Account Bank's obligations under the Standby Swap Collateral Account Bank Agreement from a financial institution which has the Account Bank Required Ratings; or
	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 current ratings of the Rated Notes.	(c) take any other reasonable action as the Rating Agencies may agree will not result in a downgrade of the Rated Notes.

"**Critical Obligations Rating**" means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations.

"**DBRS Equivalent Chart**" means:

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+
A	A2	A	A
A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB

DBRS	Moody's	S&P	Fitch
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B
B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC
CCC	Caa2	CCC	
CCC(low)	Caa3	CCC-	
CC	Ca	CC or C	
D	C	D	D

"**DBRS Equivalent Rating**" means with respect to the long-term senior debt ratings, the public long term issuer default rating assigned by Fitch, Moody's or S&P (upon conversion on the basis of the DBRS Equivalent Chart).

"**Long-Term DBRS Rating**" means, at any time, with respect to an entity:

(a) a rating one notch below its Critical Obligations Rating; or

(b) if no Critical Obligations Rating has been assigned by DBRS, the higher of (I) the issuer rating assigned by DBRS to such entity or (II) the rating assigned by DBRS to such entity's long term senior unsecured debt obligations; or

(c) if no such rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating.

NON-RATING TRIGGERS TABLE

Nature of Trigger	Description of Trigger	Consequence of Trigger
"**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 Legal Title Holder; (c) unless otherwise agreed by the Security Trustee, the termination of the Legal Title Holder's role as Servicer under the Servicing Agreement, unless as at the relevant date of termination any substitute servicer is a member of the Barclays Group; (d) the Legal Title Holder and/or the Issuer being required to perfect legal title to the Mortgage Loans and their Related Security by an order of a court of competent jurisdiction, a change in law occurring after the Closing Date, or by a regulatory authority of which the Legal Title Holder is a member or any organisation whose members comprise (but are not necessarily limited to) mortgage lenders with whose instructions it is customary for the Legal Title Holder to comply; (e) the Security created under or granted pursuant to the Deed of Charge or any material part of that Security being, in the	The Issuer may, by notice in writing to the Legal Title Holder (with a copy to the Security Trustee), require the Legal Title Holder to complete the transfer, by way of assignment (or, in respect of Scottish Mortgage Loans, assignation), to the Issuer of the legal title to the Mortgage Loans and their Related Security.

Nature of Trigger	Description of Trigger		Consequence of Trigger
		opinion of the Security Trustee, in jeopardy; or	
	(f)	the Legal Title Holder requesting a transfer by way of assignment or assignation (as appropriate) by giving notice in writing to the Issuer and the Security Trustee.	
"**Servicer Termination Event**" **....**	(a)	The Servicer fails to pay any amount due and payable by it under the Servicing Agreement and such failure is not remedied for a period of 30 calendar days after the Servicer becoming aware of such failure;	Successor servicer to be appointed in accordance with the terms of the Servicing Agreement.
	(b)	default is made by the Servicer in the performance or observance of any of its other material covenants or material obligations under the Servicing Agreement or any of the other Transaction Documents which, in the opinion of the Security Trustee, acting on the direction of the Note Trustee, is materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding, and such default continues unremedied for a period of 30 London Business Days after the Servicer becoming aware of such default, provided that where the relevant default occurs as a result of a default by any person to whom the Servicer has sub-contracted or	

Nature of Trigger	Description of Trigger	Consequence of Trigger
	delegated part of its obligations thereunder, such default will not constitute a Servicer Termination Event if, within such 30 London Business Day-period, either: (i) the relevant sub-contractor or delegate remedies the relevant default; or (ii) the Servicer replaces the relevant sub-contractor or delegate with an entity capable of remedying such default (and ensures that such default is remedied by such entity) or alternatively indemnifies the Issuer against the consequences of such default; or	
	(c) the Servicer at any time fails to obtain or maintain the necessary licence or regulatory approval required by virtue of the UK mortgage regulatory regime and which is required in order to enable it to continue administering the Mortgage Loans, including, without limitation, the FCA authorisations; or	

Nature of Trigger	Description of Trigger	Consequence of Trigger
	(d) the Servicer becomes subject to an Insolvency Event.	
"**Cash Manager Termination Event**"	(a) Default is made by the Cash Manager in the payment on the due date of any payment to be made by it under the Cash Management Agreement (subject to funds being available for the same) or in the performance of its obligations under the Cash Management Agreement and such default, unless waived by the Issuer (with the prior written consent of the Security Trustee), continues unremedied for a period of five Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee requiring the same to be remedied;	Successor cash manager to be appointed in accordance with the terms of the Cash Management Agreement.
	(b) default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement, other than such obligations set out in paragraph (a) above, and such default is not waived by the Issuer (with the prior written consent of the Security Trustee), which in the opinion of the Security Trustee	

Nature of Trigger	Description of Trigger	Consequence of Trigger
	(acting in accordance with the direction of the Note Trustee) is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and such default continues unremedied for a period of 20 Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee requiring the same to be remedied; or	
	(c) an Insolvency Event occurs in respect of 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 Transaction Document.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Servicing fee	0.30 per cent. per annum of the Mortgage Portfolio (inclusive of any VAT).	Ahead of all interest payments on the Notes in accordance with the Pre-Enforcement Revenue Priority of Payments.	Quarterly in arrear on each Payment Date.
Other fees and expenses of the Issuer	Estimated at £230,000 per annum (inclusive of any VAT).	Ahead of all interest payments on the Notes.	Quarterly in arrear on each Payment Date.

The corporate expenses of the Issuer are exclusive of any value added tax ("**VAT**"), which is currently chargeable at 20 per cent. in the United Kingdom, so that an amount equal to any VAT may be added to such expenses. The servicing fee is inclusive of any VAT, so that the actual amount of the fee will be the amount as set out above.

CERTAIN REGULATORY REQUIREMENTS

1. THE SECURITISATION REGULATION

UK and EU risk retention requirements

Barclays Bank PLC will retain, as sponsor (the "**Retention Holder**"), on an ongoing basis, a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6(1) of the UK Securitisation Regulation.

In addition, although the EU Securitisation Regulation is not applicable to it, the Retention Holder will retain (on a contractual basis), as sponsor, on an ongoing basis, a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6(1) of the EU Securitisation Regulation (as required for the purposes of Article 5(1)(d) of the EU Securitisation Regulation (not taking into account any relevant national measures)), as if it were applicable to it, but solely as such articles are interpreted and applied on the Closing Date and until such time when the Retention Holder is able to certify to the Issuer and the Note Trustee that a competent EU authority has confirmed that the satisfaction of the UK Retention Requirements will also satisfy the EU Retention Requirements due to the application of an equivalence regime or similar analogous concept. Prospective investors should note that the obligation of the Retention Holder to comply with the EU Retention Requirements is strictly contractual and the Retention Holder has elected to comply with such requirements in its discretion and it will be under no obligation to comply with any amendments to the EU Securitisation Regulation, applicable EU technical standards, guidance or policy statements introduced in relation thereto after the Closing Date (for the avoidance of doubt, the Retention Holder could elect (in its sole discretion) to comply with any such amendments).

As at the Closing Date, such interest will be comprised of the Retention Holder holding no less than 5 per cent. of the nominal value of each Class of Notes and a no less than 5 per cent. interest in the Senior Deferred Consideration in accordance with Article 6(3)(a) of the UK Securitisation Regulation and Article 6(3)(a) of the EU Securitisation Regulation (as if it were applicable to the Retention Holder and solely as it applies on the Closing Date) (and together with the EVI retained in accordance with the U.S. Risk Retention Rules, the "**Retained Interest**").

Any change to the manner in which the Retained Interest is held will be notified to Noteholders in accordance with the Conditions and the requirements of the UK Securitisation Regulation. The Retention Holder's Retained Interest will be confirmed through disclosure in the Monthly Investor Report.

Pursuant to the Risk Retention Letter, the Retention Holder has covenanted that it will, while any of the Notes remain outstanding:

(a) retain the Retained Interest in accordance with the applicable Risk Retention Requirements;

(b) not change the manner in which it retains such Retained Interest, except to the extent permitted or required under the UK Securitisation Regulation and the EU Securitisation Regulation (as the EU Securitisation Regulation was interpreted and applied on the Closing Date);

(c) not subject the Retained Interest to any credit risk mitigation or hedging, or sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the Retained Interest, except, in each case, to the extent permitted under the UK Securitisation Regulation and the EU Securitisation Regulation (as the EU Securitisation Regulation was interpreted and applied on the Closing Date);

(d) confirm its Retained Interest through disclosure in the Monthly Investor Report; and

(e) promptly notify the Issuer, the Seller, the Note Trustee, the Security Trustee and the Cash Manager if for any reason it ceases to hold the Retained Interest in accordance with paragraph (a) above or fails to comply with the covenants set out in paragraphs (a) to (d) above in respect of the Retained Interest.

"**EU Securitisation Regulation**" means Regulation (EU) 2017/2402, as amended by Regulation (EU) No. 2021/557, including (i) relevant regulatory and/or implementing technical standards or delegated regulation, or other applicable national implementing measures in relation thereto (including any applicable transitional provisions); and/or (ii) any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA, the European Commission and/or the European Central Bank.

"**UK Securitisation Regulation**" means Regulation (EU) 2017/2402 as it forms part of domestic law by virtue of the EUWA, including 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 successor) in relation thereto, in each case as amended, varied, superseded or substituted from time to time.

Transparency and reporting

For the purposes of Article 7(2) of the UK Securitisation Regulation, the Issuer, as SSPE, has been designated as the entity responsible for compliance with the requirements of Article 7 of the UK Securitisation Regulation (the "**Reporting Entity**"). The Reporting Entity will either fulfil such requirements itself or shall procure that such requirements are fulfilled on its behalf. It should be noted that, subject to certain conditions, the Reporting Entity has contractually agreed to provide (or to procure the provision of) certain information and reports required pursuant to Article 7 of the EU Securitisation Regulation as such requirements exist solely on the Closing Date. See the section entitled "*General Information – UK Securitisation Regulation reporting*" for further information.

Reporting under the UK Securitisation Regulation

The Reporting Entity has undertaken in the Risk Retention Letter to procure the provision of information to the competent authorities, to Noteholders and (upon request) potential investors as required by Article 7(1) of the UK Securitisation Regulation in a manner consistent with Article 7(2) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, subject always to any requirement of law, and provided that: (a) the Reporting Entity will not be in breach of such undertaking if the Reporting Entity fails to so comply due to events, actions or circumstances beyond the Reporting Entity's control; and (b) the Reporting Entity is only required to do so to the extent that the disclosure requirements under Article 7 of the UK Securitisation Regulation remain in effect.

As to the information made available to prospective investors, reference is made to the information set out herein and forming part of this Prospectus and to the other documents and information which will be made available to prospective investors upon request in accordance with the UK Securitisation Regulation. See the sections entitled "*The Servicer and the Servicing Agreement – Servicer Reports and transparency requirements*" and "*General Information – UK Securitisation Regulation reporting*".

Reporting under the EU Securitisation Regulation

The Reporting Entity has undertaken in the Risk Retention Letter to procure the provision of information to the competent authorities, to Noteholders and (upon request) potential investors as required by Article 7(1) of the EU Securitisation Regulation in a manner consistent with Article 7(2) of the EU Securitisation Regulation and the EU Article 7 Technical Standards as if such provisions were applicable to it and solely as they apply on the Closing Date, subject always to any requirement of law, and provided that (i) the Reporting Entity will not be in breach of such undertaking if the Reporting Entity fails to so comply due to events, actions or circumstances beyond the Reporting Entity's control and (ii) the Reporting Entity is only required to do so to the extent that the disclosure requirements under Article 7 of the EU Securitisation Regulation remain in effect.

Prospective investors should note that the obligation of the Retention Holder to comply with the provisions of the EU Securitisation Regulation referred to in the paragraph above is strictly contractual and the Retention Holder has elected to comply with such requirements in its discretion and it will be under no obligation to comply with any amendments to applicable provisions of the EU Securitisation Regulation, EU technical standards, guidance

or policy statements introduced in relation thereto after the Closing Date (for the avoidance of doubt, the Retention Holder could elect (in its sole discretion) to comply with any such amendments).

As to the information made available to prospective investors, reference is made to the information set out herein and forming part of this Prospectus and to the other documents and information which will be made available to prospective investors upon request in accordance with the UK Securitisation Regulation. See the sections entitled "*The Servicer and the Servicing Agreement – Servicer Reports and transparency requirements*" and "*General Information – EU Securitisation Regulation reporting*".

Other than as outlined in the section referred to above, the Issuer does not intend to provide post-issuance transaction information regarding the Notes or the Mortgage Loans.

Investors to assess compliance

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 5 of the UK Securitisation Regulation or Article 5 of the EU Securitisation Regulation (subject to all applicable laws). None of the Issuer, the Seller, the Legal Title Holder, the Retention Holder, the Sponsor Administrator, the Arranger or the Lead Manager or any of the other transaction parties makes any representation that the information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

See further "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity in respect of the Notes*" above for further information on the implications of the EU Securitisation Regulation and the UK Securitisation Regulation.

Information regarding the policies and procedures of the Seller

The 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) the 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) the 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 his obligations under the relevant Mortgage Loan Agreement,

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

U.S. Credit Risk Retention Requirements

The Sponsor is required, under the U.S. Credit Risk Retention Requirements, to ensure that it (or a majority-owned affiliate of the Sponsor) acquires and retains an economic interest in the credit risk of the assets collateralising the issuance of "asset-backed securities" in an amount equal to at least five per cent. The Sponsor intends to satisfy the U.S. Credit Risk Retention Requirements by acquiring and retaining (directly or through a majority-owned affiliate) an EVI. For a description of the Notes and Certificates (then in issue), see "*Transaction Overview – Overview of the Terms and Conditions of the Notes and the Senior Deferred Consideration and Residual Deferred Consideration*".

The Sponsor is required by the U.S. Credit Risk Retention Requirements to acquire and retain, either directly or through a majority-owned affiliate, the EVI until the later of: (a) the fifth anniversary of the Closing Date and (b)

the date on which the total outstanding principal balance of the Mortgage Loans has been reduced to 25 per cent. of the total outstanding principal balance of the Loans at the Closing Date, but in any event no longer than the seventh anniversary of the Closing Date (the "**Sunset Date**"). Pursuant to the Risk Retention Letter, the Retention Holder, a majority owned affiliate of the Sponsor, has represented that it will acquire and retain the EVI. Any financing obtained by the Retention Holder prior to the Sunset Date that is secured by the EVI must provide for full recourse to the Retention Holder and otherwise comply with the U.S. Risk Retention Rules. The retention, financing and hedging limitations set forth in the U.S. Risk Retention Rules will not apply to any Notes and Certificates (then in issue) held by the Retention Holder that do not constitute part of the EVI.

In addition to the above, prior to the Sunset Date, the Retention Holder will not purchase, transfer or sell any Notes or Certificates, or enter into any derivative, hedge, agreement or position, which in either case would reduce or limit its financial exposure in respect of the EVI that it will maintain to satisfy the U.S. Risk Retention Rules to the extent such activities would be prohibited activities in accordance with U.S. Risk Retention Rules.

Subject to any applicable restrictions on transfer, the Retention Holder may, at any time and from time to time, sell or otherwise transfer any portion of the EVI that is in excess of the portion it is required to retain to comply with the U.S. Risk Retention Rules. The U.S. Risk Retention Rules will not apply to any Notes and Certificates (then in issue) held by the Sponsor or the Retention Holder that do not constitute part of the EVI held by the Retention Holder. For further information on the requirements referred to above and the corresponding risks, please refer to the section entitled "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Non-compliance with U.S. Risk Retention Requirements may adversely affect the value of the Notes*".

There may be an adverse effect on the value of the Notes and Certificates (then in issue) if the Sponsor (or its majority-owned affiliate) fails to comply with the U.S. Risk Retention Rules with respect to the Notes and Certificates (then in issue).

2. OTHER U.S. REQUIREMENTS

The Volcker Rule

Final regulations implementing Section 619 of the Dodd-Frank Act, commonly referred to as the "**Volcker Rule**"**,** generally prohibit "banking entities" (broadly defined to include U.S. banks, bank holding companies and foreign banking organisations, together with their respective subsidiaries and other affiliates) from (a) engaging in proprietary trading, (b) acquiring or retaining an ownership interest in, or sponsoring, a "covered fund" and (c) entering into certain relationships with such funds, subject to certain exceptions and exclusions.

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 any Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding the effect of the Volcker Rule.

ESTIMATED WEIGHTED AVERAGE LIVES OF THE NOTES

The average lives of the Notes cannot be stated, as the actual rate of repayment of the Mortgage Loans and redemption of the Mortgages and a number of other relevant factors are unknown. However, calculations of the possible average lives of the Notes can be made based on certain assumptions. For example, based on the assumptions that:

(a) either the Portfolio Option Holder exercises the Portfolio Purchase Option or the Refinancing Option Holder exercises the Refinancing Option on the First Optional Redemption Date in the first scenario (as set out in the table headed "*Assuming the Portfolio Purchase Option is exercised on the First Optional Redemption Date*" below), or, in the second scenario, the Seller does not exercise any of the Purchase Options (as set out in the table headed "*Assuming no Portfolio Purchase Option is exercised*" below);

(b) the Mortgage Loans are subject to a constant annual rate of prepayment (excluding scheduled principal redemptions) of between 0 and 30 per cent. per annum. For the "Pricing" scenario, assuming that either the Portfolio Purchase Option is (i) exercised and (ii) not exercised on the First Optional Redemption Date, the assumed constant annual rate of prepayment vector (excluding scheduled principal redemptions) is the following:

Month	Annualised CPR
1	23.88%
2	13.92%
3	12.42%
4	25.27%
5	16.34%
6	20.16%
7	14.61%
8	22.31%
9	17.53%
10	13.78%
11	27.68%
12	20.77%
13	16.52%
14	32.33%
15	24.34%
16	16.92%
17	40.06%
18	29.80%
19	21.06%
20	53.21%
21	31.25%
22	33.43%
23	30.83%
24	19.97%
25	23.99%
26	21.36%
27	15.33%
28	26.05%
29	16.38%
30	12.70%
31	28.52%
32	17.28%
33	13.02%
34	46.99%
35	26.80%
36	18.59%
37	42.12%
38	24.51%
39	17.72%
40	61.49%
41	36.49%
42	34.50%
43	19.93%
44	26.46%
45	17.56%
46	14.52%
47	31.42%
48	19.58%
49	15.21%
50	43.19%

Month	Annualised CPR
51	25.58%
52	19.54%
53	50.88%
54	30.19%
55	21.68%
56	43.71%
57	26.49%
58	20.60%
59	23.83%
60	17.06%
61	15.62%
62	16.33%
63	13.55%
64	12.99%
65	12.59%
66	13.32%
67	12.02%
68	12.08%
69	11.38%
70	11.08%
71	10.86%
72	10.82%
73	10.71%
74	14.76%
75	13.27%
76	11.87%
77	11.13%
78	11.40%
79	11.06%
80	10.87%
81	10.77%
82	10.83%
83	10.70%
84	10.62%
85	10.86%
86	10.65%
87	10.54%
88	10.75%
89	10.55%
90	10.47%
91	10.65%
92	10.48%
93	10.41%
94	12.30%
95	11.11%
96	10.73%
97	11.15%
98	10.74%
99	10.55%
100	13.30%

Month	Annualised CPR
101	11.55%
102	12.57%
103	11.32%
104	11.27%
105	10.82%
106	10.65%
107	10.74%
108	10.54%
109	10.44%
110	11.79%
111	10.93%
112	10.60%
113	15.19%
114	12.23%
115	11.27%
116	10.61%
117	10.45%
118	10.36%
119	10.66%
120	10.39%
121	10.28%
122	10.41%
123	10.24%
124	10.17%
125	10.11%
126	10.08%
127	10.06%
128	10.04%
129	10.02%
130	10.00%
131	9.99%
132	9.97%
133	9.95%
134	9.93%
135	9.92%
136	9.90%
137	9.88%
138	9.86%
139	9.85%
140	9.83%
141	9.81%
142	9.79%
143	9.78%
144	9.76%
145	9.74%
146	9.72%
147	9.70%
148	9.68%
149	9.66%
150	9.65%

Month	Annualised CPR
151	9.63%
152	9.61%
153	9.59%
154	9.57%
155	9.55%
156	9.53%
157	9.51%
158	9.49%
159	9.47%
160	9.45%
161	9.43%
162	9.41%
163	9.39%
164	9.37%
165	9.34%
166	9.32%
167	9.29%
168	9.27%
169	9.25%
170	9.22%
171	9.20%
172	9.18%
173	9.15%
174	9.13%
175	9.11%
176	9.08%
177	9.05%
178	9.03%
179	9.00%
180	8.98%
181	8.95%
182	8.93%
183	8.90%
184	8.87%
185	8.85%
186	8.82%
187	8.79%
188	8.76%
189	8.73%
190	8.70%
191	8.67%
192	8.65%
193	8.62%
194	8.59%
195	8.56%
196	8.53%
197	8.50%
198	8.47%
199	8.42%
200	8.39%

Month	Annualised CPR
201	8.36%
202	8.32%
203	8.29%
204	8.26%
205	8.21%
206	8.18%
207	8.15%
208	8.12%
209	8.08%
210	8.05%
211	7.99%
212	7.95%
213	7.91%
214	7.88%
215	7.79%
216	7.75%
217	7.71%
218	7.67%
219	7.63%
220	7.59%
221	7.55%
222	7.51%
223	7.47%
224	7.41%
225	7.37%
226	7.32%
227	7.28%
228	7.21%
229	7.17%
230	7.12%
231	7.08%
232	7.03%
233	6.99%
234	6.94%
235	6.90%
236	6.85%
237	6.80%
238	6.76%
239	6.71%
240	6.66%
241	6.61%
242	6.56%
243	6.52%
244	6.47%
245	6.42%
246	6.37%
247	6.32%
248	6.27%
249	6.22%
250	6.15%

Month	Annualised CPR
251	6.10%
252	6.05%
253	6.00%
254	5.95%
255	5.89%
256	5.84%
257	5.79%
258	5.74%
259	5.68%
260	5.63%
261	5.57%
262	5.50%
263	5.44%
264	5.39%
265	5.33%
266	5.28%
267	5.22%
268	5.17%
269	5.11%
270	5.05%
271	4.99%
272	4.94%
273	4.89%
274	4.83%
275	4.78%
276	4.72%
277	4.66%
278	4.61%
279	4.55%
280	4.50%
281	4.45%
282	4.39%
283	4.34%
284	4.28%
285	4.23%
286	4.18%
287	4.12%
288	4.07%
289	4.02%
290	3.96%
291	3.90%
292	3.85%
293	3.80%
294	3.74%
295	3.69%
296	3.64%
297	3.58%
298	3.53%
299	3.48%
300	3.43%

Month	Annualised CPR
301	3.38%
302	3.31%
303	3.26%
304	3.21%
305	3.16%
306	3.11%
307	3.06%
308	3.01%
309	2.94%
310	2.89%
311	2.84%
312	2.79%
313	2.74%
314	2.69%
315	2.64%
316	2.59%
317	2.54%
318	2.49%
319	2.43%
320	2.38%
321	2.34%
322	2.29%
323	2.24%
324	2.20%
325	2.15%
326	2.11%
327	2.06%
328	2.02%
329	1.98%
330	1.93%
331	1.89%
332	1.85%
333	1.81%
334	1.74%
335	1.70%
336	1.66%
337	1.62%
338	1.59%
339	1.53%
340	1.49%
341	1.46%
342	1.42%
343	1.39%
344	1.36%
345	1.32%
346	1.29%
347	1.26%
348	1.23%
349	1.20%
350	1.17%

Month	Annualised CPR
351	1.14%
352	1.10%
353	1.07%
354	1.04%
355	1.01%
356	0.97%
357	0.92%
358	0.89%
359	0.87%
360	0.84%
361	0.82%
362	0.79%
363	0.77%
364	0.74%
365	0.72%
366	0.70%
367	0.68%
368	0.66%
369	0.63%
370	0.59%
371	0.57%
372	0.54%
373	0.52%
374	0.51%
375	0.49%
376	0.47%
377	0.45%
378	0.44%
379	0.42%
380	0.41%
381	0.39%
382	0.38%
383	0.36%
384	0.35%
385	0.34%
386	0.33%
387	0.31%
388	0.30%
389	0.29%
390	0.28%
391	0.27%
392	0.26%
393	0.25%
394	0.25%
395	0.24%
396	0.23%
397	0.22%
398	0.21%
399	0.20%
400	0.19%

Month	Annualised CPR
401	0.19%
402	0.18%
403	0.18%
404	0.17%
405	0.17%
406	0.16%
407	0.16%
408	0.15%
409	0.15%
410	0.14%
411	0.14%
412	0.13%
413	0.13%
414	0.12%
415	0.12%
416	0.12%
417	0.11%
418	0.09%
419	0.09%
420	0.08%
421	0.08%
422	0.08%
423	0.07%
424	0.07%
425	0.07%
426	0.06%
427	0.06%
428	0.06%
429	0.06%
430	0.05%
431	0.05%
432	0.05%
433	0.04%
434	0.04%
435	0.04%
436	0.04%
437	0.04%
438	0.03%
439	0.03%
440	0.03%
441	0.03%
442	0.02%
443	0.02%
444	0.02%
445	0.01%
446	0.01%
447	0.01%
448	0.01%
449	0.01%
450	0.01%

Month	Annualised CPR
451	0.01%
452	0.01%
453	0.01%
454	0.01%
455	0.00%
456	0.00%
457	0.00%
458	0.00%
459	0.00%
460	0.00%
461	0.00%
462	0.00%
463	0.00%
464	0.00%
465	0.00%
466	0.00%
467	0.00%
468	0.00%
469	0.00%
470	0.00%
471	0.00%
472	0.00%
473	0.00%
474	0.00%
475	0.00%
476	0.00%
477	0.00%
478	0.00%
≥479	0.00%

Month	Annualised CPR

Month	Annualised CPR

(c) 100 per cent. of the Mortgage Loans in the Provisional Portfolio are owned by the Issuer on the Closing Date;

(d) the assets of the Issuer are not sold except as may be necessary to enable the Issuer to realise sufficient funds to redeem the Notes in accordance with Condition 7.4 (*Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*), Condition 7.5 (*Mandatory Redemption in full pursuant to the exercise of the Refinancing Option*), Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*), Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*), Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*) or Condition 7.9 (*Optional redemption for tax and other reasons*);

(e) the characteristics of the Mortgage Loans in the Mortgage Portfolio will be identical to those of the Mortgage Loans in the Mortgage Portfolio as at the Cut-Off Date;

(f) no Enforcement Notice has been served on the Issuer and no Event of Default has occurred;

(g) the Security is not enforced;

(h) all Mortgage Loans are and continue to be fully performing;

(i) the payment frequency of the Mortgage Loans is on a monthly basis;

(j) the balance of:

(i) the Class A Notes as at the Closing Date is £730,049,000.00;

(ii) the Class B Notes as at the Closing Date is £63,879,000.00;

(iii) the Class C Notes as at the Closing Date is £41,065,000.00;

(iv) the Class D Notes as at the Closing Date is £29,658,000.00;

(v) the Class E Notes as at the Closing Date is £25,095,000.00;

(vi) the Class F Notes as at the Closing Date is £13,688,000.00;

(vii) the Class G Notes as at the Closing Date is £9,126,000.00;

(k) the interest and principal collections of the Mortgage Portfolio are calculated on a Loan-by-Loan basis;

(l) the amortisation of any repayment Mortgage Loan is calculated as an annuity loan on an 30/360 basis;

(m) the Notes are issued on the Closing Date of on or about 31 October 2024;

(n) the first Payment Date occurs on or about 25 January 2025;

(o) the first interest period includes four months of collections;

(p) each Payment Date occurs on and payments on the Notes are made on the 25th day of January, April, July and October in each year throughout the life of the Notes (subject to adjustment in accordance with the modified following business day convention, disregarding bank holidays);

(q) there are no flexible drawings;

(r) Loans in the Portfolio which are not Repayment Mortgage Loans are Interest Only Loans;

(s) no variation is made in respect of any Mortgage in the Mortgage Portfolio;

(t) the weighted average lives of the Notes are calculated on an ACT/365 basis;

(u) there is no debit balance on the Principal Deficiency Ledger on any Payment Date;

(v) no interest or expense shortfalls occur that would result in the use of the Liquidity Reserve Fund, the General Reserve Fund or application of any Principal Addition Amounts; and

(w) the rates of interest payable on the Notes include certain assumptions regarding the relevant margins, such as:

(i) SONIA is assumed to be 4.95% flat; and

(ii) BBR is assumed to be 5% for the first month, 4.95% flat thereafter.

WEIGHTED AVERAGE LIFE TABLES

Assuming the Portfolio Purchase Option is exercised on the First Optional Redemption Date

Weighted Average Life (years)	0.0% CPR	5.0% CPR	10.0% CPR	15.0% CPR	20.0% CPR	25.0% CPR	30% CPR	Pricing CPR
A Notes	3.40	3.06	2.74	2.44	2.17	1.91	1.67	2.00
B Notes	3.58	3.58	3.58	3.58	3.58	3.58	3.58	3.58
C Notes	3.58	3.58	3.58	3.58	3.58	3.58	3.58	3.58
D Notes	3.58	3.58	3.58	3.58	3.58	3.58	3.58	3.58
E Notes	3.58	3.58	3.58	3.58	3.58	3.58	3.58	3.58
F Notes	3.58	3.58	3.58	3.58	3.58	3.58	3.58	3.58
G Notes	3.58	3.58	3.58	3.58	3.58	3.58	3.58	3.58

Assuming no Portfolio Purchase Option is exercised

Weighted Average Life (years)	0.0% CPR	5.0% CPR	10.0% CPR	15.0% CPR	20.0% CPR	25.0% CPR	30% CPR	Pricing CPR
A Notes	14.15	7.45	4.66	3.30	2.53	2.04	1.70	2.10
B Notes	27.07	19.17	13.31	9.65	7.39	5.90	4.85	5.84
C Notes	29.25	21.99	15.93	11.76	9.07	7.26	5.99	8.50
D Notes	31.06	24.61	18.39	13.89	10.80	8.67	7.15	11.24
E Notes	32.83	27.41	21.30	16.49	12.98	10.49	8.66	14.78
F Notes	35.55	30.43	24.88	19.76	15.86	12.91	10.72	19.50
G Notes	42.66	33.80	29.24	24.30	19.94	16.54	13.88	31.16

EARLY REDEMPTION OF THE NOTES PURSUANT TO THE PORTFOLIO PURCHASE OPTION, CLEAN-UP PURCHASE OPTION, REFINANCING OPTION, RISK RETENTION REGULATORY CHANGE OPTION, REGULATORY CHANGE EVENT OPTION OR OPTIONAL REDEMPTION FOR TAX AND OTHER REASONS

New Issue Conditions Precedent

Each of the following conditions (the "**New Issue Conditions Precedent**") must be satisfied in order for (i) the Refinancing Option Holder to execute the Refinancing pursuant to the Refinancing Option; or (ii) the Portfolio Option Holder to purchase the Mortgage Portfolio following the exercise of the Portfolio Purchase Option, in each case being the "**New Issue**", subject to such variations as the relevant Option Holder and Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank agree:

(a) save where Barclays Bank UK PLC's role in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank has been terminated in accordance with the Transaction Documents:

(i) the Servicer must be appointed to service the Mortgage Loans in accordance with the then applicable servicing policies of Barclays Bank UK PLC in its capacity as Servicer, on substantially similar terms to those set out in the Servicing Agreement which provides, without limitation, that the servicing fees payable to Barclays Bank UK PLC as Servicer are paid in advance on either a monthly or quarterly basis in accordance with the payment date frequency in any new securitisation or other financing arrangement;

(ii) legal title to the Mortgage loans must be retained by the Legal Title Holder on substantially similar terms to those set out in the Transaction Documents;

(iii) the terms of the sale of the Mortgage Loans and their Related Security incorporate appropriate provisions in respect of (A) Further Advances and (B) Product Switches where the relevant Mortgage Loan is less than two months in arrears, so that the Legal Title Holder has the right to re-acquire, either directly or indirectly, the Mortgage Loans and their Related Security from the relevant entity holding the beneficial title and interest to such Mortgage Loans and their Related Security; and

(iv) the Collection Account Bank must be appointed to act as collection account bank relating to the transfer of collections to the Issuer (in a Refinancing) or new issuer's transaction account (as applicable) subject to completion of any necessary know-your-customer checks;

(b) the New Issue Documents must:

(i) include a provision not to split the Mortgage Portfolio such that the entire Mortgage Portfolio is sold pursuant to the New Issue Documents and as regards the Refinancing Option only, include a provision that no new mortgage loans will be sold to the Issuer;

(ii) include a substantially similar:

(A) Tax/Illegality Option; and

(B) Regulatory Change Event Option,

permitting the original Legal Title Holder to elect to purchase the beneficial interest in the Mortgage Loans originated by it or Barclays Bank PLC upon the occurrence of a Tax/Illegality Option and/or Regulatory Change Event Option and in each case, where references therein to (x) "Closing Date", "Transaction" and "Transaction Documents" shall be read as references to the closing date, transaction, and relevant transaction documents, in respect of that new

securitisation or other financing arrangement and (y) the "Seller" shall be read to reference to Barclays Bank UK PLC.

(iii) include:

(A) the right for the original Legal Title Holder to elect to purchase the beneficial interest in the Mortgage Loans originated by Barclays Bank UK PLC or Barclays Bank PLC from the New Issue on any payment date falling 6 years after the Closing Date subject to the aggregate Current Balance of such Mortgage Loans as of such date being less than or equal to 10 per cent. of the aggregate Current Balance of such Mortgage Loans as at the Cut-Off Date; and

(B) the repurchase price in connection with such option shall be the fair market value of such Mortgage Loans originated by Barclays Bank UK PLC or Barclays Bank PLC as at the end of the relevant immediately preceding calculation period provided that the option in paragraph (A) above may only be exercised if the fair market value is an amount equal to or higher than the Current Balance of the Mortgage Loans;

(iv) include an undertaking from the Issuer (in the context of a Refinancing) or the new issuer (as applicable) in favour of Barclays Bank UK PLC, in its capacity as Legal Title Holder, that it will only sell the beneficial interest in the Mortgage Portfolio on the terms set out in such New Issue Documents;

(c) Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank is of the opinion that:

(i) exercise of the relevant Option, and the terms of any subsequent servicing of, arrangements relating to, financing or securitisation in respect of, the Mortgage Loans including the entry by Barclays Bank UK PLC into the documents outlined above, do not adversely affect the prudential de-recognition of the Mortgage Loans originated by Barclays Bank UK PLC or Barclays Bank PLC under the significant transfer rules contained in Article 244 of the UK CRR (and related regulation and guidance) or otherwise contravene the prohibition on implicit support contained in Article 250 of the UK CRR (and related regulation and guidance);

(ii) exercise of the relevant Option and the terms of any subsequent servicing of, arrangements relating to, financing or securitisation in respect of, the Mortgage Loans including the entry by Barclays Bank UK PLC into the documents outlined above does not adversely affect the position of Barclays Bank UK PLC or its accounting consolidation group in relation to past or future de-recognition of the Mortgage Portfolio under IFRS 9 or deconsolidation and de-recognition of the Issuer (in a Refinancing) or the relevant new issuer (as applicable) under IFRS 10 (or any other rules which Barclays Bank UK PLC relies on to achieve deconsolidation and de-recognition), such determination to be based on an opinion of a reputable accountancy or law firm chosen by Barclays Bank UK PLC;

(iii) the exercise of the relevant Option and the terms of any subsequent servicing of, arrangements relating to, financing or securitisation in respect of, the Mortgage Loans including the entry into any agreements or arrangements in connection with such Option would not cause it (in such respective capacities) to be in breach of any Ring-Fencing Rules (as determined in its sole opinion); and

(iv) if the New Issue is a Rule 144A transaction, that the foreign transactions safe harbor under the U.S. Risk Retention Rules will be satisfied; and

(d) the New Issue Documents imposes substantially similar requirements set out in paragraphs (a) to (c) above for any subsequent refinancing or other transaction involving the Mortgage Loans.

Following the receipt by Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank of the relevant Exercise Notice (which in the case the Refinancing Option, shall be delivered by the Refinancing Option Holder not less than 80 calendar days prior to the proposed Refinancing Date), it shall use reasonable efforts within 30 calendar days of such receipt to notify the Issuer, the relevant Option Holder and the Retention Holder if it determines that the New Issue Conditions Precedent are satisfied. For the avoidance of doubt, Barclays Bank UK PLC will not be in breach of such 30 day requirement if there are ongoing discussions between it and the UK Regulators relating to certain of the New Issue Conditions Precedent where the outcome of such discussions are pending. If the New Issue Conditions Precedent are satisfied, Barclays Bank UK PLC will agree to act as Servicer, Legal Title Holder and Collection Account Bank in accordance with paragraph (a) of the New Issue Conditions Precedent.

"**New Issue Documents**" means (i) the Refinancing Documents where the option being exercised is the Refinancing Option and (ii) the relevant transaction documents entered into in connection with any new securitisation or other financing arrangement where the option being exercised is the Portfolio Purchase Option, the Risk Retention Regulatory Change Option, the Regulatory Change Event Option or the Tax/Illegality Option.

"**Option**" means the Refinancing Option, Portfolio Purchase Option, the Risk Retention Regulatory Change Option, the Regulatory Change Event Option, the Clean-up Purchase Option or the Tax/Illegality Option, as the context permits.

"**Option Deed Poll**" means the Refinancing Option Deed Poll, the Portfolio Option Deed Poll and the Risk Retention Regulatory Change Option Deed Poll, as the context permits.

"**Option Holder**" means the Refinancing Option Holder or the Portfolio Option Holder, as the context permits.

1. Portfolio Purchase Option

Exercise

The Mortgage Portfolio may be sold by the Issuer pursuant to the Portfolio Purchase Option.

Pursuant to and subject to the terms of the Portfolio Option Deed Poll the Portfolio Option Holder has an option (the "**Portfolio Purchase Option**") to require the Issuer to: (a) sell and transfer to the Portfolio Option Holder (or its nominee) the beneficial title to all Mortgage Loans and Related Security in the Mortgage Portfolio (other than the Mortgage Loans which have been repurchased or have redeemed in full) (the "**Portfolio Purchase Option Loans**"); and (b) following the occurrence of a Perfection Trigger Event, transfer to the Portfolio Option Holder or its nominee the right to legal title to the Portfolio Purchase Option Loans and their Related Security.

Pursuant to Condition 7.4 (*Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*) the Portfolio Option Holder may exercise the Portfolio Purchase Option to effect an early redemption of the Notes on or after the First Optional Redemption Date.

The Portfolio Purchase Option may be exercised by notice to the Issuer with a copy to the Cash Manager, the Note Trustee, the Security Trustee, the Seller, the Legal Title Holder, the Retention Holder and each of the Rating Agencies with such purchase to take effect on the Calculation Date immediately preceding the Optional Redemption Date specified in the exercise notice (such purchase date, the "**Portfolio Sale Completion Date**"). The Notes shall be redeemed in full (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) on the Optional Redemption Date or any Payment Date thereafter subject to the satisfaction of the New Issue Conditions Precedent in the reasonable opinion of Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank being satisfied prior to the Portfolio Sale Completion Date.

The Portfolio Option Holder may, up to ten Business Days following the service of an Enforcement Notice on the Issuer and the Portfolio Option Holder (the "**Option Holder Purchase Period**"), offer to purchase the Mortgage Loans comprising the Mortgage Portfolio at the New Issue Proceeds Amount and the Security Trustee shall not be entitled to dispose of any Mortgage Loans comprising the Charged Property or any part thereof during the Option Holder Purchase Period or following the receipt of an offer from the Portfolio Option Holder to the Security Trustee's satisfaction. This is without prejudice to the Portfolio Option Holder's ability to exercise the option at any time after the service of an Enforcement Notice.

Purchase Price

The purchase price for the Mortgage Portfolio under the Portfolio Purchase Option shall be an amount equal to the New Issue Proceeds Amount. In the event that the Option Holder and the Retention Holder cannot agree on the New Issue Proceeds Current Value Amount, please refer to paragraph (b)(i) of the section entitled "*Overview of Mortgage Portfolio and Servicing – Portfolio Purchase Option – Purchase price*" for further details.

The Portfolio Option Holder or its nominee will be required to provide irrevocable payment instructions for an amount to be transferred equal to the New Issue Proceeds Amount to the Transaction Account provided that such deposit shall be made on or before the Portfolio Sale Completion Date or such later date as agreed with the Note Trustee or (after the service of an Enforcement Notice) take such other action as agreed with the Security Trustee.

Redemption of Notes and the cancellation of any Certificates (then in issue)

Following exercise of the Portfolio Purchase Option, on the Optional Redemption Date the New Issue Proceeds Amount will be applied in accordance with the Post-Enforcement Priority of Payments in order to redeem the Notes in full (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)). Any funds remaining after the payment in full of all items ranking in priority to the Class Y Certificates (then in issue) will be paid to the Class Y Certificateholders before the Class Y Certificates are cancelled.

The Issuer has covenanted in the Portfolio Option Deed Poll in favour of the Portfolio Option Holder that prior to the service of an Enforcement Notice it shall not agree to any sale of the Mortgage Portfolio that is not already provided for under the Transaction Documents without the prior written consent of the Portfolio Option Holder.

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that the purchaser of the Mortgage Loans holds any of the Notes or is entitled to Senior Deferred Consideration or Residual Deferred Consideration, it may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder or as the person entitled to Senior Deferred Consideration or Residual Deferred Consideration on the Optional Redemption Date.

"**Exercise Notice**" means:

(a) a notice delivered by the Portfolio Option Holder in accordance with the Portfolio Option Deed Poll to exercise the Portfolio Purchase Option;

(b) a notice delivered by the Refinancing Option Holder in accordance with the Refinancing Option Deed Poll to exercise the Refinancing Option;

(c) a notice delivered by the Retention Holder in accordance with the Retention Holder Deed Poll to exercise the Risk Retention Regulatory Change Option (if the Portfolio Option Holder has not elected to exercise the Portfolio Purchase Option); and

(d) a notice delivered by the Seller to exercise either the (i) Clean-up Purchase Option; (ii) Regulatory Change Event Option (if the Portfolio Option Holder has not elected to exercise the Portfolio Purchase Option); (iii) Risk Retention Regulatory Change Option (if the Portfolio Option Holder has elected not

to exercise the Portfolio Purchase Option and if the Retention Holder has elected not to exercise the Risk Retention Regulatory Change Option); or (iv) Tax/Illegality Option (if the Portfolio Option Holder has elected not to exercise the Portfolio Purchase Option).

"**Portfolio Option Deed Poll**" means the deed poll dated the Closing Date executed by the Issuer in favour of the Portfolio Option Holder from time to time.

2. Refinancing Option

The Issuer will, pursuant to the Refinancing Option Deed Poll, grant to the Refinancing Option Holder the option (the "**Refinancing Option**") to require the Issuer to:

(a) redeem (in whole and not in part) the Rated Notes and, in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled), on the First Optional Redemption Date or any Payment Date thereafter;

(b) as agreed between the Issuer, the Refinancing Option Holder and the Class S Certificateholder (where Class S Certificates are in issue), cancel some or all of the Certificates (then in issue) on such date and/or leave some or all of the Certificates (then in issue) outstanding on such date; and

(c) issue the Refinancing Instruments on the Refinancing Date.

Exercise of the Refinancing Option

The Refinancing Option Holder may give notice of its intention to exercise the Refinancing Option by providing the Issuer (with a copy to the Cash Manager, the Note Trustee, the Security Trustee, the Transaction Account Bank, the Principal Paying Agent, the Agent Bank, the Registrar, the Servicer, the Seller, the Legal Title Holder, the Retention Holder, Interest Rate Swap Counterparty and Collection Account Bank) written notice of the Refinancing Option Holder's intention to exercise the Refinancing Option. Such notice must be sent not less than 80 calendar days prior to the proposed Refinancing Date. Such notice shall include the date that the Refinancing Option Holder designates as the proposed Refinancing Date and the proposed Optional Redemption Date (which shall be the First Optional Redemption Date or any Payment Date thereafter) (such written notice, a "**Refinancing Option Exercise Notice**").

Following delivery of a Refinancing Option Exercise Notice, the Refinancing Option Holder must also provide (or procure the provision) promptly and without delay, and in any case within five Business Days any other relevant information which the Retention Holder or Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank may request in connection with the Refinancing, including information required in order for:

(a) the Retention Holder to determine whether a Retention Holder Veto Scenario would apply; and

(b) Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank to determine whether the New Issue Conditions Precedent have been satisfied,

(together, the "**Refinancing Materials**").

For the avoidance of doubt, the Refinancing Materials shall include forms of the transaction documents required to give effect to the Refinancing. The Refinancing Option Holder shall not be in breach of this obligation if, due to events, actions or circumstances beyond its control, it is not able to comply.

Neither the Issuer, the Refinancing Option Holder nor the Class S Certificateholder (where Certificates are in issue) may agree to cancel any Certificates or issue new certificates pursuant to the Refinancing Option unless an opinion of independent legal advisers of recognised standing has been obtained, in a form and substance

satisfactory to the Issuer, the Refinancing Option Holder, the Class S Certificateholder and the Note Trustee, confirming that such cancellation and/or reissue will not cause the Issuer to be taxed otherwise than in accordance with regulation 14 of the Taxation of Securitisation Companies Regulations 2006 (as amended) and will not cause the Issuer to be subject to any other materially adverse taxation consequences.

The New Issue Conditions Precedent must in the reasonable opinion of Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank be satisfied prior to the Refinancing Option Holder or the Portfolio Option Holder purchasing any Mortgage Loans pursuant to the Portfolio Purchase Option or executing a Refinancing pursuant to the Refinancing Option.

Retention Holder Veto Right

Following the receipt by the Retention Holder of the Refinancing Option Exercise Notice, the Retention Holder may (subject to the Retention Holder having received the Refinancing Materials (including any amendments and/or supplements thereto)) promptly and without delay and not more than 30 calendar days from and including the date on which such notice is received by the Retention Holder (the "**Retention Holder Veto Period**") decide to veto ("**Retention Holder Veto**") the proposed Refinancing, by way of notice in writing to the Issuer and the Refinancing Option Holder on the basis that if the proposed Refinancing were to occur it would, in the opinion of the Retention Holder, give rise, directly or indirectly, to a Retention Holder Veto Scenario (a "**Retention Holder Veto Notice**"). If the Retention Holder does not exercise the Retention Holder Veto during the Retention Holder Veto Period, the Retention Holder shall be deemed to have confirmed that the proposed Refinancing can occur on the proposed Refinancing Date.

Modification of Transaction Documents

Following delivery of the Refinancing Option Exercise Notice and provided the Retention Holder has not delivered a Retention Holder Veto Notice, the Issuer shall prepare and share all draft Refinancing Documents with the Retention Holder, the Refinancing Option Holder, Barclays Bank UK PLC in its capacity as Legal Title Holder, the Cash Manager, the Note Trustee, the Security Trustee, the Servicer, the Collection Account Bank, the Interest Rate Swap Counterparty, the Transaction Account Bank, the Principal Paying Agent, the Agent Bank and the Registrar in sufficient time to allow such persons and their professional advisers to review and consider the same.

Provided the Retention Holder has not exercised the Retention Holder Veto within the Retention Holder Veto Period and subject always to the New Issue Conditions Precedent being met to the satisfaction of Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank, then not later than 35 days prior to the proposed Refinancing Date, the Note Trustee shall agree to the terms of a new or amended trust deed constituting the Refinancing Instruments (the "**Refinancing Trust Deed**"), any further or replacement transaction documents and modifications to the other existing Transaction Documents to the extent that the Issuer certifies (upon which certification the Note Trustee may rely absolutely and without enquiry or liability) that such further or replacement transaction documents or modification is necessary to reflect the terms of the Refinancing. Such modification to the terms of the Transaction Documents will be effected by way of one or more deeds of amendment, restatement and supplement (the "**Amendment Deed(s)**"). Subject to the provisions on Basic Terms Modifications, Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights, the consent of the Portfolio Option Holder and Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank must be obtained to such modifications, but no further consent for such amendments shall be required from Noteholders or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration.

The Issuer shall ensure that, where required, a refinancing prospectus is prepared in connection with the Refinancing (the "**Refinancing Prospectus**"), and an application is made for admission to trading (and where relevant, listing) of the relevant Refinancing Instruments. In connection with the Refinancing Prospectus, the Issuer shall procure ratings for those Refinancing Instruments which are intended to be rated. For the avoidance

of doubt, the Issuer may issue unrated Refinancing Instruments and, in respect of such instruments, the Issuer shall not be under any obligation to procure ratings.

If, in the sole determination of each of the Cash Manager, the Note Trustee, the Security Trustee, the Principal Paying Agent, the Agent Bank, the Transaction Account Bank, the Interest Rate Swap Counterparty or the Registrar (as relevant) the Refinancing Documents contain provisions which would be materially and adversely prejudicial to its interests, each of these parties may choose to terminate its agreement with the Issuer, such decision to be notified in writing to the Issuer, the Retention Holder and the Refinancing Option Holder (a "**Service Provider Veto Notice** "). Any such termination shall only take effect if the Refinancing occurs and shall be effective on and from the Refinancing Date.

If by the date which is 35 days prior to the proposed Refinancing Date:

(a) both:

(i) the Retention Holder has not provided a Retention Holder Veto Notice within the Retention Holder Veto Period to the Issuer and the Refinancing Option Holder; and

(ii) none of the Cash Manager, the Note Trustee, the Security Trustee, the Principal Paying Agent, the Agent Bank, the Transaction Account Bank, the Interest Rate Swap Counterparty or the Registrar (as relevant) has provided a Service Provider Veto Notice to the Issuer, the Retention Holder and the Refinancing Option Holder, or if any such party has provided such notice and the Issuer has found a suitable replacement meeting all relevant rating requirements set by the Rating Agencies for such party and such replacement is willing to carry out the relevant role on the terms of the relevant Refinancing Documents (such party, an "**Acceptable Replacement Service Provider**"); and

(b) the New Issue Conditions Precedent are met to the satisfaction of Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank,

then the Issuer shall, not less than 30 calendar days prior to the proposed Refinancing Date, notify the Cash Manager, the Note Trustee, the Security Trustee, the Servicer, the Principal Paying Agent, the Agent Bank, the Registrar, the Transaction Account Bank, the Interest Rate Swap Counterparty and the Rating Agencies that the Refinancing will occur on the proposed Refinancing Date and that the Notes will be redeemed and, where applicable, the Certificates (then in issue) cancelled on the relevant Optional Redemption Date. On the same date that it provides such notice, the Issuer shall notify the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration, the Retention Holder and the Refinancing Option Holder of the same.

For the avoidance of doubt, neither the Note Trustee nor the Security Trustee will be obliged to enter into any document or agree to any modification that, in its opinion, would have the effect of (i) exposing the Note Trustee (or, as the case may be, the Security Trustee) to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, indemnities and protections, of the Note Trustee (or, as the case may be, the Security Trustee) in respect of the Transaction Documents, and the Note Trustee and the Security Trustee will be entitled to conclusively rely upon an officer's certificate or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgement of counsel delivering such opinion of counsel) provided by the Issuer or any other party to any Transaction Document to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed without the consent of the holders of the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or any other Secured Creditor (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the New Issue Proceeds Amount).

If by the date which is 35 days prior to the proposed Refinancing Date:

(a) either:

(i) the Retention Holder has provided a Retention Holder Veto Notice within the Retention Holder Veto Period to the Issuer and the Refinancing Option Holder; or

(ii) any of the Cash Manager, the Note Trustee, the Security Trustee, the Servicer, the Principal Paying Agent, the Agent Bank, the Transaction Account Bank, the Interest Rate Swap Counterparty or the Registrar has provided a Service Provider Veto Notice to the Issuer and the Issuer has not found an Acceptable Replacement Service Provider; or

(b) the New Issue Conditions Precedent are not met to the satisfaction of Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank,

then the Issuer shall, not less than 30 calendar days prior to the proposed Refinancing Date, notify the Cash Manager, the Note Trustee, the Security Trustee, the Servicer, the Principal Paying Agent, the Agent Bank, the Transaction Account Bank, the Interest Rate Swap Counterparty and the Registrar that the Refinancing will not occur on the proposed Refinancing Date, and on the same date, the Issuer shall notify the Refinancing Option Holder and the Retention Holder of the same.

The Refinancing Option Holder will, in accordance with the Refinancing Option Deed Poll, be entitled to serve subsequent Refinancing Option Exercise Notices and subject to the satisfaction of the New Issue Conditions Precedent being met to the satisfaction of Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank, the redemption of the Notes and, where applicable, cancellation of the Certificates (then in issue) can occur on the relevant Optional Redemption Date.

Refinancing proceeds

On the Refinancing Date (i) the Issuer shall procure that the New Issue Proceeds Amount is deposited in the Transaction Account, with first ranking security in respect of such account being provided in favour of the Noteholders and other Secured Creditors (or take such other action as may be agreed with the Note Trustee) and (ii) upon such amounts being credited to the Transaction Account, the other security interests granted in favour of the Noteholders and other Secured Creditors shall be released. On the Optional Redemption Date, the New Issue Proceeds Amount will be applied in accordance with the Post-Enforcement Priority of Payments in order to redeem the Notes in full (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)). Any funds remaining after the payment in full of all items ranking in priority to the payment of the Residual Deferred Consideration will be paid to the persons entitled to the Residual Deferred Consideration.

Ninety-five (95) per cent. of all costs and expenses (including but not limited to (A) all legal costs and expenses of the Retention Holder, including those obtained in connection with any determination by the Retention Holder as to whether to exercise the Retention Holder Veto, and (B) any costs and expenses of the Secured Creditors (other than the Noteholders and the Certificateholders (where Certificates are in issue)) incurred in connection with the Refinancing) of the Refinancing (including in connection with the exercise of the Refinancing Option and the entry into of the Refinancing Documents and in connection with any exercise by the Retention Holder of the Retention Holder Veto) or any proposed Refinancing which fails to complete, shall be borne by the Refinancing Option Holder. If the Refinancing Option Holder fails to pay, one hundred (100) per cent. of such costs and expenses shall be borne by the Issuer in accordance with the applicable Priority of Payments (and the Refinancing Option Holder shall be required to deposit such amounts into the Transaction Account to the extent that the Issuer is expected to make these payments).

All Notes and, where applicable, Certificates will, on the relevant Optional Redemption Date, be redeemed (in respect of the Notes) and, where applicable, cancelled (in respect of the Certificates) and may not be reissued or

resold. Subject to satisfaction of the New Issue Conditions Precedent, the Refinancing Instruments will not necessarily benefit from any form of refinancing option, and the terms and conditions of the Refinancing Instruments may differ from the terms and conditions of (as relevant) the Notes and the Certificates (where Certificates are in issue) which they replace.

In this Prospectus:

"**Retention Holder Veto Scenario**" means any scenario resulting from the occurrence of a Refinancing which the Retention Holder determines would have the effect of:

(a) adversely affecting the capital treatment of the Retained Interest (including, without limitation, under the UK CRR (taking into account any regulatory guidance and/or statements issued by UK competent authorities) or any similar regulations or laws which enter into force after the Closing Date and which regulate the capital treatment of the Retained Interest or the U.S. Risk Retention Rules), such determination to be based on an opinion of a reputable accountancy or law firm chosen by the Retention Holder;

(b) resulting in the Retention Holder being in breach of its obligations under the Risk Retention Requirements, such determination to be based on an opinion of a reputable law firm chosen by the Retention Holder (provided that, for the purposes of this paragraph (b), references in the definition of Risk Retention Requirements to Article 6 of the EU Securitisation Regulation solely as being interpreted and applied on the Closing Date shall be disregarded and it shall be read and construed as reference to the EU Securitisation Regulation and any replacement thereof);

(c) adversely affecting the position of the Retention Holder or its accounting consolidation group in relation to de-recognition of the Mortgage Portfolio under IFRS 9 or deconsolidation and de-recognition of the Issuer under IFRS 10 (or any other rules which the Retention Holder relies on to achieve deconsolidation and de-recognition), such determination to be based on an opinion of a reputable accountancy or law firm chosen by the Retention Holder;

(d) changing any other term of the Transaction Documents in a material manner, as determined by the Retention Holder;

(e) changing the Retained Interest Entrenched Rights;

(f) changing the person performing the role of the Servicer, Legal Title Holder, person entitled to Senior Deferred Consideration, Retention Holder, Collection Account Bank, Arranger and/or Lead Manager or changing the terms on which any such role is performed;

(g) making the Refinancing transaction UK or EU STS eligible; or

(h) the Refinancing transaction involving the offer of securities into the U.S. or to a U.S. person for which the foreign transaction safe harbour exempting the transaction from U.S. Credit Risk Retention Requirements is not available.

"**Refinancing**" means the exercise by the Refinancing Option Holder of the Refinancing Option and the redemption by the Issuer of the Notes and, where applicable, the cancellation of the Certificates and the issuance by the issuer of the Refinancing Instruments.

"**Refinancing Date**" means any Business Day falling on or no more than two Business Days prior to the relevant Optional Redemption Date.

"**Refinancing Documents**" means the Refinancing Trust Deed, any new subscription agreement, the Refinancing Instruments, the Amendment Deed(s), any further or replacement transaction documents, the Refinancing Prospectus and any documents or instruments whatsoever ancillary, or necessary to give effect, to the foregoing.

"**Refinancing Instruments**" means the new notes and, where applicable, new certificates issued by the Issuer pursuant to the exercise of the Refinancing Option.

"**Refinancing Option Deed Poll**" means the deed poll dated the Closing Date executed by the Issuer in favour of the Refinancing Option Holder from time to time.

"**Refinancing Option Holder**" means, the person entitled to more than 50 per cent. of the Residual Deferred Consideration or an entity representing the person (or persons in aggregate) entitled to more than 50 per cent. of the Residual Deferred Consideration (other than any Residual Deferred Consideration entitlement of the Retention Holder).

"**Ring-Fencing Rules**" means any relevant requirement under Part 9B of the Financial Services and Markets Act 2000, or any secondary legislation made thereunder, in each case as in force from time to time or any applicable UK Regulators' rule introduced under Section 142H of the Financial Services and Markets Act 2000 (as amended) and any related supervisory statement or other guidance issued by the UK Regulators including any guidance following communications between Barclays Bank UK PLC and the UK Regulators.

"**UK Regulators**" means the Prudential Regulation Authority and the Financial Conduct Authority (or their successor).

3. Clean-up Purchase Option

Exercise

The Mortgage Portfolio may be sold by the Issuer pursuant to the Clean-up Purchase Option.

Pursuant to and subject to the terms of the Mortgage Sale Agreement the Seller has an option (the "**Clean-up Purchase Option**") to require the Issuer to sell and transfer to the Seller (or its nominee) the beneficial title to all Mortgage Loans and Related Security in the Mortgage Portfolio.

Pursuant to Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*), the Seller may exercise the Clean-up Purchase Option to effect an early redemption of the Notes on any Payment Date on which the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio (as of the immediately preceding Calculation Date) is less than or equal to 10 per cent. of the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio as at the Cut-Off Date, with the result that the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) are redeemed pursuant to Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*).

The Clean-up Purchase Option may be exercised by notice to the Issuer with a copy to the Cash Manager, the Note Trustee, the Security Trustee, the Retention Holder, the Portfolio Option Holder and the Rating Agencies with such purchase to take effect on the Calculation Date immediately preceding the Optional Redemption Date (the "**Clean-up Sale Completion Date**"). The Notes shall be redeemed on the Payment Date falling immediately after the Clean-up Sale Completion Date.

Purchase Price

The purchase price payable by the Seller (or its nominee) in respect of the Clean-up Purchase Option shall be the New Issue Proceeds Amount.

Redemption of Notes and the cancellation of any Certificates (then in issue)

Following exercise of the Clean-up Purchase Option, on the Optional Redemption Date the New Issue Proceeds Amount will be applied in accordance with the Post-Enforcement Priority of Payments in order to redeem the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) in full.

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that the purchaser of the Mortgage Loans holds any of the Notes, the Seller may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder on the Optional Redemption Date.

4. Optional Redemption in the Event of a Risk Retention Regulatory Change Event

Exercise

Pursuant to the Retention Holder Deed Poll, and provided the Portfolio Option Holder has not exercised the Portfolio Purchase Option, the Retention Holder (or any of its nominees), shall have the right (but not any obligation) to acquire (or procure the acquisition) the entire beneficial interest of the Issuer in the Mortgage Portfolio (other than the Mortgage Loans which have been repurchased or have redeemed in full) upon the occurrence of a Risk Retention Regulatory Change Event in accordance with the terms of Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*). In the event that neither the Portfolio Option Holder (or its nominee) nor the Retention Holder (or any of its nominees) elects to purchase the Mortgage Loans, the Seller (or any of its nominees) has the right (but not any obligation) to re-acquire (or procure the re-acquisition of) the entire beneficial interest of the Issuer in the Mortgage Portfolio and thereby effect a redemption of the Notes following the occurrence of a Risk Retention Regulatory Change Event.

The Risk Retention Regulatory Change Event Option Holder shall notify the Portfolio Option Holder of its intention to serve an Exercise Notice on the Issuer as soon as reasonably practicable and at least ten Business Days before such notice is served on the Issuer. If the Portfolio Option Holder notifies the Risk Retention Regulatory Change Event Option Holder within ten Business Days of such notification that it intends to exercise the Portfolio Purchase Option, the Risk Retention Regulatory Change Event Option Holder shall not serve such notice on the Issuer (unless the Portfolio Option Holder has not subsequently exercised the Portfolio Purchase Option) and any notice served in such circumstances shall be invalid.

In the event that the Portfolio Option Holder has not exercised the Portfolio Purchase Option and the Risk Retention Regulatory Change Event Option Holder has not exercised the Risk Retention Regulatory Change Event Option within 20 Business Days of the occurrence of a Risk Retention Regulatory Change Event, the Seller may elect to purchase the entire beneficial interest of the Issuer in the Mortgage Portfolio.

Purchase price

The price payable by or on behalf of the Retention Holder or the Seller (or any of its nominees) (as applicable) to the Issuer to acquire or re-acquire (as applicable) the beneficial interest of the entire Mortgage Portfolio from the Issuer shall be a price equal to the New Issue Proceeds Amount as calculated three Business Days prior to acquisition or re-acquisition (as applicable).

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that the Retention Holder or the Seller (or any of its nominees) (as applicable) holds any of the Notes, or is entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, it may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder or as the person entitled to Senior Deferred Consideration or Residual Deferred Consideration on the Payment Date on which the Notes are to be redeemed.

Redemption of Notes and the cancellation of any Certificates (then in issue)

Following exercise of the Risk Retention Regulatory Change Option, the Issuer will give not more than 40 nor less than five Business Days' notice to the Noteholders and the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration in accordance with Condition 16 (*Notice to Noteholders*) and Certificate Condition 15 (*Notice to Certificateholders*) and the Note Trustee stating that the Notes and any Certificates (then in issue) will be redeemed in accordance with the Post-Enforcement Priority of Payments on the Payment Date immediately following the exercise of such option by the Retention Holder.

"**Retention Holder Deed Poll**" means the deed poll dated the Closing Date executed by the Issuer in favour of the Seller and/or the Retention Holder (or their delegate).

"**Risk Retention Regulatory Change Event**" means any change in or the adoption of any new law, rule, technical standards or regulations or any determination of a relevant regulator as jointly determined by the Seller and the Retention Holder, which:

(a) as a matter of law, has a binding effect on the Retention Holder or the Seller after the Closing Date which would impose a positive obligation on either of them to subscribe for Notes over and above those required to be maintained under the Risk Retention Undertaking or otherwise imposes additional material obligations on the Retention Holder or the Seller in order to maintain compliance with the Risk Retention Requirements;

(b) as a matter of law, in respect of the Retention Holder, results in the Retention Holder no longer being able to qualify as an eligible retainer of the Retained Interest for purposes of the Risk Retention Requirements; and the Retention Holder is not able to transfer the Retained Interest to one of its affiliates without violating the Risk Retention Requirements or any other applicable law, or incurring any additional material costs or obligations in connection with any such transfer, in any case, as determined by the Retention Holder, in its sole discretion; or

(c) by virtue of the Retention Holder's obligation to comply with the Risk Retention Undertaking, would, in respect of the Retention Holder, have an analogous effect or result to those specified in paragraphs (a) and (b) above.

"**Risk Retention Regulatory Change Event Option Holder**" means the Retention Holder.

"**Risk Retention Regulatory Change Option**" means the option of the Retention Holder (or its nominee) to acquire all but not some of the Mortgage Portfolio, following a Risk Retention Regulatory Change Event provided that if the Retention Holder has not exercised the Risk Retention Regulatory Change Option, then the Seller may exercise the option to acquire all but not some of the Mortgage Portfolio.

"**Risk Retention Requirements**" means (a) Article 6(1) of the UK Securitisation Regulation and any replacement thereof; (b) Article 6(1) of the EU Securitisation Regulation (as required for the purposes of Article 5(1)(d) of the EU Securitisation Regulation) not taking into account any relevant national measures, as if it were applicable to it, but solely as such articles are interpreted and applied on the Closing Date; and (c) the U.S. Risk Retention Requirements.

"**Risk Retention Undertaking**" means the undertakings made by the Retention Holder to the Issuer, the Security Trustee, the Lead Manager and the Arranger as set out in the Risk Retention Letter.

"U.S. Risk Retention Requirements" means Section 15G of the U.S. Securities Exchange Act of 1934, as amended, and the final rules related thereto published on 24 December 2014 in the Federal Register by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, the SEC and the Department of Housing and Urban Development.

5. Optional Redemption in the Event of a Regulatory Change Event

Exercise

Pursuant to the Regulatory Change Event Option, provided the Portfolio Option Holder has not exercised the Portfolio Purchase Option upon the occurrence of a Regulatory Change Event, the Seller has the right (but not the obligation) pursuant to the Mortgage Sale Agreement to re-acquire (or procure the re-acquisition of) the entire beneficial interest of the Issuer in the Mortgage Portfolio and thereby effect a redemption of the Notes following the occurrence of a Regulatory Change Event in accordance with the terms of Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*).

The Seller shall notify the Portfolio Option Holder of its intention to serve an Exercise Notice on the Issuer as soon as reasonably practicable and at least ten Business Days before such notice is served on the Issuer. If the Portfolio Option Holder notifies the Seller within ten Business Days of such notification that it intends to exercise the Portfolio Purchase Option, the Seller shall not serve such notice on the Issuer (unless the Portfolio Option Holder has not subsequently exercised the Portfolio Purchase Option) and any notice served in such circumstances shall be invalid. If the Portfolio Option Holder does not elect to exercise the Portfolio Purchase Option then the Seller shall be entitled to purchase the Mortgage Loans.

Purchase price

The price payable by or on behalf of the Seller to the Issuer to re-acquire the beneficial interest of the entire Mortgage Portfolio from the Issuer shall be an amount equal to the New Issue Proceeds Amount as calculated three Business Days prior to acquisition or re-acquisition (as applicable).

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that the Seller holds any of the Notes or is entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, it may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder or as the person entitled to receive Senior Deferred Consideration or Residual Deferred Consideration on the Payment Date on which the Notes are to be redeemed.

Redemption of Notes and the cancellation of any Certificates (then in issue)

Following exercise of the Regulatory Change Event Option, the Issuer will give not more than 40 nor less than five Business Days' notice to the Noteholders and the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration in accordance with Condition 16 (*Notice to Noteholders*) and Certificate Condition 15 (*Notice to Certificateholders*) and the Note Trustee stating that the Notes and any Certificates (then in issue) will be redeemed in accordance with the Post-Enforcement Priority of Payments on the Payment Date

immediately following the exercise of the Portfolio Purchase Option by the Portfolio Option Holder or the Regulatory Change Event Option by the Seller (as applicable).

"**Regulatory Change Event**" means a determination by the Seller, acting in a commercially reasonable manner, that either:

(a) there has been a change, occurring at any time on or after the Closing Date, in any internationally recognised accounting rules and/or any applicable accounting classification and/or regulations, any enactment of, or supplement or amendment to, or a change in law, policy or interpretation by any relevant regulatory authority (either communicated publicly by any relevant regulatory authority or bilaterally following communications between Barclays Bank UK PLC and the UK Regulators), of any relevant regulations; or

(b) as a result of the outcome of the initial supervisory significant risk transfer assessment for the Transaction, the difference between:

(i) the amount of regulatory capital which the Seller or its prudential consolidation group would be required to hold in respect of the Mortgage Loans over the full term of the Transaction but for the transaction contemplated by the Transaction; and

(ii) the amount of regulatory capital which the Seller or its prudential consolidation group is required to hold in respect of the tranches comprising the securitisation, or the Mortgage Loans, over the full term of the Transaction taking into account the Transaction,

has materially decreased compared with the capital relief reasonably anticipated by the Seller on the Closing Date.

6. Optional Redemption for tax and Other Reasons

Exercise

The Issuer may, subject to certain conditions, redeem the Notes in full following a determination of the Seller of:

(a) a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, the Issuer or the Principal Paying Agent would be required to deduct or withhold from any payment of principal or interest or any other amount under such Notes or in respect of Senior Deferred Consideration or Residual Deferred Consideration (other than because the relevant person entitled to such payment has some connection with the United Kingdom other than the holding of such Notes or having the right to Senior Deferred Consideration or Residual Deferred Consideration) 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;

(b) a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, it has become or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or any of the Notes or pay the Senior Deferred Consideration and Residual Deferred Consideration; or

(c) a change in law or a change in guidance and/or interpretation (either communicated publicly by any relevant regulatory authority or bilaterally following communications between Barclays Bank UK PLC and the UK Regulators) has occurred after the Closing Date which would cause Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank to breach any Ring-Fencing Rules or prohibit it from performing or otherwise it is unable to perform the services contemplated to be provided by it in such capacities in the Transaction in respect of which the Issuer has

appointed it (as more fully set out in Condition 7.9 (*Optional redemption for tax and other reasons*)) (each a "**Tax/Illegality Event**").

The Seller may, pursuant to the terms of the Mortgage Sale Agreement, purchase the Mortgage Loans in respect of any optional redemption of the Notes pursuant to Condition 7.9 (*Optional redemption for tax and other reasons*) (subject to the Portfolio Option Holder's right to first exercise the Portfolio Purchase Option). The Seller shall notify the Portfolio Option Holder of its intention to serve such a notice on the Issuer as soon as reasonably practicable and by no later than ten Business Days after the occurrence of any Tax/Illegality Event specified in Condition 7.9 (*Optional redemption for tax and other reasons*). If the Portfolio Option Holder notifies the Seller within ten Business Days of the Seller having indicated its intention to serve a notice on the Issuer that the Portfolio Option Holder intends to exercise the Portfolio Purchase Option, the Seller shall not serve a notice on the Issuer (unless the Portfolio Option Holder has not subsequently exercised the Portfolio Purchase Option) and any notice served in such circumstances shall be invalid. If the Portfolio Option Holder does not elect to exercise the Portfolio Purchase Option then the Seller shall be entitled to purchase the Mortgage Loans.

Purchase price

The consideration payable by the Seller shall be an amount equal to the New Issue Proceeds Amount, as at the close of business on the immediately preceding Business Day.

Provided that there is no shortfall to pay items ranking higher in the applicable Priorities of Payments, to the extent that Seller holds any of the Notes or is entitled to receive Senior Deferred Consideration or Residual Deferred Consideration, it may set off from the New Issue Proceeds Amount an amount equal to the amounts due to it as Noteholder or as the person entitled to receive Senior Deferred Consideration or Residual Deferred Consideration on the Payment Date on which the Notes are to be redeemed.

THE ISSUER

Pavillion Mortgages 2024-1 PLC was incorporated and registered in England and Wales on 24 June 2024 (under company registration number 15800566) as a public limited company under the Companies Act 2006 (as amended).

The registered office of the Issuer is at 5 Churchill Place, 10th Floor, London E14 5HU. The telephone number of the Issuer is +44 (0)203 855 0285.

The issued share capital of the Issuer comprises 50,000 ordinary shares of £1 each, comprising one ordinary share which is fully paid up and 49,999 ordinary shares which are one-quarter paid up, all of which are beneficially owned by Holdings (see the section entitled "*Holdings*" below).

The Issuer has been established as a special purpose company for the purpose of acquiring the Mortgage Loans and issuing the Notes. The Issuer has no subsidiaries and no employees.

CSC Capital Markets UK Limited, as the Corporate Services Provider, acts as the corporate services provider for the Issuer. The office of the Corporate Services Provider serves as the general business office of the Issuer. The Corporate Services Provider's principal office is at 5 Churchill Place, 10th Floor, London E14 5HU.

Through the office and pursuant to the terms of the Corporate Services Agreement, the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses.

The terms of the Corporate Services Agreement provide that either the Corporate Services Provider or the Issuer and Holdings may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement that is not cured within 30 days from the date on which it was notified of such breach. In addition, either the Corporate Services Provider or the Issuer and Holdings may terminate the Corporate Services Agreement at any time by giving at least 90 days' written notice to the other party. If the Corporate Services Provider gives notice to the Issuer and Holdings that it wishes to terminate the Corporate Services Agreement, then the Corporate Services Provider will be required to take all reasonably necessary steps in order to appoint a suitable replacement corporate services provider.

Neither the Seller nor any associated body of the Seller owns directly or indirectly any of the share capital of the Share Trustee, Holdings or the Issuer.

The Issuer has not commenced operations and has not engaged, since its incorporation, and will not engage in any material activities other than those incidental to its incorporation under the Companies Act 2006 (as amended), authorisation and issue of the Notes, the matters referred to or contemplated in this document and the authorisation, execution, delivery and performance of the other documents referred to in this document to which it is a party and matters which are incidental or ancillary to the foregoing. The Issuer has no loan capital, borrowings or material contingent liabilities (including guarantees) as at the time of this Prospectus.

The accounting reference date of the Issuer is 31 December. As of the date of this Prospectus, the Issuer has not prepared accounts. The first statutory accounts of the Issuer will be prepared for the period from the date of its incorporation to 31 December 2024.

Directors

The directors of the Issuer and their respective business addresses and principal activities are:

Name	Address	Principal Activities
CSC Directors (No.1) Limited	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
CSC Directors (No.2) Limited	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Catherine McGrath	10th Floor, 5 Churchill Place, London E14 5HU	Company Director

The directors of CSC Directors (No.1) Limited and CSC Directors (No.2) Limited and their principal activities are as follows:

Name	Address	Principal Activities
Alasdair Watson	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Aline Sternberg	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Catherine McGrath	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Charmaine de Castro	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Debra Parsall	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Helena Whitaker	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
John Paul Nowacki	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Jonathan Hanly	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Jordina Walker	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Oskari Tammenmaa	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Raheel Khan	10th Floor, 5 Churchill Place, London E14 5HU	Company Director
Renda Manyika	10th Floor, 5 Churchill Place, London E14 5HU	Company Director

The company secretary of the Issuer is:

Name	Business Address
CSC Corporate Services (UK) Limited	10th Floor, 5 Churchill Place, London E14 5HU

Activities

On or prior to the Closing Date, the Issuer will acquire from the Seller a portfolio of residential mortgage loans originated by the Seller or Barclays Bank PLC. All Mortgage Loans acquired by the Issuer on the Closing Date will be financed by the proceeds of the issue of the Notes. The activities of the Issuer will be restricted by the Conditions and the Deed of Charge and will be limited to the issue of the Notes, the ownership of the Mortgage Loans and other assets referred to herein, the exercise of related rights and powers, and other activities referred to herein or reasonably incidental thereto. These activities will include the collection of payments of principal and interest from Borrowers in respect of Mortgage Loans and the operation of arrears procedures.

HOLDINGS

Holdings was incorporated as a private limited company in England and Wales on 24 June 2024(under company registration number 15800518) as a private limited company under the Companies Act 2006 (as amended). The registered office of Holdings is at 5 Churchill Place, 10th Floor, London E14 5HU.

Holdings' authorised share capital on incorporation comprised, and as at the date of this Prospectus comprises, 1 ordinary share of £1, which is fully paid up. The issued share capital is held by the Share Trustee under the terms of a discretionary trust. Holdings is organised as a special purpose company.

The Seller does not own directly or indirectly any of the share capital of Holdings.

The principal objects of Holdings as set out in its memorandum of association are, among other things, to acquire and hold, by way of investments or otherwise and to deal in or exploit in such manner as may from time to time be considered expedient, all or any of the shares, stocks, debenture stocks, debentures or other interests of or in any company. Holdings is the sole owner of the Issuer. Holdings does not take an active role in the management of any of the participants in the Transaction.

Since its incorporation, Holdings has not engaged in any material activities other than those incidental to its registration as a private company under the Companies Act 2006 (as amended) and subscribing or otherwise acquiring the issued share capital of the Issuer, the authorisation and entry into of documentation relating to the Transaction and the other matters contemplated in this Prospectus and other matters which are incidental or ancillary to those activities. Holdings has no employees.

BARCLAYS BANK UK PLC

Barclays Bank UK PLC ("**BBUKPLC**") is a public limited company registered in England and Wales under number 09740322. The liability of the members of BBUKPLC is limited. It has its registered head office at 1 Churchill Place, London E14 5HP, United Kingdom. BBUKPLC was incorporated on 19 August 2015 under the name of Barclays UK and Europe PLC, which was changed to its current name, Barclays Bank UK PLC, on 15 June 2017. The whole of the issued ordinary share capital of BBUKPLC is beneficially owned by Barclays PLC. Barclays PLC (together with its subsidiary undertakings, the "**Barclays Group**" or "**Barclays**") is the ultimate holding company of BBUKPLC.

Barclays is a diversified bank with five operating divisions comprising: Barclays UK, Barclays UK Corporate Bank, Barclays Private Bank and Wealth Management, Barclays Investment Bank and Barclays U.S. Consumer Bank supported by Barclays Execution Services Limited, the Barclays Group-wide service company, providing technology, operations and functional services to businesses across the Barclays Group. BBUKPLC is the ring-fenced bank within the Barclays Group (i.e., it was established to meet the regulatory ringfencing requirements in accordance with the Financial Services (Banking Reform) Act 2013 and related legislation). Barclays UK broadly represents businesses that sit within the UK ring-fenced bank and its subsidiaries, and comprises Personal Banking, Business Banking and Barclaycard Consumer UK. The Personal Banking business offers retail solutions to help customers with their day-to-day banking needs, the UK Business Banking business serves business clients, from high growth start-ups to small and medium-sized businesses, with specialist advice and the Barclaycard Consumer UK business offers flexible borrowing and payment solutions.

The remaining divisions broadly represent the businesses that sit within the non-ring fenced bank, Barclays Bank PLC and its subsidiaries. Barclays UK Corporate Bank offers lending, trade and working capital, liquidity, payments and FX solutions for corporate clients with turnover from £6.5m (excluding those that form part of the FTSE 350). Barclays Private Bank and Wealth Management comprises the Private Bank, Wealth Management and Investments businesses. Barclays Investment Bank incorporates the Global Markets, Investment Banking and International Corporate Banking businesses, serving FTSE 350, multinationals and financial institution clients that are regular users of Investment Bank services. Barclays U.S. Consumer Bank represents the U.S. credit card business, focused in the partnership market, as well as an online deposit franchise.

The short-term unsecured obligations of BBUKPLC are rated A-1 by S&P Global Ratings UK Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the long-term unsecured unsubordinated obligations of BBUKPLC are rated A+ by S&P Global Ratings UK Limited, A1 by Moody's Investors Service Ltd. and A+ by Fitch Ratings Limited. BBUKPLC's credit ratings included or referred to in this Prospectus will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended (the UK CRA Regulation) as having been issued by Fitch Ratings Limited (Fitch), Moody's Investors Service Ltd. (Moody's) and S&P Global Ratings UK Limited (S&P), each of which is established in the United Kingdom and has been registered under the UK CRA Regulation. As such, each of S&P, Moody's and Fitch appears on the latest update of the list of registered credit rating agencies (as of the date of this Prospectus on the FCA's Financial Services Register). The ratings each of Fitch, Moody's and S&P have given in relation to BBUKPLC are endorsed by Fitch Ratings Ireland Limited, Moody's Deutschland GmbH and S&P Global Ratings Europe Limited respectively, each of which is established in the European Economic Area (EEA) and registered under Regulation (EU) No 1060/2009 on credit rating agencies (as amended, the EU CRA Regulation).

THE SPONSOR ADMINISTRATOR, THE RETENTION HOLDER AND THE INTEREST RATE SWAP COUNTERPARTY

Barclays Bank PLC ("**BBPLC**") is a public limited company registered in England and Wales under number 01026167. The liability of the members of BBPLC is limited. It has its registered head office at 1 Churchill Place, London E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). BBPLC was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, BBPLC was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'. The whole of the issued ordinary share capital of BBPLC is beneficially owned by Barclays PLC. Barclays PLC is the ultimate holding company of the Barclays Group. BBPLC's principal activity is to offer products and services designed for larger corporate, private bank and wealth management, wholesale and international banking clients.

Barclays is a diversified bank with five operating divisions comprising: Barclays UK, Barclays UK Corporate Bank, Barclays Private Bank and Wealth Management, Barclays Investment Bank and Barclays U.S. Consumer Bank supported by Barclays Execution Services Limited, the Barclays Group-wide service company providing technology, operations and functional services to businesses across the Barclays Group. Barclays UK broadly represents businesses that sit within the UK ring-fenced bank and its subsidiaries, and comprises Personal Banking, Business Banking and Barclaycard Consumer UK. The Personal Banking business offers retail solutions to help customers with their day-to-day banking needs, the UK Business Banking business serves business clients, from high growth start ups to small-and-medium-sized enterprises, with specialist advice, and the Barclaycard Consumer UK business offers flexible borrowing and payment solutions.

The remaining divisions broadly represent the businesses that sit within the non-ring fenced bank, BBPLC and its subsidiaries. Barclays UK Corporate Bank offers lending, trade and working capital, liquidity, payments and FX solutions for corporate clients with turnover from £6.5m (excluding those that form part of the FTSE 350). Barclays Private Bank and Wealth Management comprises the Private Bank, Wealth Management and Investments businesses. Barclays Investment Bank incorporates the Global Markets, Investment Banking and International Corporate Banking businesses, serving FTSE 350, multinationals and financial institution clients that are regular users of Investment Bank services. Barclays U.S. Consumer Bank represents the U.S. credit card business, focused in the partnership market, as well as an online deposit franchise.

The short term unsecured obligations of BBPLC are rated A-1 by S&P Global Ratings UK Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the unsecured unsubordinated long term obligations of BBPLC are rated A+ by S&P Global Ratings UK Limited, A1 by Moody's Investors Service Ltd. and A+ by Fitch Ratings Limited. BBPLC's credit ratings included or referred to in this Prospectus will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended (the UK CRA Regulation) as having been issued by Fitch Ratings Limited (Fitch), Moody's Investors Service Ltd. (Moody's) and S&P Global Ratings UK Limited (S&P), each of which is established in the United Kingdom and has been registered under the UK CRA Regulation. As such, each of S&P, Moody's and Fitch appears on the latest update of the list of registered credit rating agencies (as of the date of this Prospectus) on the FCA's Financial Services Register. The ratings each of Fitch, Moody's and S&P have given in relation to BBPLC are endorsed by Fitch Ratings Ireland Limited, Moody's Deutschland GmbH and S&P Global Ratings Europe Limited, respectively, each of which is established in the European Economic Area (EEA) and registered under Regulation (EU) No 1060/2009 on credit rating agencies (as amended, the EU CRA Regulation).

BBPLC is acting as Sponsor Administrator, Retention Holder and Interest Rate Swap Counterparty. BBPLC has been working on this transaction since March 2024, and has been, or will be, as appropriate, involved in the establishment and management of the securitisation transaction described in this Prospectus. Establishment activities included reviewing and analysing due diligence materials in respect of the Mortgage Portfolio, reviewing and negotiating the transaction documents and related offering documents, reviewing and negotiating the Mortgage Loan Warranties provided by the Seller, assessing and advising in respect of the proposed capital

structure of the transaction, determining the appropriate retention structure, selecting, appointing and coordinating third party service providers in respect of the transaction and engaging with Rating Agencies. Management activities include the establishment of the management structure of the transaction at the Closing Date through the negotiation of the transaction documents, and will include the performance of those functions allocated to the Sponsor Administrator as set out in the Sponsor Administration Agreement.

THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

U.S. Bank Trustees Limited was incorporated under the laws of England and Wales, with its office at 125 Old Broad Street, Fifth Floor, London, EC2N 1AR, United Kingdom.

U.S. Bank Trustees Limited is a U.S. Bancorp group company that is dedicated to the provision of trustee and other fiduciary services in Europe as part of U.S. Bank Global Corporate Trust. Together with Elavon Financial Services DAC (the legal entity through which U.S. Bank Global Corporate Trust provides regulated banking services in Europe), U.S. Bank Global Corporate Trust Limited (the legal entity through which U.S. Bank Global Corporate Trust primarily provides agency services in Europe) and U.S. Bank National Association, (the legal entity through which the U.S. Bank Global Corporate Trust primarily conducts business in the United States), U.S. Bank Global Corporate Trust is one of the world's largest providers of trustee services with more than $4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds; providing a wide range of trust and agency services such as calculation/paying agent, collateral administration and document custody through its network of more than 50 U.S.-based offices and European offices in London and Dublin.

U.S. Bancorp (NYSE: USB) is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. Visit U.S. Bancorp on the web at www.usbank.com.

THE CASH MANAGER

U.S. Bank Global Corporate Trust Limited is a limited liability company incorporated under the laws of England and Wales with its office at 125 Old Broad Street, Fifth Floor, London EC2N 1AR.

USE OF PROCEEDS

The Issuer will use the gross proceeds of the Notes on the Closing Date to: (a) pay the Initial Purchase Price payable by the Issuer for the Mortgage Portfolio to be acquired from the Seller on the Closing Date; (b) pay the Upfront Swap Payment to the Interest Rate Swap Counterparty; (c) pay certain fees and expenses of the Issuer incurred in connection with the issue of the Notes on the Closing Date; and (d) in the case of the Class Z Notes, establish the General Reserve Fund and the Liquidity Reserve Fund.

THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO

The Mortgage Portfolio will consist of Mortgage Loans and their Related Security sold by the Seller to the Issuer, in accordance with the terms of the Mortgage Sale Agreement.

The Provisional Portfolio has been selected by the Seller to specifically include Mortgage Loans (i) categorised as Stage 2 and 3 under the IFRS 9 credit risk classification criteria applied by the Seller; (ii) where the Borrower(s) has one or more county court judgements (or the Scottish equivalent) issued following origination; (iii) with a Current LTV of greater than or equal to 85 per. cent; and (iv) which are either Zero Rate Mortgage Loans, Help to Buy Mortgage Loans, Shared Ownership Mortgage Loans, Right to Buy Mortgage Loans and Family Springboard Mortgage Loans, in each case as at the Portfolio Reference Date.

There are four Mortgage Loans in the Provisional Portfolio which are Provisional LTV Exception Mortgage Loans. The Provisional LTV Exception Mortgage Loans included in the Provisional Portfolio represent approximately 0.04 per cent. of the aggregate Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Provisional Portfolio. The Provisional LTV Exception Mortgage Loans included in the Provisional Portfolio will be included in the Mortgage Portfolio purchased by the Issuer unless they are redeemed prior to the Closing Date.

The selection process will take into consideration the Eligibility Criteria, the required size of the Mortgage Portfolio and whether a mortgage loan is already being utilised as collateral in another of the Seller's funding programmes. Unless otherwise indicated, the description that follows is a high-level description of some of the characteristics of the Mortgage Loans and the Seller's lending criteria between April 2013 and July 2024 with respect to mortgage loans that could be sold to the Issuer as part of the Mortgage Portfolio on the Closing Date. This criteria would have been applied to all general originations but does not include Family Springboard Mortgage Loans or Zero Rate Mortgage Loans which have their own criteria.

Mortgage products offered by the Seller

The Seller offers a variety of fixed rate, tracker rate, discounted rate, zero rate and hybrid mortgage products to Borrowers. The Seller may sell to the Issuer any of the following of its mortgage products, which in each case may comprise one, or a combination, of the following:

(a) Mortgage Loans which track and are subject to a rate linked to the Bank of England's base rate for the life of the Mortgage Loan ("**Tracker Rate Mortgage Loans**");

(b) Mortgage Loans which track at a discount to the rate linked to the Bank of England's base rate for a specified period of time and at the expiration of that period become a Tracker Rate Mortgage Loan (the "**Discount Tracker Rate Mortgage Loans**");

(c) Mortgage Loans which are not subject to the accrual of interest ("**Zero Rate Mortgage Loans** "); and

(d) Mortgage Loans which are subject to a fixed interest rate for a specified period of time (usually a period of one, two, three, five, seven or ten years) and at the expiration of that period are subject to a rate linked to the Bank of England's base rate ("**Fixed Rate Mortgage Loans**").

Key features of the Mortgage Loans

The Mortgage Loans have the following key features:

(a) a Mortgage Loan may be for the purposes of purchase and remortgage (including release of equity) and home improvement;

(b) they are originated as owner-occupiers only. No Mortgage Loan in the Mortgage Portfolio will be secured over a property used solely as a commercial property, guarantor, secured only by a second charge or that will have been originated as a Buy-to-Let Mortgage Loan. A small proportion of Shared Ownership Mortgage Loans are included in the Mortgage Portfolio (being 5.01 per cent. of Current balance as at the Portfolio Reference Date of Mortgage Loans in the Mortgage Portfolio). Where a Borrower has requested, and the Legal Title Holder has agreed, to convert from an owner-occupied Mortgage Loan to a Buy-to-Let Mortgage Loan, or to convert to an offset mortgage, or in circumstances where there is a transfer of equity (other than in the context of a deceased Borrower), such Mortgage Loans will be redeemed in full by the Legal Title Holder;

(c) interest rates on the Mortgage Loan can be a combination of fixed rate and tracker rate (with the tracker rate being a rate linked to the Bank of England's base rate or a discounted rate linked to the Bank of England's base rate). A certain number of Mortgage Loans have an interest rate of zero;

(d) when any fixed rate finishes, the rate on the Mortgage Loan will revert to a rate linked to the Bank of England's base rate;

(e) a Borrower may move a mortgage product to a new property (each such move is known as a "**port**"). In porting, the Borrower will generally (although not always) retain any product features and the term that remains outstanding on the product. Any ported Mortgage Loan will be redeemed in full by the Legal Title Holder;

(f) for certain types of Mortgage Loan, early repayment charges may be applicable;

(g) most products contain an option under which the Borrower may repay a fixed amount of the outstanding balance of the Mortgage Loan in any year without incurring an early repayment charge;

(h) either regularly or as a lump sum, overpayments may be made on any portion of a Mortgage Loan (subject, in certain cases, to the requirement on the Borrower to pay an early repayment charge);

(i) interest on a Mortgage Loan, in respect of a large proportion of the Mortgage Loans in the Mortgage Portfolio, is accrued on a daily basis;

(j) the Legal Title Holder reserves the right to amend the Mortgage Conditions from time to time; and

(k) as to the type of product that each Mortgage Loans is, please refer to "*Overview of Mortgage Portfolio and Servicing*" – "*Features of Mortgage Loans*".

Interest payments and setting of interest rates

Interest on each Mortgage Loan accrues on the Current Balance of that Mortgage Loan from time to time. Interest is payable by the Borrower monthly in arrears. Interest on the Mortgage Loans in the Mortgage Portfolio is computed on a daily basis. Each Mortgage Loan in the Mortgage Portfolio accrues interest at any time at either a fixed or a tracker rate.

Fixed Rate Mortgage Loans provide that the Borrower pays interest on such Mortgage Loan at a fixed rate of interest for the period specified in the offer of advance. At the end of that period, such Mortgage Loans are subject to a tracker rate.

Zero Rate Mortgage Loans provide that the Borrower does not pay interest on such Mortgage Loan for the duration of such Mortgage Loan. 0.50 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Portfolio consists of Zero Rate Mortgage Loans.

Interest accrues on Mortgage Loans, other than the Fixed Rate Mortgage Loans and the Zero Rate Mortgage Loans, at a rate (subject, in certain cases, to the requirement on the Borrower to pay an early repayment charge) as set forth in the offer of advance.

Repayment terms of the Mortgage Loans

Borrowers typically make payments of interest and repay principal on their Mortgage Loans on a monthly basis so that, when the Mortgage Loan is scheduled to mature, the Borrower will have repaid the full amount of the principal of the Mortgage Loan ("**Repayment Mortgage Loans**").

Any request from the Borrower to permanently switch from a Repayment Mortgage Loan to an Interest Only Mortgage Loan or a Part and Part Mortgage Loan is subject to underwriting and affordability assessment. Temporary switches may be agreed as forbearance and still assessed for affordability within Collections but are not subject to an underwriter review. All Borrowers in respect of the Mortgage Loans in the Mortgage Portfolio may make monthly payments to the Legal Title Holder by direct debit, standing order or cheque.

Early repayment charges

If a Fixed Rate Mortgage Loan, a Discount Tracker Rate Mortgage Loan or a Tracker Rate Mortgage Loan is partially or fully redeemed during the early repayment charge period as set out in the applicable Mortgage Conditions, the relevant Borrower may be subject to an early repayment charge (subject to the below paragraph).

Flexible features

The Mortgage Loans are subject to a range of options that may be selected by Borrowers and that give such Borrowers greater flexibility in the timing and amount of payments made under the Mortgage Loans as well as access to additional advances under the Mortgage Loans. A Mortgage Loan that has one or more of these features is called a "**Flexible Mortgage Loan**". In addition to the Flexible Mortgage Loans described in this Prospectus, the Legal Title Holder may in the future assign Mortgage Loans to the Issuer that have different flexible features.

The following options currently are available to a Borrower under a Flexible Mortgage Loan:

(a) **Overpayments**. Where permitted by the Borrower's Mortgage Loan Agreement, the Borrower may make overpayments up to a certain amount at any time without incurring any early repayment charges. Any overpayments made by the Borrower increase the Borrower's overpayment balance, but do not affect the amount of the Borrower's Monthly Payments until the end of each period of either 1 October in one year until 30 September in the next year or each year from the anniversary of the origination of the mortgage (the "**Mortgage Financial Year**") or a change in the tracker mortgage rate applicable to that Borrower's Mortgage Loan, whereupon that Borrower's Monthly Payments are adjusted. Overpayments may be made regularly by direct debit or as a lump sum. The Borrower's overpayment balance is not a bank account and is therefore not a protected deposit covered by the Financial Services Compensation Scheme or any similar scheme, and no interest is paid on it.

In general, Borrowers are not allowed to borrow back any amounts overpaid on their Mortgage Loan. However, in exceptional circumstances (for example, where the Borrower falls into severe financial difficulties or makes a manifest error in the amount of their Monthly Payment), Borrowers may be allowed to borrow back their overpayment balance.

(b) **Underpayments**. Where permitted by the Borrower's Mortgage Loan Agreement, the Borrower may underpay their Monthly Payment (in whole or in part) if the following conditions are satisfied:

(i) the request to make an Underpayment is sent in advance of the Monthly Payment Date (at least 14 days before the monthly payment is due);

(ii) the Borrower is paying their Monthly Payments by direct debit;

(iii) the requested Underpayment arrangement is for no more than six consecutive months;

(iv) the Borrower's overpayment balance is equal to or greater than the total amount that the Borrower wishes to underpay; and

(v) the Borrower has not set up any other Underpayment arrangements in that Mortgage Financial Year.

If these conditions are not satisfied, then the Legal Title Holder is not required to allow an Underpayment; however the Mortgage Conditions provide that the Legal Title Holder may nevertheless allow Underpayments if the Borrower's overpayment balance is equal to or greater than the total amount that the Borrower wishes to underpay.

(c) **Product Switches**. From time to time Borrowers may request or the Legal Title Holder may offer, in limited circumstances, a variation in the Mortgage Conditions applicable to the Borrower's Mortgage Loan. Such a variation may constitute a Product Switch, which shall result in the repurchase of the Mortgage Loan by the Legal Title Holder provided such Mortgage Loan is less than two months in arrears on the first Business Day of the following month after the Product Switch occurred. See "*The Servicer and the Servicing Agreement – Product Switches* and the risk factor "*Risks relating to the availability of funds to pay the Notes – Mortgage Loans subject to Product Switches and Further Advances may be repurchased by the Legal Title Holder, which will affect the prepayment rate of the Mortgage Loans, and this may affect the yield to maturity of the Notes*".

(d) **Further Advances**. From time to time Borrowers may request and the Legal Title Holder may agree, in limited circumstances, to advance a further amount to the Borrower under the Borrower's Mortgage Loan. Such an advance will constitute a Further Advance, which shall result in the repurchase of the Mortgage Loan by the Legal Title Holder. See "*The Servicer and the Servicing Agreement – Further Advances* and the risk factor "*Risks relating to the availability of funds to pay the Notes – Mortgage Loans subject to Product Switches and Further Advances may be repurchased by the Legal Title Holder, which will affect the prepayment rate of the Mortgage Loans, and this may affect the yield to maturity of the Notes*".

Security in respect of the Mortgage Loans

Each Mortgage Loan is secured by a charge by way of a first ranking legal mortgage over a residential property in England, Wales or Northern Ireland, or a first ranking standard security over a residential property in Scotland except in so far as there is a prior ranking statutory charge where the Mortgage Loan is a Shared Ownership Mortgage Loan. Each Mortgage Loan secured over a property located in England or Wales is subject to English law, each Mortgage Loan secured over a property located in Northern Ireland is subject to Northern Irish law and each Mortgage Loan secured over a property located in Scotland is subject to Scots law.

A proportion of the Mortgage Loans in the Mortgage Portfolio are or will be secured over properties in Scotland. Under Scots law, the only means of creating a fixed charge or a fixed security interest over heritable property is the statutorily prescribed standard security. In relation to the Scottish Mortgage Loans, references in this Prospectus to a "**mortgage**" are to be read as references to such standard security and references to a "**mortgagee**" are to be read as references to the security holder (under Scots law, termed the "heritable creditor").

In practice, the Seller has advanced and intends to advance Mortgage Loans on a similar basis in England and Wales, Northern Ireland and Scotland. While there are certain differences in law and procedure in connection with the enforcement and realisation of Scottish Mortgages, the Seller does not consider that these differences make Scottish Mortgages significantly different or less effective than the English Mortgages or Northern Irish Mortgages.

Origination of the Mortgage Loans

The Seller currently derives its mortgage lending business from the following sources:

(a) mortgage intermediaries, all of which must be FCA-registered; and

(b) directly from Borrowers (via internal adviser located in the Seller's various bank branches, telephony and online applications through the Seller's website).

The mortgage intermediaries or, the Seller, as applicable, performs the evaluations of the Borrower and in each case the Seller performs an affordability assessment to determine whether a Mortgage Loan will be offered.

The Seller competes mainly in the prime residential UK mortgage market, generally targeting customers with a lower loan-to-value and those with whom it has an existing relationship through their current account holding. Recently the Seller has continued its focus on this section of the UK residential mortgage market, although the Seller continuously reviews its business strategy to reflect changes in the UK residential mortgage market and economic environment, and continues to review, among other things, its loan-to-value threshold both for new and further lending, its affordability rules and its credit score requirements. The Seller holds various authorisations and permissions under the FSMA including to arrange, enter into, administer and advise in respect of Regulated Mortgage Contracts and also to debt collect and administer.

Underwriting

The Seller uses an automated mortgage scoring system for all mortgage applications, so as to assist in deciding whether or not to offer a Mortgage Loan to a potential Borrower. All residential applications are processed through a software, which is utilised to make all initial credit decisions and includes information sourced from credit reference agencies. The decision engine contains all Barclays' credit lending strategies and is aligned to the Seller's credit risk policy. Lending decisions are based on data provided by the customer, data provided via a credit bureau, as well as additional third party information such as an independent valuation.

The Seller's internal "mandate" and "scale" principles of underwriting dictate that mandates to lend and originate Mortgage Loans are set: (i) to ensure that internally allocated stressed loss metrics for certain mortgage loan product types is not breached, (ii) to manage the required credit risk profile at the margin and for the overall distribution (iii) as defined by regulation, and (iv) to ensure the Seller does not have exposures or excessive exposure to segments or sectors that its stakeholders and shareholders would not expect. The flow and stock mandates change over time – they tighten and relax to reflect the then current prevailing business strategy and phase of the economic cycle.

The Seller tracks origination against such internal mandates each month. In addition, bi-weekly forecasting and tracking of mandates take place through a regular Seller pricing and mandate forum. The Seller takes pre-emptive actions where necessary in order to avoid any forecast or potential breach of any mandates. Such pre-emptive actions include, but are not limited to, amending pricing or product parameters to impact demand, or amending policy to manage flow to remain within the relevant mandate.

Mortgage applications are also assessed manually by the Seller's underwriters, which is particularly important for larger or more complex loans. The Seller has established various levels of authority for its manual underwriters who approve Mortgage Loan applications depending on each underwriter's grade and experience. This includes a specific high-value lending team, which reviews all individual residential applications >£700,000. The Seller's credit committee ensures that any such referral or appeal decisions are investigated by the manual underwriters who, in line with the Seller's credit policy guidelines, assess all aspects of the case before.

To mitigate credit risk, the Seller's mortgage credit strategy has a tiered approach to credit availability by reference to the relevant LTV. With an increase in LTV, the availability of interest only products, debt consolidation features

and the availability of additional borrowing products reduces, along with reduction in maximum loan to income ratio and loan size.

The Seller's "recession readiness framework" documents a series of triggers which, in benign phases of the macroeconomic cycle, are likely to indicate early signs of a forthcoming recession. Such triggers are set against a range of economic indicators, namely the Housing Price Index, the Consumer Price Index, Gross Domestic Product and unemployment. The recession readiness triggers and actions are set by the Seller's credit risk committee and communicated and agreed through the Seller's mortgage risk committee. A breach of these triggers carries required corresponding actions which do not require any approval by the Seller's mortgage risk committee. Such corresponding actions may include (but not exhaustively) reduction of maximum LTV limits for different product ranges, removal of certain products from the market and a review of score cut offs. These actions are typically taken as soon as practically possible following any trigger breach, subject to system implementation. There are also certain triggers which, if reached, result in the relevant corresponding actions no longer being required and therefore, being reversed where relevant. The Seller has utilised this framework where relevant, for example, when the Seller reduced high LTV lending in London at certain times when the London apartment market was weakening.

All residential applications are processed through Experian software, Power Curve Strategy Manager (**PCSM**) and it is utilised to make all initial credit decisions. PCSM contains all credit lending strategies and is aligned to the Seller's Credit Risk Policy. Credit Risk owns the lending strategies and must approve any changes made to them. Once processed through PCSM , an initial decision is returned. Where more than one rule is triggered, rules prioritise the initial decision returned. In order of priority, these are: (i) *override refer*, an example of which would be where a customer with a notice of correction at the credit bureau who would otherwise have been declined is accepted, (ii) *super decline* an example of which would be where a customer is declared bankrupt, (iii) *decline remodel allowed*, an example of which would be where a customer fails affordability but the Seller would be prepared to lend an amount lower than requested, (iv), *fraud referral*, (v) *referral*, (vi) *accept, documentation required* or (vii) *accept.*

The Seller continually reviews the way in which it conducts its mortgage origination business in order to ensure that it remains up to date and cost effective in a highly competitive market. The Seller may therefore change its origination processes from time to time. However, the Seller will retain exclusive control over the underwriting polices and Lending Criteria to be applied to the origination of each Mortgage Loan. The Seller's underwriting and processing of Mortgage Loans are independent of the process by which the Seller's Mortgage Loans are originated.

Lending Criteria

Other than in respect of each LTV Exception Mortgage Loan, each Mortgage Loan was originated according to the Lending Criteria applicable at the time the Mortgage Loan was offered. The Lending Criteria applied by the Seller between April 2013 and July 2024 is described in this section. However, the Seller retains the right to revise its Lending Criteria from time to time, **provided that** it acts in accordance with the standard of a Prudent Mortgage Lender.

Each Borrower is required to provide certain information to the Seller including information about the applicant's income, current employment details, bank account information, current mortgage information, if any, and present credit commitments (including any known future credit commitments) and certain other personal information. The Seller completes a credit reference agency search in all cases against each applicant for all addresses in the past three years, which gives details of public information including any county court judgments (or the Scottish equivalent) and details of any bankruptcy, and a credit score is returned for each applicant.

Some of the factors used in making a lending decision at the time of origination of the Mortgage Loans are as follows:

Income details

All applicants must have their income validated or verified (other than applicants for Zero Rate Mortgage Loans). Proof of income is obtained (e.g. pay slips, form P60, bank statements etc. or a mixture of signed trading accounts, HMRC tax statements and HMRC tax year overviews for self-employed applicants, as appropriate) for all mortgage applicants. Once an application has been submitted, an attempt will be made to validate income electronically using Barclays internal current account transactional data and/or bureau-based credit turnover data or manually by an underwriter through review of supporting documentation in the event that the automated attempt is unsuccessful or outside Barclays' tolerance and strategy.

Valuation

For re-mortgage transactions with an indexed loan-to-value ratio greater than 80 per cent., and for all purchase transactions that do not have a satisfactory automated valuation model result, a valuation of the property is required from the Seller's approved valuation suppliers. Details of professional indemnity insurance held by the Seller's approved valuation suppliers are retained. The person underwriting/processing the mortgage application reviews the valuation report to ensure that the property will be suitable security for the proposed Mortgage Loan. For re-mortgage transactions with a Current LTV up to and including 80 per cent., and for all purchase transactions, an automated valuation model may be used, subject to the property value being between £100,000 and £1,000,000 (£2,000,000 if situated in the Greater London and South East Region), to provide a valuation figure against which any lending can be assessed. This applies where the result is within acceptable risk tolerance and confidence levels. Transactions that fall outside these guidelines will be subject to a physical valuation.

Following the initial valuation, every account will be subject to an index valuation update quarterly. If a contract variation is made then the loan may be subject to an automated valuation at the time. The indexed valuation will be reported as the Current LTV.

A revaluation of the property generally does not occur after origination and there has been no revaluation of any property for the purpose of the issue of the Notes and any property valuations in this Prospectus are as at the date of the origination of the relevant Mortgage Loan, except for properties where loans may have been subject to post-contract variation requiring re-valuation.

Mortgaged Property types

The criteria set out below are applied in determining the eligibility of properties to serve as security for Mortgage Loans. Under these criteria, eligible property types include freehold, heritable, leasehold, long leasehold, (if applicable) commonhold and (if applicable) fee farm grant properties. In the case of leasehold properties, the unexpired term of the lease must generally be for at least 25 years after the end of the agreed mortgage term. In the case of "mixed use properties", where part of the property is used for business purposes, such as a doctor's surgery, at least 40 per cent. of the property must be for residential purposes. Mortgages for mixed use properties are limited to 80 per cent. Original LTV maximum (although this may be restricted further by the underwriter).

Mortgage Loan amount

The minimum advance to a Borrower in respect of a Mortgage Loan is £5,000. The Seller's maximum LTV for its standard products is based on the lower of purchase price or valuation. There is an overall maximum allowable LTV of 95%, (with exception of special scheme Family Springboard Mortgage Loans which is permitted at 100%) however this limit is currently reduced for particular purchase types, loan size and/or concentration risk.

Term

For Repayment Mortgage Loans, each Mortgage Loan must have an initial term ranging between a minimum of five and a maximum of 40 years.

Age of applicant

All Borrowers must be 18 years old or over. Usually the maximum age at the end of the mortgage term should be 80, or the borrower's retirement age (whichever is sooner). Where the term of the Mortgage Loan extends into retirement, the applicant has to demonstrate at the application stage that they will be able to afford the mortgage payments for the full term of the Mortgage Loan via referral to an underwriter.

Status of applicant(s) and affordability assessment

The maximum loan amount is determined by a number of factors, including the applicant's income and the Original LTV of the Mortgaged Property.

In determining income, basic salary along with performance or profit-related pay, allowances, mortgage subsidies, pensions, annuities, overtime, bonuses and commission may be included. Positive proof of the applicant's identity and address is obtained in all cases.

The lending criteria provides that the principal amount advanced must not exceed (i) 5.5 times the income of the Borrower (where the income of the Borrower is at least £75,000 (or a combined income of at least £100,000) and the Original LTV is less than or equal to 85 per cent.); (ii) 5 times the income of the Borrower (where either (A) the combined income of the Borrower(s) is at least £60,000 and the Original LTV is less than or equal to 85 per cent. or (B) the income of the Borrower is at least £75,000 (or a combined income of at least £100,000) and the Original LTV is less than or equal to 80 per cent.); (iii) 4 times the income of the Borrower (where the income of the Borrower is at least £50,000 and the Original LTV is less than 90 per cent.) or (iv) 4 times the income of the Borrower (where the debt to income ratio is at least 20 per cent.).

The assessment of affordability is a key requirement of the credit assessment process and in ensuring responsibility when lending. In most circumstances, an assessment must be undertaken as part of a new mortgage request or an additional borrowing case, and recorded in the customer's credit record. Barclays' current affordability assessment takes the validated monthly net customer income and substracts tax and national insurance deductions and subtracts the value of the mortgage repayment calculated on a stressed interest rate basis, as well as any other credit commitments (including any known future commitments) and disclosed regular commitments. If the figure remaining is higher than the required disposable income for the Borrower, then the application passes the affordability assessment. The required disposable income covers basic essential and basic quality of living expenditure, and these are calculated using a model based on data taken from the Office of National Statistics (ONS) relating to these costs. The affordability model is reviewed on at least an annual basis or where consumer price index inflation rises beyond a pre-agreed trigger point. The stressed repayment used in the affordability assessment is reviewed monthly and linked to market expectations of base rate movements over the next five years as reflected in Bank of England reported overnight interest swap rates.

Credit history

A full credit reference search is carried out in respect of all applicants. Applications may be declined where an adverse credit history (for example, a county court judgment, default or bankruptcy notice, or the Scottish equivalent) is revealed.

Geography

Mortgage loans will not be offered on properties situated in any area not subject to the jurisdiction of the law of England and Wales, Northern Ireland or Scotland. Accordingly, no mortgages will be originated in respect of properties located in the Isle of Man or the Channel Islands.

Seller's discretion to lend outside its Lending Criteria

On a case-by-case basis, and within approved limits as detailed in the Lending Criteria, the Seller may have determined that, based upon compensating factors, a prospective Borrower that did not strictly qualify under its Lending Criteria at that time warranted an underwriting exception. The Seller may take into account compensating

factors including, but not limited to, a low Original LTV, stable employment and time in residence at the applicant's current residence. Mortgage Loans that are the subject of an underwriting exception may be included in the Mortgage Portfolio, subject to the same requirements as other mortgage loans including, for example, satisfaction of the Eligibility Criteria.

Specifically, in relation to Zero Rate Mortgage Loans, certain checks (see "*Income details*" above) are not undertaken.

Insurance Contracts

Borrowers are required to arrange for insurance on their Mortgaged Property for an amount equal to the full rebuilding cost of the Mortgaged Property. The Seller does not arrange insurance for Borrowers, nor does it have the benefit of any mortgage indemnity guarantee on its mortgage loan portfolio. Borrowers (or, in the case of leasehold property, the relevant Borrower's landlord) must therefore arrange for insurance independently. It is possible that a Borrower will fail to arrange insurance, and therefore that the Seller and the Issuer may not have the benefit of such insurance. In such instance, the customer will be made aware that they are in breach of their terms and conditions and strongly recommended to take it out.

Other characteristics

All Mortgage Loans in the Mortgage Portfolio: (a) have been underwritten by the 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 Mortgage Loans, Interest Only Mortgage Loans and Part and Part Mortgage Loans and Zero Rate Mortgage Loans 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, collection and administration of cash receivables generated from the Mortgage Loans; and (d) are residential loans with full recourse to Borrowers secured with one or several mortgages on residential immovable property in England, Wales, Northern Ireland and Scotland.

The Mortgage Loans, as at the Closing Date, do not include any transferable securities, any securitisation positions or any derivatives, in each case on the basis that the Mortgage Loans have been entered into substantially on the terms of similar standard documentation for residential mortgage loans.

The Mortgage Loans do not include: (a) any mortgage loans that, at the time of origination, were marketed and underwritten on the premise that the mortgage loan applicant or, where applicable, intermediaries were made aware that the information provided by the mortgage loan applicant might not be verified by the Seller; or (b) at the time of selection for inclusion in the Mortgage Portfolio, any exposures in default within the meaning of Article 178(1) of Regulation (EU) No. 575/2013.

Zero Rate Mortgage Loans

A small percentage of the loans in the Mortgage Portfolio are Zero Rate Mortgage Loans. No affordability or age requirements were considered by the Seller when providing the loans. These loans were made available to Borrowers in substantial hardship that required them to move properties as part of a hardship scheme historically undertaken by the Seller. General underwriting criteria with respect to income details, maximum term and loan amount would have been applied at origination of such Mortgage Loans;

They have the following key characteristics:

(a) **Eligibility criteria**: these loans were not made available to the Seller's customers generally but were instead offered to customers on a specific product prior to the advance of the Zero Rate Mortgage Loan.

(b) **Original LTV**: the maximum loan amount was capped at 50 per cent. of the property's value.

(c) **Interest Accrual**: no interest accrues during the term of the Mortgage Loan.

(d) **Repayment Conditions:** repayment of the loan is due in full upon the death of the Borrower(s), the sale of the property, or the permanent departure of the Borrower(s) from the property. However, provisions exist for deferral of repayment in cases where it would cause substantial hardship to a remaining occupant.

Family Springboard Mortgage Loans

A small percentage of the loans in the Mortgage Portfolio are Family Springboard Mortgage Loans. These loans involve a family member providing a 10 per cent. retainer held on account with the Seller as security for the Borrower's obligations for a term of five years. The assistance funds are released after five years if the account has remained up-to-date. These loans were designed to help Borrowers who may not have sufficient initial capital but have family support to secure their mortgage.

They have the following key characteristics:

(a) **Eligibility Criteria**: these loans were not made available to the Seller's customers generally but were instead offered to customers who had family members willing to provide a 10 per cent. retainer as security.

(b) **Original LTV**: the maximum loan amount can be up to 100 per cent. of the property's purchase price.

(c) **Interest**: only five-year fixed rates are available for these loans.

(d) **Term**: the maximum term for these loans is 35 years. Historically, this was a maximum 25-year term with three-year fixed rates and stressed at a lower rate for affordability due to the lower follow-on rate benefit.

(e) **Repayment Conditions**: the retainer provided by the family member is held for five years and is released if the account remains up-to-date during this period.

CHARACTERISTICS OF THE PROVISIONAL PORTFOLIO

The statistical and other information contained in this Prospectus has been compiled by reference to the Mortgage Loans that could be selected to form the Mortgage Portfolio at 31 July 2024 (the "**Portfolio Reference Date**"). Columns may not add up to the total due to rounding. A Mortgage Loan will be removed from the Mortgage Portfolio if in the period from (and including) the Portfolio Reference Date up to (but excluding) the Closing Date such Mortgage Loan is repaid in full or if such Mortgage Loan does not comply with the terms of the Mortgage Sale Agreement on the Closing Date. Where a Mortgage Loan, in the period from (and including) the Portfolio Reference Date up to (but excluding) the Closing Date is subject to a Product Switch, such Mortgage Loan will not be removed Mortgage Portfolio. Except as otherwise indicated, these tables have been prepared using the Current Balance as at the Portfolio Reference Date, which includes all principal and accrued interest for the Mortgage Loans in the Provisional Portfolio.

The Provisional Portfolio has been selected by the Seller to specifically include Mortgage Loans (i) categorised as Stage 2 and 3 under the IFRS 9 credit risk classification criteria applied by the Seller; (ii) where the Borrower(s) has one or more county court judgements (or the Scottish equivalent) issued following origination; (iii) with a Current LTV of greater than or equal to 85 per. cent; and (iv) which are either Zero Rate Mortgage Loans, Help to Buy Mortgage Loans, Shared Ownership Mortgage Loans, Right to Buy Mortgage Loans and Family Springboard Mortgage Loans, in each case as at the Portfolio Reference Date.

Table 1 - Summary Characteristics

Portfolio Reference Date	31/07/2024
Principal Balance at origination	£1,002,473,802
Current Balance	£921,349,823
Number of Mortgage Loans	6,215
Number of accounts	5,660
Weighted Average Original LTV (Property Level)	82.43%
Weighted Average Current LTV (Property Level)	76.47%
Weighted Average Indexed Current LTV (Property Level)	69.69%
Average Current Balance (Property Level)	£162,782.65
Min Current Balance (Property Level)	£2,377.93
Largest Loan Current Balance (Property Level)	£4,915,576.14
Weighted Average Interest Rate (Loan Level)	4.42%
Weighted Average Seasoning (Months) (Loan Level)	40.50
Weighted Average Term To Maturity of Loans not past maturity (Years) (Loan Level)	25.38
Self-employed (Loan Level)	16.87%
First Time Buyer (Loan Level)	58.78%
Performing Loans (% of Current Balance - Loan Level)	64.84%
Loans in Arrears >= 1 month (% of Current Balance - Loan Level)	35.16%
Loans in Arrears >= 3 month (% of Current Balance - Loan Level)	15.23%
(Greater) London (% of Current Balance - Property Level)	24.33%
Owner-occupied (% of Current Balance - Property Level)	98.71%

Table 1 - Summary Characteristics

Interest-only (% of Current Balance, Sub Account level) - incl. P&P	7.12%
CCJs (Primary Borrower) - (Property Level)	1.97%
CCJs (Secondary Borrower) - (Property Level)	0.88%

Table 2 - Distribution of Loans by Loan to Value Ratio (Original LTV) - Property Level

Original Loan to Value %	No. of Loans	% of Loans	Current Balance	% of Current Balance
0% < x <= 50%	341	5.49%	39,786,836	4.32%
50% < x <= 60%	162	2.61%	20,776,721	2.26%
60% < x <= 70%	271	4.36%	48,441,180	5.26%
70% < x <= 75%	318	5.12%	59,995,642	6.51%
75% < x <= 80%	525	8.45%	79,826,636	8.66%
80% < x <= 85%	1,117	17.97%	161,314,899	17.51%
85% < x <= 90%	2,238	36.01%	327,205,294	35.51%
90% < x <= 95%	1,084	17.44%	160,810,928	17.45%
95% < x <= 100%	155	2.49%	22,803,770	2.48%
100% < x <= 110%	1	0.02%	22,375	0.00%
110% > x	3	0.05%	365,543	0.04%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	8.17%			
Maximum	144.23%			
Weighted Average	82.43%			

Table 3a - Distribution of Loans by Loan to Value Ratio (Current LTV) - Property Level

Current Loan to Value %	No. Of Loans	% of Loans	Current Balance	% of Current Balance
0% < x <= 30%	433	6.97%	29,759,311	3.23%
30% < x <= 40%	244	3.93%	23,764,891	2.58%
40% < x <= 50%	295	4.75%	40,032,861	4.35%
50% < x <= 60%	270	4.34%	44,173,217	4.79%
60% < x <= 65%	150	2.41%	27,010,799	2.93%
65% < x <= 70%	230	3.70%	39,670,394	4.31%
70% < x <= 75%	440	7.08%	76,806,058	8.34%
75% < x <= 80%	591	9.51%	99,427,063	10.79%
80% < x <= 85%	1,294	20.82%	210,400,400	22.84%
85% < x <= 90%	1,725	27.76%	265,817,229	28.85%
90% > x	543	8.74%	64,487,602	7.00%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	0.50%			
Maximum	160.98%			
Weighted Average	76.47%			

Table 3b - Distribution of Loans by Loan to Value Ratio (Indexed Current LTV) - Property Level

Indexed Current Loan to Value %	No. Of Loans	% of Loans	Current Balance	% of Current Balance
0% < x <= 30%	640	10.30%	49,279,802	5.35%
30% < x <= 40%	420	6.76%	49,462,482	5.37%
40% < x <= 50%	337	5.42%	52,369,858	5.68%
50% < x <= 60%	359	5.78%	66,164,609	7.18%
60% < x <= 65%	287	4.62%	40,002,862	4.34%
65% < x <= 70%	506	8.14%	78,196,077	8.49%
70% < x <= 75%	682	10.97%	103,116,563	11.19%
75% < x <= 80%	880	14.16%	134,531,587	14.60%
80% < x <= 85%	1,044	16.80%	176,502,131	19.16%
85% < x <= 90%	921	14.82%	146,472,226	15.90%
90% > x	139	2.24%	25,251,625	2.74%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	0.29%			
Maximum	116.73%			
Weighted Average	69.69%			

Table 4 - Distribution of Loans by Principal Balance at origination (Property Level)

Principal Balance at origination	**No. Of Loans**	**% of Loans**	**Current Balance**	**% of Current Balance**
0k < x <= 50k	577	9.28%	8,123,924	0.88%
50k < x <= 100k	1,761	28.33%	111,144,072	12.06%
100k < x <= 150k	1,496	24.07%	165,766,678	17.99%
150k < x <= 200k	807	12.98%	130,209,676	14.13%
200k < x <= 250k	562	9.04%	112,550,715	12.22%
250k < x <= 300k	381	6.13%	96,218,173	10.44%
300k < x <= 350k	204	3.28%	63,831,846	6.93%
350k < x <= 400k	143	2.30%	49,358,660	5.36%
400k < x <= 450k	97	1.56%	43,313,608	4.70%
450k < x <= 500k	57	0.92%	26,788,367	2.91%
500k > x	130	2.09%	114,044,104	12.38%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	£15,000			
Maximum	£4,837,500			
Weighted Average	£342,610			

Table 5a - Distribution of Loans by Current Balance (Loan Level)

Current Balance	No. Of Loans	% of Loans	Current Balance	% of Current Balance
0k < x <= 50k	762	12.26%	23,273,842	2.53%
50k < x <= 100k	1,846	29.70%	138,986,748	15.09%
100k < x <= 150k	1,484	23.88%	182,709,794	19.83%
150k < x <= 200k	766	12.33%	132,927,806	14.43%
200k < x <= 250k	515	8.29%	114,892,508	12.47%
250k < x <= 300k	322	5.18%	87,659,853	9.51%
300k < x <= 350k	186	2.99%	60,016,865	6.51%
350k < x <= 400k	122	1.96%	45,519,194	4.94%
400k < x <= 450k	76	1.22%	32,124,906	3.49%
450k < x <= 500k	35	0.56%	16,465,302	1.79%
500k > x	101	1.63%	86,773,004	9.42%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	£101			
Maximum	£4,915,576			
Weighted Average	£304,924			

Table 5b - Distribution of Loans by Current Balance (Property Level)

Current Balance	No. Of Loans	% of Loans	Current Balance	% of Current Balance
0k < x <= 50k	762	12.26%	13,784,742	1.50%
50k < x <= 100k	1,846	29.70%	127,073,409	13.79%
100k < x <= 150k	1,484	23.88%	178,812,162	19.41%
150k < x <= 200k	766	12.33%	131,968,525	14.32%
200k < x <= 250k	515	8.29%	113,178,540	12.28%
250k < x <= 300k	322	5.18%	89,652,445	9.73%
300k < x <= 350k	186	2.99%	64,219,318	6.97%
350k < x <= 400k	122	1.96%	46,248,218	5.02%
400k < x <= 450k	76	1.22%	38,856,227	4.22%
450k < x <= 500k	35	0.56%	19,343,504	2.10%
500k > x	101	1.63%	98,212,733	10.66%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	£2,378			
Maximum	£4,915,576			
Weighted Average	£321,533			

Table 6 - Distribution of Loans by Remaining time to Maturity (Loan Level)

Remaining Time to Maturity (years)	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Term Expired Loans	3	0.05%	1,557,235	0.17%
0 < x <= 15	886	14.26%	98,170,697	10.66%
15 < x <= 20	811	13.05%	123,676,976	13.42%
20 < x <= 25	1,315	21.16%	196,343,467	21.31%
25 < x <= 30	1,325	21.32%	206,471,075	22.41%
30 < x <= 35	1,454	23.40%	228,244,930	24.77%
35 < x <= 40	379	6.10%	61,602,127	6.69%
40 > x	42	0.68%	5,283,317	0.57%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	0.00			
Maximum	48.79			
Weighted Average	25.38			

Table 7 - Distribution of Loans by Seasoning (Loan Level)

Seasoning (Months)	No. Of Loans	% of Loans	Current Balance	% of Current Balance
0 < x <= 6	356	5.73%	49,720,213	5.40%
6 < x <= 12	592	9.53%	71,804,371	7.79%
12 < x <= 18	388	6.24%	58,859,918	6.39%
18 < x <= 24	1,007	16.20%	157,286,121	17.07%
24 < x <= 30	800	12.87%	120,943,925	13.13%
30 < x <= 36	718	11.55%	109,532,097	11.89%
36 < x <= 42	502	8.08%	78,316,929	8.50%
42 < x <= 48	262	4.22%	38,229,221	4.15%
48 < x <= 54	202	3.25%	28,558,562	3.10%
54 < x <= 60	163	2.62%	19,683,464	2.14%
60 < x <= 66	149	2.40%	21,795,425	2.37%
66 < x <= 72	100	1.61%	14,435,165	1.57%
72 < x <= 78	75	1.21%	10,113,726	1.10%
78 < x <= 84	97	1.56%	19,999,371	2.17%
84 < x <= 90	67	1.08%	16,937,362	1.84%
90 < x <= 96	74	1.19%	13,317,083	1.45%
96 < x <= 102	86	1.38%	17,050,136	1.85%
102 < x <= 108	82	1.32%	11,793,673	1.28%
108 < x <= 114	114	1.83%	16,493,015	1.79%
114 < x <= 120	133	2.14%	15,699,684	1.70%
120 > x	248	3.99%	30,780,364	3.34%

Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	0.40			
Maximum	135.90			
Weighted Average	40.50			

Table 8 - Distribution of Loans by Rate Type (Loan Level)

Rate Type	**No. Of Loans**	**% of Loans**	**Current Balance**	**% of Current Balance**
Tracker Rate Mortgage Loans	547	8.80%	71,842,008	7.80%
Discount Tracker Rate Mortgage Loans	360	5.79%	79,549,937	8.63%
Fixed for life/ Zero Rate Mortgage Loans	52	0.84%	6,412,418	0.70%
Fixed with switch to floating/Fixed Rate Mortgage Loans	5,256	84.57%	763,545,460	82.87%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 9 - Distribution of Loans by Interest Rate Reversion Year (Loan Level)

Interest Rate Reversion Year	**No. Of Loans**	**% of Loans**	**Current Balance**	**% of Current Balance**
N/A	599	9.64%	78,254,426	8.49%
2024	645	10.38%	98,009,046	10.64%
2025	1,332	21.43%	201,947,140	21.92%
2026	1,482	23.85%	233,387,348	25.33%
2027	1,059	17.04%	167,503,732	18.18%
2028	495	7.96%	66,233,441	7.19%
2029	467	7.51%	59,234,376	6.43%
2030	41	0.66%	5,018,263	0.54%
2031	15	0.24%	3,200,309	0.35%
2032	31	0.50%	3,715,222	0.40%
2033	30	0.48%	2,992,220	0.32%
2034	19	0.31%	1,854,300	0.20%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	2024			
Maximum	2034			

Table 10 - Distribution of Loans by Interest Rate (Loan Level)

Interest Rate	No. Of Loans	% of Loans	Current Balance	% of Current Balance
0% = x	52	0.84%	6,412,418	0.70%
0.0% < x <= 2.0%	424	6.82%	66,809,656	7.25%
2.0% < x <= 2.5%	577	9.28%	85,757,112	9.31%
2.5% < x <= 3.0%	543	8.74%	79,344,168	8.61%
3.0% < x <= 3.5%	522	8.40%	83,205,954	9.03%
3.5% < x <= 4.0%	663	10.67%	101,010,117	10.96%
4.0% < x <= 4.5%	299	4.81%	47,471,884	5.15%
4.5% < x <= 5.0%	631	10.15%	88,485,310	9.60%
5.0% < x <= 5.5%	619	9.96%	89,007,357	9.66%
5.5% < x <= 6.0%	924	14.87%	143,679,515	15.59%
6.0% > x	961	15.46%	130,166,332	14.13%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	0.00%			
Maximum	9.24%			
Weighted Average	4.42%			

Table 11 - Distribution of Loans by Arrears (Loan Level)

Arrears (Months)	No. Of Loans	% of Loans	Current Balance	% of Current Balance
0 <= x < 1	4,319	69.49%	597,417,076	64.84%
1 <= x < 3	1,104	17.76%	183,612,512	19.93%
3 <= x < 6	249	4.01%	40,578,706	4.40%
6 <= x < 12	242	3.89%	41,241,132	4.48%
x >= 12	301	4.84%	58,500,397	6.35%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**
Minimum	0.00			
Maximum	160.08			
Weighted Average	2.35			

Table 12 - Distribution of Loans by Repayment Type (Loan Level)

Repayment Method	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Interest Only Mortgage Loan	180	2.90%	43,022,056	4.67%
Repayment Mortgage Loan	6,001	96.56%	855,732,510	92.88%
Part and Part Mortgage Loan	34	0.55%	22,595,258	2.45%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 13 - Distribution of Loans by Loan Purpose (Loan Level)

Loan Purpose	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Purchase	5,075	81.66%	770,619,594	83.64%
Re-mortgage	758	12.20%	131,483,544	14.27%
Renovation	319	5.13%	13,892,624	1.51%
Other	6	0.10%	151,433	0.02%
Re-mortgage with Equity Release	57	0.92%	5,202,629	0.56%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 14 - Distribution of Loans by Property Type (Property Level)

Property Type	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Residential (House, detached or semi-detached)	2,481	39.92%	425,418,212	46.17%
Residential (Flat/Apartment)	1,704	27.42%	225,098,883	24.43%
Residential (Bungalow)	142	2.28%	18,514,863	2.01%
Residential (Terraced House)	1,888	30.38%	252,317,866	27.39%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 15a - Distribution of Loans by Original Valuation Type (Property Level)

Original Valuation Type	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Full, internal and external inspection	5,246	84.41%	775,868,759	84.21%
AVM	969	15.59%	145,481,064	15.79%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 15b - Distribution of Loans by Current Valuation Type (Property Level)

Current Valuation Type	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Indexed	6,215	100.00%	921,349,823	100.00%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 16 - Distribution of Loans by First Time Buyer (Loan Level)

First Time Buyer	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Yes	3,784	60.88%	541,561,905	58.78%
No	2,431	39.12%	379,787,918	41.22%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 17 - Distribution of Loans by Primary Employment Type (Property Level)

Primary Employment Type	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Employed or full loan is guaranteed	5,407	87.00%	753,438,591	81.78%
Unemployed	23	0.37%	5,905,426	0.64%
Self-employed	721	11.60%	155,434,627	16.87%
Student	1	0.02%	165,254	0.02%
Pensioner	62	1.00%	6,182,007	0.67%
Other	1	0.02%	223,918	0.02%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 18 - Distribution of Loans by Region (Property Level)

Region	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Yorks & Humberside	583	9.38%	63,706,925	6.91%
North West	780	12.55%	85,706,610	9.30%
Greater London	878	14.13%	224,162,502	24.33%
Wales	327	5.26%	37,640,979	4.09%
South East	836	13.45%	163,619,483	17.76%
West Midlands	331	5.33%	42,971,687	4.66%
North	346	5.57%	33,076,899	3.59%
East Anglia	520	8.37%	91,639,134	9.95%
Scotland	881	14.18%	88,953,596	9.65%
East Midlands	258	4.15%	32,487,774	3.53%
South West	263	4.23%	36,818,766	4.00%
Northern Ireland	212	3.41%	20,565,468	2.23%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 19 - Restructuring (Loan Level)

Restructuring Arrangement	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Yes	332	5.34%	61,557,568	6.68%
No	5,883	94.66%	859,792,256	93.32%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

Table 20 - Granular Product Type (Loan Level)

Granular Product Type	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Standard Owner Occupied	5081	81.75%	792,568,494	86.02%
Help to Buy Mortgage Loan	216	3.48%	36,023,468	3.91%
Family Springboard Mortgage Loan	149	2.40%	23,238,361	2.52%
Shared Ownership Mortgage Loan	533	8.58%	46,158,861	5.01%
Zero Rate Mortgage Loans	35	0.56%	4,603,692	0.50%
Right to Buy Loan	85	1.37%	5,964,750	0.65%
Family Sale	60	0.97%	5,794,603	0.63%
Shared Equity	22	0.35%	3,302,167	0.36%

Table 20 - Granular Product Type (Loan Level)

Granular Product Type	No. Of Loans	% of Loans	Current Balance	% of Current Balance
Local Schemes	30	0.48%	3,257,742	0.35%
Builder scheme	4	0.06%	437,685	0.05%
Total	**6,215**	**100.00%**	**921,349,823**	**100.00%**

HISTORICAL PERFORMANCE

Unless otherwise indicated, the following tables summarise the historical repossessions, losses and arears experienced for the Mortgage Loans in the Mortgage Portfolio originated by the Seller or Barclays Bank PLC with the characteristics mentioned above with each of the following tables containing data from January 2018 to March 2024.

Certain of the following tables also show historical performance characteristics relevant to a pool of Mortgage Loans originated by the Seller or Barclays Bank PLC with each such table containing data from May 2019 to April 2024 (the "**Full Book**"). This pool was selected to include all owner-occupied mortgage loans and buy-to-let mortgage loans regardless of when they were originated.

Static repossessions – Full Book

The following tables show the cumulative amounts of all the Mortgage Loans that have had securities repossessed and sold (by Current Balance).

		Sale quarter						
Origination Year	**Origination amount (£)**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024***
2018	£19,635,159,048	0.0000%	0.0008%	0.0008%	0.0015%	0.0015%	0.0020%	0.0027%
2019	£22,545,113,094		0.0000%	0.0000%	0.0000%	0.0000%	0.0008%	0.0008%
2020	£19,862,396,274			0.0000%	0.0000%	0.0000%	0.0005%	0.0005%
2021	£31,349,812,881				0.0000%	0.0000%	0.0000%	0.0000%
2022	£27,343,500,900					0.0000%	0.0000%	0.0000%
2023	£20,601,087,042						0.0000%	0.0000%
2024*	£4,021,356,658							0.0000%

*2024 data spans the period from January to March 2024

Static losses – Full Book

The following tables show the cumulative amounts of all the mortgage loans that have made a principal loss after repossession (by Current Balance).

		Sale quarter						
Origination Year	**Origination amount (£)**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024***
2018	£19,635,159,048	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2019	£22,545,113,094		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2020	£19,862,396,274			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2021	£31,349,812,881				0.0000%	0.0000%	0.0000%	0.0000%
2022	£27,343,500,900					0.0000%	0.0000%	0.0000%
2023	£20,601,087,042						0.0000%	0.0000%
2024*	£4,021,356,658							0.0000%

*2024 data spans the period from January to March 2024

Loss severity – Full Book

The following tables show the cumulative percentage of all such mortgage loans that have made a loss after repossession (by Current Balance), as a percentage of the mortgage loans that have ever entered into repossession (by Current Balance), as at the dates indicated below. Loss severity was calculated on an account level basis by comparing the total loss suffered on sale of the mortgaged property with the loan balance as at the time of sale.

Sale year	**Repossession amount (£)**	**Loss amount (£)**	**Loss severity**
2018	35,862,157.30	6,124,520.12	17.08%
2019	27,227,701.86	3,831,441.23	14.07%

Sale year	Repossession amount (£)	Loss amount (£)	Loss severity
2020	26,630,461.84	4,652,473.47	17.47%
2021	4,889,117.76	1,031,678.80	21.10%
2022	3,380,275.89	520,989.24	15.41%
2023	14,445,716.69	2,937,075.52	20.33%
2024*	5,988,029.99	484,111.29	8.08%

*2024 data spans the period from January to March 2024

CDR – Full Book

The table below sets out on a monthly basis the annualised constant default rate **(**"**CDR**"). CDR means in this context, the amount expressed as a periodical percentage of new repossessions in the period versus the beginning period Current Balance.

Date	Outstanding Balance	New Repossessions in Period	Annualised Monthly CDR
31/05/2019	70,509,770,712	2,320,721	0.04%
30/06/2019	71,302,879,391	1,618,235	0.03%
31/07/2019	72,412,782,748	2,557,504	0.04%
31/08/2019	73,582,321,383	2,001,571	0.03%
30/09/2019	74,687,659,276	571,267	0.01%
31/10/2019	75,678,969,986	2,857,665	0.05%
30/11/2019	76,145,175,043	2,495,887	0.04%
31/12/2019	77,278,033,708	1,285,174	0.02%
31/01/2020	78,215,418,819	2,789,826	0.04%
29/02/2020	78,901,996,863	2,355,810	0.04%
31/03/2020	79,796,795,145	2,882,414	0.04%
30/04/2020	80,085,320,099	996,884	0.01%
31/05/2020	80,170,327,135	1,465,490	0.02%
30/06/2020	80,691,451,215	1,945,987	0.03%
31/07/2020	81,182,577,276	4,390,391	0.06%
31/08/2020	81,634,955,221	4,173,806	0.06%
30/09/2020	82,620,098,075	990,925	0.01%
31/10/2020	83,572,154,606	2,445,243	0.04%
30/11/2020	84,416,241,307	1,572,177	0.02%
31/12/2020	85,543,749,655	621,508	0.01%
31/01/2021	86,564,212,934	222,187	0.00%
28/02/2021	87,829,769,540	35,640	0.00%
31/03/2021	90,258,844,363	129,356	0.00%
30/04/2021	91,144,316,906	1,905,228	0.03%
31/05/2021	91,959,402,227	724,276	0.01%
30/06/2021	94,682,359,703	0	0.00%
31/07/2021	95,179,810,655	42,762	0.00%
31/08/2021	96,035,736,685	244,045	0.00%
30/09/2021	97,937,969,524	328,483	0.00%
31/10/2021	98,694,024,954	313,034	0.00%
30/11/2021	99,201,499,213	508,521	0.01%
31/12/2021	100,200,077,633	435,586	0.01%
31/01/2022	100,773,883,137	235,219	0.00%
28/02/2022	101,074,354,374	94,221	0.00%
31/03/2022	102,374,407,718	168,408	0.00%
30/04/2022	102,970,774,593	562,837	0.01%
31/05/2022	103,273,261,468	685,049	0.01%
30/06/2022	104,061,187,915	0	0.00%
31/07/2022	105,012,891,419	458,004	0.01%
31/08/2022	105,542,287,301	0	0.00%
30/09/2022	106,653,010,495	55,379	0.00%
31/10/2022	107,472,844,577	217,282	0.00%
30/11/2022	107,788,494,419	678,465	0.01%
31/12/2022	108,989,723,524	225,411	0.00%
31/01/2023	110,159,876,243	1,549,127	0.02%
28/02/2023	110,621,463,331	669,378	0.01%
31/03/2023	111,618,980,118	1,112,171	0.01%
30/04/2023	111,947,704,353	494,401	0.01%
31/05/2023	112,227,079,508	785,871	0.01%

Date	Outstanding Balance	New Repossessions in Period	Annualised Monthly CDR
30/06/2023	112,548,000,739	2,133,415	0.02%
31/07/2023	112,953,359,118	611,897	0.01%
31/08/2023	113,163,060,618	851,007	0.01%
30/09/2023	112,893,031,171	1,647,134	0.02%
31/10/2023	113,116,326,644	1,685,880	0.02%
30/11/2023	113,041,754,897	1,400,225	0.01%
31/12/2023	112,521,763,633	1,505,209	0.02%
31/01/2024	112,864,944,416	2,543,923	0.03%
29/02/2024	112,850,769,607	2,230,927	0.02%
31/03/2024	112,673,953,950	1,213,180	0.01%
30/04/2024	112,878,928,651	0	0.00%

Certain of the following tables also show historical performance characteristics relevant to a pool of Mortgage Loans originated by the Seller or Barclays Bank PLC with each such table containing data from May 2019 to April 2024 (the "**Wider Book**"). This wider pool was selected to include all owner-occupied mortgage loans (excluding any further advances as well as any loans that form part of the Mortgage Portfolio) that have been originated by the Seller or Barclays Bank PLC since January 2013 and have been live since January 2019. Historical performance of the Wider Book is not indicative of the performance of the Provisional Portfolio and the Provisional Portfolio specifically includes mortgages that have characteristics that correspond with a greater likelihood of credit loss (please see "*Risk Factors – Risks relating to the Mortgage Loans – Provisional Portfolio*").

Dynamic arrears – Wider Book

The following tables show the percentage of all the mortgage loans in the Wider Book that were in arrears (by Current Balance), as a percentage of the aggregate loans outstanding as at the end of each year indicated below.

Wider Book

		Arrears Buckets through time				
Date	**Outstanding balance**	**<1.00 MIA**	**1.00 to <3.00 MIA**	**3.00 to <6.00 MIA**	**6.00+ MIA**	**TOTAL 1.00+ MIA**
31/05/2019	70,509,770,712	99.32%	0.54%	0.08%	0.06%	0.68%
30/06/2019	71,302,879,391	99.31%	0.54%	0.09%	0.07%	0.69%
31/07/2019	72,412,782,748	99.34%	0.51%	0.08%	0.07%	0.66%
31/08/2019	73,582,321,383	99.31%	0.55%	0.08%	0.07%	0.69%
30/09/2019	74,687,659,276	99.34%	0.51%	0.07%	0.07%	0.66%
31/10/2019	75,678,969,986	99.33%	0.52%	0.07%	0.07%	0.67%
30/11/2019	76,145,175,043	99.31%	0.54%	0.08%	0.06%	0.69%
31/12/2019	77,278,033,708	99.33%	0.53%	0.08%	0.07%	0.67%
31/01/2020	78,215,418,819	99.34%	0.53%	0.08%	0.06%	0.66%
29/02/2020	78,901,996,863	99.31%	0.54%	0.08%	0.06%	0.69%
31/03/2020	79,796,795,145	99.24%	0.62%	0.08%	0.06%	0.76%
30/04/2020	80,085,320,099	99.05%	0.80%	0.08%	0.07%	0.95%
31/05/2020	80,170,327,135	99.14%	0.70%	0.08%	0.07%	0.86%
30/06/2020	80,691,451,215	99.06%	0.78%	0.08%	0.08%	0.94%
31/07/2020	81,182,577,276	99.10%	0.75%	0.08%	0.08%	0.90%
31/08/2020	81,634,955,221	99.13%	0.71%	0.08%	0.08%	0.87%
30/09/2020	82,620,098,075	99.15%	0.68%	0.08%	0.08%	0.85%
31/10/2020	83,572,154,606	99.10%	0.74%	0.07%	0.09%	0.90%
30/11/2020	84,416,241,307	99.14%	0.69%	0.08%	0.09%	0.86%
31/12/2020	85,543,749,655	99.13%	0.69%	0.09%	0.09%	0.87%
31/01/2021	86,564,212,934	99.18%	0.63%	0.10%	0.09%	0.82%
28/02/2021	87,829,769,540	99.19%	0.63%	0.08%	0.09%	0.81%
31/03/2021	90,258,844,363	99.21%	0.62%	0.08%	0.09%	0.79%
30/04/2021	91,144,316,906	99.22%	0.61%	0.08%	0.09%	0.78%
31/05/2021	91,959,402,227	99.20%	0.63%	0.08%	0.10%	0.80%
30/06/2021	94,682,359,703	99.25%	0.59%	0.07%	0.09%	0.75%
31/07/2021	95,179,810,655	99.20%	0.63%	0.07%	0.10%	0.80%
31/08/2021	96,035,736,685	99.21%	0.61%	0.07%	0.10%	0.79%
30/09/2021	97,937,969,524	99.22%	0.62%	0.07%	0.10%	0.78%

Arrears Buckets through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA
31/10/2021	98,694,024,954	99.21%	0.62%	0.07%	0.10%	0.79%
30/11/2021	99,201,499,213	99.23%	0.60%	0.07%	0.09%	0.77%
31/12/2021	100,200,077,633	99.23%	0.61%	0.07%	0.09%	0.77%
31/01/2022	100,773,883,137	99.28%	0.55%	0.07%	0.10%	0.72%
28/02/2022	101,074,354,374	99.29%	0.55%	0.07%	0.10%	0.71%
31/03/2022	102,374,407,718	99.31%	0.53%	0.06%	0.10%	0.69%
30/04/2022	102,970,774,593	99.28%	0.57%	0.06%	0.10%	0.72%
31/05/2022	103,273,261,468	99.30%	0.54%	0.06%	0.10%	0.70%
30/06/2022	104,061,187,915	99.28%	0.56%	0.06%	0.10%	0.72%
31/07/2022	105,012,891,419	99.27%	0.58%	0.06%	0.09%	0.73%
31/08/2022	105,542,287,301	99.29%	0.58%	0.05%	0.09%	0.71%
30/09/2022	106,653,010,495	99.24%	0.63%	0.05%	0.09%	0.76%
31/10/2022	107,472,844,577	99.27%	0.60%	0.04%	0.08%	0.73%
30/11/2022	107,788,494,419	99.29%	0.58%	0.05%	0.08%	0.71%
31/12/2022	108,989,723,524	99.25%	0.63%	0.05%	0.08%	0.75%
31/01/2023	110,159,876,243	99.28%	0.60%	0.05%	0.08%	0.72%
28/02/2023	110,621,463,331	99.18%	0.70%	0.05%	0.08%	0.82%
31/03/2023	111,618,980,118	99.27%	0.61%	0.04%	0.08%	0.73%
30/04/2023	111,947,704,353	99.22%	0.66%	0.05%	0.08%	0.78%
31/05/2023	112,227,079,508	99.23%	0.64%	0.06%	0.07%	0.77%
30/06/2023	112,548,000,739	99.20%	0.67%	0.06%	0.08%	0.80%
31/07/2023	112,953,359,118	99.22%	0.65%	0.05%	0.08%	0.78%
31/08/2023	113,163,060,618	99.20%	0.66%	0.05%	0.08%	0.80%
30/09/2023	112,893,031,171	99.17%	0.69%	0.06%	0.09%	0.83%
31/10/2023	113,116,326,644	99.18%	0.67%	0.07%	0.09%	0.82%
30/11/2023	113,041,754,897	99.15%	0.69%	0.08%	0.09%	0.85%
31/12/2023	112,521,763,633	99.08%	0.75%	0.08%	0.09%	0.92%
31/01/2024	112,864,944,416	99.07%	0.75%	0.08%	0.10%	0.93%
29/02/2024	112,850,769,607	99.08%	0.75%	0.07%	0.10%	0.92%
31/03/2024	112,673,953,950	99.03%	0.79%	0.07%	0.10%	0.97%
30/04/2024	112,878,928,651	99.03%	0.79%	0.08%	0.10%	0.97%

Historical pay rates - Wider Book

The following tables show the pay rates of the Mortgage Loans within the Wider Book between May 2019 and April 2024.

The pay rates below were calculated as follows:

(i) total paid in the current month by all loans in the arrears bucket at the end of the prior month, which were live (i.e. did not redeem) in the current month; divided by:

(ii) total due in the current month by all loans in the arrears bucket at the end of the prior month, which were live (i.e. did not redeem) in the current month

Wider Book

Payrate by Arrears Bucket through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA	OVERALL
31/05/2019	70,509,770,712	118.91%	105.09%	79.10%	137.40%	105.08%	118.81%
30/06/2019	71,302,879,391	114.22%	106.21%	97.43%	45.98%	98.16%	114.09%
31/07/2019	72,412,782,748	116.43%	117.94%	114.52%	84.55%	113.37%	116.41%
31/08/2019	73,582,321,383	111.37%	114.62%	90.06%	42.68%	103.16%	111.31%
30/09/2019	74,687,659,276	113.89%	113.54%	96.74%	76.59%	107.39%	113.84%
31/10/2019	75,678,969,986	119.12%	114.57%	105.29%	73.20%	108.89%	119.05%
30/11/2019	76,145,175,043	114.14%	101.46%	70.46%	102.09%	97.66%	114.02%
31/12/2019	77,278,033,708	112.37%	110.20%	85.53%	50.93%	100.97%	112.29%

Payrate by Arrears Bucket through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA	OVERALL
31/01/2020	78,215,418,819	115.42%	105.23%	122.59%	87.44%	105.63%	115.35%
29/02/2020	78,901,996,863	112.90%	101.59%	89.21%	69.74%	96.85%	112.78%
31/03/2020	79,796,795,145	115.71%	90.92%	85.37%	66.06%	88.05%	115.47%
30/04/2020	80,085,320,099	107.59%	69.71%	69.33%	22.63%	65.86%	107.17%
31/05/2020	80,170,327,135	98.69%	76.32%	94.46%	38.27%	74.55%	98.47%
30/06/2020	80,691,451,215	99.20%	61.28%	80.80%	27.58%	59.91%	98.82%
31/07/2020	81,182,577,276	102.84%	72.71%	88.55%	28.26%	69.60%	102.53%
31/08/2020	81,634,955,221	109.60%	89.09%	56.59%	23.19%	78.75%	109.33%
30/09/2020	82,620,098,075	107.73%	107.58%	85.75%	45.11%	98.30%	107.65%
31/10/2020	83,572,154,606	116.83%	92.23%	222.02%	29.66%	96.11%	116.64%
30/11/2020	84,416,241,307	117.75%	110.85%	61.88%	26.31%	96.06%	117.56%
31/12/2020	85,543,749,655	115.10%	108.73%	60.37%	28.79%	93.68%	114.91%
31/01/2021	86,564,212,934	117.60%	136.23%	57.41%	62.72%	117.28%	117.60%
28/02/2021	87,829,769,540	112.61%	113.13%	84.79%	61.33%	103.36%	112.53%
31/03/2021	90,258,844,363	126.02%	108.29%	60.81%	26.38%	92.19%	125.75%
30/04/2021	91,144,316,906	122.13%	103.17%	74.30%	95.55%	99.27%	121.94%
31/05/2021	91,959,402,227	118.04%	110.25%	84.53%	59.54%	101.01%	117.90%
30/06/2021	94,682,359,703	119.17%	115.28%	92.37%	44.61%	102.79%	119.05%
31/07/2021	95,179,810,655	119.03%	103.04%	89.08%	37.47%	92.56%	118.81%
31/08/2021	96,035,736,685	117.65%	118.30%	84.03%	48.54%	105.00%	117.55%
30/09/2021	97,937,969,524	116.38%	108.44%	130.24%	39.61%	100.78%	116.26%
31/10/2021	98,694,024,954	119.01%	105.51%	86.79%	50.93%	96.19%	118.82%
30/11/2021	99,201,499,213	118.72%	117.29%	77.95%	91.60%	109.56%	118.65%
31/12/2021	100,200,077,633	109.10%	109.64%	82.77%	33.15%	96.28%	109.00%
31/01/2022	100,773,883,137	124.08%	127.16%	99.97%	80.84%	117.18%	124.03%
28/02/2022	101,074,354,374	117.31%	123.16%	104.60%	108.64%	119.10%	117.33%
31/03/2022	102,374,407,718	119.38%	125.04%	99.92%	93.64%	117.76%	119.37%
30/04/2022	102,970,774,593	118.47%	104.48%	104.67%	65.87%	98.55%	118.32%
31/05/2022	103,273,261,468	121.87%	145.49%	100.39%	56.64%	127.45%	121.91%
30/06/2022	104,061,187,915	116.56%	101.85%	104.30%	42.72%	93.16%	116.38%
31/07/2022	105,012,891,419	116.94%	114.45%	90.78%	59.08%	104.71%	116.85%
31/08/2022	105,542,287,301	124.55%	117.52%	95.33%	64.56%	108.15%	124.42%
30/09/2022	106,653,010,495	122.56%	101.18%	108.41%	67.85%	97.17%	122.36%
31/10/2022	107,472,844,577	130.39%	128.12%	111.36%	69.80%	119.02%	130.30%
30/11/2022	107,788,494,419	122.86%	120.99%	84.54%	65.10%	110.41%	122.77%
31/12/2022	108,989,723,524	115.80%	109.40%	79.73%	55.80%	100.26%	115.68%
31/01/2023	110,159,876,243	121.99%	123.51%	97.72%	60.53%	113.52%	121.92%
28/02/2023	110,621,463,331	120.78%	97.30%	115.60%	88.32%	97.44%	120.58%
31/03/2023	111,618,980,118	123.66%	131.10%	118.29%	77.61%	123.37%	123.66%
30/04/2023	111,947,704,353	121.88%	101.16%	70.64%	44.62%	92.29%	121.64%
31/05/2023	112,227,079,508	129.52%	117.46%	62.96%	56.09%	105.70%	129.32%
30/06/2023	112,548,000,739	125.63%	114.38%	80.41%	44.48%	103.23%	125.44%
31/07/2023	112,953,359,118	123.87%	114.91%	89.14%	89.14%	109.85%	123.76%
31/08/2023	113,163,060,618	125.50%	112.48%	68.42%	51.99%	101.17%	125.29%
30/09/2023	112,893,031,171	120.57%	108.30%	67.34%	78.97%	101.21%	120.40%
31/10/2023	113,116,326,644	122.83%	110.96%	79.71%	74.10%	103.51%	122.66%
30/11/2023	113,041,754,897	126.81%	108.99%	66.70%	46.40%	96.81%	126.53%
31/12/2023	112,521,763,633	119.53%	114.73%	78.62%	36.32%	101.77%	119.36%
31/01/2024	112,864,944,416	120.92%	119.91%	82.76%	38.51%	106.21%	120.78%
29/02/2024	112,850,769,607	123.36%	108.75%	110.16%	63.08%	102.99%	123.17%
31/03/2024	112,673,953,950	120.84%	104.85%	68.86%	48.45%	94.91%	120.58%
30/04/2024	112,878,928,651	126.87%	114.23%	93.31%	45.43%	103.87%	126.64%

Mortgage Portfolio

The following table shows historical performance of the loans in the Mortgage Portfolio pool as at April 2024.

Payrate by Arrears Bucket through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA	OVERALL
31/05/2019	244,547,506	96.22%	86.47%	110.91%	115.28%	98.92%	96.94%
30/06/2019	249,540,125	92.08%	83.92%	103.33%	106.63%	93.44%	92.47%
31/07/2019	253,275,576	94.77%	110.14%	120.49%	87.48%	109.19%	99.23%
31/08/2019	256,651,021	91.79%	97.98%	94.26%	103.96%	98.22%	93.82%
30/09/2019	261,221,976	93.52%	91.71%	116.89%	139.94%	106.12%	97.69%
31/10/2019	264,851,608	91.45%	93.14%	132.63%	120.30%	107.17%	96.68%
30/11/2019	267,413,189	103.34%	97.33%	129.21%	93.65%	105.01%	103.88%
31/12/2019	269,049,071	97.56%	87.88%	119.35%	749.01%	202.42%	131.95%
31/01/2020	275,096,741	107.54%	81.86%	136.31%	298.40%	128.21%	114.43%
29/02/2020	279,679,011	91.39%	91.66%	95.77%	75.55%	90.28%	91.00%
31/03/2020	289,679,492	98.75%	97.81%	75.85%	62.44%	86.79%	94.54%
30/04/2020	293,197,292	75.14%	65.97%	86.28%	116.77%	80.09%	76.94%
31/05/2020	296,505,219	53.37%	49.86%	90.40%	76.01%	65.29%	57.85%
30/06/2020	301,667,794	51.63%	55.31%	81.09%	67.18%	65.09%	56.19%
31/07/2020	305,413,092	74.76%	63.94%	61.59%	33.04%	55.76%	68.41%
31/08/2020	308,492,766	69.28%	62.31%	57.01%	43.06%	56.26%	65.10%
30/09/2020	316,872,459	83.19%	76.98%	97.56%	68.52%	78.97%	81.84%
31/10/2020	323,797,942	83.28%	81.27%	82.20%	44.30%	71.42%	79.34%
30/11/2020	328,745,066	88.57%	98.21%	98.14%	36.73%	83.06%	86.67%
31/12/2020	335,758,679	87.27%	75.57%	62.00%	66.60%	70.44%	81.32%
31/01/2021	344,570,333	83.15%	78.12%	64.99%	55.20%	68.44%	78.15%
28/02/2021	354,906,062	79.73%	86.55%	79.99%	57.20%	76.60%	78.66%
31/03/2021	371,815,860	95.93%	118.68%	71.86%	64.59%	94.66%	95.48%
30/04/2021	382,322,544	102.47%	75.25%	93.12%	52.65%	73.71%	93.22%
31/05/2021	392,087,103	107.99%	77.37%	62.01%	58.28%	68.43%	95.25%
30/06/2021	416,790,930	111.86%	90.56%	61.20%	61.87%	74.61%	99.94%
31/07/2021	428,602,557	109.30%	91.29%	70.11%	62.90%	77.90%	98.88%
31/08/2021	443,096,071	103.02%	97.01%	84.26%	76.04%	87.31%	97.79%
30/09/2021	470,007,436	118.54%	101.28%	67.66%	76.67%	84.91%	107.83%
31/10/2021	485,978,993	93.60%	97.32%	93.41%	72.96%	89.16%	92.11%
30/11/2021	507,459,308	91.45%	100.63%	90.24%	77.93%	91.42%	91.44%
31/12/2021	527,143,675	84.82%	81.50%	95.91%	48.72%	74.04%	81.34%
31/01/2022	543,041,198	112.32%	106.85%	93.32%	77.59%	94.23%	106.67%
28/02/2022	561,276,307	92.55%	98.52%	116.80%	59.71%	90.69%	91.96%
31/03/2022	586,281,960	91.83%	112.27%	95.41%	50.32%	88.59%	90.84%
30/04/2022	602,501,283	91.89%	98.55%	87.37%	48.38%	80.18%	88.35%
31/05/2022	626,427,627	97.02%	98.88%	95.62%	59.18%	85.66%	93.51%
30/06/2022	649,445,205	91.06%	99.40%	99.68%	65.39%	88.52%	90.28%
31/07/2022	671,197,459	105.28%	96.10%	103.98%	66.81%	88.20%	99.93%
31/08/2022	695,361,637	95.25%	101.39%	109.56%	92.49%	100.07%	96.80%
30/09/2022	721,837,205	100.04%	106.28%	99.98%	91.81%	100.79%	100.27%
31/10/2022	754,531,475	89.60%	103.48%	104.72%	88.56%	99.43%	92.66%
30/11/2022	786,527,806	99.71%	87.38%	86.79%	110.88%	93.85%	97.96%
31/12/2022	815,166,443	90.24%	81.98%	87.92%	60.66%	77.24%	86.25%
31/01/2023	836,260,787	103.02%	91.87%	116.33%	66.79%	90.31%	98.78%
28/02/2023	851,661,670	90.51%	89.45%	104.12%	84.10%	90.73%	90.59%
31/03/2023	862,901,102	96.88%	99.64%	107.79%	74.22%	94.84%	96.20%
30/04/2023	868,555,701	93.43%	81.60%	86.85%	54.34%	75.94%	87.12%

Payrate by Arrears Bucket through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA	OVERALL
31/05/2023	874,282,646	94.94%	96.01%	90.27%	91.27%	93.81%	94.51%
30/06/2023	879,275,155	97.38%	107.63%	98.44%	73.60%	97.56%	97.45%
31/07/2023	884,493,860	104.89%	93.19%	93.68%	56.87%	84.65%	96.95%
31/08/2023	892,397,574	92.06%	98.13%	65.79%	81.25%	87.56%	90.31%
30/09/2023	901,444,333	89.08%	89.59%	79.28%	102.67%	90.98%	89.82%
31/10/2023	910,040,507	93.64%	98.35%	64.48%	61.71%	83.18%	89.25%
30/11/2023	919,374,723	93.77%	91.82%	86.13%	49.50%	79.63%	87.79%
31/12/2023	924,709,906	89.92%	90.74%	59.05%	57.03%	75.92%	83.85%
31/01/2024	954,856,781	91.76%	103.19%	96.10%	56.03%	88.68%	90.44%
29/02/2024	999,964,505	87.16%	97.74%	85.50%	40.36%	79.60%	84.07%
31/03/2024	981,854,108	98.68%	108.96%	82.76%	46.81%	87.14%	93.81%
30/04/2024	972,724,524	102.69%	132.98%	104.50%	56.78%	105.54%	103.87%

CPR – including Retentions

The following tables set out on a monthly basis the annualised constant prepayment rate ("**CPR**") for the Wider Book during the relevant historical data extract period. CPR means the annualised ratio of the balance of loans that fully redeem in the relevant month relative to the opening balance of all loans in the relevant month. For the avoidance of doubt CPR includes voluntary or term redemptions and includes redemptions related to sales of repossessed properties.

The CPR's below were calculated as follows:

1 - (1 - (balance in the prior month of all loans in the arrears bucket at the end of the prior month, which redeemed or product switched in the current month) ^ 12)

Wider book

CPR including retentions by Arrears Buckets through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA	OVERALL CPR
31/05/2019	70,509,770,712	24.00%	22.25%	32.10%	40.29%	25.46%	24.01%
30/06/2019	71,302,879,391	34.98%	38.65%	10.16%	53.19%	37.35%	34.99%
31/07/2019	72,412,782,748	19.22%	26.01%	19.03%	34.64%	26.09%	19.27%
31/08/2019	73,582,321,383	7.74%	12.06%	38.46%	50.12%	20.70%	7.83%
30/09/2019	74,687,659,276	6.15%	18.86%	19.09%	35.28%	20.73%	6.25%
31/10/2019	75,678,969,986	14.18%	16.12%	11.63%	65.55%	22.99%	14.24%
30/11/2019	76,145,175,043	55.61%	49.48%	38.09%	51.98%	48.59%	55.57%
31/12/2019	77,278,033,708	7.22%	13.19%	24.01%	39.14%	17.32%	7.30%
31/01/2020	78,215,418,819	14.65%	14.73%	13.83%	77.54%	24.67%	14.72%
29/02/2020	78,901,996,863	22.92%	21.15%	9.33%	55.21%	23.74%	22.92%
31/03/2020	79,796,795,145	5.89%	11.58%	20.54%	20.79%	13.56%	5.95%
30/04/2020	80,085,320,099	9.89%	8.99%	8.30%	24.25%	10.22%	9.89%
31/05/2020	80,170,327,135	30.62%	27.73%	24.87%	22.82%	27.14%	30.58%
30/06/2020	80,691,451,215	6.52%	11.50%	7.50%	17.04%	11.63%	6.57%
31/07/2020	81,182,577,276	14.68%	15.05%	10.60%	31.16%	16.18%	14.69%
31/08/2020	81,634,955,221	34.17%	26.88%	25.83%	33.71%	27.44%	34.11%
30/09/2020	82,620,098,075	6.74%	8.80%	11.93%	42.78%	13.01%	6.80%
31/10/2020	83,572,154,606	13.51%	14.51%	15.48%	39.97%	17.46%	13.55%
30/11/2020	84,416,241,307	30.15%	33.69%	22.13%	31.99%	32.68%	30.18%

CPR including retentions by Arrears Buckets through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA	OVERALL CPR
31/12/2020	85,543,749,655	9.06%	12.05%	14.30%	28.30%	14.13%	9.11%
31/01/2021	86,564,212,934	12.08%	14.15%	1.30%	33.03%	15.25%	12.11%
28/02/2021	87,829,769,540	26.72%	34.72%	12.27%	38.07%	32.80%	26.77%
31/03/2021	90,258,844,363	11.44%	0.95%	0.00%	0.00%	0.74%	11.36%
30/04/2021	91,144,316,906	13.99%	18.92%	8.93%	31.25%	19.58%	14.03%
31/05/2021	91,959,402,227	36.41%	27.93%	18.75%	30.98%	27.43%	36.34%
30/06/2021	94,682,359,703	15.37%	28.62%	27.96%	50.77%	31.64%	15.51%
31/07/2021	95,179,810,655	11.65%	8.08%	17.66%	11.81%	9.53%	11.64%
31/08/2021	96,035,736,685	30.32%	30.87%	11.31%	27.08%	28.81%	30.31%
30/09/2021	97,937,969,524	9.76%	14.21%	27.20%	36.47%	18.70%	9.84%
31/10/2021	98,694,024,954	10.78%	8.70%	12.08%	13.76%	9.64%	10.77%
30/11/2021	99,201,499,213	42.17%	40.87%	22.74%	48.17%	40.37%	42.15%
31/12/2021	100,200,077,633	7.49%	10.64%	10.77%	40.13%	14.96%	7.55%
31/01/2022	100,773,883,137	11.36%	20.30%	26.56%	24.17%	21.37%	11.44%
28/02/2022	101,074,354,374	30.99%	35.94%	16.26%	20.59%	32.26%	31.00%
31/03/2022	102,374,407,718	7.49%	7.37%	22.27%	21.71%	10.93%	7.51%
30/04/2022	102,970,774,593	9.03%	8.34%	16.17%	37.95%	13.85%	9.07%
31/05/2022	103,273,261,468	37.19%	36.80%	13.80%	36.91%	35.25%	37.17%
30/06/2022	104,061,187,915	17.38%	21.24%	21.07%	23.26%	21.51%	17.41%
31/07/2022	105,012,891,419	9.71%	12.65%	29.44%	40.95%	18.44%	9.77%
31/08/2022	105,542,287,301	28.15%	23.42%	66.06%	47.76%	31.38%	28.17%
30/09/2022	106,653,010,495	8.37%	9.34%	29.52%	51.27%	17.49%	8.44%
31/10/2022	107,472,844,577	11.28%	16.64%	16.93%	53.78%	21.95%	11.37%
30/11/2022	107,788,494,419	45.74%	39.83%	33.66%	36.47%	39.10%	45.69%
31/12/2022	108,989,723,524	6.94%	14.76%	17.14%	28.02%	16.56%	7.01%
31/01/2023	110,159,876,243	6.47%	8.05%	8.92%	34.84%	11.30%	6.50%
28/02/2023	110,621,463,331	27.36%	17.64%	16.10%	50.51%	21.83%	27.32%
31/03/2023	111,618,980,118	5.52%	13.59%	13.75%	43.33%	17.00%	5.62%
30/04/2023	111,947,704,353	4.76%	7.16%	31.44%	35.43%	12.22%	4.81%
31/05/2023	112,227,079,508	18.83%	21.93%	39.72%	30.66%	24.07%	18.87%
30/06/2023	112,548,000,739	36.06%	34.38%	30.66%	41.80%	34.87%	36.05%
31/07/2023	112,953,359,118	7.18%	10.84%	39.71%	39.73%	16.53%	7.26%
31/08/2023	113,163,060,618	20.36%	18.10%	48.04%	33.77%	22.21%	20.38%
30/09/2023	112,893,031,171	37.77%	34.35%	35.11%	36.31%	34.61%	37.75%
31/10/2023	113,116,326,644	7.13%	22.42%	39.78%	45.04%	26.52%	7.31%
30/11/2023	113,041,754,897	22.62%	20.56%	28.63%	42.44%	23.79%	22.63%
31/12/2023	112,521,763,633	40.62%	29.88%	11.20%	29.44%	28.24%	40.52%
31/01/2024	112,864,944,416	8.13%	13.62%	14.72%	26.30%	15.09%	8.19%
29/02/2024	112,850,769,607	18.46%	20.09%	26.34%	34.50%	22.26%	18.50%
31/03/2024	112,673,953,950	26.52%	24.32%	22.85%	65.55%	30.50%	26.55%
30/04/2024	112,878,928,651	8.89%	13.28%	34.77%	43.66%	19.00%	8.99%

CPR – excluding Retentions

The following tables sets out on a monthly basis the annualised constant prepayment rate ("CPR") for the Wider Book during the relevant historical data extract period. CPR means the annualised ratio of the balance of loans that fully redeem in the relevant month relative to the opening balance of all loans in the relevant month. For the avoidance of doubt CPR includes voluntary or term redemptions and excludes redemptions related to sales of repossessed properties.

The CPR's below were calculated as follows:

1 - (1 - (balance in the prior month of all loans in the arrears bucket at the end of the prior month, which redeemed in the current month) ^ 12)

Wider book

CPR by Arrears Buckets through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA	OVERALL CPR
31/05/2019	70,509,770,712	9.30%	16.76%	32.10%	40.29%	21.37%	9.39%
30/06/2019	71,302,879,391	10.95%	22.02%	10.16%	53.19%	24.22%	11.04%
31/07/2019	72,412,782,748	8.93%	15.16%	19.03%	34.64%	17.83%	9.00%
31/08/2019	73,582,321,383	7.34%	11.39%	38.46%	50.12%	20.16%	7.43%
30/09/2019	74,687,659,276	6.11%	18.84%	19.09%	35.28%	20.72%	6.22%
31/10/2019	75,678,969,986	10.06%	12.65%	11.63%	65.55%	20.48%	10.14%
30/11/2019	76,145,175,043	15.19%	20.23%	36.00%	51.98%	25.98%	15.27%
31/12/2019	77,278,033,708	6.88%	12.72%	24.01%	39.14%	16.85%	6.95%
31/01/2020	78,215,418,819	8.29%	10.00%	13.83%	77.54%	21.38%	8.39%
29/02/2020	78,901,996,863	7.99%	12.13%	9.33%	55.21%	16.83%	8.05%
31/03/2020	79,796,795,145	5.81%	11.49%	20.54%	20.79%	13.48%	5.86%
30/04/2020	80,085,320,099	5.90%	3.15%	8.30%	24.25%	5.56%	5.90%
31/05/2020	80,170,327,135	7.88%	10.33%	24.87%	22.82%	12.62%	7.93%
30/06/2020	80,691,451,215	5.00%	10.03%	7.50%	17.04%	10.42%	5.04%
31/07/2020	81,182,577,276	8.57%	11.48%	10.60%	31.16%	13.27%	8.61%
31/08/2020	81,634,955,221	10.47%	6.23%	19.63%	33.71%	10.27%	10.47%
30/09/2020	82,620,098,075	6.54%	8.65%	11.93%	42.78%	12.83%	6.59%
31/10/2020	83,572,154,606	8.80%	11.54%	15.48%	39.97%	15.16%	8.86%
30/11/2020	84,416,241,307	9.74%	14.65%	22.13%	31.99%	17.11%	9.81%
31/12/2020	85,543,749,655	8.88%	11.85%	14.30%	28.30%	13.95%	8.92%
31/01/2021	86,564,212,934	8.10%	13.02%	1.30%	33.03%	14.36%	8.15%
28/02/2021	87,829,769,540	9.70%	14.75%	10.13%	38.07%	17.23%	9.76%
31/03/2021	90,258,844,363	11.29%	0.93%	0.00%	0.00%	0.73%	11.21%
30/04/2021	91,144,316,906	9.50%	13.48%	8.93%	31.25%	15.38%	9.55%
31/05/2021	91,959,402,227	9.94%	11.79%	18.75%	26.85%	14.36%	9.98%
30/06/2021	94,682,359,703	14.80%	28.06%	27.96%	50.77%	31.16%	14.94%
31/07/2021	95,179,810,655	7.48%	6.85%	17.66%	11.81%	8.59%	7.49%
31/08/2021	96,035,736,685	8.77%	14.27%	11.31%	27.08%	15.67%	8.83%
30/09/2021	97,937,969,524	9.53%	13.95%	27.20%	36.47%	18.44%	9.61%
31/10/2021	98,694,024,954	8.21%	8.32%	12.08%	13.76%	9.35%	8.22%
30/11/2021	99,201,499,213	12.68%	13.42%	22.74%	45.25%	19.00%	12.73%
31/12/2021	100,200,077,633	7.25%	10.37%	10.77%	40.13%	14.67%	7.31%
31/01/2022	100,773,883,137	8.38%	16.43%	26.56%	24.17%	18.37%	8.46%
28/02/2022	101,074,354,374	12.42%	14.90%	16.26%	20.59%	15.81%	12.44%
31/03/2022	102,374,407,718	7.32%	7.27%	22.27%	21.71%	10.81%	7.35%
30/04/2022	102,970,774,593	8.91%	8.34%	16.17%	37.95%	13.85%	8.95%
31/05/2022	103,273,261,468	14.18%	18.10%	13.80%	36.91%	20.64%	14.23%
30/06/2022	104,061,187,915	10.02%	15.68%	21.07%	23.26%	17.23%	10.07%
31/07/2022	105,012,891,419	9.22%	12.13%	29.44%	40.95%	18.04%	9.29%
31/08/2022	105,542,287,301	11.86%	12.50%	66.06%	47.76%	23.62%	11.95%
30/09/2022	106,653,010,495	7.65%	9.22%	29.52%	51.27%	17.33%	7.72%
31/10/2022	107,472,844,577	10.87%	16.63%	16.93%	53.78%	21.95%	10.96%
30/11/2022	107,788,494,419	15.60%	21.32%	31.28%	36.47%	23.82%	15.67%
31/12/2022	108,989,723,524	6.19%	14.24%	17.14%	28.02%	16.10%	6.26%
31/01/2023	110,159,876,243	6.37%	8.05%	8.92%	34.84%	11.30%	6.41%

CPR by Arrears Buckets through time

Date	Outstanding balance	<1.00 MIA	1.00 to <3.00 MIA	3.00 to <6.00 MIA	6.00+ MIA	TOTAL 1.00+ MIA	OVERALL CPR
28/02/2023	110,621,463,331	8.04%	9.38%	16.10%	50.51%	15.37%	8.10%
31/03/2023	111,618,980,118	4.85%	13.36%	13.75%	43.33%	16.78%	4.95%
30/04/2023	111,947,704,353	4.62%	7.16%	31.44%	35.43%	12.22%	4.68%
31/05/2023	112,227,079,508	8.44%	14.42%	39.72%	30.66%	17.96%	8.52%
30/06/2023	112,548,000,739	11.56%	16.49%	24.99%	41.80%	19.96%	11.63%
31/07/2023	112,953,359,118	7.00%	9.39%	39.71%	39.73%	15.31%	7.07%
31/08/2023	113,163,060,618	10.54%	8.93%	48.04%	33.77%	14.98%	10.57%
30/09/2023	112,893,031,171	12.95%	16.92%	33.06%	36.31%	20.39%	13.02%
31/10/2023	113,116,326,644	5.84%	21.51%	39.78%	45.04%	25.73%	6.02%
30/11/2023	113,041,754,897	9.23%	11.12%	28.63%	42.44%	16.44%	9.29%
31/12/2023	112,521,763,633	12.28%	13.79%	8.66%	29.44%	15.04%	12.31%
31/01/2024	112,864,944,416	4.99%	12.77%	8.12%	26.30%	13.83%	5.08%
29/02/2024	112,850,769,607	6.99%	12.11%	26.34%	34.50%	15.98%	7.08%
31/03/2024	112,673,953,950	8.98%	11.43%	22.85%	65.55%	20.89%	9.09%
30/04/2024	112,878,928,651	6.90%	9.90%	34.77%	43.66%	16.35%	7.00%

CHARACTERISTICS OF THE UNITED KINGDOM RESIDENTIAL MORTGAGE MARKET

The United Kingdom housing market is primarily one of owner-occupied housing, with the remainder in some form of public, private landlord or social ownership. The mortgage market, whereby loans are provided for the purchase of a property and secured on that property, is the primary source of household borrowings in the United Kingdom.

Set out in the following tables are certain characteristics of the United Kingdom mortgage market.

Arrears and repossession rates for UK owner-occupied mortgages

The table below sets out the repossession and arrears rates of residential owner-occupied properties in the United Kingdom since 2014.

Year / Quarter	>3-6 months in arrears (%)	>6-12 months in arrears %	Properties in possession (%)
2014	0.67	0.44	0.05
2015	0.54	0.38	0.02
2016	0.47	0.34	0.02
2017	0.40	0.31	0.02
2018	0.38	0.27	0.02
2019	0.35	0.25	0.02
2020	0.33	0.29	0.01
2021	0.28	0.25	0.01
2022	0.28	0.22	0.01
2023	0.36	0.30	0.02
2024 Q1	0.35	0.32	0.02
2024 Q2	0.34	0.31	0.02

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Source of repossession and arrears rates information: UK Finance

All information contained in this Prospectus in respect of industry PPR rates, arrears and repossession rates has been reproduced from information published by UK Finance. The Issuer confirms that all information in this Prospectus in respect of industry PPR rates, arrears and repossession rates has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by UK Finance, no facts have been omitted which would render the reproduced information inaccurate or misleading.

House price index

United Kingdom residential property prices, as measured by the Nationwide House Price Index, have generally outperformed the United Kingdom Retail Price Index over the past 25 years. (Nationwide is a United Kingdom building society.)

The United Kingdom housing market has been through various economic cycles in this period, with large year-to-year increases in house prices occurring in the late 1980s and the mid-1990s through to mid-2007 and decreases occurring in the early 1990s and mid-2007 through late 2009. Prices remained broadly stable until 2013 and have increased year on year since.

Quarterly house price index

	Retail Price Index		Nationwide House Price Index*	
Quarter	Index	% annual change	Index	% annual change
1996 Q1	150.9	2.79%	103.5	0.52%
1996 Q2	152.8	2.21%	105.2	2.78%
1996 Q3	153.1	2.13%	107.1	5.24%

	Retail Price Index		Nationwide House Price Index*	
Quarter	Index	% annual change	Index	% annual change
1996 Q4	154.0	2.60%	110.4	8.30%
1997 Q1	154.9	2.65%	112.4	8.59%
1997 Q2	156.9	2.68%	115.9	10.17%
1997 Q3	158.4	3.46%	120.4	12.46%
1997 Q4	159.7	3.70%	123.8	12.15%
1998 Q1	160.2	3.42%	126.6	12.65%
1998 Q2	163.2	4.02%	129.4	11.67%
1998 Q3	163.7	3.35%	131.5	9.17%
1998 Q4	164.4	2.94%	132.9	7.38%
1999 Q1	163.7	2.18%	135.7	7.23%
1999 Q2	165.5	1.41%	138.9	7.33%
1999 Q3	165.6	1.16%	143.2	8.97%
1999 Q4	166.8	1.46%	149.7	12.63%
2000 Q1	167.5	2.32%	156.3	15.15%
2000 Q2	170.6	3.08%	161.1	15.98%
2000 Q3	170.9	3.20%	160.1	11.79%
2000 Q4	172.0	3.12%	163.7	9.39%
2001 Q1	171.8	2.57%	169.0	8.15%
2001 Q2	173.9	1.93%	173.8	7.89%
2001 Q3	174.0	1.81%	180.1	12.45%
2001 Q4	173.8	1.05%	185.6	13.34%
2002 Q1	173.9	1.22%	192.1	13.66%
2002 Q2	176.0	1.21%	205.1	18.05%
2002 Q3	176.6	1.49%	219.1	21.70%
2002 Q4	178.2	2.53%	232.5	25.26%
2003 Q1	179.2	3.05%	241.9	25.90%
2003 Q2	181.3	3.01%	248.4	21.06%
2003 Q3	181.8	2.94%	256.6	17.11%
2003 Q4	182.9	2.64%	268.5	15.47%
2004 Q1	183.8	2.57%	280.4	15.92%
2004 Q2	186.3	2.76%	293.9	18.36%
2004 Q3	187.4	3.08%	303.8	18.40%
2004 Q4	189.2	3.44%	305.5	13.82%
2005 Q1	189.7	3.21%	308.0	9.84%
2005 Q2	191.9	3.01%	311.8	6.08%
2005 Q3	192.6	2.77%	312.4	2.81%
2005 Q4	193.7	2.38%	315.2	3.16%
2006 Q1	194.2	2.37%	323.0	4.89%
2006 Q2	197.6	2.97%	326.8	4.82%
2006 Q3	199.3	3.48%	334.0	6.94%
2006 Q4	201.4	3.98%	344.3	9.22%
2007 Q1	203.0	4.53%	353.9	9.54%
2007 Q2	206.3	4.40%	360.1	10.19%
2007 Q3	207.1	3.91%	365.1	9.31%
2007 Q4	209.8	4.17%	367.8	6.82%
2008 Q1	211.1	3.99%	361.9	2.27%
2008 Q2	215.3	4.36%	345.7	-4.02%
2008 Q3	217.4	4.97%	327.5	-10.32%
2008 Q4	215.5	2.72%	313.4	-14.78%
2009 Q1	210.9	-0.09%	302.4	-16.45%
2009 Q2	212.6	-1.25%	305.0	-11.75%
2009 Q3	214.4	-1.38%	317.3	-3.09%
2009 Q4	216.9	0.65%	324.0	3.39%
2010 Q1	219.3	3.98%	329.3	8.89%
2010 Q2	223.5	5.13%	333.8	9.44%
2010 Q3	224.5	4.71%	331.5	4.46%
2010 Q4	227.0	4.66%	325.9	0.59%

	Retail Price Index		Nationwide House Price Index*	
Quarter	Index	% annual change	Index	% annual change
2011 Q1	230.9	5.29%	328.2	-0.31%
2011 Q2	234.9	5.10%	329.7	-1.23%
2011 Q3	236.2	5.21%	330.1	-0.42%
2011 Q4	238.6	5.11%	329.7	1.17%
2012 Q1	239.6	3.77%	328.8	0.16%
2012 Q2	242.2	3.11%	326.0	-1.12%
2012 Q3	243.1	2.92%	325.0	-1.55%
2012 Q4	246.0	3.10%	326.1	-1.10%
2013 Q1	247.4	3.26%	329.1	0.11%
2013 Q2	249.7	3.10%	330.7	1.43%
2013 Q3	250.9	3.21%	339.1	4.35%
2013 Q4	252.5	2.64%	349.1	7.07%
2014 Q1	253.9	2.63%	359.2	9.13%
2014 Q2	256.0	2.52%	369.0	11.59%
2014 Q3	256.9	2.39%	374.7	10.50%
2014 Q4	257.4	1.94%	378.2	8.33%
2015 Q1	256.4	0.98%	379.9	5.76%
2015 Q2	258.5	0.98%	384.7	4.24%
2015 Q3	259.3	0.93%	388.4	3.65%
2015 Q4	260.0	1.01%	394.2	4.25%
2016 Q1	260.0	1.40%	399.7	5.22%
2016 Q2	262.2	1.43%	404.9	5.25%
2016 Q3	264.2	1.89%	409.4	5.40%
2016 Q4	265.8	2.23%	412.0	4.51%
2017 Q1	267.7	2.96%	415.6	3.98%
2017 Q2	271.5	3.55%	416.8	2.93%
2017 Q3	274.2	3.79%	419.9	2.55%
2017 Q4	276.4	3.99%	423.0	2.66%
2018 Q1	277.5	3.66%	425.7	2.43%
2018 Q2	280.6	3.35%	426.1	2.25%
2018 Q3	283.3	3.32%	428.7	2.09%
2018 Q4	284.9	3.08%	428.5	1.30%
2019 Q1	284.4	2.49%	427.4	0.41%
2019 Q2	289.0	2.99%	428.8	0.63%
2019 Q3	290.7	2.61%	430.0	0.30%
2019 Q4	291.1	2.18%	432.0	0.82%
2020 Q1	291.7	2.57%	438.2	2.53%
2020 Q2	292.5	1.21%	436.8	1.86%
2020 Q3	293.9	1.10%	444.9	3.47%
2020 Q4	294.4	1.13%	460.0	6.48%
2021 Q1	295.8	1.41%	466.1	6.35%
2021 Q2	302.3	3.35%	481.2	10.17%
2021 Q3	307.2	4.53%	490.8	10.32%
2021 Q4	314.7	6.90%	506.9	10.18%
2022 Q1	320.5	8.35%	525.0	12.65%
2022 Q2	337.2	11.54%	535.6	11.32%
2022 Q3	345.3	12.40%	541.6	10.35%
2022 Q4	358.3	13.85%	531.3	4.83%
2023 Q1	364.0	13.57%	519.7	-1.02%
2023 Q2	374.8	11.15%	518.8	-3.15%
2023 Q3	376.4	9.01%	515.8	-4.77%
2023 Q4	378.0	5.50%	519.4	-2.25%
2024 Q1	380.7	4.59%	525.2	1.06%
2024 Q2	386.2	3.04%	524.6	1.13%

Source: Office for National Statistics and Nationwide Building Society.
** Seasonally adjusted.*

The percentage change in the table above is calculated in accordance with the following formula:

(X-Y)/Y where **X** is equal to the current quarter's index value and **Y** is equal to the index value of the previous year's corresponding quarter.

All information contained in this Prospectus in respect of the Retail Price Index has been reproduced from information published by the Office for National Statistics. All information contained in this Prospectus in respect of the Nationwide House Price Index has been reproduced from information published by Nationwide Building Society. The Issuer confirms that all information in this Prospectus in respect of the Retail Price Index and the Nationwide House Price Index has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the Office for National Statistics and Nationwide Building Society, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Note, however, that the Issuer has not participated in the preparation of that information nor made any enquiry with respect to that information. Neither the Issuer nor the Arranger nor the Lead Manager makes any representation as to the accuracy of the information or has any liability whatsoever to you in connection with that information. Anyone relying on the information does so at their own risk.

ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY

Pursuant to the terms of the Mortgage Sale Agreement entered into on the Closing Date between the Seller and the Issuer, the Seller has agreed to sell Mortgage Loans and their Related Security to the Issuer. The following section describes, in summary, the material terms of the Mortgage Sale Agreement. The description does not purport to be complete and is subject to the provisions of the Mortgage Sale Agreement.

As at the date of this Prospectus, the collateral to be sold by the Seller to the Issuer to support the Issuer's obligations under the Notes will comprise residential mortgage loans originated by the Seller or Barclays Bank PLC and secured over Mortgaged Properties situated in England, Wales, Northern Ireland or Scotland. Please see sections "*The Mortgage Loans and the Mortgage Portfolio*" and "*Characteristics of the Provisional Portfolio*" for a more detailed description of the characteristics of the Mortgage Portfolio.

Sale by the Seller of Mortgage Loans and Related Security

The Mortgage Portfolio will consist of Mortgage Loans and their Related Security sold by the Seller to the Issuer in accordance with the terms of the Mortgage Sale Agreement on the Closing Date.

In exchange for the sale of the Mortgage Loans and their Related Security to the Issuer, the Seller will receive a combination of:

(a) the Initial Purchase Price (being a cash payment to be made by the Issuer from the proceeds of the issuance of the Notes); and

(b) the deferred consideration consisting of the Senior Deferred Consideration and the Residual Deferred Consideration.

Any "sale" or "equitable assignment" of mortgage loans referred to in this Prospectus will, in relation to the Scottish Mortgage Loans, be given effect by the 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**" on, and as at, the Cut-Off Date:

(a) the origination of the Mortgage Loan (other than each LTV Exception Mortgage Loan) was in accordance with the then applicable Lending Criteria of the Seller;

(b) the Mortgage Loan was originated at least one calendar month prior to the Cut-Off Date;

(c) the Mortgage Loan is secured by a Mortgage over the relevant Mortgaged Property;

(d) the Mortgage Loan has been made to a Borrower who is a natural legal person over the age of 18;

(e) the Mortgage Loan is secured over a residential Mortgaged Property situated in England, Northern Ireland, Wales or Scotland;

(f) the Mortgage Loan is not a Buy-to-Let Mortgage Loan, nor has a permission to let been granted as far as the Seller is aware;

(g) other than in respect of LTV Exception Mortgage Loans, at origination, the Mortgage Loan has an Original LTV of no more than 100 per cent.

(h) the Mortgage Loan was not originated prior to 4 April 2013;

(i) the Mortgage Loan has a Current Balance of no more than £5,000,000;

(j) other than in respect of the Zero Rate Mortgage Loans, the Mortgage Loan's maturity date is no later than three years prior to the Final Redemption Date;

(k) except in respect of Zero Rate Mortgage Loans, the Borrower has made at least one full Monthly Payment in respect of that Mortgage Loan; and

(l) each Mortgage Loan was originated in pounds Sterling and is denominated in pounds Sterling and is currently repayable in pounds Sterling.

Transfer of title to the Mortgage Loans to the Issuer

English Mortgage Loans and Northern Irish Mortgage Loans will be sold by the Seller to the Issuer by way of equitable assignment. Scottish Mortgage Loans will be sold by the Seller to the Issuer by way of the Scottish Declaration of Trust under which the beneficiary's interest in such trust will be vested in the Issuer. In relation to Scottish Mortgage Loans, references in this document to a sale or equitable assignment of Mortgage Loans or to 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, the Land Registers of Northern Ireland or the Registers of Scotland. As a result, legal title to Mortgage Loans and their Related Security will remain with the Legal Title Holder until legal assignments (in relation to English Mortgage Loans and Northern Irish Mortgage Loans) or assignations (in relation to Scottish Mortgage Loans) are delivered by the Legal Title Holder to the Issuer and notice of the sale is given by the Legal Title Holder to the Borrowers pursuant to the terms of the Servicing Agreement.

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 Borrower and, where appropriate, their registration or recording in the relevant property register) will be deferred and will be completed after the earliest of the following events (each, 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 Legal Title Holder;

(c) unless otherwise agreed by the Security Trustee, the termination of the Legal Title Holder's role as Servicer under the Servicing Agreement, unless as at the relevant date of termination any substitute servicer is a member of the Barclays Group;

(d) the Legal Title Holder and/or the Issuer being required to perfect legal title to the Mortgage Loans and their Related Security by an order of a court of competent jurisdiction, a change in law occurring after the Closing Date, or by a regulatory authority of which the Legal Title Holder is a member or any organisation whose members comprise (but are not necessarily limited to) mortgage lenders with whose instructions it is customary for the Legal Title Holder to comply;

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

(f) the Legal Title Holder requesting a transfer by way of assignment or assignation (as appropriate) by giving notice in writing to the Issuer and the Security Trustee.

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 Legal Title Holder in favour of the Issuer and the Security Trustee.

The Legal Title Holder will undertake that, from the Closing Date until the perfection of the sale, it will hold, or procure that the Servicer holds on its behalf, the Title Deeds and the Mortgage Loan Files relating to the Mortgage Loans and the Related Security comprised in the Mortgage Portfolio, which are in the Legal Title Holder's possession or under the Legal Title Holder's control or held to its order, to the order of the Issuer.

Representations and warranties

Warranties will be given as of the Cut-Off Date by the Seller in respect of the relevant Mortgage Loans and their Related Security sold by the Seller to the Issuer on the Closing Date, pursuant to the Mortgage Sale Agreement ("**Mortgage Loan Warranties**"). 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 Mortgage Loan Warranties are as follows:

(a) the (i) particulars of each Mortgage Loan and its related Mortgage in the Mortgage Portfolio set out in the Mortgage Sale Agreement (other than in relation to the Current Balance of each Mortgage Loan) and, in relation to Scottish Mortgage Loans and their Related Security, specified in the Scottish Declaration of Trust, are complete, true and accurate in all material respects and (ii) the Current Balance of each Mortgage Loan and its related Mortgage in the Mortgage Portfolio set out in the Mortgage Sale Agreement and, in relation to Scottish Mortgage Loans and their Related Security, specified in the Scottish Declaration of Trust, are complete, true and accurate in all respects;

(b) subject to completion of any registration or recording which may be pending at HM Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland, the Legal Title Holder is the absolute unencumbered legal owner and beneficial owner of the Mortgage Loan, the Related Security and all property to be sold and assigned by the Seller to the Issuer pursuant to the Mortgage Sale Agreement, and the Seller has not assigned (whether by way of absolute assignment or assignation or by way of security only), transferred, charged, disposed of, created a trust in respect of or dealt with the benefit of any of the Mortgage Loans or their related Mortgages, any of the other rights relating thereto or any of the property, rights, titles, interests or benefits to be sold and assigned pursuant to the Mortgage Sale Agreement other than pursuant to the Mortgage Sale Agreement;

(c) each Mortgage Loan and the Related Security constitutes a valid and binding obligation of the Borrower enforceable in accordance with its terms and each Related Security secures the repayment of all advances, interest, costs and expenses payable by the relevant Borrower to the Seller in priority to any other charges or security registered against the relevant Mortgaged Property, **provided however that** this representation and 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) unless there is also a breach of representation and warranty paragraph (d), (e) and/or (jj) below;

(d) 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;

(e) the Seller has been authorised by the FCA and has maintained all requisite FCA permissions required pursuant to the FSMA in relation to advising on, the origination of and the administration of each relevant Mortgage Loan and, if a Mortgage Loan was introduced to the Seller by an intermediary, at the time such

intermediary submitted the relevant mortgage application form for such mortgage to the Seller such intermediary was authorised by the FCA to carry on its mortgage intermediary business;

(f) at the time that it was made, each Mortgage Loan was originated in all respects with applicable laws and regulations including, without limitation, consumer protection, data protection and contract law;

(g) subject to completion of any registration or recording which may be pending at HM Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland, each Mortgage either constitutes, or will constitute, following registration or recording at HM Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland, (in England, Wales and Northern Ireland) a first ranking charge by way of legal mortgage or (in Scotland) a first ranking standard security over the relevant Mortgaged Property except in so far as there is a prior ranking statutory charge where the Mortgage Loan is a Shared Ownership Mortgage Loan;

(h) subject to completion of any registration or recording which may be pending at HM Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland, the relevant Mortgages are not over land, title to which is not registered or recorded at HM Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland;

(i) all steps necessary to perfect the Legal Title Holder'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;

(j) no lien or right of set-off or counterclaim (including analogous rights under Scots law) has been created or arisen between the Legal Title Holder and any Borrower which would entitle such Borrower to reduce the amount of any payment otherwise due under the relevant Mortgage Loan save in relation to the Unfair Terms in Consumer Contracts Regulations 1994, the Unfair Terms in Consumer Contracts Regulations 1999 or the Consumer Rights Act (as applicable) and save in relation to Section 150 of the FSMA;

(k) prior to making a Mortgage Loan, the Seller instructed or required to be instructed on its behalf solicitors or licensed or (in Scotland) qualified conveyancers to carry out all investigations, searches and other actions in relation to the relevant Mortgaged Property that would have been undertaken by the Seller acting in accordance with standards consistent with those of a Prudent Mortgage Lender, when advancing money in an amount equal to such advance to an individual to be secured on a Mortgaged Property of the kind permitted under the Lending Criteria and a report or certificate on title was received by or on behalf of the Seller from such solicitors which, either internally or after further investigation revealed no material matter which would cause the Seller, acting reasonably, to decline the Mortgage Loan having regard to the Lending Criteria;

(l) in relation to each Mortgage Loan, the Borrower has a good and marketable title to the relevant Mortgaged Property;

(m) prior to making a Mortgage Loan, an independent valuation was carried out or instructed by one of the Seller's then current panel managers or, as applicable, an automated valuation or desktop valuation was carried out as permitted under the Lending Criteria on the relevant Mortgaged Property, and the results of any such obtained valuation would be acceptable to a Prudent Mortgage Lender;

(n) prior to making a Mortgage Loan, the nature and amount of such Mortgage Loan, the circumstances of the relevant Borrower and nature of the relevant Mortgaged Property satisfied the Seller's Lending Criteria in force at that time in all material respects;

(o) the Lending Criteria are consistent with the lending criteria that would be used by a Prudent Mortgage Lender;

(p) each Mortgage Loan (other than each LTV Exception Mortgage Loan) has been originated in accordance with the Lending Criteria and has been originated by the Seller or Barclays Bank PLC;

(q) all of the Mortgage Loans are money debts arising from advances of money to individuals, are owed by individuals and are secured by mortgages or standard securities over property situated in the UK;

(r) the exercise of any discretion by the Seller in the making of any Mortgage Loan has been consistent with the practice of a Prudent Mortgage Lender;

(s) each Mortgage Loan and its Related Security has been made on the terms of the Standard Documentation which has not been varied in any material respect;

(t) no agreement for any Mortgage Loan is or has ever been, wholly or partly regulated by the Consumer Credit Act 1974 (other than by Sections 137 to 140 of such Act) or constitutes an extortionate credit bargain under Sections 137 to 140 of such Act or, to the extent it is so regulated or partly regulated, it is a valid and binding obligation on the Borrower and enforceable upon order of a court;

(u) interest on each Fixed Rate Mortgage Loan, Tracker Rate Mortgage Loan and Discount Tracker Rate Mortgage Loan:

(i) is charged on each Mortgage Loan in accordance with the provisions of that Mortgage Loan and its Related Security;

(ii) is payable monthly in arrear;

(iii) in respect of each (A) Fixed Rate Mortgage Loan which becomes a Tracker Rate Mortgage Loan; and (B) Tracker Rate Mortgage Loan is calculated by reference to a rate linked to the Bank of England's base rate, subject to any applicable fixed rates; and

(iv) in respect of each Discount Tracker Rate Mortgage Loan is calculated by reference to a discount to the rate linked to the Bank of England's base rate.

(v) so far as the Seller is aware, the underwriting, origination and completion of each Mortgage Loan is not the subject of fraud by any person (including, without limitation, the Borrower or any professional or third party employed or engaged on behalf of the Seller);

(w) the first payment due has been paid by the relevant Borrower in respect of each Mortgage Loan (apart from Zero Rate Mortgage Loans); ;

(x) 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 Seller, that repayment has been or will be made by the Seller;

(y) so far as the Seller is aware, at the date of completion of the relevant Mortgage Loan, each Mortgaged Property was:

(i) insured under a buildings policy; or

(ii) with respect to leasehold properties, insured by the relevant landlord,

and in all cases against risks usually covered by a comprehensive buildings policy and to an amount not less than the full reinstatement cost of such Mortgaged Property;

(z) to the extent that a Mortgage Loan Guarantee was required under the Lending Criteria in relation to a particular Mortgage Loan, that Mortgage Loan Guarantee constitutes the valid, binding and enforceable

obligations of the guarantor thereunder (save to the extent that the Mortgage Loan Guarantee is not valid, binding or enforceable by virtue of the Unfair Terms in Consumer Contracts Regulations 1994, the Unfair Terms in Consumer Contracts Regulations 1999 or the Consumer Rights Act (as applicable));

(aa) so far as the Seller is aware, if a Mortgaged Property is leasehold or long leasehold, (i) written notice has been given to the landlord of the creation of the Mortgage, or (ii) where the landlord is absent or insolvent, an acceptable indemnity policy is in place and the conveyancer is satisfied that the insurance provides an adequate solution;

(bb) in relation to each English Mortgage, any person who, at the date when the Mortgage Loan was made, has been identified by the Borrower to the Seller as residing or about to reside in the relevant Mortgaged Property is either named as a joint Borrower or has signed a form of consent declaring that he or she agrees that any present or future rights or interests as he or she may have or acquire over or in respect of the relevant Mortgaged Property will be postponed and made subject to the rights, interests and remedies of the Seller under the relevant Mortgage and that he or she will not claim any such rights or interests against the Seller. In relation to each Scottish Mortgage, all necessary MH/CP Documentation has been obtained so as to ensure that neither the relevant Scottish Mortgage nor the relevant Mortgaged Property is subject to or affected by any statutory right of occupancy;

(cc) the Seller has procured that full and proper accounts, books and records have been kept showing clearly all material transactions, payments, receipts and any enforcement proceedings or any other correspondence relating to each Mortgage Loan and its Mortgage and all such accounts, books and records are up to date and in the possession of the Seller or held to its order;

(dd) the origination and collection practices employed by the Seller with respect to the Mortgage Loans have been, in all respects, consistent with the practice of a Prudent Mortgage Lender;

(ee) the Seller has not received written notice of any final and non-appealable adversely held litigations or claims which, in the reasonable opinion of the Seller, call into question in any material way the Legal Title Holder's title to any Mortgage Loan and its Mortgage or the value of any Related Security;

(ff) in respect of any Mortgaged Property which is subject to a second or subsequent mortgage or standard security, the Seller has first priority or first ranking for the full amount of the Mortgage Loan, all arrears of interest and accrued interest thereon and all costs, fees and expenses relative thereto;

(gg) except where lodged with the relevant registry in relation to which registration or recording may be pending at HM Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland, all Title Deeds and Mortgage Loan Files are held by, or to the order of, the Seller;

(hh) all costs, fees and expenses incurred in making, closing or registering the Mortgage Loan and the Related Security have been paid in full;

(ii) 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 Seller of the Mortgage Loan 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 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 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 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;

(jj) so far as the Seller is aware, none of the terms in any Mortgage Loan and its related Mortgage or any Mortgage Loan Guarantee 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;

(kk) each Mortgage Loan is a Tracker Rate Mortgage Loan, a Fixed Rate Mortgage Loan, a Zero Rate Mortgage Loan or a Discount Tracker Rate Mortgage Loan;

(ll) the Seller is not aware of any material claim outstanding under any of the Insurance Contracts relating to a Mortgaged Property;

(mm) each Mortgaged Property is a residential property and is the subject of a Regulated Mortgage Contract as defined in Article 61 (3) (a) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;

(nn) the Mortgage Loan Agreements comprised in the Mortgage Portfolio may not be avoided or set aside (whether as a result of the incapacity, bankruptcy, insolvency or any other matter affecting any Borrower in any jurisdiction);

(oo) none of the provisions of the Mortgage Loan Agreements were (at the time any such Mortgage Loan Agreement was entered into) or have since been waived, altered or modified other than by a Product Switch, Permitted Other Changes or any arrangement entered into with a Borrower as part of arrears management, debt rehabilitation or the exercise of the rights and remedies against a Borrower or in relation to the security for the Borrower's obligations arising from any default by the Borrower under or in connection with such Borrower's Mortgage Loan or Related Security in accordance with the procedures adopted by the Servicer or in accordance with the procedures that could reasonably be expected of a Prudent Mortgage Lender;

(pp) no representation or warranty has been made to a Borrower (whether prior to the execution of the relevant Mortgage Loan Agreement or at any time thereafter), which is inconsistent with the terms and provisions set out in the relevant Mortgage Loan Agreement;

(qq) payments on each Mortgage Loan comprised in the Mortgage Portfolio may be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any other jurisdiction or any authority thereof or therein having the power to tax;

(rr) to the extent that any of the Mortgage Loans qualify as "distance contracts" (as defined by the Financial Services (Distance Marketing) Regulations 2004 (the "**Distance Marketing Regulations**")), the Seller has complied with the provisions of the Distance Marketing Regulations in respect of such Mortgage Loans;

(ss) no Mortgage Loan, Related Security or Insurance Contracts 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 48 of the Finance Act 2003, section 4 of the Land and Buildings Transaction Tax (Scotland) Act 2013 or Section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017);

(tt) each Mortgage Loan was originated by Barclays Bank UK PLC or Barclays Bank PLC in the ordinary course of business pursuant to underwriting standards that were no less stringent than those that Barclays Bank UK PLC or Barclays Bank PLC applied at the time of origination to similar loans that are not securitised;

(uu) the Seller has not, since the date of origination of the relevant Mortgage Loan, done or omitted to do any act or thing which has caused any material non-observance or material non-compliance with nor any material breach of any obligation, undertaking, covenant or condition on the part of the Seller under any Mortgage Loan or its Related Security;

(vv) each Mortgage Loan, other than a Zero Rate Mortgage Loan, has a remaining term of less than 50 years;

(ww) the Mortgage Loan complies with the Eligibility Criteria; and

(xx) the Mortgage Conditions for each Mortgage Loan do not require the Legal Title Holder to agree to any Further Advance, Product Switch or Permitted Other Changes.

Repurchases

The Seller will be required to repurchase any Mortgage Loan and its Related Security sold to the Issuer in circumstances where any Mortgage Loan Warranty proves to have been untrue on the Cut-Off Date and such breach has a material adverse effect on such Mortgage Loan and its Related Security and such breach is not capable of remedy or, if capable of remedy, is not remedied within 28 Business Days of discovery of such breach *provided that* where the Mortgage Loan Warranty in paragraph (a)(ii) proves to have been untrue on the Cut-Off Date and the Current Balance of any impacted Mortgage Loans in the Mortgage Portfolio was overstated by £250,000 or more in aggregate, then the Seller shall be required to repurchase all Mortgage Loans and their Related Security sold to the Issuer in relation to which the Mortgage Loan Warranty in paragraph (a)(ii) proves to have been untrue (regardless of whether such breach has a material adverse effect on the relevant Mortgage Loan and its Related Security).

Repurchase price

The repurchase price payable for each Mortgage Loan repurchased by the Seller in accordance with the Mortgage Sale Agreement is an amount equal to the aggregate of the Current Balance thereof and expenses payable relating thereto (excluding, if applicable, the amount of any Further Advance which has not yet been paid for by the Issuer) as at the date of completion of such repurchase. The repurchase proceeds received by the Issuer in respect of the Principal Balance or otherwise allocable to the Balance of a Mortgage Loan will be Principal Receipts and will be applied in accordance with the Pre-Enforcement Principal Priority of Payments or in respect of any other component of Current Balance not treated as Principal Receipts, will be Revenue Receipts and will be applied in accordance with the Pre-Enforcement Revenue Priority of Payments (see "*Credit Structure and Cashflows*").

Governing law

The Mortgage Sale Agreement and all non-contractual obligations arising out of or in connection with it are governed by English law. The Mortgage Sale Agreement has been entered into by way of deed. Any terms of the Mortgage Sale Agreement which are particular to the laws of Northern Ireland will be construed in accordance with Northern Irish law and any terms of the Mortgage Sale Agreement which are particular to the laws of Scotland will be construed in accordance with Scots law. The Scottish Declaration of Trust to be entered into pursuant to the Mortgage Sale Agreement is governed by and will be construed in accordance with Scots law.

THE SERVICER AND THE SERVICING AGREEMENT

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.

Pursuant to the terms of the Servicing Agreement to be entered into on the Closing Date between the Issuer, the Seller, the Legal Title Holder, the Servicer and the Security Trustee, the Issuer will appoint the Servicer to administer the Mortgage Loans on its behalf and to provide certain administration and management services and to exercise the Issuer's rights, powers and discretions, and to perform the Issuer's duties, under and in relation to the Mortgage Loans and their Related Security.

The Servicer will continue to administer mortgage loans originated by the Seller which have not been sold to the Issuer. The Servicer agrees to administer the 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 Seller and in accordance with the Seller's Policy as it applies to the Mortgage Loans from time to time. The Barclays Group's business has included the servicing of mortgage loans similar to the Mortgage Loans in the Mortgage Portfolio for at least five years. The Servicer is regulated by the PRA.

The Servicing Agreement provides that the duty of the Servicer is to provide the services set out in the Servicing Agreement, including to administer the Mortgage Loans in the Mortgage Portfolio, in accordance with the terms of the Servicing Agreement, the Servicing Procedures and the Mortgage Conditions from time to time in force.

The Servicer may sub-contract or delegate the performance of its duties under the Servicing Agreement **provided that** it meets conditions as set out in the Servicing Agreement.

Undertakings of the Servicer

Pursuant to the terms of the Servicing Agreement, the Servicer undertakes, in relation to those Mortgage Loans and their Related Security that it is servicing, among other things:

(a) to maintain approvals, authorisations, permissions, consents and licences required in order to service the Mortgage Loans and their Related Security properly 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, consents and licences required in connection with the provision of services under the Servicing Agreement, and in particular any necessary registrations under Data Protection Laws, licences under the CCA and permissions under the FSMA, to the extent applicable;

(b) to keep records and accounts on behalf of the Issuer in relation to the Mortgage Loans;

(c) to keep the Mortgage Loan Files relating to the Mortgage Portfolio in safe custody (including, where relevant, in de-materialised form), including any measures necessary to safeguard Mortgage Loan Files held in digital or electronic form, and to take all appropriate technical and organisational measures against the unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data.

(d) to maintain in an adequate form such records as are necessary to enforce each Mortgage comprised in the Mortgage Portfolio and, where relevant, any other Related Security;

(e) to keep the Mortgage Loan Files in relation to the Mortgage Portfolio in such a way that they can be distinguished from information held by the Servicer for its own behalf as mortgagee or heritable creditor or for other third persons;

(f) to keep the Title Deeds relating to the Mortgage Portfolio in safe custody (including, where relevant, in de-materialised form) and will not, without the prior written consent of the Issuer or, following the delivery of an Enforcement Notice, the Security Trustee, part with possession, custody or control of them otherwise than to a sub-contractor or delegate appointed pursuant to the Servicing Agreement or to a solicitor, licensed or qualified conveyancer or authorised practitioner, subject to the usual undertaking to hold them to the order of the Legal Title Holder (who in turn will hold them to the order of the Issuer) or to HM Land Registry, the Land Registers of Northern Ireland or to the Registers of Scotland, or, upon redemption of the relevant Mortgage Loan, to the order of the Borrower, or as otherwise may be required by any Applicable Law;

(g) to assist the Cash Manager (through provision of the Servicer Report) in the preparation of the Monthly Investor Report in accordance with the Cash Management Agreement;

(h) to provide such other information to the Issuer and the Security Trustee as they may reasonably request;

(i) to assist the Issuer in entering into Interest Rate Swap Agreements in certain circumstances as set out in the section "*Interest Rate Swap Agreement*"; and

(j) to not knowingly fail to comply with any material legal requirements in the performance of its obligations under the Servicing Agreement.

Servicer Reports and transparency requirements

The Servicer is required to make available to the Issuer and the Cash Manager, on or before each Servicer Reporting Date, a Servicer Report in relation to the Mortgage Loans in the Mortgage Portfolio as at the end of the immediately preceding Monthly Calculation Period.

The Servicer has undertaken, on behalf of the Issuer, as the entity designated, pursuant to Article 7(2) of the UK Securitisation Regulation, as responsible for fulfilling the Transparency Requirements, to prepare:

(a) on a monthly basis, the Servicer Report; and

(b) on a monthly basis, the Loan Level Reports;

(c) all underlying documentation required to be made available pursuant to Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation (as if such requirement applied to it and as such regulation is in force as at the Closing Date),

and with respect to paragraph (a) above, deliver such report to the Cash Manager and the Issuer by no later than the Servicer Reporting Date; and paragraph (b) above, deliver such reports to the Cash Manager and Issuer and make available, on behalf of the Reporting Entity, such reports to the Securitisation Repository, as required to be made available by the Reporting Entity pursuant to the Transparency Requirements by no later than one month following the relevant Payment Date.

Subject to the Cash Manager having prepared and made available the Quarterly Reports at https://pivot.usbank.com, the Servicer has undertaken to promptly make available the UK Quarterly Reports to the Securitisation Repository, in accordance with the requirements of the UK Securitisation Regulation, and to promptly make available the EU Quarterly Reports on the Securitisation Repository Website, in accordance with the requirements of the EU Securitisation Regulation as such regulation is in force as at the Closing Date.

The Issuer has undertaken to procure that the Corporate Services Provider prepares and makes available on a quarterly basis and, where required, without delay, (i) by means of the Securitisation Repository any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant

to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (ii) by means of the Securitisation Repository Website any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards, **provided that** the Issuer's obligations under the Cash Management Agreement to deliver the relevant reports shall be conditional upon the Issuer becoming aware of such information and **provided further that** the Issuer shall not be required to monitor the price at which Notes are trading at any time. Such reports shall be prepared and made available in accordance with the requirements of the UK Securitisation Regulation and the EU Securitisation Regulation as such regulation is in force as at the Closing Date, including as to the form of such information and the time when such information is required to be made available.

The first Loan Level Report and Quarterly Report will be published as required by and in accordance with Article 7(1)(a) and Article 7(1)(e) of the UK Securitisation Regulation respectively and Article 7(1)(a) and Article 7(1)(e) of the EU Securitisation Regulation respectively (as if such requirement was applicable to it and as such regulation is in force as at the Closing Date).

Collection of payments

The Servicer has undertaken to take all reasonable steps to collect and recover payments due under or in respect of the Mortgage Loans in the Mortgage Portfolio and the Related Security, including enforcing any Mortgage Loan which is in default in accordance with the Seller's Enforcement Procedures or, to the extent that such Enforcement Procedures are not applicable having regard to the nature of the default in question, with the usual procedures undertaken by a Prudent Mortgage Lender on behalf of the Issuer.

In relation to each Mortgage Loan where the relevant Borrower makes a Monthly Payment by way of Direct Debit, the Servicer will, unless otherwise agreed in writing with the Issuer and the Security Trustee (a) act as collecting agent for the Issuer under the Direct Debiting Scheme, (b) comply in all material respects with the requirements from time to time of the Direct Debiting Scheme, and (c) using its reasonable endeavours, credit any Monthly Payment made by a Borrower by way of Direct Debit (including by automated debit or standing order) to the relevant Collection Account by close of business on the Business Day which immediately follows the day on which such amounts are received (and in any event within three Business Days of receiving such amounts) into the relevant Collection Account.

The Servicer may agree with a Borrower that the Direct Debiting Scheme will not apply to Monthly Payments to be made by such Borrower and that such Monthly Payments may be made by way of standing order, cheque or other means, provided that alternative payment arrangements are made which are intended to ensure the timely making of Monthly Payments due from the Borrower to the Issuer and that the change in arrangements was made at the instigation of the Borrower or by the Servicer in accordance with the procedures which would be adopted by a Prudent Mortgage Lender and which are in line with the Seller's Policies.

In relation to each Mortgage Loan where the relevant Borrower makes a Monthly Payment under an alternative payment arrangement, the Servicer will use its reasonable endeavours to credit those Monthly Payments to the relevant Collection Account:

(a) in the case of any payment by cash into a branch, by close of business on the third Business Day which immediately follows the day on which such amount is received or credited by the Servicer;

(b) in the case of any payment by cheque where a reference to the relevant Borrower is provided, by close of business on the second Business Day which immediately follows the day on which such amount is received or credited by the Servicer in cleared funds;

(c) in the case of any payment by cheque where a reference to the relevant Borrower is not provided, by close of business on the next Business Day after notification from the relevant Collection Account Bank of the identity of the Borrower;

(d) in the case of any payment via standing order or funds transfer from another bank account, including if any such payments have been effected via internet banking, by close of business on the third Business Day immediately following the day on which such amount is received or credited by the Servicer;

(e) in the case of any payment of cash, transfer payment from another account or cheque of the Seller where reference to the relevant Borrower is provided, by close of business on the Business Day which immediately follows the day on which such amount is received or credited by the Servicer; and

(f) in the case of any payment by debit card (accepted in the case where a Mortgage Loan is in arrears), by close of business on the second Business Day immediately following the day on which such amount is received or credited by the Servicer.

Payments from Borrowers under mortgage loans originated by the Seller or Barclays Bank PLC which are not intended to be assigned to the Issuer are also paid into and flow through the Collection Accounts. Amounts paid into the Collection Accounts are held on trust by the Servicer for the relevant beneficiaries (which will include the Issuer). The trust in favour of the Issuer is in respect of all amounts credited to the Collection Accounts which represent receipts in respect of Mortgage Loans that have been assigned to the Issuer and included in the Mortgage Portfolio.

In respect of amounts standing to the credit of the Collection Accounts representing amounts identified as Monthly Payments, other interest received under and in respect of the Mortgage Loans and any costs or other amounts received under the Mortgage Loans (including in any such case amounts recovered on enforcement of rights against any Borrower or guarantor of the Borrower, any Mortgaged Property or any of the Borrower's or guarantor's other property or assets to the extent such proceeds are payable on the relevant Mortgage Loans) will be transferred from the relevant Collection Account into the Transaction Account on a daily basis in accordance with the provisions of the Cash Management Agreement.

The Servicer will be entitled to make the following payments out of the Collection Account (to the extent that withdrawal of the relevant amounts would not cause the balance of the Collection Account to become overdrawn) on any date:

(a) if any amount has been received from a Borrower for the express purpose of payment being made to a third party for the provision of a service (including giving insurance cover) to that Borrower or the Seller or the Legal Title Holder or the Issuer, payment of such amount when due to such third party or, in the case of the payment of an insurance premium, where such third party and the Servicer have agreed that payment of commission should be made by deduction from such insurance premium, payment of such amount minus such commissions when due to the relevant insurance company and to pay such commission to the Servicer;

(b) payment to any person (including the Servicer) of any amounts due arising from any overpayment by such person;

(c) payment when due (but subject to any right to refuse or withhold payment or any right of set-off that has arisen by reason of the Borrower's breach of the terms of the relevant Mortgage) of any amount payable to a Borrower under the Mortgage Conditions applicable to such Borrower;

(d) payment when due and payable of any amounts due and payable by the Issuer to third parties and incurred and not provided for payment elsewhere in paragraphs (a) to (c) above including any premiums in respect of any insurance contract relating to any Mortgage Loan comprised in the Mortgage Portfolio; and

(e) payment to refund any amounts due arising from the rejection of any payments in respect of a Mortgage Loan and any other amounts which have not been received by the Issuer as cleared funds.

Replacement of Collection Account Bank

If the rating of the Collection Account Bank falls below the Collection Account Bank Required Rating and there exists a financial institution having a rating of at least the Collection Account Bank Required Rating and which is a Qualified Institution, the Servicer shall assist the Legal Title Holder (or any other entity which may then hold legal title to the Mortgage Loans) to, and the Legal Title Holder (or any other entity which may then hold legal title to the Mortgage Loans) shall, as soon as reasonably practicable (such time period to be not more than 60 calendar days) following such occurrence:

(a) open a replacement collection account in the name of the Legal Title Holder with a financial institution:

  (i) having a rating of at least the Collection Account Bank Required Rating;

  (ii) approved in writing by the Issuer and the Security Trustee; and

  (iii) which is a Qualified Institution; or

(b) obtain an unconditional and unlimited guarantee of the obligations of the Collection Account Bank from a financial institution having the Collection Account Bank Required Rating; or

(c) take any other action as the Rating Agencies may agree will not result in a downgrade of the Rated Notes.

In the event a replacement collection account is opened, the Servicer will (x) procure, where possible, that all payments made under the Direct Debiting Scheme are transferred to such replacement collection account, (y) procure, where possible, that all monthly payments made by a Borrower under a payment arrangement other than the Direct Debiting Scheme are made to such replacement collection account from the date on which the replacement collection account is opened; and (z) procure that all amounts standing to the credit of the Collection Accounts in respect of the Mortgage Loans are transferred to the replacement Collection Account promptly after such replacement Collection Account is opened.

Servicer's liability

The Servicer will indemnify the Issuer on demand on an after-tax basis for any loss, liability, claim, expense or damage suffered or incurred by the Issuer in respect of the gross negligence or wilful default of the Servicer in carrying out its functions as Servicer under the Servicing Agreement or the other Transaction Documents or as a result of a breach by the Servicer of the terms and provisions of the Servicing Agreement or the other Transaction Documents to which the Servicer is a party (in its capacity as such), and in relation to such functions.

However, the Servicer will not be liable in respect of any loss, liability, claim, expense or damage suffered or incurred by the Issuer and/or any other person as a result of the proper performance of the services under the Servicing Agreement by the Servicer save where such loss, liability, claim, expense or damage is suffered or incurred as a result of any gross negligence, bad faith or wilful default of the Servicer or as a result of a breach by the Servicer of the terms and provisions of the Servicing Agreement or the other Transaction Documents to which the Servicer is a party (in its capacity as such), and in relation to such functions.

Servicing fee

The Issuer will pay to the Servicer, in arrear, on each Payment Date in consideration of the provision of the services under the Servicing Agreement to the Issuer, a servicing fee, which will be (a) calculated in relation to each Calculation Period on the basis of the number of days elapsed and a 365-day year (or, in the case of a Calculation Period ending in a leap year, a 366-day year) at the rate of 0.30 per cent. per annum on the aggregate

amount of the Current Balance of the Mortgage Loans in the Mortgage Portfolio as determined at the Calculation Date in respect of the immediately preceding Calculation Period (the "**Servicing Fee**"), and (b) paid to the Servicer, in arrear, on each Payment Date in the manner contemplated by and in accordance with applicable Priority of Payments. The Servicing Fee shall be inclusive of any VAT.

The Issuer will, on each Payment Date, as further consideration for the provision of the services under the Servicing Agreement to the Issuer, reimburse the Servicer for all out-of-pocket costs, expenses and charges properly incurred by the Servicer in the performance of those services, including any such costs, expenses or charges not reimbursed to the Servicer on any previous Payment Date.

Removal or resignation of the Servicer

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

(a) the Servicer fails to pay any amount due and payable by it under the Servicing Agreement and such failure is not remedied for a period of 30 calendar days after the Servicer becoming aware of such failure;

(b) default is made by the Servicer in the performance or observance of any of its other material covenants or material obligations under the Servicing Agreement or any of the other Transaction Documents which, in the opinion of the Security Trustee, acting on the direction of the Note Trustee, is materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding, and such default continues unremedied for a period of 30 London Business Days after the Servicer becoming aware of such default, 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 thereunder, such default will not constitute a Servicer Termination Event if, within such 30 London Business Day-period, either:

  (i) the relevant sub-contractor or delegate remedies the relevant default; or

  (ii) the Servicer replaces the relevant sub-contractor or delegate with an entity capable of remedying such default (and ensures that such default is remedied by such entity) or alternatively indemnifies the Issuer against the consequences of such default;

(c) the Servicer at any time fails to obtain or maintain the necessary licence or regulatory approval required by virtue of the UK mortgage regulatory regime and which is required in order to enable it to continue administering the Mortgage Loans, including, without limitation, the FCA authorisations; or

(d) the Servicer becomes subject to an Insolvency Event,

then the Issuer may (with the prior written consent of the Security Trustee) or, following the delivery of an Enforcement Notice, the Security Trustee may or the Issuer (if directed by the Security Trustee, acting on the instructions of the Note Trustee, acting on the instructions of the Most Senior Class but in accordance with the provisions of Condition 4.2(i)) shall at once or at any time thereafter while such default continues, by notice in writing to the Servicer (with a copy to the Security Trustee, the Note Trustee and the Sponsor Administrator), terminate its appointment as Servicer under the Servicing Agreement with effect from a date, not earlier than the date of the notice, specified in the notice provided that such termination shall not be effective until a successor servicer (a "**Successor Servicer**") and a successor entity for holding of the legal title of the Mortgage Portfolio (a "**Successor Legal Title Holder**") has been appointed, and the Successor Legal Title Holder has been registered as the registered proprietor of the Mortgage Loans and their Related Security at HM Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland, as appropriate.

Upon termination of the appointment of the Servicer following a Servicer Termination Event, the Back-up Servicer Facilitator shall use its reasonable endeavours to assist the Issuer in appointing, as soon as reasonably practicable, a replacement Servicer that satisfies the following conditions:

(a) such replacement servicer has experience of administering Mortgage Loans secured on residential mortgaged properties in England, Wales, Northern Ireland and Scotland;

(b) such replacement servicer enters into a deed on substantially the same terms as the relevant provisions of the Servicing Agreement with the Issuer, the Seller, the Legal Title Holder and the Security Trustee (and the Servicer will not be released from its obligations under the relevant provisions of the Servicing Agreement until such replacement servicer has entered into such new deed); and

(c) such replacement Servicer is authorised and licensed to act as such under the FSMA.

The Issuer may also, by not less than 12 months' notice in writing to the Servicer, terminate all of its appointments with effect from a date (not being earlier than the date of the notice) specified in such notice.

In addition, the Servicer may resign all of its appointments under the Servicing Agreement at any time following the expiry of not less than 12 months' notice of resignation given by the Servicer to the Issuer and the Security Trustee, provided that the conditions referred to above are satisfied, the Issuer and the Security Trustee consent in writing to such termination, and a replacement servicer will be appointed (subject to the prior written consent of the Security Trustee), such appointment to be effective not later than the date of such termination (and the Servicer will notify the Rating Agencies in writing of the identity of such replacement servicer).

If the appointment of the Servicer is terminated, the Servicer must deliver (and in the meantime hold on trust for, and to the order of, the Security Trustee) to the Issuer or as it will direct the Mortgage Loan Files, the Title Deeds, all books of account, papers, records, registers, correspondence and documents in its possession or under its control relating to the affairs of, or belonging to, the Issuer and the Mortgage Loans in the Mortgage Portfolio and any other Related Security and (if practicable, on the date of receipt) any monies then held by the Servicer on behalf of the Issuer and any other assets of the Issuer.

The Servicing Agreement will terminate automatically when the Issuer has no further interest in any of the Mortgage Loans which have comprised the Mortgage Portfolio and the security constituted by the Deed of Charge has been released.

Neither the Note Trustee nor the Security Trustee is obliged to act as Servicer in any circumstances.

Repurchases

The Legal Title Holder will also be required to repurchase Mortgage Loans and their Related Security sold to the Issuer in the circumstances described below under see "*Further Advances*" and "*Product Switches*".

Further Advances

Under the Mortgage Sale Agreement and Servicing Agreement, the Issuer has agreed that the Legal Title Holder may accept applications for, or make offers to Borrowers of, Further Advances in respect of Mortgage Loans comprised in the Mortgage Portfolio. The Legal Title Holder is and will at all times remain solely responsible for offering and documenting any Further Advance or accepting any application for a Further Advance made to, or received from, a Borrower with respect to any relevant Mortgage Loan and for funding any relevant offer or accepted application for a Further Advance. For the avoidance of doubt, the Issuer will not be required to advance monies to the Legal Title Holder or to a Borrower in order to fund such a Further Advance in any circumstances whatsoever. The Issuer will not itself make any Further Advance.

The Legal Title Holder will identify the relevant Mortgage Loan which is subject to a Further Advance and the Legal Title Holder agrees with the Issuer that the Legal Title Holder will repurchase the relevant Mortgage Loan and its Related Security pursuant to the Servicing Agreement.

By the third Business Day of the following month after the date on which the Further Advance was made, the Legal Title Holder will deliver a notice (a "**Further Advances Notice**") to the Issuer setting out the details of the relevant Mortgage Loan and its Related Security subject to such Further Advance which shall be repurchased by the Legal Title Holder. For the avoidance of doubt, no Mortgage Loan Repurchase Notice (as defined in the Mortgage Sale Agreement) will be required to be delivered in respect of such Mortgage Loan and its Related Security.

Upon receipt of the Further Advances Notice, the Issuer shall re-assign to the Legal Title Holder the relevant Mortgage Loan and its Related Security subject to a Further Advance and immediately following such re-assignment, the Legal Title Holder will be obliged to repurchase that Mortgage Loan and its Related Security together with any other Mortgage Loan secured or intended to be secured by such Related Security or any part of it in an amount equal to the Current Balance of such Mortgage Loan (as at the first Business Day of the following month after the date on which the Further Advance was made) which amount shall be paid to the Issuer in accordance with the terms of the Servicing Agreement.

Product Switches

Under the Mortgage Sale Agreement and Servicing Agreement, the Issuer has agreed that the Legal Title Holder may accept applications for, or make offers to Borrowers of, Product Switches in respect of Mortgage Loans comprised in the Mortgage Portfolio. The Legal Title Holder is and will at all times remain solely responsible for offering and documenting any Product Switch or accepting any application for a Product Switch made to, or received from, a Borrower with respect to any relevant Mortgage Loan.

The Legal Title Holder will identify the relevant Mortgage Loan which is subject to a Product Switch and, provided the relevant Mortgage Loan is less than two months in arrears on the first Business Day of the following month after the Product Switch occurred, the Legal Title Holder agrees with the Issuer that the Legal Title Holder will repurchase the relevant Mortgage Loan and its Related Security pursuant to the Servicing Agreement. The Legal Title Holder will determine the number of months in arrears in respect of a Mortgage Loan which is subject to a Product Switch only, by dividing (i) the outstanding arrears balance of the Borrower; by (ii) the average of the Monthly Payment(s) that would have fallen due for each month since the Mortgage Loan most recently went into arrears, in each case, at the end of last London Business Day of the month in which the Product Switch occurred.

By the third Business Day of the following month after the date on which the Product Switch was made, the Legal Title Holder will deliver a notice (a "**Product Switches Notice**") to the Issuer setting out the details of the relevant Mortgage Loan and its Related Security subject to such Product Switch which shall be repurchased by the Legal Title Holder. For the avoidance of doubt, no Mortgage Loan Repurchase Notice will be required to be delivered in respect of such Mortgage Loan and its Related Security.

Upon receipt of the Product Switches Notice, the Issuer shall re-assign to the Legal Title Holder the relevant Mortgage Loan and its Related Security subject to a Product Switch and immediately following such re-assignment, the Legal Title Holder will be obliged to repurchase that Mortgage Loan and its Related Security together with any other Mortgage Loan secured or intended to be secured by such Related Security or any part of it in an amount equal to the Current Balance of such Mortgage Loan (as at first Business Day of the following month after the Product Switch was made) which amount shall be paid to the Issuer in accordance with the terms of the Servicing Agreement.

The obligation of the Issuer to accept any Product Switch in respect of a Mortgage Loan which is two or more months in arrears on the first Business Day of the following month after the Product Switch occurred will be

subject to satisfaction by the third Business Day of the following month after the date on which the Product Switch was made of the following conditions:

(a) the Product Switch in relation to that Mortgage Loan was a Permitted Product Switch;

(b) the granting of the Product Switch 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 and the Issuer would be required to be authorised under the FSMA to do so; and

(c) there was no breach of the Mortgage Loan Warranties in respect of the Mortgage Loan subject to that Product Switch on the last day of the Monthly Calculation Period in which the relevant Switch Date occurred that could have a material adverse effect on that Mortgage Loan or its Related Security.

In the Product Switches Notice, the Legal Title Holder will notify the Issuer if the conditions set out in paragraphs (a) to (c) above are met by the third Business Day of the following month after the date on which the Product Switch was made.

If any of the above conditions in paragraphs (a) to (c) above (inclusive) above are not met by the third Business Day of the following month after the date on which the Product Switch was made (in respect of a Mortgage Loan which is two or more months in arrears on the first Business Day of the following month after the Product Switch occurred), then the Issuer is under no obligation to accept such Product Switch.

Entering into a Mortgage Charter arrangement does not constitute a Product Switch in the context of the Mortgage Portfolio.

Repurchase price

The repurchase price payable for each Mortgage Loan repurchased by the Legal Title Holder in accordance with the Mortgage Sale Agreement and Servicing Agreement is an amount equal to the aggregate of the Current Balance thereof and expenses payable relating thereto (excluding, if applicable, the amount of any Further Advance which has not yet been paid for by the Issuer) as at the date of completion of such repurchase (being, the first Business Day of the following month after the Product Switch was made). The repurchase proceeds received by the Issuer in respect of the Principal Balance or otherwise allocable to the Balance of a Mortgage Loan will be Principal Receipts and will be applied in accordance with the Pre-Enforcement Principal Priority of Payments or, in respect of any other component of Current Balance not treated as Principal Receipts, will be Revenue Receipts and will be applied in accordance with the Pre-Enforcement Revenue Priority of Payments. (see "*Credit Structure and Cashflows*").

Following a re-assignment of a Mortgage Loan to the Legal Title Holder following a Product Switch, the Legal Title Holder shall be entitled to receive any repayments of principal, interest or any other such amounts relating to that Mortgage Loan accruing from, and including, the first Business Day of the following after the date on which the Product Switch was made.

Governing law

The Servicing Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

The Servicer's policies and procedures

The following section describes, in summary, certain terms of the Servicer's policies and procedures as at the Cut-Off Date. The description does not purport to be complete and is subject to the full terms and provisions set out in the Servicer's policies and procedures.

Arrears and recoveries

Processes to support customers in financial difficulty have been in existence in the Servicer's business for many years. The Servicer's "**Customer Home Assistance**" team manages the portfolio of customers that do not maintain their contractual Monthly Payments, and also those customers who have self-identified themselves as being in financial difficulties and is dedicated to provide support to these customers. Operationally, the division is split into teams covering the main elements of the process being (i) customer contact/telephony (ii) outbound calls via an automated predictive dialler (iii) inbound calls to three dedicated call centres (iv) inbound and outbound correspondence (v) outbound email and SMS. The team has a suite of forbearance tools available to support customers in financial difficulty dependent upon their personal circumstances and levels of affordability. There is a dedicated team to support customers with Buy-to-Let Mortgage Loan.

All litigation against customers is managed via a panel of reputable law firms and any properties in possession and recoveries are managed by a reputable panel of experts. The Servicer's customer support team provides vulnerable customers with bespoke support to assist them with any relevant information or products. Additionally, the Servicer has in place interest only maturities that help customers pre and post maturity and is supported by centralised support areas. The Servicer ensures independent call quality checks and outcome testing processes are in place to assess the delivery, customer treatment and the process through arrears management.

The Servicer has a proactive 'pre-arrears' identification strategy that runs parallel with its collections and recoveries operations, and this is based upon an assessment of credit bureau data, the Servicer's account data such as current account overdraft limit usage and performance of other of the Servicer's products. This strategy identifies customers that are in, or are at risk of entering, financial difficulties based upon their credit bureau information. These customers are sent a letter encouraging them to discuss their financial situation with the Customer Home Assistance team and to understand what kind of support is available. This letter also provides contact details for other recognised debt charities.

Arrears practice in respect of the Mortgage Loans

In accordance with standard market practice in the UK mortgage loan servicing business, the Servicer identifies a Mortgage Loan as being "in arrears" when, on the first day of the calendar month following any due date, the overdue amounts which were due on previous due dates equal, in the aggregate, one or more full Monthly Payments. In making an arrears determination, the Servicer calculates as of the date of determination the difference between (a) the sum of all Monthly Payments that were due and payable by a Borrower on any due date up to that date of determination; and (b) the sum of all payments actually made by that Borrower up to that date of determination. The Servicer will determine that a Mortgage Loan is in arrears if the result arrived at by dividing that difference (if any) by the amount of the required Monthly Payment equals or exceeds one. A Mortgage Loan will continue to be in arrears for each calendar month in which the result of the foregoing arrears calculation equals or exceeds one, which result means that the Borrower has missed payments that in the aggregate equal or exceed one Monthly Payment, and subsequent payments by that Borrower (if any) have not reduced the amount of missed payments to less than one Monthly Payment. As the Servicer determines its arrears classification based upon the number of full Monthly Payments that have been missed by a Borrower, a Borrower that has missed payments that in the aggregate equal or exceed one Monthly Payment (but for which the aggregate of missed payments is less than two Monthly Payments) would be classified by the Servicer as being one month in arrears, and so on. A Mortgage Loan may still be classified as being in arrears notwithstanding the reduction of the aggregate of missed payments to below one.

Accounts in arrears are reviewed monthly with numerous milestones throughout the process, and depending on their risk characteristics, may be subject to different collections strategies. Throughout the process, all customers are encouraged by the Servicer (both in writing and verbally) to seek free independent financial advice for their situation and to seek information about potential options available to them.

Special servicing – vulnerable customers

The Seller/Servicer has several indicators which assist it to identify its vulnerable customers. Such indicators include, customers who have a severe or long-term illness or health condition, customers those whose mental health regularly affects their mood, thinking, and/or behaviour in a way that is hard to manage, and customers with a terminal illness. Additionally, such indicators consider customers who face a threat to life, are victims or survivors of domestic abuse, or experience a temporary or long-term loss of capacity. Historical indicators of vulnerability are also taken into account. Vulnerable customers identified through these indicators are handled by the specialist support team within the organisation, ensuring they receive the appropriate care and assistance tailored to their unique needs.

Special servicing – interest only customers

The Seller/Servicer has implemented a comprehensive contact strategy for Interest Only Mortgage Loan customers, ensuring they are consistently reminded of their repayment obligations throughout the mortgage term. This strategy involves sending letters at specific intervals to keep customers informed and engaged.

One year after mortgage origination, Borrowers will receive a letter reminding them of their Interest Only Mortgage Loan. This letter encourages them to regularly check their repayment strategy and contact the interest only mortgage team if they have any questions or concerns about their ability to repay the mortgage. When customers reach 50 per cent. of their mortgage term, Borrowers will receive another letter. This communication reiterates the importance of monitoring their repayment strategy and highlights the potential consequences of not fully repaying the mortgage at maturity. It urges customers to contact the mortgage team if they suspect their repayment strategy may be insufficient.

Further reminders are sent when Borrowers reach 75 per cent. and 90 per cent. of their mortgage term. These letters not only remind customers to review their repayment strategy but also emphasise the potential impacts of failing to repay the mortgage in full at maturity. Customers are encouraged to get in touch with the mortgage team as soon as they have any concerns about their repayment plan.

As the mortgage term nears its end, customers receive additional letters six months and six weeks before maturity. These letters inform them that repayment is due shortly and prompt them to contact the team if they have any questions.

Settlement of arrears

Following assessment by the Servicer of the Borrower's circumstances, if the Borrower is able to clear the arrears in full, they are able to do so using payments via debit card, bank transfer, cash, standing order or direct debit. If it is not possible for the Borrower to clear the arrears in full, the maximum affordable amount will be collected using one of the methods specified above and an arrangement to clear the remainder of the arrears agreed between the Servicer and Borrower. If it is not possible for the Borrower to settle arrears in full, an arrangement to clear the arrears shortfall can be agreed. The duration of any arrangement cannot exceed the current mortgage term, unless a parallel term extension is also agreed. Further forbearance or arrangement options to clear the arrears balance are considered where the Borrower's financial difficulty is confirmed. Such options include, but are not limited to, accepting payments of interest only for repayment loans, payment concessions extending the loan term, reducing the interest rate and the capitalisation of arrears (see "*Forbearance options*" below).

A Borrower's reasons for default are captured as part of calls between the Seller and the Borrower. The majority of defaults are attributed to loss of employment, illness and matrimonial dispute, financial mismanagement or an unexpected event.

The Servicer has a specialist panel which can agree bespoke solutions for Borrowers in exceptional circumstances or who may be in extreme difficulties due to vulnerabilities. Such panel meets weekly and consists of members

from various parts of the organisation, including senior stakeholders from the credit risk, compliance, legal and products teams of the organisation.

In addition, Borrowers also have available to them an assisted voluntary sale scheme, to provide support and expertise (through an asset management company) to Borrowers wishing to exit homeownership.

Forbearance options

Where it is evident that the Borrower is not in a position to clear any arrears and/or is not able to afford to make contractual Monthly Payments following the completion of a detailed income and expenditure breakdown, the Servicer must consider if any of the following forbearance options are appropriate:

(a) *Interest Rate Reduction*: available for TrackerRate Mortgage Loans where the interest rate is reduced where possible to lower temporarily the Borrower's contractual Monthly Payment;

(b) *Repayment to Interest-Only* – an arrangement whereby the Borrower is able to pay interest only for a fixed period of time;

(c) *Concession*: where an agreement is set up for a defined period of time to allow the Borrower to make payments of less than the value of the contractual Monthly Payment;

(d) *Term Extension*: where the term of the Mortgage Loan is extended to reduce the contractual Monthly Payment (for Borrowers in long-term difficulty); or

(e) *Voluntary House Sale*: this is not a forbearance option, but may occur where the Borrower opts to sell their property to alleviate their financial difficulty and may make use of a reduced payment tool to facilitate the sale. As part of this process, confirmation needs to be received by the Servicer that the Borrower has alternate accommodation arrangements in place.

The forbearance options available to the Servicer may change from time to time in accordance with the Seller's Policy and the practices of a Prudent Mortgage Lender.

Arrears capitalisation

From time to time and only in rare cases after the suitability of other forbearance arrangements have been fully reviewed and discounted due to individual customer circumstances, the Servicer, in accordance with the Servicing Procedures, may capitalise any outstanding amounts in arrears of a Borrower.

Litigation and repossession

Where it has not been possible to reach an acceptable arrangement with a Borrower for the clearance of their arrears shortfall and all options have been exhausted, then the Servicer's position must be protected through instructing solicitors to seek an order for possession of the Mortgaged Property (see below paragraph for further detail). Prior to a referral to solicitors, a Borrower must have been sent all the information as required by current regulations and in accordance with the relevant Mortgage Conditions. Only solicitors from an approved panel may be instructed to act for the Servicer, and before taking any legal action, solicitors will undertake a review of the case in question to ensure that legal action is considered appropriate and effective.

Repossession

Possession process: in cases where repossession becomes necessary, the Servicer's litigation team will instruct a panel of solicitors to obtain a possession order or will arrange a payment plan via a court order. The average time to obtain a possession hearing is 12 weeks. At the hearing, a suspended possession order or a straight order for 28 or 56 days is typically granted. Once a warrant for possession is executed, the Seller/Servicer's possessions team

takes over the administration of the case. Such team also manage cases where a property has been voluntarily surrendered. The possessions team collaborates closely with the Seller's/Servicer's third-party suppliers, such as asset management companies and solicitors, and liaises with customers, their personal representatives, and subsequent charge holders.

Actions taken on possession of a property: upon taking possession of a property, the Servicer's chosen asset management panel ensures several actions are taken. The locks are changed, and the property is drained down, cleaned, and cleared. A minimum of two valuations and an estate agent's appraisal are obtained to set the marketing price, allowing the property to be placed on the market for sale within ten days of possession.

The asset management company handles all offers received for properties in possession, guided by the "Properties-in-Possession team" team in accordance with documented mandates. The goal is to secure the best possible price for the property, considering its condition and prevailing market conditions, in the interests of both the Issuer/Seller and the Borrower, while fulfilling all legal obligations.

In exceptional circumstances, after a period of 120 days, the asset management company may determine that selling the property at auction will achieve the best price. Recognising that possession is a last resort after exploring all solutions and understanding customer circumstances, The Servicer has established a strategic relationship with Shelter UK to provide customers with further housing advice and support.

Special servicing - Mortgage Loan shortfalls

In England, Wales, and Northern Ireland, borrowers remain liable for any shortfall when a house is sold for less than the outstanding mortgage balance for a period of 12 years from the date of the last payment. In Scotland, this period is typically five years. The Servicer's mortgage shortfall recoveries team is responsible for managing all shortfall cases, whether they arise from an agreed sale, enforced possession, or voluntary possession. Recovery action is initiated immediately after a mortgage shortfall amount is identified at redemption.

Since 2017, the Servicer has adopted a reactive approach to shortfall recovery, which is dependent on the Servicer's knowledge of the customer. This approach generally follows a structured process. Initially, the customer is contacted with a demand for payment. If the customer's address is unknown, a tracing agent is employed to locate them. The Servicer then seeks to reach an agreement with the customer to repay the shortfall. Customers are reminded annually of their outstanding balance. If the Servicer has knowledge of the customer's assets or employment, it may seek an attachment of earnings or a charging order as appropriate. Recovery of the shortfall is pursued unless it is deemed uneconomic or inappropriate to do so. In cases where malpractice by a third party, such as a solicitor or valuer, is identified, a negligence claim is considered. All third parties involved in the recovery process are selected from an approved panel. These third parties are managed centrally by the Servicer.

Servicer's discretion in exceptional circumstances

On a case-by-case basis, and within approved parameters detailed in the Seller's Policy, the Servicer may determine that, based upon compensating factors, the normal processes to deal with customers in arrears should not be applied to certain Borrowers. The Servicer may take into account compensating factors including, but not limited to, the ill health of one or more of the occupants, elderly residents, and sudden change in a Borrower's personal circumstances, for example accident, bereavement or separation from a partner. In these exceptional circumstances, the account is referred to a forum in which there is senior representation from key areas across the mortgage business (including, but not limited to, credit risk, product and operations). The forum reviews all cases based upon their individual and prevailing factors to assess and agree upon the most appropriate course of action.

CREDIT STRUCTURE AND CASHFLOWS

1. GENERAL CREDIT STRUCTURE

The Notes and the requirement to pay Senior Deferred Consideration and Residual Deferred Consideration 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 Transaction which will enhance the likelihood of timely receipt of payments to Noteholders:

(a) Available Revenue Receipts are expected to exceed interest and fees payable by the Issuer;

(b) a Revenue Shortfall may be met from Available Principal Receipts;

(c) the General Reserve Fund will be available to pay General Reserve Fund Payments; and

(d) the Liquidity Reserve Fund will be available to pay Senior Revenue Amounts.

Each of these factors is considered more fully in the remainder of this section.

Credit support for the Notes provided by 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, Revenue Receipts received from Borrowers on the Mortgage Loans in the Mortgage Portfolio will be greater than the sum of the interest on the Notes which the Issuer will be required to pay under the Pre-Enforcement Revenue Priority of Payments.

The actual amount of any Revenue Receipts will vary during the life of the Notes. The key factors determining such variation will be as follows:

(a) the weighted average interest rate on the Mortgage Loans in the Mortgage Portfolio;

(b) the level of arrears experienced; and

(c) availability of any hedging.

On any Payment Date, Available Revenue Receipts will be available to meet payments of interest on the Notes and the other payments set out in the Pre-Enforcement Revenue Priority of Payments, and ultimately to pay any excess to the persons entitled to the Residual Deferred Consideration.

Interest Rate Swaps

The Issuer has agreed to enter into an Interest Rate Swap Agreement with respect to the Fixed Rate Mortgage Loans that are sold into the Mortgage Portfolio on the Closing Date, 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. See "*The Interest Rate Swap Agreement*" for further information.

General Reserve Fund

Application and purpose

The General Reserve Fund will be established in the name of the Issuer on or before the Closing Date from the proceeds of the Class Z Notes to pay General Reserve Fund Payments.

In making any withdrawals from the General Reserve Fund, the Issuer (or the Cash Manager on its behalf) will only be required to withdraw the amount actually needed for the purpose. To the extent that the General Reserve

Fund is held in Authorised Investments, any portion of the General Reserve Fund not required for these purposes may remain invested in Authorised Investments. See "*Authorised Investments*" below.

Funding and replenishment

The General Reserve Fund is required to be maintained in an amount not less than the General Reserve Fund Required Amount. On the Closing Date, the General Reserve Fund will be credited with £14,281,582.18 of the proceeds of the Class Z Notes. On and from the first Payment Date, the General Reserve Fund will be available to be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments to pay a General Reserve Fund Payment (but only to the extent necessary after applying all other Available Revenue Receipts (other than Principal Addition Amounts under paragraph (f) of the definition of Available Revenue Receipts and amounts standing to the credit of the Liquidity Reserve Fund under paragraph (e) of the definition of Available Revenue Receipts)) or in accordance with the Post-Enforcement Priority of Payments (as applicable).

On and from the first Payment Date, the General Reserve Fund will be credited up to the General Reserve Fund Required Amount in accordance with item (xix) of the Pre-Enforcement Revenue Priority of Payments.

Following redemption in full of the Rated Notes, amounts standing to the credit of the General Reserve Fund will be available to be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable).

Following the delivery of an Enforcement Notice, the General Reserve Fund may 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 all Classes of Notes.

The monies credited to the General Reserve Fund will be deposited into the Transaction Account. 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 General Reserve Ledger is maintained by the Cash Manager in the name of the Issuer to record amounts standing to the credit of the General Reserve Fund from time to time and withdrawals from and deposits into the General Reserve Fund.

"**General Reserve Fund Payment**" means payments required to be made pursuant to items (i) to (viii) and (x) to (xviii) of the Pre-Enforcement Revenue Priority of Payments, subject in respect of items (viii), (xi), (xiii), (xv) and (xvii) of the Pre-Enforcement Revenue Priority of Payments to the relevant PDL Condition being satisfied.

"**General Reserve Fund Required Amount**" means an amount equal to:

(a) (i) on the Closing Date and on any Payment Date prior to the date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are redeemed in full (the "**Class F Notes Redemption Date**"), an amount equal to 2.00 per cent. of the Current Balance of all Mortgage Loans comprising the Mortgage Portfolio as at the Cut-Off Date; *less*

(ii) the Liquidity Reserve Fund Required Amount; or

(b) on any Payment Date falling on or after the Class F Notes Redemption Date, zero.

Liquidity Reserve Fund

Application and purpose

The Liquidity Reserve Fund will be established in the name of the Issuer on or before the Closing Date from the proceeds of the Class Z Notes to pay Senior Revenue Amounts.

In making any withdrawals from the Liquidity Reserve Fund, the Issuer (or the Cash Manager on its behalf) will only be required to withdraw the amount actually needed for the purpose. To the extent that the Liquidity Reserve Fund is held in Authorised Investments, any portion of the Liquidity Reserve Fund not required for these purposes may remain invested in Authorised Investments. See "*Authorised Investments*" below.

Funding and replenishment

The Liquidity Reserve Fund is required to be maintained in an amount not less than the Liquidity Reserve Fund Required Amount. On the Closing Date, the Liquidity Reserve Fund will be credited with £3,969,640.00 of the proceeds of the Class Z Notes.

On and from the first Payment Date, the Liquidity Reserve Fund will be available to be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments to pay Senior Revenue Amounts (but only to the extent necessary after applying all other Available Revenue Receipts (other than Principal Addition Amounts under paragraph (f) of the definition of Available Revenue Receipts)) or in accordance with the Post-Enforcement Priority of Payments (as applicable).

On and from the first Payment Date, the Liquidity Reserve Fund will be credited up to the Liquidity Reserve Fund Required Amount in accordance with item (ix) of the Pre-Enforcement Revenue Priority of Payments. On and from the first Payment Date, any Liquidity Reserve Fund Excess Amount will be available to be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

Following the delivery of an Enforcement Notice, the Liquidity Reserve Fund may 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 all Classes of Notes.

The monies credited to the Liquidity Reserve Fund will be deposited into the Transaction Account. 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 Liquidity Reserve Ledger is maintained by the Cash Manager in the name of the Issuer to record amounts standing to the credit of the Liquidity Reserve Fund from time to time and withdrawals from and deposits into the Liquidity Reserve Fund.

"**Liquidity Reserve Fund Excess Amount**" means, on any Payment Date, the amount (if any) by which the amount standing to the credit of the Liquidity Reserve Fund after application of Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments, exceeds the Liquidity Reserve Fund Required Amount.

"**Liquidity Reserve Fund Required Amount**" means, on any Payment Date an amount equal to 0.5 per cent. of the Principal Amount Outstanding of the Class A Notes and the Class B Notes as at such Payment Date (as determined prior to any redemptions of the Class A Notes and the Class B Notes on such Payment Date).

Use of Principal Receipts to pay Revenue Shortfall

On the Calculation Date immediately preceding each Payment Date, the Cash Manager is required to calculate whether there will be a Revenue Shortfall.

If the Cash Manager determines that there will be a Revenue Shortfall, then pursuant to item (i) of the Pre-Enforcement Principal Priority of Payments, the Cash Manager (on behalf of the Issuer) shall apply Available Principal Receipts as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments (which for the avoidance of doubt shall not be applied in respect of any Senior Deferred Consideration) (the "**Principal Addition Amounts**"), subject, in respect of items (viii), (xi), (xiii), (xv) and (xvii) of the Pre-Enforcement Revenue Priority of Payments, to the relevant PDL Condition being satisfied.

Any Available Principal Receipts applied as Principal Addition Amounts will be recorded as a debit on the Principal Deficiency Ledger (as further described below).

"**PDL Condition**" means the condition that is satisfied on the relevant Payment Date (in each case calculated following the application of Available Revenue Receipts (except paragraph (f) of that definition) and prior to the application of Available Principal Receipts):

(a) in respect of the Class B Notes, where either (i) the debit entry on the Class B Principal Deficiency Sub-Ledger does not exceed 10 per cent. of the Principal Amount Outstanding of the Class B Notes, or (ii) the Class B Notes are the Most Senior Class of Notes;

(b) in respect of the Class C Notes, where either (i) the debit entry on the Class C Principal Deficiency Sub-Ledger does not exceed 10 per cent. of the Principal Amount Outstanding of the Class C Notes, or (ii) the Class C Notes are the Most Senior Class of Notes;

(c) in respect of the Class D Notes, where either (i) the debit entry on the Class D Principal Deficiency Sub-Ledger does not exceed 10 per cent. of the Principal Amount Outstanding of the Class D Notes, or (ii) the Class D Notes are the Most Senior Class of Notes;

(d) in respect of the Class E Notes, where either (i) the debit entry on the Class E Principal Deficiency Sub-Ledger does not exceed 10 per cent. of the Principal Amount Outstanding of the Class E Notes, or (ii) the Class E Notes are the Most Senior Class of Notes; and

(e) in respect of the Class F Notes, where either (i) the debit entry on the Class F Principal Deficiency Sub-Ledger does not exceed 10 per cent. of the Principal Amount Outstanding of the Class F Notes, or (ii) the Class F Notes are the Most Senior Class of Notes,

and "**relevant PDL Conditions**" means the condition related to the relevant Class.

Principal deficiencies and the Principal Deficiency Ledger

The Principal Deficiency Ledger will be maintained in the name of the Issuer to record:

(a) any Losses; and

(b) any Principal Addition Amounts.

The Principal Deficiency Ledger will comprise seven separate sub-ledgers corresponding to the Class A Notes (the "**Class A Principal Deficiency Sub-Ledger**"), the Class B Notes (the "**Class B Principal Deficiency Sub-Ledger**"), the Class C Notes (the "**Class C Principal Deficiency Sub-Ledger**"), the Class D Notes (the "**Class D Principal Deficiency Sub-Ledger**"), the Class E Notes (the "**Class E Principal Deficiency Sub-Ledger**"), the Class F Notes (the "**Class F Principal Deficiency Sub-Ledger**") and the Class G Notes (the "**Class G Principal Deficiency Sub-Ledger**") (and each a "**Principal Deficiency Sub-Ledger**").

Losses on the Mortgage Loans in the Mortgage Portfolio and any Principal Addition Amounts are required to be recorded as follows:

(a) *first*, as a debit to the Class G Principal Deficiency Sub-Ledger up to the maximum amount equal to the Principal Amount Outstanding of the Class G Notes;

(b) *second*, as a debit to the Class F Principal Deficiency Sub-Ledger up to the maximum amount equal to the Principal Amount Outstanding of the Class F Notes;

(c) *third*, as a debit to the Class E Principal Deficiency Sub-Ledger up to the maximum amount equal to the Principal Amount Outstanding of the Class E Notes;

(d) *fourth*, as a debit to the Class D Principal Deficiency Sub-Ledger up to the maximum amount equal to the Principal Amount Outstanding of the Class D Notes;

(e) *fifth*, as a debit to the Class C Principal Deficiency Sub-Ledger up to the maximum amount equal to the Principal Amount Outstanding of the Class C Notes;

(f) *sixth*, as a debit to the Class B Principal Deficiency Sub-Ledger up to the maximum amount equal to the Principal Amount Outstanding of the Class B Notes; and

(g) *seventh*, as a debit to the Class A Principal Deficiency Sub-Ledger up to the maximum amount equal to the Principal Amount Outstanding of the Class A Notes.

Amounts recorded as debit entries on the Principal Deficiency Ledger may be reduced through the subsequent application of Available Revenue Receipts 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;

(b) *second*, on the Class B Principal Deficiency Sub-Ledger;

(c) *third*, on the Class C Principal Deficiency Sub-Ledger;

(d) *fourth*, on the Class D Principal Deficiency Sub-Ledger;

(e) *fifth*, on the Class E Principal Deficiency Sub-Ledger;

(f) *sixth*, on the Class F Principal Deficiency Sub-Ledger; and

(g) *seventh*, on the Class G Principal Deficiency Sub-Ledger.

Available Revenue Receipts and Available Principal Receipts

Available Revenue Receipts and Available Principal Receipts shall be applied on each Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments, respectively. Other than amounts which the Issuer expects to generate in each accounting period as its profit in respect of the business of the Issuer in accordance with item (iv) of the Pre-Enforcement Revenue Priority of Payments, it is not intended that any surplus will be accumulated in the Issuer.

If on any Payment Date the Issuer has insufficient Available Revenue Receipts to pay the interest due in respect of the Notes (other than the Class A Notes, and, if they are then the Most Senior Class of Notes outstanding, the Class B Notes) or the payment due in respect of the Senior Deferred Consideration that would otherwise be payable (absent the deferral provisions in respect of the Notes and the Senior Deferred Consideration), then, other than in respect of the Class A Notes and, if they are then the Most Senior Class of Notes outstanding, the Class B

Notes, the Issuer will be entitled under Condition 6.9 (*Subordination by deferral*) and Certificate Condition 6.7 (*Subordination by deferral*), as applicable, to defer payment of that amount (to the extent of the insufficiency) until the following Payment Date. Any such deferral in accordance with the deferral provisions contained in the Conditions will not constitute an Event of Default. Failure to pay interest on the Class A Notes or if they are then the Most Senior Class of Notes outstanding, the Class B Notes within any applicable grace period in accordance with the Conditions shall constitute an Event of Default under the Notes, which may result in the Notes being accelerated and the Security Trustee enforcing the Security.

Cashflows

Under the Cash Management Agreement, the Cash Manager is responsible for distributing Available Revenue Receipts and Available Principal Receipts 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 "*Cash Management*".

Transaction Account

The Issuer holds the Transaction Account with the Transaction Account Bank pursuant to the terms of the Account Bank Agreement. The Issuer holds the Standby Swap Collateral Account with the Standby Swap Collateral Account Bank, subject to the terms of the Standby Swap Collateral Account Bank Agreement.

The Issuer (or the Servicer on its behalf) 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 the Transaction Account.

Similarly, in connection with any payment to be made by or on behalf of the Issuer from amounts standing to the credit of the Transaction Account, the Issuer (or the Cash Manager on its behalf) may apply amounts standing to the credit of the Transaction Account in accordance with the Transaction Documents.

Authorised Investments

Pursuant to the terms of the Cash Management Agreement, the Cash Manager, acting solely at the direction of the Issuer, may invest amounts in the Transaction Account in Authorised Investments. See "*General Reserve Fund – Application and purpose*" and "*Liquidity Reserve Fund – Application and purpose*" above.

2. 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 on any Calculation Date and applying such Available Revenue Receipts on any Payment Date, the Cash Manager will be required to withdraw from the (i) General Reserve Fund only such amounts as are actually required to pay General Reserve Fund Payments; and (ii) Liquidity Reserve Fund only such amounts as are actually required to pay Senior Revenue Amounts as at such Payment Date. In calculating the amount available to be actually withdrawn from or the amount standing to the credit of the General Reserve Fund and the Liquidity Reserve Fund at any time, the Cash Manager will include (without double-counting) funds that have been withdrawn from the Transaction Account 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 (or, in respect of amounts due under items (i) and (ii) below, on each date that such amounts fall due), the Cash Manager (on behalf of the Issuer) is required to apply Available Revenue Receipts (other than Swap Collateral Excluded Amounts due to the Interest Rate Swap Counterparty and any Swap Collateral Available Amounts to be applied by the

Issuer towards the purchase of one or more replacement Interest Rate Swaps), in the following order of priority (together, in each case, with any amount in respect of VAT which is payable pursuant to the relevant Transaction Document or which must be accounted for directly by the Issuer to the relevant tax authority) (the "**Pre-Enforcement Revenue Priority of Payments**")

(i) *first*, in no order of priority among them but in proportion to the amounts due, in or towards the payment of 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;

(ii) *second*, in no order of priority among them but in proportion to the respective amounts due:

(A) in or towards the payment of amounts due to the Agent Bank, the Principal Paying Agent 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 Principal Paying Agent and/or the Registrar, under the Agency Agreement; and

(B) in or towards the payment of amounts due 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, 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 the Transaction Account Bank under the Account Bank Agreement, to the Standby Account Bank under the Standby Account Bank Agreement (if applicable), to the Back-up Servicer Facilitator under the Servicing Agreement, to the Standby Swap Collateral Account Bank and, if applicable, the fees, costs, liabilities and expenses of the Securitisation Repository or any other third-party website provider;

(iii) *third*, in or towards the payment of 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 corporation tax on the taxable profits of the Issuer;

(iv) *fourth*, in or towards the retention by the Issuer of an amount equal to the Issuer Profit Amount as profit;

(v) *fifth*, in or towards the payment of amounts (including such part of any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts) due to the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement (excluding any Interest Rate Swap Excluded Termination Amount);

(vi) *sixth*, in no order of priority among them but in proportion to the respective amounts due:

(A) in or towards the payment of interest due and payable (if any) on the Class A Notes; and

(B) in or towards the payment of Senior Deferred Consideration;

(vii) *seventh*, (so long as the Class A Notes remain outstanding) in or towards the elimination of any debit entry on the Class A Principal Deficiency Sub-Ledger;

(viii) *eighth*, in or towards the payment of interest due and payable (if any) on the Class B Notes;

(ix) *ninth*, in or towards the credit of the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount;

(x) *tenth*, (so long as the Class B Notes remain outstanding) in or towards the elimination of any debit entry on the Class B Principal Deficiency Sub-Ledger;

(xi) *eleventh*, in or towards the payment of interest due and payable (if any) on the Class C Notes;

(xii) *twelfth*, (so long as the Class C Notes remain outstanding) in or towards the elimination of any debit entry on the Class C Principal Deficiency Sub-Ledger;

(xiii) *thirteenth*, in or towards the payment of interest due and payable (if any) on the Class D Notes;

(xiv) *fourteenth*, (so long as the Class D Notes remain outstanding) in or towards the elimination of any debit entry on the Class D Principal Deficiency Sub-Ledger;

(xv) *fifteenth*, in or towards the payment of interest due and payable (if any) on the Class E Notes;

(xvi) *sixteenth*, (so long as the Class E Notes remain outstanding) in or towards the elimination of any debit entry on the Class E Principal Deficiency Sub-Ledger;

(xvii) *seventeenth*, in or towards the payment of interest due and payable (if any) on the Class F Notes;

(xviii) *eighteenth*, (so long as the Class F Notes remain outstanding) in or towards the elimination of any debit entry on the Class F Principal Deficiency Sub-Ledger;

(xix) *nineteenth*, in or towards the credit of the General Reserve Fund up to the General Reserve Fund Required Amount;

(xx) *twentieth*, (so long as the Class G Notes remain outstanding) in or towards the elimination of any debit entry on the Class G Principal Deficiency Sub-Ledger;

(xxi) *twenty-first*, in or towards the payment of interest due and payable (if any) on the Class G Notes;

(xxii) *twenty-second*, in or towards the payment of interest due and payable (if any) on the Class Z Notes;

(xxiii) *twenty-third*, in or towards the payment of principal due and payable on the Class Z Notes (so long as all of the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes have been redeemed in full);

(xxiv) *twenty-fourth*, in or towards the payment of Interest Rate Swap Excluded Termination Amounts to the Interest Rate Swap Counterparty; and

(xxv) *twenty-fifth*, in or towards payment of Residual Deferred Consideration (which shall be zero in circumstances where the Issuer has insufficient proceeds available to meet its obligations under items (i) to (xxiv) above).

3. AVAILABLE PRINCIPAL RECEIPTS

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 Account, will be credited by the Cash Manager to the Principal Ledger and will form part of the Available Principal Receipts.

On each Payment Date before the delivery of an Enforcement Notice, the Cash Manager (on behalf of the Issuer) is required to apply Available Principal Receipts (other than, for the avoidance of doubt, Swap Collateral Excluded Amounts due to the Interest Rate Swap Counterparty and any Swap Collateral Available Amounts to be applied by the Issuer towards the purchase of one or more replacement Interest Rate Swaps) in the following order of priority (the "**Pre-Enforcement Principal Priority of Payments**"):

(i) *first*, any Principal Addition Amounts to be applied to meet any Revenue Shortfall (such amounts to be applied as Available Revenue Receipts), provided that Available Principal Receipts shall only be applied to provide for such Revenue Shortfall in relation to items (viii), (xi), (xiii), (xv) and (xvii), of the Pre-Enforcement Revenue Priority of Payments if the relevant PDL Condition is satisfied;

(ii) *second*, in or towards the payment of principal due and payable on the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero;

(iii) *third*, in or towards the payment of principal due and payable on the Class B Notes until the Principal Amount Outstanding on the Class B Notes has been reduced to zero;

(iv) *fourth*, in or towards the payment of principal due and payable on the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero;

(v) *fifth*, in or towards the payment of principal due and payable on the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero;

(vi) *sixth*, in or towards the payment of principal due and payable on the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero;

(vii) *seventh*, in or towards the payment of principal due and payable on the Class F Notes until the Principal Amount Outstanding on the Class F Notes has been reduced to zero;

(viii) *eighth*, in or towards the payment of principal due and payable on the Class G Notes until the Principal Amount Outstanding on the Class G Notes has been reduced to zero; and

(ix) *ninth*, in or towards the payment of Residual Deferred Consideration (which shall be zero in circumstances where the Issuer has insufficient proceeds available to meet its obligations under items (i) to (viii) above).

4. APPLICATION OF AVAILABLE FUNDS FOLLOWING THE DELIVERY OF AN ENFORCEMENT NOTICE

The Cash Management Agreement sets out the order of priority for the application by the Security Trustee (or the Cash Manager on its behalf), following the delivery by the Note Trustee of an Enforcement Notice to the Issuer, of amounts received or recovered by the Security Trustee or a Receiver appointed on its behalf.

On each Payment Date following the delivery of an Enforcement Notice, 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) (whether of principal or interest or otherwise) (excluding Swap Collateral Excluded Amounts (if any) due to the Interest Rate Swap Counterparty by the Issuer under the Interest Rate Swap Agreement which will be paid directly to the Interest Rate Swap Counterparty) in accordance with the following order of priority (together, in each case, with any amount in respect of VAT which is payable pursuant to the relevant Transaction Document or which must be accounted for directly by the Issuer to the relevant tax authority) (the "**Post-Enforcement Priority of Payments**"):

(i) *first*, in no order of priority among them but in proportion to the amounts due, in or towards the payment of 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;

(ii) *second*, in no order of priority among them but in proportion to the respective amounts due:

(A) in or towards the payment of amounts due to the Agent Bank, the Principal Paying Agent 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 Principal Paying Agent and/or the Registrar pursuant to the terms of the Agency Agreement; and

(B) in no order of priority among them but in proportion to the respective amounts due, in or towards the payment of 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 pursuant to the terms of the Servicing Agreement, to the Transaction Account Bank pursuant to the terms of the Account Bank Agreement, to the Standby Account Bank pursuant to the terms of the Standby Account Bank Agreement (if applicable), 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 the Back-up Servicer Facilitator under the Servicing Agreement, to the Standby Swap Collateral Account Bank and, if applicable, the fees, costs, liabilities and expenses of the Securitisation Repository or any other third-party website provider;

(iii) *third*, in or towards the payment of amounts (including such part of any Swap Termination Payment following the return of any Swap Collateral Excluded Amounts) due to the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement (excluding any Interest Rate Swap Excluded Termination Amount);

(iv) *fourth*, to pay, pro rata and *pari passu*, according to the respective amounts thereof, the amounts of interest on the Class A Notes, any principal due and payable on the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero and any other amounts due in respect of the Class A Notes and any payment of Senior Deferred Consideration which has accrued but is unpaid on the date of the Enforcement Notice;

(v) *fifth*, to pay, pro rata and *pari passu*, according to the respective amounts thereof, firstly, the amounts of interest and, secondly, the amount of any principal due and payable on the Class B Notes until the Principal Amount Outstanding on the Class B Notes has been reduced to zero and, thirdly, any other amounts due in respect of the Class B Notes;

(vi) *sixth*, to pay, pro rata and *pari passu*, according to the respective amounts thereof, firstly, the amounts of interest and, secondly, the amount of any principal due and payable on the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero and, thirdly, any other amounts due in respect of the Class C Notes;

(vii) *seventh*, to pay, pro rata and *pari passu*, according to the respective amounts thereof, firstly, the amounts of interest and, secondly, the amount of any principal due and payable on the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero and, thirdly, any other amounts due in respect of the Class D Notes;

(viii) *eighth*, to pay, pro rata and *pari passu*, according to the respective amounts thereof, firstly, the amounts of interest and, secondly, the amount of any principal due and payable on the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero and, thirdly, any other amounts due in respect of the Class E Notes;

(ix) *ninth*, to pay, pro rata and *pari passu*, according to the respective amounts thereof, firstly, the amounts of interest and, secondly, the amount of any principal due and payable on the Class F Notes until the Principal Amount Outstanding on the Class F Notes has been reduced to zero and, thirdly, any other amounts due in respect of the Class F Notes;

(x) *tenth*, to pay, pro rata and *pari passu*, according to the respective amounts thereof, firstly, the amount of any principal due and payable on the Class G Notes until the Principal Amount Outstanding on the Class G Notes has been reduced to zero and, secondly, any other amounts due in respect of the Class G Notes;

(xi) *eleventh*, to pay, pro rata and *pari passu*, according to the respective amounts thereof, firstly, the amount of any principal due and payable on the Class Z Notes until the Principal Amount Outstanding on the Class Z Notes has been reduced to zero and, secondly, any other amounts due in respect of the Class Z Notes;

(xii) *twelfth*, in no order of priority among them but in proportion to the respective amounts due, in or towards the payment of any Interest Rate Swap Excluded Termination Amounts to the Interest Rate Swap Counterparty;

(xiii) *thirteenth*, in or towards the retention by the Issuer of an amount equal to the Issuer Profit Amount as profit; and

(xiv) *fourteenth*, any payment of Residual Deferred Consideration (which shall be zero in circumstances where the Issuer has insufficient proceeds available to meet its obligations under items (i) to (xiii) above).

CASH MANAGEMENT

The material terms of the Cash Management Agreement, the Account Bank Agreement and the Standby Swap Collateral Account Bank 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 Agreement and the Standby Swap Collateral Account Bank 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) operating the Issuer Accounts and ensuring that payments are made into and from such accounts in accordance with the Cash Management Agreement, the Deed of Charge, the Account Bank Agreement and any other applicable Transaction Document;

(b) on behalf of the Issuer, paying all the out-of-pocket expenses of the Issuer incurred by, or on behalf of, the Issuer including, without limitation:

  (i) all taxes which may be due or payable by the Issuer;

  (ii) all registration, transfer, filing and other fees and charges payable in order to comply with regulatory requirements, including those in respect of the sale by the Seller of the Mortgage Portfolio to the Issuer;

  (iii) all fees payable to the London Stock Exchange plc and the Financial Conduct Authority;

  (iv) all legal and audit fees and other professional advisory fees; and

  (v) all communication expenses including postage, courier and telephone charges;

(c) making withdrawals (when necessary) from the relevant Issuer Account to pay any amounts that properly belong to third parties;

(d) 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 "**General Reserve Ledger**", which shall record the balance, from time to time, of the General Reserve Fund, and withdrawals from and deposits to the General Reserve Fund;

  (iv) the "**Liquidity Reserve Ledger**", which shall record the balance, from time to time, of the Liquidity Reserve Fund, and withdrawals from and deposits to the Liquidity Reserve Fund;

  (v) the "**Issuer Profit Ledger**", which will record all amounts retained by the Issuer as profit;

  (vi) the "**Principal Deficiency Ledger**", comprising seven sub-ledgers in respect of each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes which will record deficiencies arising from Losses on the

Mortgage Portfolio allocated against each Class of Notes and any Principal Addition Amounts applied as Available Revenue Receipts; and

(vii) the "**Swap Collateral Ledger**" (which shall comprise such sub-ledgers as the Cash Manager considers appropriate), to record all payments, transfers and receipts in connection with Swap Collateral relating to the Interest Rate Swap Agreement, including, without limitation:

(A) the delivery of any Swap Collateral to the Issuer from the Interest Rate Swap Counterparty;

(B) the receipt of any income or distributions in respect of such Swap Collateral and the payment of such income or distributions to the relevant Interest Rate Swap Counterparties;

(C) the return of all, or any part of, such Swap Collateral to the Interest Rate Swap Counterparty; and

(D) the payment or transfer of all, or any part of, such Swap Collateral Available Amounts to the Transaction Account;

(e) prepare the Monthly Investor Report, subject to the Cash Manager having received the Servicer Report by the Servicer Reporting Date by no later than each Monthly Reporting Date;

(f) making the following determinations on each Calculation Date, subject to the Cash Manager having received the Servicer Report by the Servicer Reporting Date, for the purposes of preparing the Quarterly Report and make it available at https://pivot.usbank.com by no later than the Calculation Date:

(i) the amount of Available Revenue Receipts and Available Principal Receipts to be applied on the relevant Payment Date;

(ii) the Principal Amount Outstanding of each Class of Notes;

(iii) the amount of any payment due in respect of Senior Deferred Consideration and Residual Deferred Consideration;

(iv) the amounts to be applied in accordance with each Priority of Payments on the relevant Payment Date;

(v) the General Reserve Fund Required Amount;

(vi) the Liquidity Reserve Fund Required Amount; and

(vii) whether a Revenue Shortfall will exist on the relevant Payment Date;

(g) investing sums standing to the credit of the Transaction Account, solely at the direction of the Issuer, in Authorised Investments as described in "*Credit Structure and Cashflows – General Credit Structure – Authorised Investments*";

(h) making withdrawals from the General Reserve Fund and the Liquidity Reserve Fund as and when required;

(i) applying Available Revenue Receipts and Available Principal Receipts in accordance with the relevant Priority of Payments and (if requested, on behalf of the Security Trustee) amounts in accordance with the Post-Enforcement Priority of Payments; and

(j) procuring that the determination and notifications required by Conditions 6 (*Interest*) and 7 (*Redemption, Purchase and Cancellation*) are made.

For details of the cashflows applicable to the Transaction, see "*Credit Structure and Cashflows*".

Reporting

The Cash Manager will, provided that it receives the relevant Servicer Report no later than the Servicer Reporting Date, make available electronically to the Issuer, the Note Trustee, the Security Trustee, the Seller, the Sponsor Administrator and the Rating Agencies through its website at https://pivot.usbank.com, and provide to the Servicer, each Monthly Investor Report by no later than each Monthly Reporting Date and each Quarterly Report by no later than the relevant Calculation Date.

The first Quarterly Report will be prepared as required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation and Article 7(1)(e) of the EU Securitisation Regulation (as if such requirement was applicable to it and as such regulation is in force as at the Closing Date).

The Cash Manager has undertaken to promptly make available at https://pivot.usbank.com:

(a) subject to the Cash Manager having received the Loan Level Reports from the Servicer by each Servicer Reporting Date, on a monthly basis, the Loan Level Reports by no later than each Calculation Date;

(b) the reports made available by the Issuer (i) by means of the Securitisation Repository pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and in relation to any information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and (ii) by means of the Securitisation Repository Website any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards; and

(c) the underlying documentation made available by the Servicer pursuant to Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation (as if such requirement applied to it and as such regulation is in force as at the Closing Date).

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) a substitute cash manager is appointed, such appointment to be effective not later than the date of such resignation;

(b) such substitute cash manager has cash management experience of managing cashflows reasonably similar to the cashflows administered under the Cash Management Agreement and is approved by the Issuer and the Security Trustee; and

(c) the substitute cash manager enters into an agreement substantially on the same terms as the relevant provisions of the Cash Management Agreement (or on such terms as are satisfactory to the Issuer and the Security Trustee) and the Cash Manager shall not be released from its obligations under the relevant provisions of the Cash Management Agreement until such substitute cash manager has entered into such new agreement and the rights of the Issuer under such agreement are assigned by way of security in favour of the Security Trustee or are otherwise charged in favour of the Security Trustee on terms satisfactory to the Security Trustee,

provided further that, if the Issuer fails to appoint a substitute cash manager within a period of 30 days from the date on which notice of the Cash Manager's resignation was given, the Cash Manager shall be permitted to appoint a separate substitute cash manager that has cash management experience of managing cashflows reasonably similar to the cashflows administered under the Cash Management Agreement and is approved by the Issuer and the Security Trustee to carry out the cash management services.

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 with effect from a date (not earlier than the date of the notice) specified in the notice at once on, or at any time after, the occurrence of any of the following Cash Manager Termination Events:

(a) default is made by the Cash Manager in the payment on the due date of any payment to be made by it under the Cash Management Agreement (subject to funds being available for the same) or in the performance of its obligations under the Cash Management Agreement and such default, unless waived by the Issuer (with the prior written consent of the Security Trustee), continues unremedied for a period of five Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee requiring the same to be remedied;

(b) default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement, other than such obligations set out in paragraph (a) above, and such default is not waived by the Issuer (with the prior written consent of the Security Trustee), which in the opinion of the Security Trustee (acting in accordance with the direction of the Note Trustee) is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and such default continues unremedied for a period of 20 Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee requiring the same to be remedied; or

(c) an Insolvency Event occurs in respect of the Cash Manager.

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 substantially on the same terms as the relevant provisions of the Cash Management Agreement or on such terms as are satisfactory to the Issuer and the Security Trustee and will be subject to the prior written approval of the Security Trustee 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, as soon as reasonably practicable, to deliver to the Issuer or as the Issuer shall direct or, following the delivery of an Enforcement Notice, to the Security Trustee or as the Security Trustee shall direct, to the extent it is permissible for the Cash Manager to deliver such information under Applicable Law, all books of account, papers, records, registers, correspondence and documents in its possession or under its control relating to the affairs of or belongings of the Issuer or the Security Trustee, as the case may be, and any monies then held by the Cash Manager

on behalf of the Issuer or the Security Trustee and any other assets of the Issuer and the Security Trustee, in each case, in connection with the Mortgage Loans comprised in the Mortgage Portfolio.

The Cash Management Agreement will terminate automatically at such time as all amounts outstanding under the Notes have been repaid or otherwise discharged and the security constituted by or granted pursuant to the Deed of Charge has been released.

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 Agreement and Issuer Accounts

Pursuant to the terms of the Account Bank Agreement the Issuer will maintain the Issuer Accounts with the Transaction Account Bank.

Transaction Account

The Issuer holds the Transaction Account with the Transaction Account Bank pursuant to the terms of the Account Bank Agreement.

The Issuer (or the Servicer on its behalf) 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 the Transaction Account.

Amounts required to be held in the Transaction Account

On each Payment Date, the amounts required to meet the Issuer's obligations to its various creditors on such date are required to be applied from the Transaction Account by the Cash Manager in accordance with the relevant Priority of Payments.

The Cash Manager is required to direct and monitor the deposits and withdrawals to and from the Transaction Account.

Negative interest rate

If a negative interest rate is applied to an Issuer Account, the relevant charged interest will be debited from the relevant Issuer Account in accordance with the Transaction Account Bank's usual procedures upon 14 days' advance notice to the Issuer and if the Transaction Account Bank becomes later aware that such amount would not have been paid to it in accordance with the relevant Priority of Payments on the immediately succeeding Payment Date, it will pay into relevant Issuer Account the amount of such debit.

Account Bank Required Ratings and replacement of the Transaction Account Bank

At any time, the Servicer can decide to assist the Issuer in appointing a Standby Account Bank (which is a Qualified Institution) and entering into a Standby Account Bank Agreement (which will be substantially on the same terms as the relevant provisions of the Account Bank Agreement). The Issuer can enter into such an agreement at any time. The Transaction Account Bank shall, upon request by the Servicer, use reasonable efforts to assist the other parties hereto to enter into a Standby Account Bank Agreement.

Pursuant to the terms of the Account Bank Agreement, if the Transaction Account Bank no longer satisfies the Account Bank Required Ratings, the Issuer (with the assistance of the Cash Manager) shall use all reasonable endeavours to, within 60 calendar days (but no sooner than 35 calendar days) following the first day on which

such downgrade occurred, (a) enter into a Standby Account Bank Agreement with a Qualified Institution to act as the Standby Account Bank on substantially the same terms as the relevant provisions of the Account Bank Agreement; (b) close the Issuer Accounts with such Transaction Account Bank and transfer their closing credit balance to the Standby Issuer Accounts (or in the case of the Swap Collateral Account, to the Standby Swap Collateral Account), or, if the Standby Account Bank or the Standby Swap Collateral Account Bank, as applicable, no longer satisfies the Account Bank Required Ratings, to another entity which is a Qualified Institution; (c) obtain a guarantee in support of the Transaction Account Bank's obligations under the Account Bank Agreement from a financial institution which has the Account Bank Required Ratings; or (d) take any other reasonable action as the Rating Agencies may agree will not result in a downgrade of the Rated Notes.

The Transaction Account Bank shall use reasonable efforts to assist the other parties hereto to effect an orderly transition of the banking arrangements documented hereby, including without limitation, transferring all amounts standing to the credit of the Issuer Accounts to the Standby Issuer Accounts (or in the case of the Swap Collateral Account, to the Standby Swap Collateral Account) or to the account with the replacement financial institution notified to it by the Issuer (as applicable).

"**Account Bank Required Ratings**" means:

(a) in respect of 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; and

(b) in respect of DBRS, the higher of (A) if a COR is currently maintained in respect of the Transaction Account Bank, a rating one notch below the Transaction Account Bank's long-term COR, being "A" from DBRS; (B) if no COR has been assigned by DBRS, the higher of (I) the issuer rating assigned by DBRS to such entity or (II) the rating assigned by DBRS to such entity's long term senior unsecured debt obligations, in each case at least equal to "A" from DBRS; or (C) if no such rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating of at least equal to "A",

or in either case, such other ratings that are consistent with the then published criteria of the relevant Rating Agencies as being the minimum ratings that are required to support the then rating of the Rated Notes.

Transaction Account Bank subsequent satisfaction of the Account Bank Required Ratings

Following the transfer of the closing credit balance of the Issuer Accounts to the Standby Issuer Accounts (or in the case of the Swap Collateral Account, to the Standby Swap Collateral Account), or to another entity which is a Qualified Institution, in the event that the Transaction Account Bank subsequently satisfies the Account Bank Required Ratings, the Transaction Account Bank shall (a) accept the transfer of the closing credit balance of each Standby Issuer Account to the appropriate Issuer Account; and (b) resume all of its duties and obligations under the Account Bank Agreement as if it had never ceased to satisfy the Account Bank Required Ratings.

Governing law

The Account Bank Agreement and all non-contractual obligations arising out of or in connection with them are governed by and construed in accordance with English law.

Standby Swap Collateral Account Bank Agreement

Pursuant to the terms of the Standby Swap Collateral Account Bank Agreement, the Issuer will maintain the Standby Swap Collateral Account with the Standby Swap Collateral Account Bank.

Standby Swap Collateral Account

The Issuer holds the Standby Swap Collateral Account with the Standby Swap Collateral Account Bank pursuant to the terms of the Standby Swap Collateral Account Bank Agreement. The Standby Swap Collateral Account shall be operative with effect from the date of the Standby Swap Collateral Account Bank Notice.

Appointment

The Standby Swap Collateral Account Bank has agreed that, at any time following the occurrence of: (a) a Transaction Account Bank Termination Event (as defined in the Account Bank Agreement); (b) the Transaction Account Bank ceasing to satisfy the Account Bank Required Ratings; or (c) service of any notice of termination by the Transaction Account Bank or the Issuer pursuant to the terms of the Account Bank Agreement, then it shall (pursuant to the terms of the Standby Swap Collateral Account Bank Agreement) assume and perform all of the duties and obligations of the Transaction Account Bank with respect to the Standby Swap Collateral Account. In assuming such duties and obligations, the Standby Swap Collateral Account Bank shall become the Swap Collateral Account Bank and the Standby Swap Collateral Account shall become the Swap Collateral Account for the purposes of the Cash Management Agreement and the other Transaction Documents.

Standby Account Bank ceasing to satisfy the Account Bank Required Ratings

If the Standby Swap Collateral Account Bank ceases to satisfy the Account Bank Required Ratings, there will be a requirement that the Standby Swap Collateral Account Bank either be replaced by an appropriate successor account bank with such ratings, or have its obligations guaranteed by a satisfactorily rated financial institution, in each case, approved by the Security Trustee.

Governing law

The Standby Swap Collateral Account Bank Agreement and all non-contractual obligations arising out of or in connection with them are governed by and construed in accordance with English law.

THE INTEREST RATE SWAP AGREEMENT

The following section describes, in summary, the material terms of the Interest Rate Swap Agreement and the Interest Rate Swap(s). The description does not purport to be complete and is subject to the provisions of the Interest Rate Swap Agreement. Except for the purpose of hedging interest rate risk, the Issuer will not enter into derivative contracts.

The Interest Rate Swap Agreement

The Issuer will be required to enter into an Interest Rate Swap Agreement and an Interest Rate Swap with respect to the Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement. Those Fixed Rate Mortgage Loans will pay a fixed rate of interest for a period of time. The purpose of the initial Interest Rate Swap is to mitigate the Issuer's interest rate risk with respect to the Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement, and to provide for the Issuer to receive from the Interest Rate Swap Counterparty amounts which will enable it to meet interest payments due on the Notes. In addition, pursuant to the terms of the initial Interest Rate Swap, the Issuer will make a payment of the fixed amount equal to £31,424,000.00 to the Interest Rate Swap Counterparty on the Closing Date. In return for such amounts, in respect of each calculation period under the initial Interest Rate Swap, the Issuer will pay to the Interest Rate Swap Counterparty fixed amounts based on the product of the fixed notional amount set out in the schedule thereto applicable to the relevant calculation period, a fixed rate of 1 per cent. per annum and the applicable day count fraction, which will have an economic effect of the Issuer paying to the Interest Rate Swap Counterparty fixed amounts based on the rates of interest on the relevant portfolio of Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement. The scheduled termination date of the Interest Rate Swap is 25 October 2034.

If a payment is to be made by the Interest Rate Swap Counterparty pursuant to the terms of the Interest Rate Swap Agreement, that payment (excluding any payment that constitutes Swap Collateral) will be included by the Issuer in the Available Revenue Receipts on its receipt from the 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 the Interest Rate Swap Agreement, it will be made according to the relevant Priority of Payments (excluding the return of any Swap Collateral Excluded Amounts (if any) due to the Interest Rate Swap Counterparty by the Issuer under the Interest Rate Swap Agreement which will be paid directly to the Interest Rate Swap Counterparty). Periodic Sterling payments in respect of the floating rate of the Interest Rate Swap Agreement are calculated by reference to the compounded SONIA-based rate rounded up with four decimal places, while the Compounded Daily SONIA applicable to the Floating Rate Notes is rounded up to five decimal places. This may result in a minor mismatch between the compounded SONIA-based rate payable by the Interest Rate Swap Counterparty and the SONIA rate payable on the Floating Rate Notes.

In the event that an Interest Rate Swap terminates prior to the delivery by the Note Trustee of an Enforcement Notice to the Issuer or the latest occurring Final Redemption Date of any Note, the Issuer will be required to use its reasonable efforts to enter into a replacement Interest Rate Swap.

Pursuant to the terms of the Interest Rate Swap Agreement, in the event that the rating of the Interest Rate Swap Counterparty (or any guarantor of the Interest Rate Swap Counterparty) is downgraded by a Rating Agency below the rating(s) specified in the Interest Rate Swap Agreement (in accordance with the requirements of the Rating Agencies and as more particularly described in the section "*Triggers Tables – Rating Triggers Table*" above) and, where applicable, the then current ratings of the Rated Notes by the Rating Agencies would or may, as applicable, be adversely affected as a result of the downgrade, the 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 Interest Rate Swap Agreement, arranging for its rights and obligations under the Interest Rate Swap Agreement to be transferred to an entity with the ratings required by the Rating Agencies, procuring another entity with the ratings required by the Rating Agencies to become a co-obligor in respect of, or guarantor of, its obligations under the Interest Rate Swap Agreement or taking such other action as it may agree with the Rating Agencies. A failure to take such steps will allow the Issuer to terminate the Interest Rate Swap(s), **provided that** in connection with certain termination events where the Issuer is entitled to designate an Early Termination

Date (as defined in the Interest Rate Swap Agreement), the Issuer may only designate such a Swap Early Termination Date if it has found a replacement Interest Rate Swap Counterparty.

Termination of the Interest Rate Swap

An Interest Rate 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:

(a) at the option of one party to the Interest Rate Swap, if there is a failure by the other party to pay any amounts due and payable pursuant to the terms of the Interest Rate Swap Agreement;

(b) if a material misrepresentation is made by the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement;

(c) if a breach of a provision of the Interest Rate Swap Agreement by the Interest Rate Swap Counterparty is not remedied within the applicable grace period;

(d) upon the delivery of an Enforcement Notice to the Issuer by the Note Trustee;

(e) if certain force majeure events occur and result in one of the parties being prevented from performing its obligations, receiving payments or complying with any material provision of the Interest Rate Swap Agreement;

(f) in certain circumstances where withholding taxes are imposed on payments under the Interest Rate Swap Agreement due to a change in law or as a result of a merger of the Issuer;

(g) upon the occurrence of certain insolvency events in relation to any of the parties to the Interest Rate Swap Agreement (or, in the case of the Interest Rate Swap Counterparty, its credit support provider, if applicable);

(h) the occurrence of a merger of the Interest Rate Swap Counterparty party (or its credit support provider, if applicable) without an assumption of the obligations under the Interest Rate Swaps or the relevant credit support document (as the case may be);

(i) in the event a change in law results in the obligations of one of the parties to the Interest Rate Swap Agreement (or, in the case of the Interest Rate Swap Counterparty, its credit support provider, if applicable) becoming illegal;

(j) if any provision of the Transaction Documents, or the Conditions, is amended and/or supplemented without the Interest Rate Swap Counterparty giving its prior written consent where such amendment and/or supplement would be reasonably expected to result in the Interest Rate Swap Counterparty being required to pay more or receive less than it would otherwise have been required to pay or receive prior to such amendment and/or supplement if the Interest Rate Swap Counterparty were to replace itself as Interest Rate Swap Counterparty in the Interest Rate Swap;

(k) in the event the Notes, are redeemed and/or (in relation to the Class G Notes and Class Z Notes) cancelled in full pursuant to Condition 7.4(a) (*Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*), Condition 7.5(a) (*Mandatory Redemption in full pursuant to the exercise of the Refinancing Option*), Condition 7.6(a) (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*), Condition 7.7(a) (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*), Condition 7.8(a) (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*) or Condition 7.9(a)(i) (*Optional redemption for tax and other reasons*); and

(l) at the option of either party to the Interest Rate Swap Agreement, if the parties to the Interest Rate Swap Agreement fail to agree, pursuant to the methodology prescribed in the Interest Rate Swap Agreement, a benchmark replacement in respect of a benchmark under the Interest Rate Swap that is or will be discontinued, ceased or no longer representative in accordance with the terms of the Interest Rate Swap Agreement.

Upon the occurrence of a Swap Early Termination Event pursuant to the terms of the Interest Rate Swap Agreement, the Issuer or the Interest Rate Swap Counterparty may be liable to make a Swap Termination Payment to the other. This Swap Termination Payment will be calculated and made in Sterling. 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 the Interest Rate Swap Agreement as a result of an Interest Rate Swap Counterparty Default with respect to the Interest Rate Swap Counterparty, where a Swap Termination Payment becomes due from the Issuer to the Interest Rate 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 the Interest Rate Swap Agreement as a result of a default by the Issuer with respect to the Interest Rate Swap Counterparty, the Swap Termination Payment due by the Issuer under the 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 the 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.

The payment by the Issuer of Swap Termination Payments due to the relevant Interest Rate Swap Counterparty may affect the funds available to pay amounts due to Noteholders (see "*Risk Factors – Counterparty Risks – Swap Termination Payments may adversely affect the funds available to make payments on the Notes and towards the Senior Deferred Consideration and the Residual Deferred Consideration*").

In the event that an Interest Rate Swap terminates prior to the delivery by the Note Trustee of an Enforcement Notice to the Issuer or the latest occurring Final Redemption Date of any Note, the Issuer will be required to use commercially reasonable endeavours to find a replacement Interest Rate Swap Counterparty. If the Issuer receives a Swap Termination Payment from an Interest Rate Swap Counterparty, then the Issuer may be required to use those funds towards meeting its costs in effecting applicable hedging transactions until a replacement Interest Rate Swap is entered into and/or to acquire a replacement Interest Rate 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 Interest Rate Swaps to gross up payments made by the Issuer if withholding taxes are imposed on payments to be made pursuant to the Interest Rate Swap Agreement. The Interest Rate Swap Counterparty will be obliged under the Interest Rate Swap Agreement to gross up payments made by the Interest Rate Swap Counterparty if withholding taxes are imposed on payments to be made pursuant to the Interest Rate Swap Agreement. If withholding taxes are imposed on payments made under the Interest Rate Swap Agreement, the Interest Rate Swap Counterparty may have the right to terminate the relevant Interest Rate Swap(s).

Interest rate risk for the Notes

Any Fixed Rate Mortgage Loans in the Mortgage Portfolio will pay a fixed rate of interest for a period of time. However, the interest rate payable by the Issuer with respect to the Floating Rate Notes is an amount calculated by reference to Compounded Daily SONIA.

If the Additional Fixed Rate Loan Hedging Condition is not satisfied on any date then, to attempt to provide a hedge against the difference between (a) the fixed rates of interest payable on the Fixed Rate Mortgage Loans in the Mortgage Portfolio, and (b) a rate of interest calculated by reference to Compounded Daily SONIA payable on the Floating Rate Notes:

(i) the Servicer shall use reasonable endeavours to procure that the Issuer enters into one or more Interest Rate Swaps with an Interest Rate Swap Counterparty selected by the Servicer (which has the Swap Counterparty Required Ratings); and

(ii) if the Additional Fixed Rate Loan Hedging Condition is not satisfied for a period of 60 calendar days from the date of the relevant breach, the Portfolio Option Holder may instruct the Issuer to enter into one or more Interest Rate Swaps with an Interest Rate Swap Counterparty selected by the Portfolio Option Holder,

in each case at then prevailing market rates with the Swap Notional Amount Schedule being equal to the excess of the projected Outstanding Principal Balance of the Fixed Rate Mortgage Loans over the aggregate of the Swap Notional Amount Schedule(s) of the existing Interest Rate Swap(s) (if any), determined assuming a constant prepayment rate of zero, provided that the Portfolio Option Holder has a right to veto (acting reasonably) any proposed Interest Rate Swap to be entered into by the Issuer.

Each Interest Rate Swap will be governed by a Swap Agreement. The terms of any such Swap Agreement will be confirmed if and when it is entered into, however, at the date hereof, the terms of any such Swap Agreement may include the provisions described in this section entitled "*The Interest Rate Swap Agreement*".

SPONSOR ADMINISTRATION AGREEMENT

The Sponsor Administrator will be appointed by the Seller pursuant to the Sponsor Administration Agreement to provide certain services (the "**Sponsor Administration Services**") in connection with the Sponsor Administrator establishing and managing the securitisation transaction on behalf of the Seller, which will include:

(a) consulting with the Issuer and the Seller, in respect of any actions reasonably necessary to protect the Issuer's interests in the Mortgage Loans, including, without limitation, in relation to any notice to be provided to the Borrowers, the insurance companies and any respective guarantors thereof, of the assignment of the Mortgage Loans to the Issuer;

(b) if the Issuer is requested to consent to any modification to the Conditions, the Certificate Conditions or Transaction Documents in respect of which its consent is required, consulting with the Seller, the Issuer and the requesting party and considering any proposed modification in good faith acting in a commercially reasonable manner;

(c) following the occurrence of any of the events or circumstances set out in Condition 13 (*Meetings of Noteholders, modifications and waiver*), consulting with the Seller and the Issuer in respect of any potential Alternative Base Rate;

(d) if requested by the Issuer and/or if the Sponsor Administrator assisting the Seller, the Issuer and/or the Security Trustee in respect of the termination and appointment of a replacement Servicer following the occurrence of a Servicer Termination Event;

(e) assisting the Seller, the Issuer and/or the Security Trustee in respect of the termination and replacement of any Transaction Party in accordance with the terms of the relevant Transaction Document;

(f) reviewing the Monthly Investor Reports and Quarterly Reports produced by the Cash Manager and the Loan Level Reports and the Servicer Reports produced by the Servicer in respect of the Transaction prior to publication and bringing any manifest errors that the Sponsor Administrator identifies to the attention of the Cash Manager and/or the Servicer, as applicable and the Seller and the Issuer;

(g) notifying the Seller and the Issuer if it becomes aware of any breach of the Servicer's obligations under the Servicing Agreement;

(h) assisting the Seller and the Issuer in connection with any refinancing of the Mortgage Portfolio in connection with the exercise of the Portfolio Purchase Option (provided that the Portfolio Option Holder has notified the Sponsor Administrator of its intention to exercise the Portfolio Purchase Option), the Clean-up Purchase Option, the Risk Retention Regulatory Change Option, the Regulatory Change Event Option, the Tax/Illegality Option or the Refinancing Option (including assisting the facilitation of any refinancing transaction) (provided that, for the avoidance of doubt, nothing in this paragraph (h) shall require the Sponsor Administrator to provide any form of commitment for funding or to subscribe for any securities in any form); and

(i) liaising with the Rating Agencies in respect of the ratings, which are expected to be or have been assigned by the Rating Agencies to the Rated Notes, including assisting the Seller and the Issuer in respect of any ongoing information requests received from the Rating Agencies and notified to the Sponsor Administrator.

The Sponsor Administrator will be entitled to sub-contract or delegate the performance of the Sponsor Administration Services to its affiliates. The Sponsor Administrator will not be liable in respect of its obligations under the Sponsor Administration Agreement except as a result of its fraud, gross negligence or wilful default. In the case of a material breach of its obligations under the Sponsor Administration Agreement, or in the case of its fraud, gross negligence or wilful default, the Sponsor Administrator's appointment may be terminated by the Seller

or (after the delivery of an Enforcement Notice) the Security Trustee. The Seller will transfer the right to receive Senior Deferred Consideration and Residual Deferred Consideration to the Sponsor Administrator on the Closing Date and the Sponsor Administrator will be entitled to receive the Senior Deferred Consideration and Residual Deferred Consideration in consideration of its provision of the Sponsor Administration Services.

The Sponsor Administration Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law provided that any terms of the Sponsor Administration Agreement specific to the law of Scotland relating to the Scottish Mortgage Loans and their Related Security shall be construed in accordance with Scots law and that any terms of the Sponsor Administration Agreement specific to the laws of Northern Ireland relating to the Northern Irish Mortgage Loans and their Related Security shall be construed in accordance with Northern Irish law.

SECURITY FOR THE ISSUER'S OBLIGATIONS – DEED OF CHARGE

To provide security for its obligations under the Notes and the other Transaction Documents, the Issuer will enter into the Deed of Charge with the Security Trustee and the Secured Creditors. 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 will grant 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) an assignment by way of first fixed security of all of the Issuer's right, title, benefit and interest, present and future, in, to and under the Mortgage Portfolio in respect of the English Mortgage Loans and their Related Security;

(b) an assignment by way of first fixed security of all of the Issuer's right, title, benefit and interest, present and future, in, to and under each of the Transaction Documents to which it is a party (other than the Deed of Charge, the Scottish Declaration of Trust and the Scottish Supplemental Charge (and, in respect of the Interest Rate Swap Agreement, after giving effect to all applicable netting and set-off provisions therein));

(c) an assignment by way of first fixed security of all of the Issuer's right, title, benefit and interest, present and future, in, to and under each of the Insurance Contracts;

(d) a first fixed charge over all of the Issuer's right, title, benefit and interest, present and future, in, to and under each Issuer Account; any Swap Collateral Account; and each other account (if any) in which the Issuer may at any time have or acquire any right, title, benefit or interest, and all monies now or at any time hereafter standing to the credit thereof 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;

(e) a first fixed charge over all of the Issuer's right, title, benefit and interest, present and future, in, to and under any Authorised Investment purchased using monies standing to the credit of any Issuer Account; (including all interest and other income or distributions paid or payable on such investments), and any Swap Collateral in the form of securities for the time being owned by it, 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;

(f) a first floating charge over all of the Issuer's rights in respect of the benefit of all authorisations (statutory or otherwise) held in connections with its use of the Charged Property, and compensation which may be payable to it in respect of those authorisations;

(g) a first floating charge over the whole of the Issuer's undertaking and all the Issuer's property, assets and rights, whatsoever and wheresoever, both present and future, including without limitation the Issuer's uncalled capital, other than any property or assets for the time being the subject of a fixed charge or effectively assigned pursuant to the Deed of Charge (but excluding from the foregoing exception all undertaking, property, assets, rights and interests of the Issuer, present and future, situated in Scotland or the rights to which are governed by the laws of Scotland, all of which are charged by the floating charge); and

(h) an assignation in security in respect of the Issuer's whole right, title, benefit and interest, present and future, in and to the Scottish Trust Property and in and to the Scottish Declaration of Trust.

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 further "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – English law security and insolvency considerations*".

Scots law does not recognise any equivalent concept of fixed charges taking effect as floating charges, as described above in relation to English law.

Secured Creditors

Upon the Issuer entering into a new or replacement Interest Rate Swap Agreement 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.

Upon the Issuer entering into a new or replacement Standby Account Bank Agreement with a new or replacement Standby Account Bank, the new or replacement Standby Account Bank, 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, shall be received and held by it as trustee (except in the case of the Agents and the Transaction Account Bank which will hold such funds as banker and to the order of the Security Trustee) for the Security Trustee and shall be paid over to the Security Trustee 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 immediately upon the occurrence of an Event of Default. No provision of the Deed of Charge requires automatic liquidation upon default.

Conflicts

The Deed of Charge contains provisions which require the Security Trustee, while any Notes issued by the Issuer are outstanding or the right to receive Senior Deferred Consideration and Residual Deferred Consideration exists, to act only at the direction of the Note Trustee. The Note Trustee shall have regard to the holders of each Class of the Notes and the persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration equally (and at all times have regard to and subject always to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) but 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 Most Senior Class of Notes and will not have regard to any lower ranking Class of Notes or Residual Deferred Consideration.

In all cases, the Security Trustee will only be obliged to act if it is indemnified and/or secured and/or pre-funded to its satisfaction.

For more information on how conflicts between Noteholders are resolved, see Condition 13 (*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 or granted pursuant to 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 a reasonable period of becoming so bound.

Fees, expenses and indemnity

The Issuer is required to:

(a) 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;

(b) reimburse the Security Trustee for all fees, costs and expenses (including legal fees) properly incurred by it in acting as Security Trustee; and

(c) 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 of Security Trustee

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:

(a) the Security Trustee is not responsible for the legality, admissibility in evidence, adequacy or enforceability of the Deed of Charge or any other Transaction Document;

(b) the Security Trustee may assume that no Event of Default has occurred unless the Security Trustee has received express written notice from a Secured Creditor stating that an Event of Default has occurred and describing that Event of Default;

(c) the Security Trustee is not required to monitor or supervise the functions of the Transaction Account Bank or of any other person under any Transaction Document;

(d) the Security Trustee has the power to determine all questions arising in relation to the Deed of Charge or other Transaction Document entered into by the Issuer and every determination made will bind the Noteholders and all of the other Secured Creditors;

(e) 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;

(f) the Security Trustee will not be liable for any Liabilities which may be caused by anything done or not done by it under the Deed of Charge or any other Transaction Document unless caused by the Security Trustee's fraud, gross negligence or wilful default;

(g) the Security Trustee may accept such title as the Issuer has to the Charged Property and will not be required to investigate or make inquiry into the Issuer's title to such property;

(h) the Security Trustee will not be responsible for any shortfall which may arise because it is liable to tax in respect of the Charged Property or the proceeds of such property; and

(i) the Security Trustee is not required to take steps or action in connection with the Transaction 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 12 (*Enforcement*) and Condition 13 (*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 pre-funded 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 Northern Ireland are governed by and will be construed in accordance with Northern Irish law and certain provisions particular to the Issuer's assets in Scotland will be construed in accordance with Scots law. The Scottish Supplemental Charge will be governed by and construed in accordance with Scots law.

DESCRIPTION OF THE TRUST DEED, THE GLOBAL NOTES AND THE GLOBAL CERTIFICATES

The principal agreement governing the Notes and any Certificates (then in issue) and the Senior Deferred Consideration and Residual Deferred Consideration is the Trust Deed. A summary of the material terms of the Trust Deed, the Global Notes and the Global Certificates is set out below. The summary does not purport to be complete and it is subject to the provisions of the Trust Deed. References in this section to Certificates or Certificateholders shall apply only when such Certificates are in issue.

The Trust Deed sets out the forms of the Global Notes, the Registered Definitive Notes, and the Global Certificates and the Definitive Certificates. It also sets out the conditions for the issue of Registered Definitive Notes and/or the cancellation of any Notes and the issue of Definitive Certificates and/or the cancellation of any Certificates. The Agency Agreement contains the detailed provisions as to the appointment of the Principal Paying Agent and other agents and will regulate how payments will be made on the Notes and any Certificates (then in issue) or payments in respect of the Senior Deferred Consideration and the Residual Deferred Consideration (as applicable) and how determinations and notifications will be 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 (a) use its best endeavours to maintain the listing of the Notes issued by it on the Official List and to maintain trading of such Notes on the market, (b) keep in place a Common Safekeeper, Principal Paying Agent and an Agent Bank, and (c) 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 other than in relation to a Basic Terms Modification, a Senior Deferred Consideration Entrenched Right or a Retained Interest Entrenched Right, an Extraordinary Resolution of the Most Senior Class of Notes shall be binding on such Class of Notes and/or binding on the persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration ranking junior to a Class of Noteholders or persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration irrespective of the effect it has upon them (see Condition 13 (*Meetings of Noteholders, modifications and waiver*)). A Basic Terms Modification requires an Extraordinary Resolution of the holders of each affected Class of Notes and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (other than the persons entitled to the Senior Deferred Consideration unless the matter is also a Senior Deferred Consideration Entrenched Right) then outstanding or in issue, as applicable.

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 Class of Notes and persons entitled to Senior Deferred Consideration and Residual Deferred Consideration are entitled to the benefit of and shall 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 and any Certificates (then in issue)

The issuance of Notes and Certificates by the Issuer will be authorised by a resolution of the board of directors of the Issuer prior to the Closing Date. The Notes and any Certificates (then in issue) will be constituted by the Trust Deed.

Form of the Notes and any Certificates (then in issue)

Each Class of Notes will be represented on the Closing Date by a Global Note and will be deposited on behalf of the beneficial owners of those Notes with a Common Safekeeper for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of a Common Safekeeper for Euroclear and Clearstream, Luxembourg. Rule 144A Notes will be represented initially by a Rule 144A Global Note and Regulation S Notes will be represented initially by a Regulation S Global Note. Beneficial interests in respect of each of a Rule 144A Global Note and Regulation S Global Note may be held only through Euroclear or Clearstream, Luxembourg or their participants at any time. Each Class of Certificates, when in issue on or following the Closing Date, will be represented by a Global Certificate. Rule 144A Certificates when in issue will be represented by a Rule 144A Global Certificate and Regulation S Certificates when in issue will be represented by a Regulation S Global Certificate, The Global Certificates will be registered in the name of a nominee of a Common Safekeeper for Euroclear and Clearstream, Luxembourg.

On confirmation from the Common Safekeeper that it holds the Global Notes, 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 Notes. These book-entry interests will represent the beneficial owner's beneficial interest in the relevant Global Notes.

The amount of Notes represented by each Global Note will be evidenced by the Register maintained for that purpose by the Registrar. Together, the Notes represented by the Global Notes and any outstanding Registered Definitive Notes will equal the aggregate principal amount of the Notes outstanding at any time. Except in the limited circumstances described under "*Registered Definitive Notes and Registered Definitive Certificates*" below, owners of beneficial interests in Global Notes or the Global Certificates (then in issue) will not be entitled to receive physical delivery of certificated Notes or the certificated Certificates. The Notes are not issued nor will any Certificates (then in issue) be, in bearer form.

Beneficial owners may hold their interests in the Global Notes and the Global Certificates (then in issue) only through 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 or a Global Certificate (then in issue) will be shown on, and the transfer of that ownership will be effected only through, records maintained by 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 or a Global Certificate (then in issue), and any person entitled to Senior Deferred Consideration and Residual Deferred Consideration 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 and the Certificates (then in issue), beneficial owners of Notes and the Certificates may look only to Clearstream, Luxembourg or Euroclear, as applicable, or their respective participants for their beneficial entitlement to those Notes or Certificates. The Issuer expects that Clearstream, Luxembourg or Euroclear will take any action permitted to be taken by a beneficial owner of Notes and/or Certificates only at the direction of one or more participants to whose account the interests in a Global Note and/or Global 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 "*Book-Entry Clearance Procedures*" for more information about Clearstream, Luxembourg and Euroclear.

Beneficial interests in a Rule 144A Global Note may only be held by persons who are QIBs holding their interests for their own account or for the account of another QIB. By acquisition of a beneficial interest in a Rule 144A Global Note, 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 (see "*Subscription and Sale and Transfer and Selling Restrictions*").

Prior to the expiry of the period of 40 days after the later of the commencement of the offering and the Closing Date, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in "*Subscription and Sale and Transfer and Selling Restrictions*" and may not be held otherwise than through Euroclear or Clearstream, Luxembourg, and such Regulation S Global Note will bear a legend regarding such restrictions on transfer as described in "*Subscription and Sale and Transfer and Selling Restrictions*".

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 (i) at the principal office for the time being of the Note Trustee, which is, as of the date of this document, U.S. Bank Trustees Limited, 125 Old Broad Street, Fifth Floor, London, EC2N 1AR and at the specified office of the Principal Paying Agent; and (ii) may be provided by email to a beneficial owner requesting a copy from the Principal Paying Agent, in each case upon such beneficial owner providing satisfactory proof of a holding and subject to the Principal Paying Agent being supplied by the Issuer with electronic copies.

Registered Definitive Notes and Registered Definitive Certificates

Owners of beneficial interests in Global Notes and the Global Certificates (then in issue) will only be entitled to receive Registered Definitive Notes and Registered Definitive Certificates (as applicable) under the following limited circumstances:

(a) if, as a result of any amendment to or change in the laws or regulations of the United Kingdom (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 Closing Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding from any payment on the Notes and/or the Certificates (as applicable) that would not be required if the Notes or the Certificates were represented by Registered Definitive Notes or Registered Definitive Certificates (as applicable); or

(b) if 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 Registered Definitive Notes or any Registered Definitive Certificates in bearer form be issued. Any Registered Definitive Note will be issued in registered form in the minimum denominations. Any Registered Definitive Certificates will be issued in registered form. The Registered Definitive Notes and Registered Definitive Certificates will be registered in that name or those names as the Registrar will be instructed by Clearstream, Luxembourg and Euroclear, as applicable. It is expected that these instructions will be based upon directions received by 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 the Principal Paying Agent will be entitled to treat the person in whose names any Registered Definitive Notes or Registered Definitive Certificates are 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 any Certificates (then in issue or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration, as applicable) and other provisions customary for a registered debt security.

Whenever a Global Note is to be exchanged for Registered Definitive Notes, such Registered Definitive Notes will be issued in an aggregate principal amount equal to the principal amount of the relevant Global Note within five business days of the delivery, by or on behalf of the registered holder of the relevant Global Note, Euroclear and/or Clearstream, Luxembourg, as applicable, to the Registrar of such information as is required to complete

and deliver such Registered Definitive Notes (including, without limitation, the names and addresses of the persons in whose names the Registered Definitive Notes are to be registered and the principal amount of each such person's holding) against the surrender of the relevant Global Note at the specified office of the Registrar. Whenever a Global Certificate (then in issue) is to be exchanged for Registered Definitive Certificates, such Registered Definitive Certificates will be issued by or on behalf of the registered holder of the relevant Global Certificate, Euroclear and/or Clearstream, Luxembourg, as applicable, to the Registrar of such information as is required to complete and deliver such Registered Definitive Certificates (including, without limitation, the names and addresses of the persons in whose names the Registered Definitive Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the relevant Global Certificate at the specified office of the Registrar.

Each such exchange outlined above will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes and Certificates (then in issue) 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 Registered Definitive Notes or Registered Definitive Certificates (as applicable) 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 Registered Definitive Notes or Registered Definitive Certificates (as applicable).

Modification and waiver

The Note Trustee or, as the case may be, the Security Trustee may, acting in accordance with the direction of the Note Trustee, in the case of items (iii), (iv) and (v) below, shall at any time and from time to time, without the consent or sanction of the Noteholders, persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration or any other Secured Creditor (other than any Secured Creditor who is party to the relevant Transaction Document with such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such 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 or sanctioning any modification of the Notes (including the Conditions applicable thereto) or the Certificates (then in issue) (including the Certificate Conditions applicable thereto) or of any Transaction Document (except for a Basic Terms Modification, Senior Deferred Consideration Entrenched Right or Retained Interest Entrenched Right) in the case of items (i) and (iii) to (v) below: (i) where the Note Trustee is of the opinion that such modification will not be materially prejudicial to the interests of any of the Noteholders or the persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration; (ii) is made to correct a manifest error, is of a formal, minor or technical nature or is made to comply with mandatory provisions of law; (iii) to make any changes which the Issuer has certified to the Note Trustee and/or the Security Trustee (upon which certificate the Note Trustee and the Security Trustee shall rely without enquiry or liability) are necessary to facilitate a Refinancing; (iv) that would result in the Issuer entering into any new and/or amended bank account agreement, collection account agreement or the Standby Account Bank Agreement (including where the unsecured, unsubordinated and unguaranteed debt obligations of the Transaction Account Bank or Collection Account Bank are downgraded below any relevant rating level as set out in the relevant Transaction Document, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings); (v) that would result in the Issuer entering into any new and/or amended interest rate swap agreement (including where a swap downgrade event occurs under the Interest Rate Swap Agreement, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings); (vi) that is required to effect the appointment of a successor Servicer (including, but not limited to, the Issuer entering into any new and/or amended servicing agreement) provided that the conditions to the appointment of that successor Servicer set out in the Servicing Agreement are satisfied; (vii) is to enable the Issuer or any of the other transaction parties to comply with (A) Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, any regulations or

agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (FATCA) or (B) Section 15G of the Exchange Act or (viii) is to comply with the provisions of Rule 17g-5 of the Securities Exchange Act of 1934, provided that in the case of amendments pursuant to items (vii) and (viii) above, that neither the Note Trustee nor the Security Trustee shall be obliged to agree to any such new agreement and/or amendment until the Issuer 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. The Note Trustee and/or Security Trustee will not be obliged, in the case of amendments to items (iii) and/or (iv) and/or (v), 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 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 the Conditions and/or the Certificate Conditions.

Any such modification will be binding on the Noteholders, the persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration 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 Transaction Documents to which it is a party, the Security Trustee will, while any of the Notes are outstanding or the right to receive Senior Deferred Consideration or Residual Deferred Consideration exists, 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 and any Certificates (then in issue) will be, governed by and construed in accordance with English law.

New Safekeeping Structure

The Notes will be deposited with one of Euroclear and/or Clearstream, Luxembourg (each an "**ICSD**" and together the "**ICSDs**") as common safekeeper and registered in the name of a nominee of one of the ICSDs acting as common safekeeper (the "**New Safekeeping Structure**").

Issuer ICSD Agreement

Prior to the issuance of the Notes and any Certificates, the Issuer will enter into an Issuer ICSD agreement with the ICSDs in respect of the Notes and any such Certificates (the "**Issuer ICSD Agreement**"). The Issuer ICSDs will, in respect of the Notes and any such Certificates (while being held in the New Safekeeping Structure), maintain their respective portion of the outstanding of the issue amount through their records. The Issuer ICSD Agreement will be governed by English law.

BOOK-ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from Euroclear and Clearstream, Luxembourg (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 or Clearstream, Luxembourg currently in effect and investors wishing to use the facilities of any of Euroclear or Clearstream, Luxembourg are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Seller, the Legal Title Holder, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee, the Interest Rate Swap Counterparty, the Principal Paying Agent, the Agent Bank, any of their respective affiliates or any other party to the Transaction Documents will have any responsibility for the performance by Euroclear and Clearstream, Luxembourg 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 and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and the issue of any Certificates and cross-market transfers of the Notes and any Certificates (then in issue) associated with secondary market trading. See "*Initial settlement*" and "*Secondary trading*" below.

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, U.S. Dollars and Euros. 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 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.

Book-entry ownership

Each Global Note and Global Certificate (where Global Certificates are in issue) will have an ISIN and a Common Code and will be delivered at initial settlement to the Common Safekeeper for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of a common safekeeper for Euroclear and Clearstream, Luxembourg.

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 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 or any certificate represented by a Global Certificate (where Global Certificates are in issue) will be able to transfer that interest except in accordance with applicable procedures, in addition to those provided for under the Trust Deed, of Clearstream, Luxembourg and Euroclear, as applicable.

Each Rule 144A Global Note will bear a legend substantially identical to that appearing in paragraph (o) under "*Subscription and Sale and Transfer and Selling Restrictions*" and the holder of any Rule 144A Global Note or any book-entry interest in such Rule 144A Global Note will undertake that it will not transfer such Notes except in compliance with the transfer restrictions set forth in such legend. A book-entry interest in a Rule 144A Global Note of one Class may be transferred to a person who takes delivery in the form of a book-entry interest in the Regulation S Global Note of the same Class whether before or after the expiration of the period ending 40 days after the later of the commencement of the offering of the Notes and the Closing Date (the "**Distribution Compliance Period**"), only upon receipt by the Issuer of a written certification from the transferor to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S or Rule 144A under the Securities Act (if available).

Each Regulation S Global Note will bear a legend substantially identical to that appearing in paragraph (p) under "*Subscription and Sale and Transfer and Selling Restrictions*". Prior to the expiration of the Distribution Compliance Period, a book-entry interest in a Regulation S Global Note of a particular Class may be transferred to a person who takes delivery in the form of a book-entry interest in the Regulation S Global Note of the same Class only upon receipt by the Issuer of written certification from the transferor to the effect that such transfer is being made to a person whom the transferor reasonably believes is purchasing for its own account or for an account or accounts as to which it exercises sole investment discretion and that such person and such account or accounts is a QIB within the meaning of Rule 144A, in each case, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Any book-entry interest in a Regulation S Global Note of one Class that is transferred to a person who takes delivery in the form of a book-entry interest in the Rule 144A Global Note of the same Class will, upon transfer, cease to be represented by a book-entry interest in such Regulation S Global Note and will become represented by a book-entry interest in such Rule 144A Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to book-entry interests in a Rule 144A Global Note for as long as it remains such a book-entry interest. Any book-entry interest in a Rule 144A Global Note of one Class that is transferred to a person who takes delivery in the form of a book-entry interest in the Regulation S Global Note of the same Class will, upon transfer, cease to be represented by a book-entry interest in such Rule 144A Global Note and will become represented by a book-entry interest in such Regulation S Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to book-entry interests in a Regulation S Global Note as long as it remains such a book-entry interest.

Payment and relationship of participants with Clearing Systems

Principal and interest payments on the Notes and payments on any Certificates (then in issue) 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 the Common Safekeeper by whom such note or certificate is held or a nominee in whose name it is registered. After receipt of any payment from the Principal Paying Agent to the Common Safekeeper (or 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 or Clearstream, Luxembourg as the holder of a note represented by a Global Note or a certificate represented by a Global Certificate (then in issue) must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his/her share of each payment made by the Issuer to the holder of such global note or global certificate (as applicable) and in relation to all other rights arising under the Global Notes or Global Certificate (then in issue) (as applicable), subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg (as the case may be). The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Note, the Common Safekeeper 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 or global certificate 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 or any Certificates (then in issue) for so long as the Notes are represented by such Global Notes or any Certificates are represented by such Global 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 or global certificate (as applicable) in respect of each amount so paid. None of the Issuer, the Note Trustee, the Arranger, the Lead Manager nor the Principal Paying Agent will have any responsibility or liability for any aspect of the records Clearstream, Luxembourg or Euroclear relating to or payments made by Clearstream, Luxembourg or Euroclear on account of beneficial interests in the Global Notes or the Global Certificates (then in issue) (as applicable) or for maintaining, supervising or reviewing any records of Clearstream, Luxembourg or Euroclear relating to those beneficial interests.

Initial settlement

The Global Notes for each Class of Notes will be delivered on the Closing Date to, and the Global Certificates for each Certificate when in issue will be delivered to, the Common Safekeeper for Euroclear and Clearstream, Luxembourg. Customary settlement procedures will be followed for participants of each system on that Closing Date. Notes will be credited to investors' securities accounts on the Closing Date, and any Certificates when in issue will be credited to investors' securities accounts, against payment in same-day funds.

Secondary trading

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes and any Certificates (then in issue) held within a Clearing System must be made by or through direct participants, which will receive a credit for such Notes or Certificates (as applicable) on the Clearing System's records. The ownership interest of each beneficial owner of each such note or certificate (as applicable) 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 or any Certificates (then in issue) (as applicable) 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 held within a Clearing System are exchanged for Registered Definitive

Notes. Beneficial owners will not receive certificates representing their ownership interests in such Certificates (then in issue), unless and until interests in any Global Certificate held within a Clearing System are exchanged for Registered Definitive Certificates.

No Clearing System has knowledge of the actual beneficial owners of the Notes or any Certificates (then in issue) (as applicable) held within such Clearing System and their records will reflect only the identity of the direct participants to whose accounts such Notes and any Certificates (then in issue) 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 U.S.) 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 or a certificate represented by a Global Certificate (then in issue). See "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – Registered Definitive Notes and Registered Definitive Certificates*".

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market sales of book-entry interests in the Notes and any Certificates (then in issue) held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the Notes and any Certificates (then in issue) 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.

New Safekeeping Structure and Eurosystem eligibility

The Notes and any Certificates (then in issue) are intended to be held in a NSS and in a manner which would allow Eurosystem eligibility and will be deposited with one of the ICSDs as common safekeeper. However, the deposit of the Notes and any Certificates (then in issue) with one of the ICSDs as common safekeeper upon issuance or otherwise does not necessarily mean that the Notes or any Certificates (then in issue) will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at issuance or at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met. Accordingly, none of the Issuer, the Seller, the Legal Title Holder, the Arranger, the Lead Manager, the Security Trustee or the Note Trustee gives any representation, warranty, confirmation or guarantee to any investor in the Notes or any Certificates (then in issue) that the Notes or any Certificates (then in issue) will, either upon issue, or at any or at all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Notes should make its own conclusions and seek its own advice with respect to whether or not the Notes constitute Eurosystem eligible collateral.

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 the Notes in the form (subject to amendment) in which they will be set out in the Trust Deed.

1. GENERAL

The £730,049,000 Class A mortgage backed floating rate notes due January 2076 (the "**Class A Notes**"), the £63,879,000 Class B mortgage backed floating rate notes due January 2076 (the "**Class B Notes**"), the £41,065,000 Class C mortgage backed floating rate notes due January 2076 (the "**Class C Notes**"), the £29,658,000 Class D mortgage backed floating rate notes due January 2076 (the "**Class D Notes**"), the £25,095,000 Class E mortgage backed floating rate notes due January 2076 (the "**Class E Notes**"), the £13,688,000 Class F mortgage backed floating rate notes due January 2076 (the "**Class F Notes**" and together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the "**Rated Notes**"), the £9,126,000 Class G notes due January 2076 (the "**Class G Notes**"), the £18,253,000 Class Z notes due January 2076 (the "**Class Z Notes**" and together with the Class G Notes, the "**Unrated Notes**" and together with the Rated Notes, the "**Notes**") in each case of Pavillion Mortgages 2024-1 PLC (the "**Issuer**") are constituted by a trust deed (the "**Trust Deed**") entered into on or about 31 October 2024 (the "**Closing Date**") and made between, among others, the Issuer and U.S. Bank Trustees Limited as trustee for the Noteholders (in such capacity, the "**Note Trustee**").

Any reference in these Conditions to a Class of Notes or of Noteholders shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes, as the case may be, or to the respective holders thereof. Any reference in these Conditions to a Class of Certificates or of Certificateholders shall be a reference to the Class S Certificates or the Class Y Certificates or to the respective holders thereof and shall be deemed to apply only when Certificates are in issue. Where Certificates are not in issue, references in these Conditions to Certificates and Certificateholders shall, except where the context requires otherwise, be deemed to refer to Senior Deferred Consideration and Residual Deferred Consideration and persons entitled to Senior Deferred Consideration and Residual Deferred Consideration. Any reference in these Conditions to the Noteholders means the registered holders for the time being of the Notes, or if preceded by a particular Class designation of Notes, the registered holders for the time being of such Class of Notes. The Security for the Notes is 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.

Notes constituted by the Trust Deed comprise one or more Classes (each a "**Class**") of Notes.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge, the Agency Agreement and the other Transaction Documents.

Copies of the Trust Deed, the Deed of Charge, the Agency Agreement and each of the other Transaction Documents (including the Scottish Declaration of Trust, with the schedule thereto duly redacted) are available for inspection during normal business hours (i) at the registered office of the Issuer, being 10th Floor, 5 Churchill Place, London E14 5HU; (ii) the specified office for the time being of the Principal Paying Agent, being at 125 Old Broad Street, Fifth Floor, London EC2N 1AR; and (iii) may be provided by email to a Noteholder requesting a copy from the Principal Paying Agent, in each case upon such Noteholder providing satisfactory proof of a holding of Notes and subject to the Principal Paying Agent being supplied by the Issuer with electronic copies.

The holders of any 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, and each of the other Transaction Documents.

References herein to the "**Noteholders**" will, unless specified otherwise, be references to the registered holders for the time being of the Notes or if preceded by a particular Class designation of Notes, the registered holders for the time being of such Class of Notes.

The Notes are not issuable in bearer form.

2. INTERPRETATION

2.1 Definitions

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 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 Closing 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.

2.2 Interpretation

These Conditions shall be construed in accordance with the principles of construction set out in the Incorporated Terms Memorandum.

3. FORM, DENOMINATION, REGISTER, TITLE AND TRANSFERS

3.1 Form and denomination

Each Class of Notes will initially be represented by a global note in registered form (a "**Global Note**").

For so long as any of the Notes are represented by a Global Note, transfers and exchanges of beneficial interests in such Global Note and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of, Euroclear Bank S.A./N.V. ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), as appropriate.

The aggregate nominal amount of each Class of Notes will initially be offered and sold outside the U.S. to non-U.S. persons pursuant to Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**") is represented by one or more global registered notes in fully registered form without coupons attached. The aggregate nominal amount of the Rule 144A Notes initially offered and sold within the United States to persons who are "qualified institutional buyers" as defined in, and in reliance on, Rule 144A under the Securities Act ("**Rule 144A**"), in transactions made in accordance with Rule 144A, is represented by one or more global registered notes in fully registered form without coupons attached (the "**Rule 144A Global Notes**" and together with the Regulation S Global Notes, the "**Global Notes**").

For so long as the Notes are represented by a Global Note, and for so long as Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable only in the minimum denominations of (a) in respect of the Rule 144A Global Notes, of £100,000 and integral multiples of £1,000 in excess thereof; and (b) in respect of the Regulation S Global Notes, of £100,000 and integral multiples of £1,000 in excess thereof.

Global Notes will be exchanged for Registered Definitive Notes in definitive registered form only if any of the following applies:

(a) in the case of the Global Notes, both Euroclear and Clearstream, Luxembourg:

(i) are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or

(ii) announce an intention permanently to cease business or to cease to make book-entry systems available for settlement of beneficial interests in such Global Notes or in fact do either of those things,

and in either case no alternative clearing system satisfactory to the Note Trustee is available; or

(b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration by a revenue authority or a court or in the application of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the relevant Notes in definitive registered form.

If Registered Definitive Notes are issued in respect of Notes originally represented by a Global Note, the beneficial interests represented by such Global Note shall be exchanged by the Issuer for the relevant Notes in registered definitive form. The aggregate principal amount of the Registered Definitive Notes shall be equal to the Principal Amount Outstanding of the Notes at the date on which notice of exchange is given of the Global Note, subject to and in accordance with the detailed provisions of these Conditions, the Agency Agreement, the Trust Deed and the relevant Global Notes.

Registered Definitive Notes (which, if issued will be in the denomination set out below), will be serially numbered and will be issued in registered form only.

The minimum denomination of the Notes in definitive form (if issued and printed) will be issued in the minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof (or the equivalent thereto). Rule 144A Notes will be represented initially by a Rule 144A Global Note and Regulation S Notes will be represented initially by a Regulation S Global Note, in each case, in registered form.

References to "**Notes**" in these Conditions shall include the Global Notes and the Registered Definitive Notes.

3.2 Register

The Registrar will maintain the register (the "**Register**") in respect of the Notes in accordance with the provisions of the Agency Agreement. In these Conditions, the "**Holder**" of 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).

3.3 Title

Title to a Global Note shall pass by and upon registration in the Register. Each Holder 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.

Title to a Registered Definitive Note shall only pass by and upon registration of the transfer in the Register.

3.4 Transfers of interests in Global Notes

Transfers of beneficial interests in Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Global Note of the same series only in the authorised denominations set out herein and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Note Trust Deed and the Agency Agreement.

3.5 Transfers of registered Notes in definitive form

Subject as provided in Conditions 3.6 (*Transfers of interests in Regulation S Global Notes*) and 3.7 (*Transfers of interests in Rule 144A Global Notes*) below, upon the terms and subject to the conditions set forth in the Trust Deed, a registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out herein). In order to effect any such transfer (a) the holder or holders must (i) surrender the registered Note for registration of the transfer of the registered Note (or the relevant part of the registered Note) at the specified office of any Principal Paying Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Principal Paying Agent and (b) the relevant Principal Paying Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 2 to the Agency Agreement. Subject as provided above, the relevant Principal Paying Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Principal Paying Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new registered Note in definitive form of a like aggregate nominal amount to the registered Note (or the relevant part of the registered Note) transferred. In the case of the transfer of part only of a registered Note in definitive form, a new registered Note in definitive form in respect of the balance of the registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

3.6 Transfers of interests in Regulation S Global Notes

(a) Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

(i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a Transfer Certificate), copies of which are available from the specified office of the Principal Paying Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or

(ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

(b) In the case of paragraph (a)(i) above, such transferee may take delivery through a Rule 144A Global Note in global or definitive form.

3.7 Transfers of interests in Rule 144A Global Notes

(a) Transfers of Rule 144A Global Notes or beneficial interests therein may be made:

(i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S; or

(ii) to a transferee who takes delivery of such interest through a Rule 144A Global Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

(iii) otherwise, pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

(b) Upon the transfer, exchange or replacement of Rule 144A Global Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Rule 144A Global Notes or refuse to remove the Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

3.8 Definitions

In this Condition 3.8, the following expressions shall have the following meanings:

(a) Distribution Compliance Period means the period that ends 40 days after the completion of the distribution of each tranche of Notes, as certified by the relevant dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue);

(b) Legend means, in connection with registered Notes (whether in definitive form or represented by a Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A, bear a legend specifying certain restrictions on transfer;

(c) QIB means a qualified institutional buyer within the meaning of Rule 144A

(d) Regulation S means Regulation S under the Securities Act;

(e) Regulation S Global Note means a Global Note representing Notes sold outside the United States in reliance on Regulation S;

(f) Rule 144A means Rule 144A under the Securities Act;

(g) Rule 144A Global Note means a Global Note representing Notes sold in the United States or to QIBs; and

(h) Securities Act means the United States Securities Act of 1933, as amended.

4. STATUS, PRIORITY AND SECURITY

4.1 Status

(a) The Class A Notes constitute direct, secured and (subject to the limited recourse provision in Condition 13.17 (*Limited recourse*)) unconditional obligations of the Issuer. The Class A Notes rank *pari passu* without preference or priority among its holders in relation to payment of interest and principal and *pari passu* without preference or priority among its holders in relation to payment of (in respect of the Class A Notes) interest and payment of the Senior Deferred Consideration, as provided in these Conditions and the Transaction Documents.

Accordingly, the interests of the persons who for the time being are registered in the Register as holders of Class A Notes (the "**Class A Noteholders**") and in respect of the Senior Deferred Consideration, the interests of the person who for the time being is registered in the Register as the person entitled to the Senior Deferred Consideration (and upon certification, such person shall be the "**Class S Certificateholder**") will subordinate the interests of the holders of all other Classes of Notes and the Residual Deferred Consideration.

(b) The Class B Notes constitute direct, secured and (subject to the limited recourse provision in Condition 13.17 (*Limited recourse*) and Condition 6.9 (*Subordination by deferral*)) unconditional obligations of the Issuer. The Class B Notes rank *pari passu* without preference or priority among its holders in relation to payment of interest and principal at all times, subordinate to the Class A Notes and the Senior Deferred Consideration, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of Class B Notes (the "**Class B Noteholders**") will be subordinated to the interests of the Class A Noteholders and the persons entitled to the Senior Deferred Consideration (so long as any Class A Notes remain outstanding or the right to receive Senior Deferred Consideration exists).

(c) The Class C Notes constitute direct, secured and (subject to the limited recourse provision in Condition 13.17 (*Limited recourse*) and Condition 6.9 (*Subordination by deferral*)) unconditional obligations of the Issuer. The Class C Notes rank *pari passu* without preference or priority among its holders in relation to payment of interest and principal at all times, subordinate to the Class A Notes, the Senior Deferred Consideration and the Class B Notes, and as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class C Notes (the "**Class C Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the persons entitled to Senior Deferred Consideration and the Class B Noteholders (so long as any Class A Notes remain outstanding and/or the right to receive Senior Deferred Consideration exists and/or any Class B Notes remain outstanding).

(d) The Class D Notes constitute direct, secured and (subject to the limited recourse provision in Condition 13.17 (*Limited recourse*) and Condition 6.9 (*Subordination by deferral*)) unconditional obligations of the Issuer. The Class D Notes rank *pari passu* without preference or priority among its holders in relation to payment of interest and principal at all times, subordinate to the Class A Notes, the Senior Deferred Consideration, the Class B Notes and the Class C Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class D Notes (the "**Class D Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the persons entitled to Senior Deferred Consideration, the Class B Noteholders and the Class C Noteholders (so long as any Class A Notes

remain outstanding and/or the right to receive Senior Deferred Consideration exists and/or any Class B Notes and/or any Class C Notes remain outstanding).

(e) The Class E Notes constitute direct, secured and (subject to the limited recourse provisions in Condition 13.17 (*Limited recourse*) and Condition 6.9 (*Subordination by deferral*)) unconditional obligations of the Issuer. The Class E Notes rank *pari passu* without preference or priority among its holders in relation to the payment of interest and principal at all times, subordinate to the Class A Notes, the Senior Deferred Consideration, the Class B Notes, the Class C Notes and the Class D Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class E Notes (the "**Class E Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the persons entitled to Senior Deferred Consideration, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders (so long as any Class A Notes remain outstanding, and/or the right to receive Senior Deferred Consideration exists and/or any Class B Notes and/or any Class C Notes and/or any Class D Notes remain outstanding).

(f) The Class F Notes constitute direct, secured and (subject to the limited recourse provisions in Condition 13.17 (*Limited recourse*) and Condition 6.9 (*Subordination by deferral*)) unconditional obligations of the Issuer. The Class F Notes rank *pari passu* without preference or priority among its holders in relation to the payment of interest and principal at all times, subordinate to the Class A Notes, the Senior Deferred Consideration, the Class B Notes, the Class C Notes, the Class D and the Class E Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class F Notes (the "**Class F Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the persons entitled to Senior Deferred Consideration, the Class B Noteholders, the Class C Noteholders, Class D Noteholders and the Class E Noteholders (so long as any Class A Notes remain outstanding, and/or the right to receive Senior Deferred Consideration exists and/or any Class B Notes and/or any Class C Notes and/or any Class D Notes and/or any Class E Notes remain outstanding).

(g) The Class G Notes constitute direct, secured and (subject to the limited recourse provisions in Condition 13.17 (*Limited recourse*) and Condition 6.9 (*Subordination by deferral*)) unconditional obligations of the Issuer. The Class G Notes rank *pari passu* without preference or priority among its holders in relation to the payment of interest and principal at all times, subordinate to the Class A Notes, the Senior Deferred Consideration, the Class B Notes, the Class C Notes, the Class D, the Class E Notes and the Class F Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class G Notes (the "**Class G Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the persons entitled to Senior Deferred Consideration, the Class B Noteholders, the Class C Noteholders, Class D Noteholders, the Class E Noteholders and the Class F Noteholders (so long as any Class A Notes remain outstanding, and/or the right to receive Senior Deferred Consideration exists and/or any Class B Notes and/or any Class C Notes and/or any Class D Notes and/or any Class E Notes and/or any Class F Notes remain outstanding).

(h) The Class Z Notes constitute direct, secured and (subject to the limited recourse provisions in Condition 13.17 (*Limited recourse*) and Condition 6.9 (*Subordination by deferral*)) unconditional obligations of the Issuer. The Class Z Notes rank *pari passu* without preference or priority among its holders in relation to the payment of interest and principal at all times, subordinate to the Class A Notes, the Senior Deferred Consideration, the Class B Notes, the Class C Notes, the Class D, the Class E Notes, the Class F Notes and the Class G Notes as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class Z Notes (the "**Class Z Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the persons entitled to Senior Deferred Consideration, the Class B Noteholders, the Class C Noteholders, Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class G Noteholders (so long as any Class A Notes remain outstanding, and/or the right to receive Senior

Deferred Consideration exists and/or any Class B Notes and/or any Class C Notes and/or any Class D Notes and/or any Class E Notes and/or any Class F Notes and/or any Class G Notes remain outstanding).

(i) The requirement to pay Senior Deferred Consideration constitutes direct, secured and (subject to the limited recourse provisions in Certificate Condition 12.17 (*Limited recourse*) and Certificate Condition 6.7 (*Subordination by deferral*)) unconditional obligations of the Issuer. The Senior Deferred Consideration rank *pari passu* without preference or priority among its holders in relation to the payment of interest and principal at all times, subordinate to the Class A Notes (provided that the Senior Deferred Consideration rank pro rata and *pari passu* with the payment of interest on the Class A Notes, as provided in the Conditions), the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as the persons entitled to the Senior Deferred Consideration holders (and upon certification, such persons shall be the "**Class S Certificateholders**") will be subordinated to the interests of each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class Z Noteholders (so long as any Class A Notes and/or any Class B Notes and/or any Class C Notes and/or any Class D Notes and/or any Class E Notes and/or any Class F and/or any Class G and/or any Class Z Notes remain outstanding).

(j) The requirement to pay Residual Deferred Consideration constitutes direct, secured and (subject to the limited recourse provisions in Certificate Condition 12.17 (*Limited recourse*)) unconditional obligations of the Issuer. The Residual Deferred Consideration rank *pari passu* without preference or priority among its holders in relation to the payment of the Residual Deferred Consideration, subordinate to the Class A Notes, the Senior Deferred Consideration, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the persons entitled to the Residual Deferred Consideration will be subordinated to the interests of each of the Class A Noteholders, the persons entitled to the Senior Deferred Consideration, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class Z Noteholders (so long as any Class A Notes remain outstanding and/or the right to receive Senior Deferred Consideration exists and/or any Class B Notes and/or any Class C Notes and/or any Class D Notes and/or any Class E Notes and/or any Class F Notes and/or any Class G Notes and/or any Class Z Notes remain outstanding).

4.2 Conflict between the Classes of Notes

(a) The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the holders of each Class of the Notes and the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration equally (and at all times have regard to and subject always to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) as regards all rights, 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 where there is a conflict of interests between one or more Classes of Notes and/or the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration in any such case to have regard (except as expressly provided otherwise and at all times have regard to and subject always to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) to the interests of the holders of the Class of Notes and/or the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable) ranking in priority to the other relevant Classes of Notes or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration in the Post-Enforcement Priority of Payments (other than the Senior Deferred Consideration, in respect of which the Note Trustee, or as the case may be, the Security Trustee will have regard only as to the Senior Deferred Consideration Entrenched Rights).

(b) The Trust Deed also contains provisions limiting the powers of any Class of Noteholders or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable), among other things, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution (and at all times to have regard to and subject always to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) according to the effect thereof on the interests of holders of the Class or Classes of Notes and/or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable) ranking in priority thereto. Except in certain circumstances described in Condition 13 (*Meetings of Noteholders, modifications and waiver*), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class, the exercise of which will be binding (save in respect of a Basic Terms Modification, the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) on the holders of all other Classes of Notes and all other persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable), in each case irrespective of the effect thereof on their respective interests.

(c) 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 Class thereof), will have regard to Ratings Confirmations (if issued) that the then current ratings of the applicable 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.

(d) Subject to the Retained Interest Entrenched Rights, the Retention Holder will not be entitled to convene, count in the quorum or pass resolutions (including Extraordinary Resolutions and Ordinary Resolutions) in respect of any Notes comprising the Retained Interest. Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the Retention Holder (other than any resolutions in respect of a Retained Interest Entrenched Right unless the Retention Holder has consented) if passed in accordance with the Conditions.

(e) The persons entitled to the Senior Deferred Consideration shall only be entitled to convene meetings of the persons entitled to the Senior Deferred Consideration and/or pass resolutions in respect of the Senior Deferred Consideration in relation to matters affecting a Senior Deferred Consideration Entrenched Right. Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the persons entitled to the Senior Deferred Consideration (other than in respect of affecting a Senior Deferred Consideration Entrenched Right unless the persons entitled to the Senior Deferred Consideration has consented in writing).

(f) The persons entitled to the Residual Deferred Consideration shall only be entitled to convene meetings of the persons entitled to the Residual Deferred Consideration and/or pass resolutions in respect of the Residual Deferred Consideration in relation to Basic Terms Modifications affecting the Residual Deferred Consideration.

(g) Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the persons entitled to the Residual Deferred Consideration (save in respect of a Basic Terms Modification) if passed in accordance with the Conditions.

(h) As long as any Notes are outstanding or the right to receive Senior Deferred Consideration or Residual Deferred Consideration exists but subject to Condition 13.4, the Note Trustee and the Security Trustee shall not have regard to the interests of the other Secured Creditors.

(i) The Seller shall not be entitled to exercise voting rights to the extent that it holds any of the Notes where such rights are in relation to (i) a waiver in respect of (x) breaches of Mortgage Loan Warranties provided by the Seller pursuant to the Mortgage Sale Agreement or (y) the termination of the Servicer following

a Servicer Termination Event; and (ii) the nomination of a Successor Servicer subject to the conditions set out in the Transaction Documents.

4.3 Security

As security for, among other things, the payment of all monies payable in respect of the Notes, the Issuer has entered into the Deed of Charge and will enter into the 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.

The Noteholders, the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration and the other Secured Creditors will share in the benefit of the Security upon and subject to the terms and conditions of the Deed of Charge and the Scottish Supplemental Charge.

5. 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 or unless such action is in connection with a Refinancing undertaken in accordance with the Refinancing Option Deed Poll, the Issuer will not, so long as any Note remains outstanding:

5.1 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;

5.2 Disposal of assets

sell, assign, transfer, lend, 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;

5.3 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;

5.4 Bank accounts

have an interest in any bank account, other than an Issuer Account, unless such account or interest therein is charged to the Security Trustee on terms acceptable to the Security Trustee;

5.5 Restrictions on activities

carry on any business other than as described in the 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;

5.6 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;

5.7 Merger

consolidate or merge with any other person or convey or transfer substantially all of its properties or assets to any other person;

5.8 Waiver or consent

permit the validity or effectiveness of any of the Transaction Documents to which it is a party to or the priority of the security interests created thereby to be amended, terminated, postponed, waived or discharged or agree to any amendment of, grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party, or permit any other person whose obligations form part of the Security to be released from such obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;

5.9 Employees or premises

have any employees or premises, subsidiaries or any subsidiary undertaking (as defined in the Companies Act 1985 and the Companies Act 2006 (as applicable));

5.10 Dividends and distributions

pay any dividend or make any other distribution to its shareholders except out of amounts of profit retained by the Issuer in accordance with the applicable Priority of Payments which are available for distribution in accordance with the Issuer's memorandum and articles of association and with applicable laws or issue any further shares or alter any rights attaching to its shares as at the date of the Deed of Charge;

5.11 Purchase Notes

purchase or otherwise acquire any Notes or any Certificates (then in issue);

5.12 Corporation tax

prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the TSC Regulations; or

5.13 VAT

apply to become part of any group with any other company or group of companies for the purposes of Sections 43 to 43D of the VATA 1994 and the VAT (Groups: eligibility) Order (S.I. 2004/1931), or such act, regulation, order, statutory instrument or directive which may from time to time re-enact, replace, amend, vary, codify, consolidate or repeal any of the same.

6. INTEREST

6.1 Interest on Floating Rate Notes

(a) Each Floating Rate Note bears interest on its Principal Amount Outstanding from (and including) the Closing Date and such interest will be payable in arrear on each Payment Date for all Classes of Notes. The first Payment Date will be the Payment Date falling in January 2025.

(b) In these Conditions, "**Payment Date**" means the 25th day of each January, April, July and October in each year or, if such day is not a Business Day, the immediately following Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

(c) Interest shall accrue from (and including) a Payment Date (except in the case of the first Interest Period, which shall commence on (and include) the Closing Date) to (but excluding) the next following Payment Date (each such period above, an "**Interest Period**").

6.2 Rate of Interest

(a) The rate of interest payable from time to time on the Notes (the "**Rate of Interest**") will be determined on the basis of the Floating Rate of Interest as determined in accordance with paragraph (b) below.

(b) The floating rate of interest payable from time to time in respect of the Floating Rate Notes (each a "**Floating Rate of Interest**") and any Interest Period will be determined on the basis of the following provisions:

(i) Subject to paragraph (ii) below, the Agent Bank will determine the Compounded Daily SONIA as at the Interest Determination Date in question. The Floating Rate of Interest for the relevant Interest Period shall be the aggregate Compounded Daily SONIA plus the relevant Margin.

(ii) Notwithstanding the provisions of these Conditions, in the event of the Bank of England publishing guidance as to (1) how the SONIA rate is to be determined or (2) any rate that is to replace the SONIA rate, the Agent Bank acting in accordance with the instructions of the Issuer and, to the extent that it is reasonably practicable, shall follow such guidance in order to determine the SONIA rate, for the purposes of the Notes, for so long as the SONIA rate is not available or has not been published by the authorised distributors.

(iii) In the event that the Floating Rate of Interest for the relevant Interest Period cannot be determined in accordance with the foregoing provisions by the Agent Bank, the Floating Rate of Interest for such Interest Period shall be:

(A) that determined as at the last preceding Interest Determination Date (though substituting, where a different relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the relevant Margin relating to the relevant Interest Period, in place of the relevant Margin relating to that last preceding Interest Period); or

(B) if there is no such preceding Interest Determination Date, the initial Floating Rate of Interest which would have been applicable to the relevant 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) that first Payment Date (but applying the relevant Margin applicable to the first Interest Period).

(iv) If the Notes become due and payable in accordance with Condition 11 (*Events of default*), the last Interest Determination Date shall be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(v) The minimum Floating Rate of Interest will be zero.

(c) The Margin on the Floating Rate Notes changes from the Initial Margin to the Step-Up Margin from (and including) the Payment Date falling on the First Optional Redemption Date.

(d) For the purposes of these Conditions:

(i) "**First Optional Redemption Date**" means the Step-Up Date;

(ii) "**Interest Determination Date**" means the fifth London Banking Day before the Payment Date which the relevant Rate of Interest will apply;

(iii) "**Interest Determination Ratio**" means, on any Payment Date, (A) the aggregate Revenue Receipts calculated in the three preceding Servicer Reports (or, where there are not at least three previous Servicer Reports, any previous Servicer Reports) divided by (B) the aggregate of all Revenue Receipts and all Principal Receipts calculated in such Servicer Reports;

(iv) "**Margin**" means:

(A) in respect of the Class A Notes, (1) prior to the First Optional Redemption Date, 0.75 per cent. per annum (the "**Class A Initial Margin**") and (2) on and after the First Optional Redemption Date, 1.50 per cent. per annum (the "**Class A Step-Up Margin**");

(B) in respect of the Class B Notes, (1) prior to the First Optional Redemption Date, 1.40 per cent. per annum (the "**Class B Initial Margin**") and (2) on and after the First Optional Redemption Date, 2.10 per cent. per annum (the "**Class B Step-Up Margin**");

(C) in respect of the Class C Notes, (1) prior to the First Optional Redemption Date, 1.75 per cent. per annum (the "**Class C Initial Margin**") and (2) on and after the First Optional Redemption Date, 2.625 per cent. per annum (the "**Class C Step-Up Margin**");

(D) in respect of the Class D Notes, (1) prior to the First Optional Redemption Date, 2.40 per cent. per annum (the "**Class D Initial Margin**") and (2) on and after the First Optional Redemption Date, 3.40 per cent. per annum (the "**Class D Step-Up Margin**");

(E) in respect of the Class E Notes, (1) prior to the First Optional Redemption Date, 3.80 per cent. per annum (the "**Class E Initial Margin**") and (2) on and after the First Optional Redemption Date, 4.80 per cent. per annum (the "**Class E Step-Up Margin**");

(F) in respect of the Class F Notes, (1) prior to the First Optional Redemption Date, 5.30 per cent. per annum (the "**Class F Initial Margin**") and (2) on and after the First Optional Redemption Date, 6.30 per cent. per annum (the "**Class F Step-Up Margin**");

(G) in respect of the Class G Notes, (1) prior to the First Optional Redemption Date, 7.00 per cent. per annum (the "**Class G Initial Margin**") and (2) on and after the First Optional Redemption Date, 8.00 per cent. per annum (the "**Class G Step-Up Margin**"); and

(H) in respect of the Class Z Notes, (1) prior to the First Optional Redemption Date, 7.00 per cent. per annum (the "**Class Z Initial Margin**") and together with the Class A Initial Margin, the Class B Initial Margin, the Class C Initial Margin, the Class D Initial Margin, the Class E Initial Margin, the Class F Initial Margin and the Class G Initial Margin, each an "**Initial Margin**" and (2) on and after the First Optional Redemption Date, 8.00 per cent. per annum (the "**Class Z Step-Up Margin**" and together with the Class A Step-Up Margin, the Class B Step-Up Margin, the Class C Step-Up Margin, the Class D Step-Up Margin, the Class E Step-Up Margin, the Class F Step-Up Margin and the Class G Step-Up Margin, each a "**Step-Up Margin**");

(v) "**Compounded Daily SONIA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Agent Bank as at the Interest Determination Date in question, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 per cent. being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i\text{-}5LBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

Where:

"**d**" means the number of calendar days in the relevant Interest Period;

"**d_0**" means the number of London Banking Days in the relevant Interest Period;

"**i**" means 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 Interest Period to, but excluding, the last London Banking Day in such Interest Period;

"**LBD**" means a London Banking Day;

"**n_i**", for any London Banking Day "i" in the Interest Period, means the number of calendar days from, and including, such London Banking Day "i" up to but excluding the following London Banking Day;

"**Observation Period**" means the period from, and including, the date falling five London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Closing Date) and ending on, but excluding, the date falling five London Banking Days prior to the Payment Date for such Interest Period (or, if applicable, the date falling five London Banking Days prior to any such earlier date, if any, on which the Notes become due and payable); and

"**Reuters Screen SONIA Page**" means the Reuters Screen SONIA Page or such other page as may replace Reuters Screen SONIA Page on that service for the purpose of displaying such information or, if that service ceases to display such information, such page as displays such information on such service as may replace such screen;

"**$SONIA_{i\text{-}5LBD}$**" means in respect of any London Banking Day falling in the relevant Interest Period, the SONIA reference rate for the London Banking Day falling five London Banking Days prior to that London Banking Day "i";

(vi) "**London Banking Day**" means any day (other than a Saturday or Sunday or a public holiday) on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

(vii) "**Reconciliation Amount**" means in respect of any Calculation Period (A) the actual Principal Receipts as determined in accordance with the available Servicer Reports, less (B) the Calculated Principal Receipts in respect of such Calculation Period, plus (C) any Reconciliation Amount not applied in previous Calculation Periods;

(viii) "**SONIA**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such London Banking Day as provided by the administrator of SONIA to authorised Distributors and as then published on the Reuters Screen SONIA Page or, if the Reuters Screen SONIA Page is unavailable, as otherwise published by

such authorised Distributors, in each case on the London Banking Day immediately following such London Banking Day.

If, in respect of any London Banking Day in the relevant Observation Period, the Agent Bank determines that the SONIA reference rate is not available on the Reuters Screen SONIA Page or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be: (A) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (B) 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; and

(ix) "**Subsidiary**" means any person (referred to as the first person) in respect of which another person (referred to as the second person):

(A) holds a majority of the voting rights in that first person or has the right under the constitution of the first person to direct the overall policy of the first person or alter the terms of its constitution; or

(B) is a member of that first person and has the right to appoint or remove a majority of its board of directors or equivalent administration, management or supervisory body; or

(C) has the right to exercise (directly or indirectly) a dominant influence (which must include the right to give directions with respect to operating and financial policies of the first person which its directors are obliged to comply with whether or not for its benefit) over the first person by virtue of provisions contained in the articles (or equivalent) of the first person or by virtue of a control contract which is in writing and is authorised by the articles (or equivalent) of the first person and is permitted by the law under which such first person is established; or

(D) is a member of that first person and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in the first person or the rights under its constitution to direct the overall policy of the first person or alter the terms of its constitution; or

(E) has the power to exercise, or actually exercises (in either case, directly or indirectly) dominant influence or control over the first person; or

(F) together with the first person are managed on a unified basis,

and for the purposes of this definition, a person shall be treated as a member of another person if any of that person's Subsidiaries is a member of that other person or if any shares in that other person are held by a person acting on behalf of it or any of its Subsidiaries. A subsidiary undertaking shall include any subsidiary undertaking the shares of which (if any) are subject to a security interest and where the legal title to the shares so secured are registered in the name of the secured party or its nominee pursuant to such security.

6.3 Determination of Floating Rate of interest and calculation of Floating Interest Amounts

The Agent Bank will at, or as soon as practicable after each time at which the Floating Rate of Interest is to be determined, determine the Floating Rate of Interest for the relevant Interest Period.

The Agent Bank will calculate the amount of interest payable on the Floating Rate Notes (the "**Floating Interest Amount**") that would be payable in respect of interest on the Principal Amount Outstanding of each Class of the Notes. Each Floating Interest Amount will be calculated by applying the Rate of Interest to the Principal Amount Outstanding of each Class of the Floating Rate Notes, multiplying such sum by the actual number of days in the Interest Period concerned divided by 365, and rounding the resultant figure to the nearest penny.

6.4 Notification of Floating Rate of interest and Floating Interest Amounts

The Agent Bank will cause the Floating Rate of Interest and each Floating Interest Amount for each Class of Floating Rate Notes in respect of each Interest Period and each Payment Date to be notified to the Issuer, the Note Trustee, the Security Trustee, the Cash Manager, the Principal Paying Agent, the Registrar and to any stock exchange or other relevant competent authority or quotation system on which the 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 16 (*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 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 16 (*Notice to Noteholders*).

6.5 Notifications to be final

All notifications, certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 by the Agent Bank will (in the absence of wilful default, fraud or manifest error) be binding on the Issuer, the Cash Manager, the Principal Paying Agent, the 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 connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.6 Accrual of interest

Each Floating Rate Note will cease to accrue interest (or in the case of the redemption of part only of a Note, that part only of such Note) from and including 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.

6.7 Agent Bank

The Issuer shall procure that, so long as any of the Notes remain outstanding, there is at all times an agent bank for the purposes of the Notes. The Issuer may, subject to the prior written approval of the Note Trustee, terminate the appointment of the Agent Bank and shall, in the event of the appointed office of any bank being unable or unwilling to continue to act as the agent bank or failing duly to determine the Floating Rate of Interest or the Floating Interest Amounts in respect of any Class of Notes for any Interest Period, subject to the prior written approval of the Note Trustee, appoint another major bank engaged in the relevant interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed on terms commercially acceptable in the market.

6.8 Determinations and reconciliation

(a) In the event that the Cash Manager does not receive all three Servicer Reports to be delivered by the Servicer with respect to the three most recent Monthly Calculation Periods (each such period, a "**Determination Period**"), then the Cash Manager may use the Servicer Reports in respect of the three most recent Monthly Calculation Periods for which all relevant Servicer Reports are available (or, where there are not at least three previous Servicer Reports, any previous Servicer Reports) for the purposes of calculating the amounts available to the Issuer to make payments, as set out in paragraph (b) below. When the Cash Manager receives the Servicer Reports relating to the Determination Period, it will make the reconciliation calculations and reconciliation payments as set out in paragraph (b)(i) below. Any (i) calculations properly made on the basis of such estimates in accordance with paragraph (b) and/or paragraph (c) below; (ii) payments made under any of the Notes, in respect of the Senior Deferred Consideration and Residual Deferred Consideration and Transaction Documents in accordance with such calculations; and (iii) reconciliation calculations and reconciliation payments made as a result of such reconciliation calculations, each in accordance with paragraph (b) and/or paragraph (c) below, shall be deemed to be made in accordance with the provisions of the Transaction Documents and will in themselves not lead to an Event of Default and no liability will attach to the Cash Manager in connection with the exercise by it of its powers, duties and discretion for such purposes.

(b) In respect of any Determination Period the Cash Manager shall on the Calculation Date immediately preceding the Determination Period:

(i) determine the Interest Determination Ratio (as defined above) by reference to the three most recent Monthly Calculation Periods in respect of which all relevant Servicer Reports are available (or, where there are not at least three previous Servicer Reports, any previous Servicer Reports);

(ii) calculate the Revenue Receipts for such Determination Period as the product of (A) the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period; and

(iii) calculate the Principal Receipts for such Determination Period as the product of (A) one minus the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period (the "**Calculated Principal Receipts**").

(c) Following the end of any Determination Period, upon receipt by the Cash Manager of the Servicer Report in respect of such Determination Period, the Cash Manager shall reconcile the calculations made in accordance with paragraph (b) above to the actual collections set out in the Servicer Reports by allocating the Reconciliation Amount as follows:

(i) if the Reconciliation Amount is a positive number, the Cash Manager shall apply an amount equal to the lesser of (A) the positive value of the Reconciliation Amount and (B) the amount standing to the credit of the Revenue Ledger, as Available Principal Receipts (with a corresponding debit of the Revenue Ledger); and

(ii) if the Reconciliation Amount is a negative number, the Cash Manager shall apply an amount equal to the lesser of (A) the positive value of the Reconciliation Amount and (B) the amount standing to the credit of the Principal Ledger, as Available Revenue Receipts (with a corresponding debit of the Principal Ledger),

provided that the Cash Manager shall apply such Reconciliation Amount in determining Available Revenue Receipts and Available Principal Receipts for such Calculation Period in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Note Trustee of such Reconciliation Amount.

6.9 Subordination by deferral

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 the Notes (other than the Class A Notes and, if they are then the Most Senior Class of Notes outstanding, the Class B Notes) on a 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 (which shall, for the purposes of this Condition 6.9, include any interest previously deferred under this Condition 6.9 and accrued interest thereon as well as all such amounts that were accrued in respect of the Class B Notes before they became the Most Senior Class of Notes), payment of the shortfall attributable to such Class of Notes ("**Deferred Interest**") will not then fall due but will instead be deferred until the first 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 Available Funds.

Such Deferred Interest will accrue interest ("**Additional Interest**") at the Rate of Interest applicable from time to time to the applicable Class of Notes and payment of any Additional Interest will also be deferred until the first 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 Available Funds.

The provisions of this Condition 6.9 shall cease to apply on the Final Redemption Date, or any earlier date on which the Notes are redeemed in full or are required to be redeemed in full, at which time all amounts of Deferred Interest and Additional Interest shall become due and payable.

Payments of interest due on a Payment Date in respect of the Class A Notes and, if they are then the Most Senior Class of Notes outstanding, the Class B Notes will not be deferred (other than any interest previously deferred under this Condition 6.9 and accrued interest thereon, in each case accrued prior to the Class B Notes becoming the Most Senior Class of Notes). In the event of the delivery of an Enforcement Notice (as described in Condition 11 (*Events of default*)), the amount of interest in respect of such Notes that was due but not paid on such 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.

As soon as practicable after becoming aware that any part of a payment of interest on a Class of Notes will be deferred or that a payment previously deferred will be made in accordance with this Condition 6.9, the Issuer will give notice thereof to the relevant Class of Noteholders, as appropriate, in accordance with Condition 16 (*Notice to Noteholders*). Any deferral of interest in accordance with this Condition 6.9 will not constitute an Event of Default.

7. REDEMPTION, PURCHASE AND CANCELLATION

7.1 Final redemption

Unless previously redeemed in full and cancelled as provided in this Condition 7 the Issuer will redeem a Class of Notes at their then Principal Amount Outstanding together with all accrued but unpaid interest (including any interest deferred in accordance with Condition 6.9 (*Subordination by deferral*)) on the Final Redemption Date in respect of such Notes.

The Issuer may not redeem such Notes in whole or in part prior to their Final Redemption Date except as provided in Condition 7.2 (*Mandatory redemption of the Notes in part*), Condition 7.4 (*Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*), Condition 7.5 (*Mandatory Redemption in full pursuant to the exercise of the Refinancing Option*), Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*), Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*), Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory*

Change Event Option) or Condition 7.9 (*Optional redemption for tax and other reasons*), but without prejudice to Condition 11 (*Events of default*).

7.2 Mandatory redemption of the Notes in part

On each Payment Date, other than a Payment Date on which a Class of Notes are to be redeemed under this Condition 7.2, Condition 7.4 *(Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*), Condition 7.5 (*Mandatory Redemption in full pursuant to the exercise of the Refinancing Option*), Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*), Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*), Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*) or Condition 7.9 (*Optional redemption for tax and other reasons*), 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.

7.3 Note Principal Payments and Principal Amount Outstanding

The principal amount redeemable (the "**Note Principal Payment**") in respect of a Class of Notes on any Payment Date under Condition 7.2 (*Mandatory redemption of the Notes in part*) above will be a proportion of the amount required as at that Payment Date to be applied in redemption of such 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 Class of Notes rounded down to the nearest penny, "**provided always that**" no such Note Principal Payment may exceed the Principal Amount Outstanding of the relevant Note.

On (or as soon as practicable after) each Interest Determination Date, the Issuer will determine (or cause the Cash Manager to determine) (a) the amount of any Note Principal Payment due in respect of each Note of the relevant Class of Notes on the immediately following Payment Date; (b) the Principal Amount Outstanding of each such Note; and (c) 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 (b) above) and the denominator, in the case of the Notes, is the aggregate Principal Amount Outstanding on the Notes of the same class as at the Closing Date. 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, fraud 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 Class of Notes to be notified forthwith, and in any event not later than 1pm (London time) on the Business Day immediately succeeding the Interest Determination Date, to the Note Trustee, the Security Trustee, the Principal Paying Agent, the Registrar, the Agent Bank and (for so long as such 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 16 (*Notice to Noteholders*) by no later than the Business Day after the relevant Payment Date. If no principal repayment is due to be made on the Notes on any Payment Date a notice to this effect will be given to the holders of the Notes.

7.4 Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option

(a) On giving not more than 30 nor less than five days' notice to the holders of the Notes in accordance with Condition 16 (*Notice to Noteholders*) and the Note Trustee, the Issuer shall, following the exercise by the Portfolio Option Holder of the Portfolio Purchase Option (which is subject always to Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank having confirmed satisfaction of the New Issue Conditions Precedent), redeem on the Optional Redemption Date

or any Payment Date thereafter, all (but not some only) of the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) on such Optional Redemption Date, provided that the Issuer has, immediately prior to giving such notice, certified to the Note Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Rated Notes on the relevant Optional Redemption Date and to discharge all other amounts required under the Post-Enforcement Priority of Payments to be paid in priority to the Residual Deferred Consideration then in issue (such certification to be provided by way of certificate signed by two directors of the Issuer), on which the Note Trustee shall be entitled to rely without any enquiry or liability.

(b) Any Note redeemed pursuant to paragraph (a) above will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to but excluding the date of redemption.

7.5 Mandatory Redemption in full pursuant to the exercise of the Refinancing Option

(a) On giving not more than 30 nor less than five days' notice to the holders of the Notes in accordance with Condition 16 (*Notice to Noteholders*) and the Note Trustee, the Issuer shall, following the exercise of the Refinancing Option in accordance with the Refinancing Option Deed Poll (which is subject always to Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank having confirmed satisfaction of the New Issue Conditions Precedent), redeem on the relevant Optional Redemption Date, all (but not some only) of the Notes (or in respect of the Class G Notes and Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) on such Optional Redemption Date, provided that the Issuer has, immediately prior to giving such notice, certified to the Note Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Rated Notes on the relevant Optional Redemption Date and to discharge all other amounts required under the Post-Enforcement Priority of Payments to be paid in priority to the Residual Deferred Consideration (such certification to be provided by way of certificate signed by two directors of the Issuer), on which the Note Trustee shall be entitled to rely without any enquiry or liability.

(b) Any Note redeemed pursuant to paragraph (a) above will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to but excluding the date of redemption.

7.6 Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option

(a) On giving not more than 30 nor less than five days' notice to the holders of the Notes in accordance with Condition 16 (*Notice to Noteholders*) and the Note Trustee, the Issuer shall, following the exercise of the Clean-up Purchase Option, redeem on the relevant Optional Redemption Date, all (but not some only) of the Notes (or, in respect of the Class G Notes and Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) on such Optional Redemption Date, provided that the Issuer has, immediately prior to giving such notice, certified to the Note Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Rated Notes on the relevant Optional Redemption Date and any other amounts due by the Issuer and ranking senior to the Most Senior Class of Notes in order to enable the Issuer to redeem in full all outstanding Notes in accordance with the applicable Priority of Payments (such certification to be provided by way of certificate signed by two directors of the Issuer), on which the Note Trustee shall be entitled to rely without any enquiry or liability.

(b) Any Note redeemed pursuant to paragraph (a) above will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to but excluding the date of redemption.

7.7 Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option

(a) On any Business Day, if a Risk Retention Regulatory Change Event occurs and (i) the Portfolio Option Holder exercises the Portfolio Purchase Option; or (ii) provided that the Portfolio Option Holder has not exercised the Portfolio Purchase Option, the Retention Holder exercises the Risk Retention Regulatory Change Option; or (iii) provided that neither the Portfolio Option Holder (or its nominee) nor the Retention Holder (or any of its nominees) elects to purchase the Mortgage Loans, the Seller (or any of its nominees) elects to re-acquire (or procure the re-acquisition of) the entire beneficial interest of the Issuer in the Mortgage Portfolio, the Issuer will give not more than 40 nor less than five Business Days' notice to (A) the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and (B) the Note Trustee, and the Notes (or, following the exercise of the Portfolio Purchase Option by the Portfolio Option Holder or the exercise of the Risk Retention Regulatory Change Option by the Portfolio Option Holder (as applicable), in respect of the Class G Notes or the Class Z Notes, only if there are sufficient funds to do so) will be redeemed on the Payment Date immediately following the exercise of such option by the Portfolio Option Holder, the Retention Holder or the Seller (or any of their delegates) (as applicable), provided that the Issuer has, immediately prior to giving such notice, certified to the Note Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Notes (or, following the exercise of the Risk Retention Regulatory Change Option by the Retention Holder, in respect of the Class G Notes or the Class Z Notes, only if there are sufficient funds to do so) on the relevant Payment Date and to discharge all other amounts required under the Post-Enforcement Priority of Payments to be paid in priority to the Residual Deferred Consideration, such certification to be provided by way of certificate signed by two directors of the Issuer on which the Note Trustee shall be entitled to rely without any further enquiry or liability.

(b) Any Note redeemed pursuant to paragraph (a) above will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to, but excluding, the relevant Payment Date.

7.8 Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option

(a) On any Business Day, if a Regulatory Change Event occurs and (i) the Portfolio Option Holder exercises the Portfolio Purchase Option or (ii) provided the Portfolio Option Holder has not exercised the Portfolio Purchase Option, the Seller exercises the Regulatory Change Event Option, in each case the Issuer will give not more than 40 nor less than five Business Days' notice to (A) the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and (B) the Note Trustee, and the Notes (or, following the exercise of the Portfolio Purchase Option by the Portfolio Option Holder or the exercise of the Regulatory Change Event Option by the Retention Holder (as applicable), in respect of the Class G Notes or the Class Z Notes, only if there are sufficient funds to do so) will be redeemed on the Payment Date immediately following the exercise of such option by the Portfolio Option Holder or the Seller (as applicable), provided that the Issuer has, immediately prior to giving such notice, certified to the Note Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Notes (or in respect of the Class G Notes and the Class Z Notes, only if there are sufficient funds to do so (with the remainder being cancelled)) on the relevant Payment Date and to discharge all other amounts required under the Post-Enforcement Priority of Payments (and in the case of the Portfolio Purchase Option, to be paid in priority to the Residual Deferred Consideration), such certification to be provided by way of certificate signed by two directors of the Issuer on which the Note Trustee shall be entitled to rely without any further enquiry or liability.

(b) Any Note redeemed pursuant to paragraph (a) above will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to, but excluding, the relevant Payment Date.

7.9 Optional redemption for tax and other reasons

(a) If following the determination of the Seller that:

(i) by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, the Issuer or the Principal Paying Agent would be required to deduct or withhold from any payment of principal or interest or any other amount under such Notes or in respect of Senior Deferred Consideration or Residual Deferred Consideration (other than because the relevant person entitled to such payment has some connection with the United Kingdom other than the holding of such Notes or having the right to Senior Deferred Consideration or Residual Deferred Consideration) 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; or

(ii) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, it has become or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or any of the Notes or pay the Senior Deferred Consideration and Residual Deferred Consideration; or

(iii) by reason of a change in law or a change in guidance and/or interpretation (either communicated publicly by any relevant regulatory authority or bilaterally following communications between Barclays Bank UK PLC and the UK Regulators) has occurred after the Closing Date which would cause Barclays Bank UK PLC in its capacity as Servicer, Legal Title Holder and/or Collection Account Bank to breach any Ring-Fencing Rules or prohibit it from performing or otherwise it is unable to perform the services contemplated to be provided by it in such capacities in the Transaction in respect of which the Issuer has appointed it,

(each, a "**Tax/Illegality Event**"), then the Issuer will, if the same would avoid the effect of such relevant event described in paragraph (i), (ii) or (iii) above appoint a Principal Paying Agent in another jurisdiction or use its reasonable endeavours to arrange the substitution of a company incorporated and/or tax resident in another jurisdiction approved by the Note Trustee as principal debtor under such Notes, provided that:

(A) the Note Trustee is satisfied that such substitution will not be materially prejudicial to the Noteholders (and in making such determination, the Note Trustee may rely, without investigation or inquiry, on any confirmation made in writing from each of the Rating Agencies that the then current ratings of the Rated Notes would not be adversely affected by such substitution); and

(B) the Security Trustee is satisfied that (I) the position of the Secured Creditors will not thereby be adversely affected, and (II) such substitution would not require registration of any new security under U.S. securities laws or would materially increase the disclosure requirements under U.S. law or the costs of issuance.

(b) Subject to the proviso below, if the Issuer satisfies the Note Trustee immediately before giving the notice referred to below that one or more of the events described in paragraph (a)(i), (ii) or (iii) above is continuing and that the appointment of a Principal Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution, then the Issuer may following exercise of (i) the Portfolio Option Holder of the Portfolio Purchase Option; and (ii) provided that the Portfolio Option Holder has not exercised the Portfolio Purchase Option, the Seller of the Tax/Illegality Option, having given not more than 60 nor less than 30 days' notice (or such shorter period expiring on or before the latest date permitted by relevant law) to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notice to Noteholders*), redeem all (but not some only) of such Notes (or, following the exercise of the Portfolio Purchase Option by the Portfolio Option Holder, in respect of the Class G Notes or the Class Z Notes, only if there are sufficient funds to do so) on the immediately succeeding Payment Date at their respective Principal Amount Outstanding together with any accrued and unpaid interest in

respect thereof up to (but excluding) the date of redemption "**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 that (A) one or more of the circumstances referred to in paragraph (a)(i), (ii) or (iii) above prevail(s); (B) setting out details of such circumstances; and (C) confirming that the appointment of a Principal Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution; 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 or the Principal Paying Agent has or will become obliged to make such withholdings or deductions.

The Note Trustee will be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstance set out in paragraph (a)(i), (ii) or (iii) above, in which event they will be conclusive and binding on the Noteholders.

The Seller shall notify the Portfolio Option Holder of its intention to serve a notice on the Issuer requiring it to redeem all (but not some only) of such Notes as soon as reasonably practicable and by no later than ten Business Days after the occurrence of any event specified in this Condition 7.9. If the Portfolio Option Holder notifies the Seller within ten Business Days of the Seller having indicated its intention to serve a notice on the Issuer that the Portfolio Option Holder intends to exercise the Portfolio Purchase Option, the Seller shall not serve a notice on the Issuer (unless the Portfolio Option Holder has not subsequently exercised the Portfolio Purchase Option) and any notice served in such circumstances shall be invalid. If the Portfolio Option Holder does not elect to exercise the Portfolio Purchase Option then the Seller shall be entitled to purchase the Mortgage Loans.

The Issuer may only redeem such Notes as aforesaid, if the Issuer will have provided to the Note Trustee a certificate signed by two directors of the Issuer (upon which certificate the Note Trustee will be entitled to rely without any enquiry or liability) to the effect that it will have the funds, not subject to any interest of any other person, required to redeem such Notes as aforesaid and cancel any Certificates (then in issue) as aforesaid and any other amounts due by the Issuer and ranking senior to the most Senior Class of Notes in order to enable the Issuer to redeem in full all outstanding Notes in accordance with the applicable Priority of Payments.

7.10 Principal Amount Outstanding

The "**Principal Amount Outstanding**" of each Class of Notes on any date shall be, in each case, their original principal amount, in respect of the Class A Notes of £730,049,000 in respect of the Class B Notes of £63,879,000, in respect of the Class C Notes of £41,065,000, in respect of the Class D Notes of £29,658,000, in respect of the Class E Notes of £25,095,000, in respect of the Class F Notes of £13,688,000, in respect of the Class G Notes of £9,126,000 and in respect of the Class Z Notes of £18,253,000 , in each case less the aggregate amount of all principal payments in respect of such Class of Notes which have been made since the Closing Date.

7.11 Notice of redemption

Any such notice as is referred to in Condition 7.9 (*Optional redemption for tax and other reasons*) above shall be irrevocable and, upon the expiry of such notice, the Issuer shall be bound to redeem the relevant Notes at the applicable amounts specified above. Any certificate or legal opinion given by or on behalf of the Issuer pursuant to Condition 7.9 (*Optional redemption for tax and other reasons*) may be relied on by the Note Trustee absolutely and without enquiry or liability and, if so relied on, shall be conclusive and binding on the Noteholders.

7.12 No purchase by the Issuer

The Issuer will not be permitted to purchase any of the Notes.

7.13 Cancellation on redemption in full

All Notes redeemed in full will be cancelled upon redemption. Notes cancelled upon redemption in full may not be resold or reissued.

8. PAYMENTS

8.1 Payment of interest and principal

Payments of interest and principal will be made by Sterling cheque, drawn on a designated bank, or upon application by a holder of the relevant Note to the specified office of the Principal Paying Agent not 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 surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the specified office of the Principal Paying Agent.

8.2 Laws and regulations

Payments of any amount in respect of the Notes including principal and interest are subject in all cases to (a) any fiscal or other laws and regulations applicable thereto and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental approach thereto ("**FATCA**"). Noteholders will not be charged commissions or expenses on payments.

8.3 Payment of interest following a failure to pay principal

If payment of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note in accordance with Condition 6.6 (*Accrual of interest*) will be paid in accordance with this Condition 8.

8.4 Change of agents

The Principal Paying Agent and the Registrar 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 or the Registrar and to appoint additional or other Principal Paying Agents. The Issuer will at all times maintain a Principal Paying Agent with a specified office in London and a Registrar with a specified office in London. Except where otherwise provided in the Trust Deed or the Agency Agreement, the Issuer will cause at least 30 days' notice of any change in or addition to the Principal Paying Agent or the Registrar or their specified offices to be given in accordance with Condition 16 (*Notice to Noteholders*) and will notify the Rating Agencies of such change or addition.

8.5 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 and, where payment is to be made by cheque, the cheque will be mailed: (a) (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 the Principal Paying Agent; and (b) (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 (i) the due date for a payment not being a Business Day or (ii) a cheque mailed in accordance with this Condition 8.5 arriving after the due date for payment or being lost in the mail.

8.6 Partial payment

If the Principal Paying Agent makes a partial payment in respect of any 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 Note.

8.7 Record date

Each payment in respect of a Note will be made to the persons shown as the holder in the Register (a) 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 (b) where the note is in definitive form, at the opening of business in the place of the Registrar's specified office on the 15th day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the holder in the Register at the opening of business on the relevant Record Date.

8.8 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 8.1 (*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 16 (*Notice to Noteholders*).

9. 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 9, 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 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 16 (*Notice to Noteholders*).

10. 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 the Principal Paying Agent is required by applicable law (including in connection with the rules commonly referred to as FATCA) to make any payment in respect of the Notes subject to any such withholding or deduction.

In that event, subject to Condition 7.9 (*Optional redemption for tax and other reasons*), the Issuer or the Principal Paying Agent 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. No Principal Paying Agent nor the Issuer will be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

The occurrence of the Issuer or the Principal Paying Agent being required to make a withholding or deduction in the circumstances outlined in the previous paragraph will not constitute an Event of Default.

11. EVENTS OF DEFAULT

11.1 Notes

The Note Trustee, in its absolute discretion, may (and if so requested in writing by the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Most Senior Class or if so directed by or pursuant to an Extraordinary Resolution of the holders of the Most Senior Class, will), subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction, deliver a notice (an "**Enforcement Notice**") to the Issuer and the Security Trustee of an Event of Default (as defined below) declaring (in writing) all Classes of Notes to be due and repayable at their respective Principal Amount Outstanding, together with accrued (but unpaid) interest as provided in the Trust Deed (and they will forthwith become due and repayable) (with a copy of such Enforcement Notice being sent simultaneously to the Back-up Servicer Facilitator, the Transaction Account Bank, the Servicer, the Portfolio Option Holder and the Cash Manager) at any time after the occurrence of any of the following events, which is continuing or unwaived:

(a) non-payment of interest and/or principal due in respect of the Class A Notes or, if then the Most Senior Class of Notes, the Class B Notes, and such non-payment continues for a period of fourteen Business Days in the case of interest and seven Business Days in the case of principal;

(b) non-payment of interest and/or principal due in respect of any Class of Notes or non-payment of any amounts due in respect of the Senior Deferred Consideration and Residual Deferred Consideration on the Final Redemption Date (or any other date on which the Notes are due to be redeemed in full);

(c) failure by the Issuer to perform or observe any of its other obligations under these Conditions, the Certificate Conditions or any Transaction Document to which it is a party which, in the opinion of the Note Trustee, is materially prejudicial to the interests of the holders of the Most Senior Class and the failure continues for a period of 15 days (or such longer period as the Note Trustee may permit) (except that in any case where the Note Trustee considers the failure to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied;

(d) any representation or warranty made by the Issuer under any Transaction Document is incorrect in any material respect when made which, in the opinion of the Note Trustee, is materially prejudicial to the interests of the holders of the Most Senior Class and the matters giving rise to such misrepresentation are not remedied within a period of 15 days (or such longer period as the Note Trustee may permit) (except that in any case where the Note Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied;

(e) if any order is made by any competent court or any resolution is passed for the winding-up or dissolution of the Issuer save for the purposes of reorganisation on terms approved in writing by the Note Trustee or by Extraordinary Resolution of the Most Senior Class of Notes;

(f) if (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms approved in writing by the Note Trustee or by Extraordinary Resolution of the Most Senior Class of Notes, or (ii) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account its contingent and prospective liabilities) or (iii) the Issuer is deemed unable to pay its debts within the meaning of Section 123(1) or (2) of the Insolvency Act 1986 or (iv) the Issuer is adjudicated or found to be bankrupt or insolvent;

(g) if proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with the court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order), unless initiated by the Issuer, is not discharged within 30 days; or

(h) if the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or takes steps with a view to obtaining a moratorium in respect of any of its indebtedness or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors).

11.2 Following service of an Enforcement Notice

For the avoidance of doubt, upon any Enforcement Notice being given by the Note Trustee in accordance with Condition 11.1 (*Notes*), all Notes will immediately become due, without further action or formality, at their Principal Amount Outstanding together with accrued interest.

12. ENFORCEMENT

12.1 General

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 11 (*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:

(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 then outstanding or so requested in writing by the holders of at least one-quarter in aggregate Principal Amount Outstanding of the Notes of the Most

Senior Class and/or in writing by the one or more persons entitled to at least one-quarter of the share of the Senior Deferred Consideration and Residual Deferred Consideration; and

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

Amounts available for distribution after enforcement of the Security will be distributed in accordance with the terms of the Deed of Charge.

12.2 Preservation of assets

If the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes or in respect of the Senior Deferred Consideration and the Residual Deferred Consideration, the Security Trustee will not be entitled to dispose of any of the Charged Property or any part thereof unless either (a) a sufficient amount would be realised to allow discharge in full on a pro rata and *pari passu* basis of all amounts owing to the holders of the Notes and the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (and all persons ranking in priority to the holders of the Notes and the Senior Deferred Consideration and the Residual Deferred Consideration), or (b) the Security Trustee is of the opinion, which shall be binding on the Secured Creditors, reached after considering at any time and from time to time the advice of any financial adviser (or such other professional advisers selected by the Security Trustee at the expense of the Issuer for the purpose of giving such advice), that the cashflow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing: (i) to the Noteholders and the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (and all persons ranking in priority to the Noteholders and the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration as set out in the order of priority set out in the Post-Enforcement Priority of Payments); and (ii) once all the Noteholders and the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (and all such higher ranking persons) have been repaid, to the remaining Secured Creditors in the order of priority set out in the Post-Enforcement Priority of Payments. The fees and expenses of the aforementioned financial adviser or other professional adviser selected by the Security Trustee shall be paid by the Issuer. The Security Trustee shall be entitled to rely upon any financial or other professional advice referred to in this Condition 12.2 without further enquiry and shall incur no liability to any person for so doing.

12.3 Limitations on enforcement

No Noteholder 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 (a) the Security Trustee has become bound to institute proceedings and has failed to do so within a reasonable period of becoming so bound and (b) such failure is continuing. 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.

13. MEETINGS OF NOTEHOLDERS, MODIFICATIONS AND WAIVER

13.1 Meetings of Noteholders

(a) The Trust Deed contains provisions for convening meetings (including by way of conference call and by use of a videoconference platform) of Noteholders of each Class and/or persons entitled to the Senior

Deferred Consideration and Residual Deferred Consideration and, in certain cases, more than one Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any provision of these Conditions or the provisions of any of the Transaction Documents.

(b) The Trust Deed also provides that, notwithstanding any other provision of the Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution or Ordinary Resolution may authorise or sanction any modification or waiver (and no such modification or waiver may otherwise be made) which is adverse to the holder of the Retained Interest where a corresponding modification or waiver is not made in respect of other Classes of Notes and/or Certificates on an equivalent basis (the "**Retained Interest Entrenched Rights**"), unless the Retention Holder has consented in writing to such modification or waiver.

(c) For the purposes of these Conditions, "**Most Senior Class**" means the:

(i) Class A Notes; or

(ii) if there are no Class A Notes then outstanding, the Class B Notes; or

(iii) if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes; or

(iv) if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes; or

(v) if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes or

(vi) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes then outstanding, the Class F Notes; or

(vii) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes then outstanding, the Class G Notes; or

(viii) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class G Notes then outstanding, the Class Z Notes; or

(ix) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes or Class Z Notes then outstanding, the Residual Deferred Consideration.

The Senior Deferred Consideration shall not at any time constitute the Most Senior Class.

13.2 Most Senior Class, limitations on other Noteholders

(a) Other than in relation to a Basic Terms Modification, which requires an Extraordinary Resolution of the holders of each affected Class of Notes and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (other than the Senior Deferred Consideration unless the matter is also a Senior Deferred Consideration Entrenched Right) then outstanding or in issue, as applicable and other than where an Extraordinary Resolution is required under Condition 13.6 or the consent of the Retention Holder, the persons entitled to the Residual Deferred Consideration or the persons entitled to the Senior Deferred Consideration is required (as described below):

(i) an Extraordinary Resolution passed at any meeting of the holders of the Most Senior Class shall be binding on such Noteholders and/or such persons entitled to the Senior Deferred

Consideration and Residual Deferred Consideration, and all other Classes of Noteholders and all other persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration, irrespective of the effect it has upon them;

(ii) an Extraordinary Resolution passed at any meeting of a Class of Noteholders or a person entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall be binding on such Class of Noteholders or such persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration and all other Classes of Noteholders and persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration ranking junior to such Class of Noteholders or such persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration in the Post-Enforcement Priority of Payments, irrespective of the effect it has upon them;

(iii) no Extraordinary Resolution of any Class of Noteholders or of persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall take effect for any purpose unless it shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class or the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of the Most Senior Class;

(iv) an Extraordinary Resolution passed at any meeting of any Class of Noteholders shall be binding on the persons entitled to the Residual Deferred Consideration (other than in respect of a Basic Terms Modification) if passed in accordance with the Conditions;

(v) an Extraordinary Resolution passed at any meeting of any Class of Noteholders or of persons entitled to the Senior Deferred Consideration or the Residual Deferred Consideration shall be binding on the persons entitled to the Senior Deferred Consideration, other than any resolution in respect of Senior Deferred Consideration Entrenched Rights which shall only be binding on the persons entitled to the Senior Deferred Consideration if the persons entitled to the Senior Deferred Consideration has consented to such modification or waiver; and

(vi) an Extraordinary Resolution passed at any meeting of a Class of Noteholders or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall be binding on the Retention Holder other than any resolution in respect of Retained Interest Entrenched Rights which shall only be binding on the Retention Holder if the Retention Holder has consented to such modification or waiver.

(b) No Extraordinary Resolution of the holders of a Class of Notes and/or of persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration which would have the effect of sanctioning a Basic Terms Modification in respect of any Class of Notes or of any persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall take effect unless it has been sanctioned by an Extraordinary Resolution of the holders of each affected Class of Notes then outstanding and/or the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable) which are affected by such Basic Terms Modification (other than the persons entitled to the Senior Deferred Consideration unless the matter is also a Senior Deferred Consideration Entrenched Right).

(c) No Ordinary Resolution that is passed by the holders of the Notes shall take effect for any purpose while any of the Notes remain outstanding unless it shall have been sanctioned by an Ordinary Resolution of the holders of the Most Senior Class, or the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of the Most Senior Class.

(d) An Ordinary Resolution passed by the holders of any Class of Notes shall be binding on the persons entitled to the Residual Deferred Consideration (other than in respect of a Basic Terms Modification) if passed in accordance with the Conditions. An Ordinary Resolution passed by the holders of any Class of

Notes shall be binding on the persons entitled to the Senior Deferred Consideration other than any resolution in respect of Senior Deferred Consideration Entrenched Rights which shall only be binding on the persons entitled to the Senior Deferred Consideration if the persons entitled to the Senior Deferred Consideration has consented to such modification or waiver.

(e) An Ordinary Resolution passed by the holders of any Class of Notes shall be binding on the Retention Holder other than any resolution in respect of Retained Interest Entrenched Rights which shall only be binding on the Retention Holder if the Retention Holder has consented to such modification or waiver.

13.3 Quorum

(a) Subject as provided below, the quorum at any meeting of Noteholders of any Class or Classes of Notes or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration for passing an Ordinary Resolution will be one or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes then outstanding and/or one or more persons entitled to not less than 25 per cent. of the share of the Senior Deferred Consideration and Residual Deferred Consideration, as applicable.

(b) Subject as provided below, the quorum at any meeting of Noteholders of any Class of any Notes or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration for passing an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of such Class of Notes then outstanding or one or more persons entitled to not less than 50 per cent. of the share of the Senior Deferred Consideration and Residual Deferred Consideration, as applicable.

(c) Subject to the more detailed provisions set out in the Trust Deed, the quorum at any meeting of any holders of any Class of Notes or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration for passing an Extraordinary Resolution to (i) sanction a modification of the date of maturity of any Class of the Notes or Certificates (then in issue), (ii) sanction a modification of the date of payment of principal or interest or amounts due in respect of any Class of the Notes or Senior Deferred Consideration and Residual Deferred Consideration, (iii) sanction a modification of the amount of principal or the rate of interest payable in respect of any Class of the Notes or, where applicable, of the method of calculating the amount of any principal or interest payable in respect of any Class of the Notes, or of the method of calculating the amounts payable in respect of the Senior Deferred Consideration and Residual Deferred Consideration, (iv) alter the currency in which payments under any Class of the Notes or Senior Deferred Consideration and Residual Deferred Consideration are to be made, (v) alter the quorum or majority required in relation to a resolution or a meeting of holders of any Class of the Notes or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration, (vi) sanction any scheme or proposal for the sale, conversion or cancellation of any Class of the Notes or any Certificates (then in issue), (vii) alter the priority of payment of interest or principal in respect of any Class of the Notes or amounts in respect of any Senior Deferred Consideration and Residual Deferred Consideration and (viii) change the definition of a "Basic Terms Modification" **provided that** any amendment made in accordance with Condition 13.6 shall not constitute a Basic Terms Modification (each a "**Basic Terms Modification**"), shall be one or more persons holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of each affected Class or Classes of Notes and/or persons entitled to not less than 75 per cent. of the share of the Senior Deferred Consideration and Residual Deferred Consideration then outstanding or in issue, as applicable. For the avoidance of doubt, a proposal to sanction a reduction in the principal amounts due on a Class of Notes and/or any Senior Deferred Consideration and/or the Residual Deferred Consideration shall require the sanction of the holders of the relevant Class of Notes or relevant persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable) to be so reduced, and shall not require the consent of other Classes of Notes or other persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable).

(d) The quorum at any adjourned meeting will be:

(i) for an Ordinary Resolution, one or more persons present and holding or representing not less than 10 per cent. of the Principal Amount Outstanding of the relevant Class or Classes of Notes then outstanding or one or more persons entitled to not less than 10 per cent. of the share of the Senior Deferred Consideration and Residual Deferred Consideration, as applicable; and

(ii) subject as provided below, for an Extraordinary Resolution, one or more persons present and holding or representing in the aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes then outstanding or one or more persons entitled to not less than 25 per cent. of the share of the Senior Deferred Consideration and Residual Deferred Consideration, as applicable; and

(iii) for a Basic Terms Modification, one or more persons present and holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of each affected Class or Classes of Notes then outstanding or one or more persons entitled to not less than 50 per cent. of the share of the Senior Deferred Consideration and Residual Deferred Consideration, as applicable.

13.4 The Note Trustee may or, in the case of paragraphs (c), (d) and (e) below shall, at any time and from time to time, with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or any other Secured Creditors agree with the Issuer and any other parties in making or sanctioning any modification (other than in respect of a Basic Terms Modification, Senior Deferred Consideration Entrenched Right or Retained Interest Entrenched Right in the case of paragraphs (a) and (c) to (h) below):

(a) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document which, in the opinion of the Note Trustee will not be materially prejudicial to the interests of the Noteholders of any Class or the interests of the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration, or the Note Trustee or the Security Trustee; or

(b) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document if in the opinion of the Note Trustee, such modification is of a formal, minor or technical nature or to correct a manifest error or is made to comply with mandatory provisions of law; or

(c) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document for the purposes of making any changes which the Issuer has certified to the Note Trustee and/or the Security Trustee (upon which certificate the Note Trustee and the Security Trustee shall rely without enquiry or liability) are necessary to facilitate a Refinancing; or

(d) that would result in the Issuer entering into any new and/or amended bank account agreement, collection account agreement or a Standby Account Bank Agreement (including where the unsecured, unsubordinated and unguaranteed debt obligations of the Transaction Account Bank, the Standby Account Bank or Collection Account Bank are downgraded below any relevant rating level as set out in the relevant Transaction Document, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings); or

(e) that would result in the Issuer entering into any new and/or amended interest rate swap agreement (including where (A) a swap downgrade event occurs under the Interest Rate Swap

Agreement, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings or (B) the Additional Fixed Rate Loan Hedging Condition is not met is not met); or

(f) that is required to effect the appointment of a Successor Servicer (including, but not limited to, the Issuer entering into any new and/or amended servicing agreement) provided that the conditions to the appointment of that Successor Servicer set out in the Servicing Agreement are satisfied;

(g) where such modification is to enable the Issuer or any of the other transaction parties to comply with (i) Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (FATCA) or (ii) Section 15G of the Exchange Act; or

(h) where such modification is to comply with the provisions of Rule 17g-5 of the Securities Exchange Act of 1934,

provided that in the case of amendments pursuant to paragraphs (c) and/or (d) and/or (e) above that neither the Note Trustee nor the Security Trustee shall be obliged to agree to any such new agreement and/or amendment (including, for the avoidance of doubt, any new appointment made thereunder) which, in the sole opinion of the Note Trustee or the Security Trustee, would have the effect of (i) 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 (ii) 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 and/or the Certificate Conditions. Provided further that in the case of amendments pursuant to paragraphs (g) and (h) above, that neither the Note Trustee nor the Security Trustee shall be obliged to agree to any such new agreement and/or amendment until the Issuer 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.

13.5 The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or the other Secured Creditors and without prejudice to its rights in respect of any further or other breach or Event of Default, from time to time and at any time, but only if and in so far as in the sole opinion of the Note Trustee (acting in accordance with the Trust Deed) the interests of the Noteholders of each Class or the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration will not be materially prejudiced thereby, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Conditions, the Certificate Conditions or any of the Transaction Documents by any party thereto or determine that any Event of Default shall not be treated as such, provided that the Note Trustee shall not exercise any powers conferred on it by this Condition 13.5 in contravention of any express direction given by Extraordinary Resolution of the holders of the Most Senior Class or by a direction under Condition 11 (*Events of default*) but so that no such direction shall affect any waiver, authorisation or determination previously given or made.

13.6 The Note Trustee with the written consent of the Secured Creditors which are a party to the relevant Transaction Documents (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) shall, without the consent or sanction of the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or any of the other Secured Creditors, concur with the Issuer (and direct the Security Trustee to concur) in making any modifications (other than in respect of a Basic Terms Modification or a Senior Deferred Consideration Entrenched Right or a Retained Interest Entrenched Right) to the Transaction Documents and/or the Conditions of the Notes that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) in order to enable the Issuer (or, where applicable, any other transaction parties) to:

(a) comply with, or implement or reflect, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time;

(b) comply with its obligations under UK EMIR and any such provisions, rules, regulations, directions, processes, guidelines and procedures relating to UK EMIR which have been clarified, updated, delivered, amended, modified or become operative or applicable, subject to the terms of the Interest Rate Swap Agreement and subject to receipt by the Security Trustee of a certificate issued by the Issuer or the Cash Manager on behalf of the Issuer certifying to the Security Trustee the requested amendments are to be made solely for the purpose of enabling the Issuer and/or the Interest Rate Swap Counterparty, as the case may be, to satisfy such requirements under UK EMIR and have been drafted solely to that effect and the Security Trustee shall be entitled to rely absolutely on such certification without any liability to any person for so doing;

(c) (I) comply with, implement or reflect any changes in the requirements (including, but not limited to, risk retention, transparency and/or investor due diligence) of, or to enable the Issuer or any other transaction party to comply with an obligation under, the UK Securitisation Regulation or the EU Securitisation Regulation (as in force, interpreted and applied as at the Closing Date only), together with any relevant laws, regulations, technical standards, rules, other implementing legislation, official guidance or policy statements, in each case as amended, varied or substituted from time to time after the Closing Date applying in respect of the Transaction; or (II) comply with any changes in the requirements of the U.S. Credit Risk Retention Requirements, including as a result of any other U.S. risk retention legislation, regulations or official guidance in relation thereto, in each case applying in respect of the Transaction;

(d) ensure the Notes are (or remain) listed on the London Stock Exchange;

(e) comply with FATCA;

(f) comply with any changes in the requirements of the UK CRA Regulation after the Closing Date including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation or regulations or official guidance in relation thereto;

(g) comply (or continue to comply) with any changes in the requirements of the CRR or the Solvency II Regulation applicable to the Notes;

(h) in connection with the transfer of the Interest Rate Swap Agreement to a replacement Interest Rate Swap Counterparty, effect such modifications to the original Interest Rate Swap Agreement as may be agreed with the replacement Interest Rate Swap Counterparty, provided that the Servicer or the replacement Interest Rate Swap Counterparty certifies to the Note Trustee and the Security Trustee that, following any such modifications, the Interest Rate Swap Agreement will satisfy the rating criteria of the Rating Agencies;

(i) in connection with the transfer of any Account Bank Agreement to a replacement Transaction Account Bank, effect such modifications to the original Account Bank Agreement as may be agreed with the replacement Transaction Account Bank; and

(j) change the reference rate or the base rate that then applies in respect of the Notes to an alternative base rate (including where such base rate may remain linked to SONIA but may be calculated in a different manner), (any such rate, which may include an alternative screen rate, an "**Alternative Base Rate**") and making such other amendments as are necessary or advisable in the commercially reasonable judgement of the Issuer to facilitate such change (a "**Base Rate**

Modification"), provided that the Issuer provides a certificate to the Note Trustee and the Security Trustee certifying (such certificate, a "**Base Rate Modification Certificate**") that:

(i) such Base Rate Modification is being undertaken due to:

(A) an alternative manner of calculating a SONIA-based rate being introduced and becoming a standard means of calculating interest for similar transactions;

(B) a material disruption to SONIA, an adverse change in the methodology of calculating SONIA or SONIA ceasing to exist or be published;

(C) the insolvency or cessation of business of the SONIA administrator (in circumstances where no successor SONIA administrator has been appointed);

(D) a public statement by the SONIA administrator that it will cease publishing SONIA permanently or indefinitely (in circumstances where no successor SONIA administrator has been appointed that will continue publication of SONIA);

(E) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(F) a public statement by the supervisor of the SONIA administrator that means SONIA may no longer be used or that its use is subject to restrictions or adverse consequences; or

(G) the reasonable expectation of the Issuer that any of the events specified in paragraphs (A) to (F) above will occur or exist within six months of the proposed effective date of such Base Rate Modification; and

(ii) such Alternative Base Rate is:

(A) a base rate published, endorsed, approved or recognised by the Federal Reserve or the Bank of England, any regulator in the United States, the United Kingdom or the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);

(B) a base rate utilised in a material number of publicly listed new issues of Sterling-denominated asset-backed floating rate notes prior to the effective date of such Base Rate Modification; or

(C) such other base rate as the Issuer reasonably determines (to preserve, so far as reasonably and commercially practicable, what would have been the expected Floating Rate of Interest applicable to the Class A Notes) or which is proposed by any holder of the Most Senior Class of Notes then outstanding; and

(k) change the base rate that then applies in respect of any Interest Rate Swap Agreement to an alternative base rate as is necessary or advisable in the commercially reasonable judgment of the Issuer (or the Servicer on its behalf) and the Interest Rate Swap Counterparty solely as a consequence of a Base Rate Modification and solely for the purpose of aligning the base rate of

any Interest Rate Swap Agreement to the base rate of the Notes following such Base Rate Modification (a "**Swap Rate Modification**"), 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 (such certificate being a "**Swap Rate Modification Certificate**").

The Note Trustee and the Security Trustee shall be entitled to rely on a Base Rate Modification Certificate and a Swap Rate Modification Certificate absolutely without liability and enquiry.

For the avoidance of doubt, the Issuer (or the Servicer on its behalf) may propose an Alternative Base Rate on more than one occasion, provided that the conditions set out in this paragraph (k) are satisfied,(each a "**Proposed Amendment**") and subject to:

(i) receipt by the Note Trustee and the Security Trustee of a certificate (upon which they may rely without liability or enquiry) issued by the Issuer signed by two directors of the Issuer certifying to the Note Trustee and the Security Trustee that the requested modifications in relation to any Proposed Amendment are to be made solely for the purpose of enabling the Issuer to satisfy such obligations under any Proposed Amendment and have been drafted solely to such effect, and in the case of a Proposed Amendment under paragraph (a) above shall include a memorandum addressed to the Note Trustee and the Security Trustee for the benefit of Noteholders, by a reputable law firm confirming that the Proposed Amendment seeks to address the non-compliance set out in paragraph (a) above and each of the Note Trustee and the Security Trustee shall be entitled to rely on such certificate and memorandum without enquiry or liability; and

(ii) the Issuer certifying in writing to the Note Trustee and the Security Trustee (upon which certificate the Note Trustee and the Security Trustee may rely absolutely and without liability or enquiry) that:

(A) the Issuer has provided at least 30 calendar days' notice to the Noteholders and the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration of the proposed modification in accordance with Condition 16 (*Notice to Noteholders*) and Certificate Condition 15 (*Notice to Certificateholders*) and by publication on Bloomberg on the "Company Filings" screen relating to the Notes and any Certificates (then in issue); and

(B) Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding and persons entitled to at least 10 per cent. in aggregate of the share of the Residual Deferred Consideration have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or the Class Y Certificates (then in issue) may be held) within such notification period notifying the Issuer that such Noteholders or persons entitled to Residual Deferred Consideration do not consent to the modification.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding or persons entitled to at least 10 per cent. of the share of Residual Deferred Consideration have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which such Notes or Class Y Certificates (then in issue) may be held within the notification period referred to above that they object to the proposed modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding and/or of the persons

entitled to the Residual Deferred Consideration, as applicable, is passed in favour of such modification in accordance with the Trust Deed.

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes or the relevant person's entitled to the Residual Deferred Consideration.

Neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification pursuant to this Condition 13.6 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 or duties, or decreasing the protections of the Note Trustee (and/or the Security Trustee) in the Transaction Documents and/or the Conditions.

Notwithstanding anything to the contrary in the Trust Deed or the other Transaction Documents, when implementing any Proposed Amendment pursuant to this Condition 13.6, the Note Trustee shall not consider the interests of the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or any other Secured Creditor (other than itself (and the Security Trustee) as provided above) or any other person and each of the Note Trustee and the Security Trustee and shall be entitled to rely, without investigation, on any certificate or legal memorandum provided to it by the Issuer pursuant to this Condition 13.6 as evidence that the Proposed Amendments are made solely for the purpose of enabling the Issuer to satisfy any such obligation applicable to it, and have been drafted solely to such effect and shall not be liable to any Noteholder, any person entitled to Senior Deferred Consideration and Residual Deferred Consideration or other Secured Creditor for so acting or relying irrespective of whether any such modification is or may be materially prejudicial to the interests of the Noteholders of any Class, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or any other Secured Creditor or any other person.

Only modifications that comply with this Condition 13.6 may be made pursuant to this Condition 13.6. Any other modifications may only be made pursuant to Condition 13.4 or Condition 13.9 and the Trust Deed.

13.7 Any such modification, waiver, authorisation or determination by the Note Trustee and/or the Security Trustee, as applicable, in accordance with these Conditions, Certificate Conditions or Transaction Documents shall be binding on the Noteholders and, unless the Note Trustee or, as the case may be, the Security Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 16 (*Notice to Noteholders*).

13.8 Any modification to the Transaction Documents and the Conditions shall be notified by the Issuer in writing to the Rating Agencies.

13.9 In connection with any such substitution of principal debtor referred to in Condition 7.9 (*Optional redemption for tax and other reasons*) or Condition 13.16 (*Issuer substitution condition*), the Note Trustee may agree, without the consent of the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or the other Secured Creditors, to a change of the laws governing the Notes, these Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders of any Class or the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration.

13.10 In determining whether a proposed action will not be materially prejudicial to the interests of the Noteholders of any Class or of the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration thereof, the Note Trustee may, among other things, have regard to whether the Rating Agencies have confirmed in writing to the Issuer or any other party to the Transaction Documents that any proposed action will not result in the withdrawal or reduction of, or entail any other adverse action with respect to, the then current ratings of the Rated Notes. It is agreed and acknowledged by the Note Trustee that, notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Noteholders and/or the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration. In being entitled to take into account that each of the Rating Agencies has confirmed that the then current ratings of the Rated Notes would not be adversely affected, it is agreed and acknowledged by the Note Trustee this does not impose or extend any actual or contingent liability for each of the Rating Agencies to the Security Trustee, the Note Trustee, the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or any other person, or create any legal relations between each of the Rating Agencies and the Note Trustee, the Noteholders, the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration or any other person, whether by way of contract or otherwise.

13.11 Where, in connection with the exercise or performance by each of them of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents (including in relation to any modification, waiver, authorisation, determination, substitution or change of laws as referred to above), the Note Trustee or the Security Trustee (acting on the instructions of the Note Trustee) is required to have regard to the interests of the Noteholders of any Class or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration, it shall (a) have regard (except as expressly provided otherwise and at all times subject to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) to the general interests of the Noteholders of such Class or Classes of persons entitled to Senior Deferred Consideration and Residual Deferred Consideration but shall not have regard to any interests arising from circumstances particular to individual Noteholders individual persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders or individual persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political subdivision thereof, and the Note Trustee or, as the case may be, the Security Trustee shall not be entitled to require, nor shall any Noteholder or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration be entitled to claim, from the Issuer, the Note Trustee or the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or individual persons entitled to Senior Deferred Consideration and Residual Deferred Consideration and (b) subject to the more detailed provisions of the Trust Deed and the Deed of Charge, as applicable, have regard to the interests of holders of each Class of Notes and persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (except where expressly provided otherwise) but requiring the Note Trustee and the Security Trustee where there is a conflict of interests between one or more Classes of Notes and/or one or more persons entitled to Senior Deferred Consideration and Residual Deferred Consideration in any such case to have regard (except as expressly provided otherwise) to the interests of the holders of the Class or Classes of Notes or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration ranking in priority to the other relevant Classes of Notes or the other persons entitled to Senior Deferred Consideration and Residual Deferred Consideration in the Post-Enforcement Priority of Payments (other than the Senior Deferred Consideration, in respect of which the Note Trustee or, as the case may be, the Security Trustee will have regard only as to the Senior Deferred Consideration Entrenched Rights).

13.12 "**Ordinary Resolution**" means, in respect of the holders of any of the Classes of Notes:

(a) a resolution passed at a meeting of Noteholders and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration duly convened and held in accordance with the Trust Deed (including by way of conference call and by use of a videoconference platform) and these Conditions by a clear majority of the Eligible Persons voting thereat on a show of hands or, if a poll is duly demanded, by a clear majority of the votes cast on such poll (calculated on the basis of the aggregate Principal Amount Outstanding of the relevant Class of Notes held by such Eligible Persons and the aggregate share of the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration);

(b) a resolution in writing signed by or on behalf of the Noteholders and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration of a clear majority of the aggregate Principal Amount Outstanding of the Notes and/or a clear majority of the share of the Senior Deferred Consideration and Residual Deferred Consideration, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant class of Noteholders and/persons entitled to Senior Deferred Consideration and Residual Deferred Consideration; or

(c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the Noteholders and/or Certificateholders holding a clear majority in aggregate Principal Amount Outstanding of the relevant Class of Notes or Class of Certificates (then in issue).

13.13 "**Extraordinary Resolution**" means, in respect of the holders of any of the Classes of Notes and/or any persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration:

(a) a resolution passed at a meeting of Noteholders and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration duly convened and held in accordance with the Trust Deed (including by way of conference call and by use of a videoconference platform) and these Conditions by at least 75 per cent. of Eligible Persons voting at such meeting upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than 75 per cent. of the votes cast on such poll (calculated on the basis of the aggregate Principal Amount Outstanding of the relevant Class of Notes held by such Eligible Persons and the aggregate share of the persons entitled to Senior Deferred Consideration and Residual Deferred Consideration);

(b) a resolution in writing signed by or on behalf of the Noteholders and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration of at least 75 per cent. of the aggregate Principal Amount Outstanding of the Notes and/or at least 75 per cent. of the aggregate share of Senior Deferred Consideration and Residual Deferred Consideration, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant class of Noteholders and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration; or

(c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the Noteholders and/or Certificateholders holding at least 75 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Notes and/or the Certificates (then in issue).

13.14 Details of any Extraordinary Resolution and any Ordinary Resolution passed in accordance with the provisions of the Trust Deed shall be notified to each of the Rating Agencies by the Principal Paying Agent on behalf of the Issuer.

13.15 Any Certificates (then in issue) will not have a Principal Amount Outstanding. However, for the purposes of the voting and quorum provisions, and the provisions concerning the giving of directions in writing to the Note Trustee or the Security Trustee, set out in the Conditions, the Certificate Conditions, the Deed

of Charge and the Trust Deed any reference to the Principal Amount Outstanding of the Class S Certificates and the Class Y Certificates shall be deemed to be £1,000,000 in respect of each Class of Certificate (then in issue).

13.16 Issuer substitution condition

The Note Trustee may agree, subject to such amendment of these Conditions and of any of the Transaction Documents, and to such other conditions as the Note Trustee may require and subject to the terms of the Trust Deed, but without the consent of the Noteholders, to the substitution of another body corporate in place of the Issuer as principal debtor under the Trust Deed, the Notes and in respect of the Senior Deferred Consideration and Residual Deferred Consideration and in respect of the other secured obligations, provided that (a) the conditions set out in the Trust Deed are satisfied including, inter alia, that the Notes are unconditionally and irrevocably guaranteed by the Issuer (unless all of the assets of the Issuer are transferred to such body corporate) and that such body corporate is a single purpose vehicle and undertakes itself to be bound by provisions corresponding to those set out in Condition 5 (*Covenants*) and (b) a legal opinion or memorandum in respect of whether the substituted issuer is required to be an sponsored structured finance vehicle for the purposes of the Ring-Fencing Rules has been delivered in a form and substance satisfactory to the Note Trustee and which is capable of being relied on by the Note Trustee. In the case of a substitution pursuant to Condition 7.9 (*Optional redemption for tax and other reasons*), the Note Trustee may in its absolute discretion agree, without the consent of the Noteholders, to a change in law governing the Notes, any Certificates (then in issue) and/or any of the Transaction Documents unless such change would, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders of any Class and any Certificateholders of each Class.

13.17 Limited recourse

If at any time following:

(a) the occurrence of either:

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

(ii) the delivery by the Note Trustee of an Enforcement Notice; and

(b) 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 (b) 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 (b) 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.

14. 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 pre-funded 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 Seller 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 that may arise because it is liable to tax in respect of the proceeds of any Security.

15. REPLACEMENT OF NOTES

If Registered Definitive Notes are lost, stolen, mutilated, defaced or destroyed, the Noteholder can replace them at the specified office of the Principal 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 Principal Paying Agent's reasonable requests for evidence and indemnity.

If a Global Note is lost, stolen, mutilated, defaced or destroyed, the Issuer will procure the delivery of a replacement Global Note to the registered holder upon receipt of satisfactory evidence and surrender of any defaced or mutilated Global Note. A replacement will only be made upon payment of the expenses for a replacement and compliance with the Issuer's, Registrar's and Principal Paying Agent's reasonable requests as to evidence and indemnity.

Defaced or mutilated Note Certificates must be surrendered before replacements will be issued.

16. NOTICE TO NOTEHOLDERS

16.1 Publication of notice

Any notice to Noteholders will be validly given if such notice is:

(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

(b) published in the *Financial Times*; or

(c) published in accordance with the rules of the London Stock Exchange,

or, if any such newspaper 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 United Kingdom **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.

16.2 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.

16.3 Global Notes

While the Notes are represented by Global Notes, any notice to Noteholders will be validly given if such notice is provided in accordance with Condition 16.1 (*Publication of notice*) or (at the option of the Issuer) if delivered to Euroclear and/or Clearstream, Luxembourg. Any notice delivered to Euroclear and/or Clearstream, Luxembourg and/or such alternative Clearing System will be deemed to be given on the day of delivery.

16.4 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 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.

17. NON-RESPONSIVE RATING AGENCY

(a) In respect of the exercise of any power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Rated Notes and any of the Transaction Documents, the Note Trustee and the Security Trustee shall be entitled but not obliged to take into account any written confirmation or affirmation (in any form acceptable to the Note Trustee and the Security Trustee) from the relevant Rating Agencies that the then current ratings of the Rated Notes will not be reduced, qualified, adversely affected or withdrawn thereby (a "**Rating Agency Confirmation**").

(b) If a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or

response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Note Trustee and the Security Trustee, as applicable) and:

(i) (A) one or more Rating Agencies (each such Rating Agency, a "**Non-Responsive Rating Agency**") indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given; and

(ii) the Issuer has otherwise received no indication from that Rating Agency that its then current ratings of the Rated Notes would be reduced, qualified, withdrawn or put on negative watch as a result of such action, step or matter,

then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from a Non-Responsive Rating Agency if the Issuer provides to the Note Trustee and the Security Trustee a certificate signed by two directors certifying and confirming that (x) a written request for such Rating Agency Confirmation has been delivered to each Rating Agency by or on behalf of the Issuer and (y) each of the events in paragraphs (b)(i) and (ii) above has occurred and the Note Trustee and the Security Trustee shall be entitled to rely on such certificate without further enquiry or liability.

18. GOVERNING LAW AND JURISDICTION

The Transaction Documents and all non-contractual obligations arising out of or in connection with them are and the Notes are governed by English law unless specifically stated to the contrary. The Scottish Declaration of Trust, the 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, and certain provisions in the Transaction Documents relating to property situated in Northern Ireland and all non-contractual obligations arising out of or in connection with them are governed by Northern Irish 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.

19. 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.

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions (the "**Certificate Conditions**", and any reference to a "**Certificate Condition**" will be construed accordingly) of the Certificates (then in issue) in the form (subject to amendment) in which they will be set out in the Trust Deed.

1. GENERAL

The Class S Certificates (the " **Class S Certificates**") and the Class Y Certificates (the "**Class Y Certificates**" and together with the Class S Certificates, the "**Certificates**") (then in issue) of Pavillion Mortgages 2024-1 PLC (the "**Issuer**") are constituted by a trust deed (the "**Trust Deed**") entered into on or about 31 October 2024 (the "**Closing Date**") and made between, among others, the Issuer and U.S. Bank Trustees Limited as trustee (in such capacity, the "**Note Trustee**") for the registered holders for the time being of the Certificates (the "**Certificateholders**").

Any reference in these Certificate Conditions to a Class of Notes or of Noteholders shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class Z Notes, as the case may be, or to the respective holders thereof. Any reference in these Certificate Conditions to a Class of Certificate or of Certificateholders shall be a reference to the Class S Certificates or the Class Y Certificates or to the respective holders thereof and shall be deemed to apply only when Certificates are in issue. Where Certificates are not in issue, references in these Conditions to Certificates and Certificateholders shall, except where the context requires otherwise, be deemed to refer to Senior Deferred Consideration and Residual Deferred Consideration and persons entitled to Senior Deferred Consideration and Residual Deferred Consideration. Any reference in these Certificate Conditions to the "**Rated Notes**" shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes. Any reference in these Certificate Conditions to the "**Unrated Notes**" shall be a reference to the Class G Notes and the Class Z Notes. Any reference to "**Notes**" shall be a reference to the Rated Notes and Unrated Notes. The Security for the Certificates 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 amounts in respect of the Certificates.

The statements in these Certificate Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge, the Agency Agreement and the other Transaction Documents.

Copies of the Trust Deed, the Deed of Charge, the Agency Agreement and each of the other Transaction Documents (including the Scottish Declaration of Trust, with the schedule thereto duly redacted) are available for inspection during normal business hours (i) at the registered office of the Issuer, being 10th Floor, 5 Churchill Place, London E14 5HU; (ii) the specified office for the time being of the Principal Paying Agent, being at 125 Old Broad Street, Fifth Floor, London EC2N 1AR; and (iii) may be provided by email to a Noteholder requesting a copy from the Principal Paying Agent, in each case upon such Noteholder providing satisfactory proof of a holding of Notes and subject to the Principal Paying Agent being supplied by the Issuer with electronic copies.

The holders of any Class of Certificates 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, and each of the other Transaction Documents relating to each Class of Certificates.

The Certificates are not issuable in bearer form.

2. INTERPRETATION

2.1 Definitions

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Certificate Conditions will bear the meanings given to them in 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 Closing 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.

2.2 Interpretation

These Certificate Conditions shall be construed in accordance with the principles of construction set out in the Incorporated Terms Memorandum.

3. FORM, DENOMINATION, REGISTER, TITLE AND TRANSFERS

3.1 Form and denomination

Each Class of Certificates will initially be represented by a global certificate in registered form (a "**Global Certificate**").

For so long as any of the Certificates are represented by a Global Certificate, transfers and exchanges of beneficial interests in such Global Certificate and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank S.A./N.V. ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), as appropriate. The Global Certificate will be deposited with and registered in the name of a nominee of a common safekeeper for Euroclear and Clearstream, Luxembourg.

Global Certificates will be exchanged for individual certificates in definitive registered form (an "**Individual Certificate**" or a "**Definitive Certificate**") only if any of the following applies:

(a) in the case of the Global Certificates, both Euroclear and Clearstream, Luxembourg:

(i) are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or

(ii) announce an intention permanently to cease business or to cease to make book-entry systems available for settlement of beneficial interests in such Global Certificates or in fact do either of those things,

and in either case no alternative clearing system satisfactory to the Note Trustee is available; or

(b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration by a revenue authority or a court or in the application of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Certificates which would not be required were the relevant Certificates in definitive registered form.

If Individual Certificates are issued in respect of Certificates originally represented by a Global Certificate, the beneficial interests represented by such Global Certificate shall be exchanged by the Issuer for the relevant Certificates in registered definitive form.

Individual Certificates (which, if issued will be in the denomination set out below), will be serially numbered and will be issued in registered form only.

References to "**Certificates**" in these Certificate Conditions shall include the Global Certificates and the Individual Certificates.

3.2 Register

The Registrar will maintain the register (the "**Register**") in respect of the Certificates in accordance with the provisions of the Agency Agreement. In these Certificate Conditions, the "**Holder**" of a Certificate means the person in whose name such Certificate is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof).

3.3 Title

Title to a Global Certificate shall pass by and upon registration in the Register. Each Holder 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 Certificate 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 Global Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Global Certificate) and no person will be liable for so treating such holder.

Title to an Individual Certificate shall only pass by and upon registration of the transfer in the Register.

Each Class of Certificates is divisible by 10,000,000 and can be transferred in integrals of one.

3.4 Transfers

Individual Certificates may be transferred upon the surrender of the relevant Individual Certificates, with the endorsed form of transfer duly completed and executed, at the specified office of the Registrar, together with such evidence as the Registrar may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer. All transfers of Individual Certificates are subject to any restrictions on transfer set out on the Individual Certificates and the detailed regulations concerning transfers in 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 Certificateholder who requests in writing a copy of such regulations.

Within five Business Days of such surrender of an Individual Certificate, the Registrar will register the transfer in question and deliver a new Individual Certificate of a like principal amount to the Certificates transferred to each relevant holder at its specified office 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 an Individual Certificate will be effected without charge by or on behalf of the Issuer by the Registrar but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature that may be levied or imposed in connection with such transfer.

Certificateholders may not require transfers of Certificates 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 Certificates.

4. STATUS, PRIORITY AND SECURITY

4.1 Status

(a) The Certificates constitute direct, secured and (subject to the limited recourse provision in Certificate Condition 12.17 (*Limited recourse*)) unconditional obligations of the Issuer.

(b) The Senior Deferred Consideration ranks pro rata and *pari passu* with the payment of interest on the Class A Notes as provided in these Certificate Conditions and the Transaction Documents.

(c) The Residual Deferred Consideration ranks pro rata and *pari passu* without preference or priority among its holders in relation to payment of the Residual Deferred Consideration at all times, but subordinate to items (i) to (xxiv) of the Pre-Enforcement Revenue Priority of Payments, subordinate to items (i) to (viii) of the Pre-Enforcement Principal Priority of Payments and subordinate to items (i) to (xiii) of the Post-Enforcement Priority of Payments, as provided in these Certificate Conditions and the Transaction Documents.

4.2 Conflict between the Classes of Certificates and the Classes of Notes

(a) The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the holders of each Class of the Notes and each Class of Certificates equally (and at all times have regard to and subject always to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) as regards all rights, powers, trusts, authorities, duties and discretions of the Note Trustee under these Certificate Conditions or any of the Transaction Documents (except where expressly provided otherwise), but requiring the Note Trustee where there is a conflict of interests between one or more Classes of Notes and/or the Certificates in any such case to have regard (except as expressly provided otherwise and at all times have regard to and subject always to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) to the interests of the holders of the Class of Notes and/or Certificates ranking in priority to the other relevant Classes of Notes or Certificates in the Post-Enforcement Priority of Payments (other than the Class S Certificates or Senior Deferred Consideration, in respect of which the Note Trustee or, as the case may be, the Security Trustee will have regard only as to the Senior Deferred Consideration Entrenched Rights).

(b) The Trust Deed also contains provisions limiting the powers of any Class of Noteholders or Class of Certificateholders, among other things, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution (and at all times to have regard to and subject always to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) according to the effect thereof on the interests of holders of the Class or Classes of Notes and/or Certificates ranking in priority thereto. Except in certain circumstances described in Certificate Condition 12 (*Meetings of Certificateholders, modifications and waiver*), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class, the exercise of which will be (binding save in respect of a Basic Terms Modification, the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) on the holders of all other Classes of Notes and all other Classes of Certificates, in each case irrespective of the effect thereof on their respective interests.

(c) Subject to the Retained Interest Entrenched Rights, the Retention Holder will not be entitled to convene, count in the quorum or pass resolutions (including Extraordinary Resolutions and Ordinary Resolutions) in respect of any Notes or Certificates comprising the Retained Interest. Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the Retention Holder (other than any resolutions in respect of a Retained Interest Entrenched Right unless the Retention Holder has consented) if passed in accordance with the Conditions.

(d) The Class S Certificateholder or persons entitled to the Senior Deferred Consideration shall only be entitled to convene meetings of the Class S Certificateholders or persons entitled to the Senior Deferred Consideration and/or pass resolutions in respect of the Class S Certificates or the Senior Deferred Consideration in relation to matters affecting a Senior Deferred Consideration Entrenched Right. Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the Class S Certificateholder or the persons entitled to receive the Senior Deferred Consideration (other

than in respect of affecting a Senior Deferred Consideration Entrenched Right unless the Class S Certificateholder or the persons entitled to the Senior Deferred Consideration has consented in writing) if passed in accordance with the Conditions.

(e) Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the Class Y Certificateholders or the persons entitled to the Residual Deferred Consideration (save in respect of a Basic Terms Modification) if passed in accordance with the Conditions.

(f) As long as any Notes or Certificates are outstanding but subject to Certificate Condition 12.4, the Note Trustee and the Security Trustee shall not have regard to the interests of the other Secured Creditors.

4.3 Security

As security for, among other things, the payment of all monies payable in respect of the Certificates, the Issuer has entered into the Deed of Charge and will enter into the 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 Certificateholders.

The Noteholders, the Certificateholders and the other Secured Creditors will share in the benefit of the Security upon and subject to the terms and conditions of the Deed of Charge and the Scottish Supplemental Charge.

5. COVENANTS

Save with the prior written consent of the Note Trustee or unless provided in or contemplated under these Conditions, Certificate Conditions or any of the Transaction Documents to which the Issuer is a party or unless such action is in connection with a Refinancing undertaken in accordance with the Refinancing Option Deed Poll, the Issuer will not, so long as any Certificate remains outstanding:

5.1 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;

5.2 Disposal of assets

sell, assign, transfer, lend, 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;

5.3 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;

5.4 Bank accounts

have an interest in any bank account, other than an Issuer Account, unless such account or interest therein is charged to the Security Trustee on terms acceptable to the Security Trustee;

5.5 Restrictions on activities

carry on any business other than as described in the Prospectus (as revised, supplemented and/or amended from time to time) relating to the issue of the Certificates and the related activities described therein or as contemplated in the Transaction Documents relating to the issue of the Certificates;

5.6 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;

5.7 Merger

consolidate or merge with any other person or convey or transfer substantially all of its properties or assets to any other person;

5.8 Waiver or consent

permit the validity or effectiveness of any of the Transaction Documents to which it is a party to or the priority of the security interests created thereby to be amended, terminated, postponed, waived or discharged or agree to any amendment of, grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party, or permit any other person whose obligations form part of the Security to be released from such obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;

5.9 Employees or premises

have any employees or premises or subsidiaries, any subsidiary undertaking (as defined in the Companies Act 1985 and the Companies Act 2006 (as applicable));

5.10 Dividends and distributions

pay any dividend or make any other distribution to its shareholders except out of amounts of profit retained by the Issuer in accordance with the applicable Priority of Payments which are available for distribution in accordance with the Issuer's memorandum and articles of association and with applicable laws or issue any further shares or alter any rights attaching to its shares as at the date of the Deed of Charge;

5.11 Purchase Notes or Certificates

purchase or otherwise acquire any Notes or Certificates;

5.12 Corporation tax

prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the TSC Regulations; or

5.13 VAT

apply to become part of any group with any other company or group of companies for the purposes of Sections 43 to 43D of the VATA 1994 and the VAT (Groups: eligibility) Order (S.I. 2004/1931), or such act, regulation, order, statutory instrument or directive which may from time to time re-enact, replace, amend, vary, codify, consolidate or repeal any of the same.

6. CERTIFICATE PAYMENTS

6.1 Right to Certificate Payments

Each Certificate represents a pro rata entitlement of the Certificateholder to receive the relevant Certificate Payments by way of deferred consideration for the purchase by the Issuer of the Mortgage Portfolio on the Closing Date.

A Certificate Payment shall be payable in respect of the Certificates on each Payment Date.

For the purposes of these Certificate Conditions:

(a) "**Certificate Payment**" means the Class S Certificate Payment or the Senior Deferred Consideration (as applicable) and the Class Y Certificate Payment or the Residual Deferred Consideration (as applicable) as applicable.

(b) "**Certificate Payment Amount**" means, for a Certificate on any date on which amounts are to be applied in accordance with the applicable Priority of Payments, the Certificate Payment for that date, divided by the number of Certificates of that Class then in issue.

(c) "**Class S Certificate Payment**" and "**Senior Deferred Consideration**" means, on any date of determination:

(i) prior to the delivery of an Enforcement Notice and in respect of each Payment Date, an amount equal to:

$$\frac{\mathbf{A}\times\mathbf{B}\times\mathbf{C}}{\mathbf{D}}$$

where,

A = 0.0009 on each Payment Date up to and including the First Optional Redemption Date, and on each Payment Date thereafter, 0.0011

B = for the first Payment Date, the aggregate Current Balance of the Mortgage Loans calculated as of the Cut-Off Date, and for every Payment Date thereafter, the aggregate Current Balance of the Loans calculated as of the Calculation Date immediately preceding the prior Payment Date

C = the number of days in the relevant Interest Period

D = 365

with the total figure rounded downwards to the nearest £0.01; and

(ii) following the delivery of an Enforcement Notice, for any date on which amounts are to be applied in accordance with the Post-Enforcement Priority of Payments, any Class S Certificate Payment or Senior Deferred Consideration (as applicable) calculated in accordance with paragraph (i) above which has accrued but is unpaid on the date of the Enforcement Notice; and

(d) "**Class Y Certificate Payment**" and "**Residual Deferred Consideration**" means, on any date of determination:

(i) prior to the delivery of an Enforcement Notice, in respect of each Payment Date from (and including) the Closing Date:

(A) the amount by which Available Revenue Receipts exceeds the amounts required to satisfy items (i) to (xxiv) of the Pre-Enforcement Revenue Priority of Payments on that Payment Date; and

(B) the amount by which Available Principal Receipts exceeds the amounts required to satisfy items (i) to (ix) of the Pre-Enforcement Principal Priority of Payments on that Payment Date; and

(ii) following the delivery of an Enforcement Notice, for any date on which amounts are to be applied in accordance with the Post-Enforcement Priority of Payments, the amount by which amounts available for payment in accordance with the Post-Enforcement Priority of Payments exceeds the amounts required to satisfy items (i) to (xiii) of the Post-Enforcement Priority of Payments on that date.

6.2 Determination Certificate Payment

The Cash Manager shall on each Calculation Date determine the Certificate Payments payable on the immediately following Payment Date (if any) and the Certificate Payment Amounts payable in respect of each Class of Certificates on such Payment Date.

6.3 Notification of Certificate Payment and Certificate Payment Amount

The Cash Manager shall cause the Certificate Payments and Certificate Payment Amounts (if any) for each Class of Certificates for each Payment Date to be notified to the Issuer, the Note Trustee, the Registrar and the Principal Paying Agent (as applicable) and to be published in accordance with Certificate Condition 15 (*Notice to Certificateholders*) as soon as possible after their determination and in no event later than two Business Days prior to the immediately succeeding Payment Date.

6.4 Notifications to be final

All notifications, certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Certificate Condition 6 by the Cash Manager will (in the absence of wilful default, fraud or manifest error) be binding on the Issuer, the Cash Manager, the Principal Paying Agent, the Registrar, the Note Trustee and all Certificateholders and (in the absence of wilful default, gross negligence or fraud) no liability to the Issuer or the Certificateholders will attach to the Cash Manager in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.5 Termination of Certificate Payments

When all Class S Certificate Payments and Class Y Certificate Payments (or payments of Senior Deferred Consideration and Residual Deferred Consideration as applicable) (if any) (as set out in Certificate Condition 6.2 (*Determination Certificate Payment*)) and including any Deferred Senior Consideration that may be due in respect of the Class S Certificates or Senior Deferred Consideration as a result of payment deferral in accordance with Certificate Condition 6.7 (*Subordination by deferral*) have been made, no further Certificate Payments will be made by the Issuer and the Certificates shall be cancelled.

6.6 Determinations and reconciliation

Condition 6.8 (*Determinations and reconciliation*) of the Notes shall have effect in relation to the Class Y Certificates or the Residual Deferred Consideration as if set out in full herein.

6.7 Subordination by deferral

If, on any Payment Date, the Issuer has insufficient funds to make payment in full of any Class S Certificate Payment or Senior Deferred Consideration (as applicable) (which shall, for the purposes of this Certificate Condition 6.7, include any Deferred Senior Consideration from prior Payment Dates, each as defined under this Certificate Condition 6.7) payable in respect of the Class S Certificates or Senior Deferred Consideration after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer shall be entitled to defer to the next Payment Date the payment of some or all of the relevant payment due (such deferred amount, the "**Deferred Senior Consideration**") in respect of the Class S Certificates or Senior Deferred Consideration to the extent only of any insufficiency of funds.

As soon as practicable after becoming aware that any part of a Class S Certificate Payment or Senior Deferred Consideration will be deferred or that a previous Deferred Senior Consideration will be made in accordance with this Certificate Condition 6.7, the Issuer will give notice thereof to the Class S Certificateholder or the persons entitled to the Senior Deferred Consideration in accordance with Certificate Condition 15 (*Notice to Certificateholders*). Any deferral of a Class S Certificate Payment or Senior Deferred Consideration (a "**Deferred Payment**") or further deferral of a Deferred Payment in accordance with this Certificate Condition 6.7 will not constitute an Event of Default and any such deferred amount will not accrue interest of any kind. The provisions of this Certificate Condition 6.7 shall cease to apply on the Final Redemption Date, or any earlier date on which the Class S Certificates or right to Senior Deferred Consideration are cancelled or the Class S Certificates are required to be redeemed in full, at which time all Deferred Senior Consideration shall become due and payable.

7. PAYMENTS

7.1 Payment of Certificate Payment Amounts

Payments of Certificate Payment Amounts will be made by Sterling cheque, drawn on a designated bank, or upon application by a holder of the relevant Certificate to the specified office of the Principal Paying Agent not 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 cancellation) upon surrender (or, in the case of part payment only, endorsement) of the relevant Global Certificate or Individual Certificate at the specified office of the Principal Paying Agent.

7.2 Laws and regulations

Payments of any Certificate Payment Amounts are subject in all cases to (a) any fiscal or other laws and regulations applicable thereto and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental approach thereto ("**FATCA**"). Certificateholders will not be charged commissions or expenses on payments.

7.3 Change of agents

The initial Principal Paying Agent and the Registrar and their respective initial specified offices are listed at the end of these Certificate 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 or the Registrar and to appoint additional or other Principal Paying Agents. The Issuer will at all times maintain a Principal Paying Agent with a specified office in London and a Registrar with a specified office in London. Except where otherwise provided in the Trust Deed or the Agency Agreement, the Issuer will cause at least 30 days' notice of any change in or addition to the Principal Paying Agent or the Registrar or their specified offices to be given in accordance with Certificate Condition 15 (*Notice to Certificateholders*) and will notify the Rating Agencies of such change or addition.

7.4 No payment on non-Business Day

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 and, where payment is to be made by cheque, the cheque will be mailed: (a) (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 Certificate is surrendered (or, in the case of part payment only, endorsed) at the specified office of the Principal Paying Agent; and (b) (in the case of payments of interest payable other than on redemption) on the due date for payment. A holder of a Certificate will not be entitled to any interest or other payment in respect of any delay in payment resulting from (i) the due date for a payment not being a Business Day or (ii) a cheque mailed in accordance with this Certificate Condition 7.4 arriving after the due date for payment or being lost in the mail.

7.5 Record date

Each payment in respect of a Certificate (then in issue) will be made to the persons shown as the holder in the Register (a) where the Certificate 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 (b) where the Certificate is in definitive form, at the opening of business in the place of the Registrar's specified office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Certificate is to be made by cheque, the cheque will be mailed to the address shown as the address of the holder in the Register at the opening of business on the relevant Record Date.

8. PRESCRIPTION

Claims against the Issuer for Certificate Payment Amounts will be prescribed and become void if the relevant Global Certificates or Individual 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 Certificate becomes void in its entirety, no claim may be made in respect thereof. In this Certificate Condition 8, the "**relevant date**", in respect of a payment under a Certificate, 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 Certificates due on or before that date has not been duly received by the Principal 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 Certificateholders in accordance with Certificate Condition 15 (*Notice to Certificateholders*).

9. TAXATION

All payments in respect of the Certificates 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 the Principal Paying Agent is required by applicable law (including in connection with the rules commonly referred to as FATCA) to make any payment in respect of the Certificates subject to any such withholding or deduction. In that event, subject to Condition 7.9 (*Optional redemption for tax and other reasons*), the Issuer or the Principal Paying Agent 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. No Principal Paying Agent nor the Issuer will be obliged to make any additional payments to Certificateholders in respect of such withholding or deduction.

The occurrence of the Issuer or the Principal Paying Agent being required to make a withholding or deduction in the circumstances outlined in the previous paragraph will not constitute an Event of Default.

10. EVENTS OF DEFAULT

10.1 Certificates

The Note Trustee, in its absolute discretion, may (and if so requested in writing by the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Most Senior Class or if so directed by or pursuant to an Extraordinary Resolution of the holders of the Most Senior Class, will), subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction, deliver a notice (an "**Enforcement Notice**") to the Issuer and the Security Trustee of an Event of Default (as defined below) declaring (in writing) all Classes of Certificates to be due and repayable as provided in the Trust Deed (and they will forthwith become due and repayable) (with a copy of such Enforcement Notice being sent simultaneously to the Back-up Servicer Facilitator, the Transaction Account Bank, the Servicer and the Cash Manager) at any time after the occurrence of any of the following events, which is continuing or unwaived:

(a) non-payment of interest and/or principal due in respect of the Class A Notes or, if then the Most Senior Class of Notes, the Class B Notes, and such non-payment continues for a period of fourteen Business Days in the case of interest and seven Business Days in the case of principal;

(b) non-payment of interest and/or principal due in respect of any Class of Notes or non-payment of any amounts due in respect of the Certificates on the Final Redemption Date (or any other date on which the Notes are due to be redeemed in full);

(c) failure by the Issuer to perform or observe any of its other obligations under the Conditions, these Certificate Conditions or any Transaction Document to which it is a party which, in the opinion of the Note Trustee, is materially prejudicial to the interests of the holders of the Most Senior Class and the failure continues for a period of 15 days (or such longer period as the Note Trustee may permit) (except that in any case where the Note Trustee considers the failure to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied;

(d) any representation or warranty made by the Issuer under any Transaction Document is incorrect in any material respect when made which, in the opinion of the Note Trustee, is materially prejudicial to the interests of the holders of the Most Senior Class and the matters giving rise to such misrepresentation are not remedied within a period of 15 days (or such longer period as the Note Trustee may permit) (except that in any case where the Note Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied;

(e) if any order is made by any competent court or any resolution is passed for the winding-up or dissolution of the Issuer save for the purposes of reorganisation on terms approved in writing by the Note Trustee or by Extraordinary Resolution of the Most Senior Class of Notes;

(f) if (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms approved in writing by the Note Trustee or by Extraordinary Resolution of the Most Senior Class of Notes, or (ii) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account its contingent and prospective liabilities) or (iii) the Issuer is deemed unable to pay its debts within the meaning of Section 123(1) or (2) of the Insolvency Act 1986 or (iv) the Issuer is adjudicated or found to be bankrupt or insolvent;

(g) if proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed

with the court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order), unless initiated by the Issuer, is not discharged within 30 days; or

(h) if the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or takes steps with a view to obtaining a moratorium in respect of any of its indebtedness or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors).

10.2 Following service of an Enforcement Notice

For the avoidance of doubt, upon any Enforcement Notice being given by the Note Trustee in accordance with Certificate Condition 10.1 (*Certificates*), the Certificate Payment for the relevant Class of Certificates pursuant to the Certificates will immediately become due and payable.

11. ENFORCEMENT

11.1 General

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 Certificates, the Trust Deed (including these Certificate Conditions or the 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 Certificate Condition 10 (*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:

(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 then outstanding or so requested in writing by the holders of at least one-quarter in aggregate Principal Amount Outstanding of the Notes and/or Certificates of the Most Senior Class; and

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

Amounts available for distribution after enforcement of the Security will be distributed in accordance with the terms of the Deed of Charge.

11.2 Preservation of assets

If the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes or the Certificates, the Security Trustee will not be entitled to dispose of any of the Charged Property or any part thereof unless either (a) a sufficient amount would be realised to allow

discharge in full on a pro rata and *pari passu* basis of all amounts owing to the holders of the Notes and the Certificates (and all persons ranking in priority to the holders of the Notes and the Certificates), or (b) the Security Trustee is of the opinion, which shall be binding on the Secured Creditors, reached after considering at any time and from time to time the advice of any financial adviser (or such other professional advisers selected by the Security Trustee at the expense of the Issuer for the purpose of giving such advice), that the cashflow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing: (i) to the Noteholders and the Certificateholders (and all persons ranking in priority to the Noteholders and the Certificateholders as set out in the order of priority set out in the Post-Enforcement Priority of Payments); and (ii) once all the Noteholders and the Certificateholders (and all such higher ranking persons) have been repaid, to the remaining Secured Creditors in the order of priority set out in the Post-Enforcement Priority of Payments. The fees and expenses of the aforementioned financial adviser or other professional adviser selected by the Security Trustee shall be paid by the Issuer. The Security Trustee shall be entitled to rely upon any financial or other professional advice referred to in this Certificate Condition 11.2 without further enquiry and shall incur no liability to any person for so doing.

11.3 Limitations on enforcement

No Certificateholder may institute any proceedings against the Issuer to enforce its rights under or in respect of the Certificates, the Trust Deed, the Deed of Charge or any other Transaction Document unless (a) the Security Trustee has become bound to institute proceedings and has failed to do so within a reasonable period of becoming so bound and (b) such failure is continuing. Notwithstanding the foregoing and notwithstanding any other provision of the Trust Deed, the right of any Certificateholder to receive Certificate Payment Amounts on or after the due date, 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 Certificateholder.

12. MEETINGS OF CERTIFICATEHOLDERS, MODIFICATIONS AND WAIVER

12.1 Meetings of Certificateholders

(a) The Trust Deed contains provisions for convening meetings (including by way of conference call and by use of a videoconference platform) of Certificateholders of each Class and, in certain cases, more than one Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any provision of these Certificate Conditions, the Conditions or the provisions of any of the Transaction Documents.

(b) The Trust Deed also provides that, notwithstanding any other provision of these Certificate Conditions, the Trust Deed or any other Transaction Documents, no Extraordinary Resolution or Ordinary Resolution may authorise or sanction any modification or waiver (and no such modification or waiver may otherwise be made) which is adverse to the holder of the Retained Interest where a corresponding modification or waiver is not made in respect of other Classes of Notes and/or Certificates on an equivalent basis (the "**Retained Interest Entrenched Rights**"), unless the Retention Holder has consented in writing to such modification or waiver.

(c) For the purposes of these Certificate Conditions, "**Most Senior Class**" means:

(i) the Class A Notes; or

(ii) if there are no Class A Notes then outstanding, the Class B Notes; or

(iii) if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes; or

(iv) if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes; or

(v) if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes; or

(vi) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes then outstanding, the Class F Notes; or

(vii) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes then outstanding, the Class G Notes; or

(viii) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class G Notes then outstanding, the Class Z Notes; or

(ix) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes or Class Z Notes then outstanding, the Class Y Certificates or the Residual Deferred Consideration.

The Class S Certificates or the Senior Deferred Consideration shall not at any time constitute the Most Senior Class.

12.2 Most Senior Class, limitations on other Noteholders and Certificateholders

(a) Other than in relation to a Basic Terms Modification, which requires an Extraordinary Resolution of the holders of each affected Class of Notes then outstanding and/or persons entitled to Senior Deferred Consideration and Residual Deferred Consideration (other than the Senior Deferred Consideration unless the matter is also a Senior Deferred Consideration Entrenched Right), as applicable and other than where an Extraordinary Resolution is required under Certificate Condition 12.6 or the consent of the Retention Holder, the persons entitled to Residual Deferred Consideration or the persons entitled to Senior Deferred Consideration is required (as described below):

(i) an Extraordinary Resolution passed at any meeting of the holders of the Most Senior Class shall be binding on such Noteholders and/or such persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration, and all other Classes of Noteholders and all other persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration, irrespective of the effect it has upon them;

(ii) an Extraordinary Resolution passed at any meeting of a Class of Noteholders or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall be binding on such Class of Noteholders or such persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration and all other Classes of Noteholders and persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration ranking junior to such Class of Noteholders or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration in the Post-Enforcement Priority of Payments, irrespective of the effect it has upon them;

(iii) no Extraordinary Resolution of any Class of Noteholders or of persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall take effect for any purpose unless it shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class or the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of the Most Senior Class;

(iv) an Extraordinary Resolution passed at any meeting of a Class of Noteholders shall be binding on the Class Y Certificateholders or the persons entitled to Residual Deferred Consideration if passed in accordance with the Conditions;

(v) an Extraordinary Resolution passed at any meeting of a Class of Noteholders or persons entitled to the Senior Deferred Consideration or the Residual Deferred Consideration shall be binding on the persons entitled to Senior Deferred Consideration other than any resolution in respect of Senior Deferred Consideration Entrenched Rights which shall only be binding on the persons entitled to Senior Deferred Consideration if the persons entitled to Senior Deferred Consideration has consented to such modification or waiver; and

(vi) an Extraordinary Resolution passed at any meeting of a Class of Noteholders or persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall be binding on the Retention Holder other than any resolution in respect of Retained Interest Entrenched Rights which shall only be binding on the Retention Holder if the Retention Holder has consented to such modification or waiver.

(b) No Extraordinary Resolution of the holders of a Class of Notes and/or of persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration which would have the effect of sanctioning a Basic Terms Modification in respect of any Class of Notes or of any persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration shall take effect unless it has been sanctioned by an Extraordinary Resolution of the holders of each affected Class of Notes then outstanding and/or the persons entitled to the Senior Deferred Consideration and Residual Deferred Consideration (as applicable) which are affected by such Basic Terms Modification (other than the persons entitled to the Senior Deferred Consideration unless the matter is also a Senior Deferred Consideration Entrenched Right).

(c) No Ordinary Resolution that is passed by any persons entitled to the Senior Deferred Consideration or the Residual Deferred Consideration shall take effect for any purpose while any of the Notes remain outstanding unless it shall have been sanctioned by an Ordinary Resolution of the holders of the Most Senior Class, or the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of the Most Senior Class.

(d) An Ordinary Resolution passed by any persons entitled to the Senior Deferred Consideration or the Residual Deferred Consideration shall be binding on the persons entitled to Residual Deferred Consideration (save in respect of a Basic Terms Modification) if passed in accordance with the Certificate Conditions.

(e) An Ordinary Resolution passed by the holders of any Class of Notes shall be binding on the Class S Certificateholder or the persons entitled to Senior Deferred Consideration other than any resolution in respect of Senior Deferred Consideration Entrenched Rights which shall only be binding on the persons entitled to the Senior Deferred Consideration if the persons entitled to Senior Deferred Consideration has consented to such modification or waiver.

(f) An Ordinary Resolution passed by the holders of any Class of Notes shall be binding on the Retention Holder other than any resolution in respect of Retained Interest Entrenched Rights which shall only be binding on the Retention Holder if the Retention Holder has consented to such modification or waiver.

12.3 Quorum

(a) Subject as provided below, the quorum at any meeting of Noteholders of any Class or Classes of Notes or Certificateholders of any Class or Classes of Certificates for passing an Ordinary Resolution will be one or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount

Outstanding of the relevant Class or Classes of Notes and/or Certificates then outstanding or in issue, as applicable.

(b) Subject as provided below, the quorum at any meeting of Noteholders and/or Certificateholders of any Class of any Notes or Certificates for passing an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of such Class of Notes and/or Certificates then outstanding or in issue, as applicable.

(c) Subject to the more detailed provisions set out in the Trust Deed, the quorum at any meeting of any holders of any Class of Notes or holders of any Class of Certificates for passing an Extraordinary Resolution to (i) sanction a modification of the date of maturity of any Class of the Notes or Certificates, (ii) sanction a modification of the date of payment of principal or interest or amounts due in respect of any Class of the Notes or Certificates, (iii) sanction a modification of the amount of principal or the rate of interest payable in respect of any Class of the Notes or, where applicable, of the method of calculating the amount of any principal or interest payable in respect of any Class of the Notes, or of the method of calculating the amounts payable in respect of any Class of the Certificates, (iv) alter the currency in which payments under any Class of the Notes or Certificates are to be made, (v) alter the quorum or majority required in relation to a resolution or a meeting of holders of any Class of the Notes or Certificates, (vi) sanction any scheme or proposal for the sale, conversion or cancellation of any Class of the Notes or the Certificates, (vii) alter the priority of payment of interest or principal in respect of any Class of the Notes or amounts in respect of any Class of Certificates and (viii) change the definition of a "Basic Terms Modification" **provided that** any amendment made in accordance with Certificate Condition 12.6 shall not constitute a Basic Terms Modification, (each a "**Basic Terms Modification**"), shall be one or more persons holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of each affected Class or Classes of Notes and/or Certificates then outstanding or in issue, as applicable. For the avoidance of doubt, a proposal to sanction a reduction in the principal amounts due on a Class of Notes and/or any Senior Deferred Consideration and/or the Residual Deferred Consideration shall require the sanction of the holders of the relevant Class of Notes or Certificates to be so reduced, and shall not require the consent of other Classes of Notes or Certificates.

(d) The quorum at any adjourned meeting will be:

(i) for an Ordinary Resolution, one or more persons present and holding or representing not less than 10 per cent. of the Principal Amount Outstanding of the relevant Class or Classes of Notes and/or Certificates then outstanding or in issue, as applicable;

(ii) subject as provided below, for an Extraordinary Resolution, one or more persons present and holding or representing in the aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes and/or Certificates then outstanding or in issue, as applicable; and

(iii) for a Basic Terms Modification, one or more persons present and holding or representing not less than 75 per cent. of the aggregate Principal Amount Outstanding of each affected Class or Classes of Notes and/or Certificates then outstanding or in issue, as applicable.

12.4 The Note Trustee may or, in the case of paragraphs (c), (d) and (e) below shall, at any time and from time to time, with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders, the Certificateholders or any other Secured Creditors agree with the Issuer and any other parties in making or sanctioning any modification (other than in respect of a Basic Terms Modification, Senior Deferred Consideration Entrenched Right or Retained Interest Entrenched Right in the case of paragraphs (a) and (c) to (e) below):

(a) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document which, in the opinion of the Note Trustee will not be materially prejudicial to the interests of the Noteholders of any Class or the interests of the Certificateholders of any Class, or the Note Trustee or the Security Trustee; or

(b) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document if in the opinion of the Note Trustee, such modification is of a formal, minor or technical nature or to correct a manifest error or is made to comply with mandatory provisions of law; or

(c) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document for the purposes of making any changes which the Issuer has certified to the Note Trustee and/or the Security Trustee (upon which certificate the Note Trustee and the Security Trustee shall rely without enquiry or liability) are necessary to facilitate a Refinancing; or

(d) that would result in the Issuer entering into any new and/or amended bank account agreement, collection account agreement or a Standby Account Bank Agreement (including where the unsecured, unsubordinated and unguaranteed debt obligations of the Transaction Account Bank, the Standby Account Bank or Collection Account Bank are downgraded below any relevant rating level as set out in the relevant Transaction Document, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings); or

(e) that would result in the Issuer entering into any new and/or amended interest rate swap agreement (including where a swap downgrade event occurs under the Interest Rate Swap Agreement, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings); or

(f) that is required to effect the appointment of a Successor Servicer (including, but not limited to, the Issuer entering into any new and/or amended servicing agreement) provided that the conditions to the appointment of that Successor Servicer set out in the Servicing Agreement are satisfied, and

provided that in the case of amendments pursuant to paragraphs (c) and/or (d) and/or (e) above that neither the Note Trustee nor the Security Trustee shall be obliged to agree to any such new agreement and/or amendment (including, for the avoidance of doubt, any new appointment made thereunder) which, in the sole opinion of the Note Trustee or the Security Trustee, would have the effect of (i) 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 (ii) 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 and/or the Certificate Conditions.

12.5 The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors and without prejudice to its rights in respect of any further or other breach or Event of Default, from time to time and at any time, but only if and in so far as in the sole opinion of the Note Trustee (acting in accordance with the Trust Deed) the interests of the Noteholders of each Class or the Certificateholders of each Class will not be materially prejudiced thereby, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Conditions, the Certificate Conditions or any of the Transaction Documents by any party thereto or determine that any Event of Default shall not be treated as such, provided that the Note Trustee shall not exercise any powers conferred on it by this Certificate Condition 12.5 in contravention of any express direction given by Extraordinary Resolution of the holders of the Most Senior Class or by a direction under Certificate Condition 10 (*Events of default*) but so that no such direction shall affect any waiver, authorisation or determination previously given or made.

12.6 The Note Trustee with the written consent of the Secured Creditors which are a party to the relevant Transaction Documents (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) shall, without the consent or sanction of the Noteholders, the Certificateholders or any of the other Secured Creditors, concur with the Issuer (and direct the Security Trustee to concur) in making any modifications (other than in respect of a Basic Terms Modification or a Senior Deferred Consideration Entrenched Right or a Retained Interest Entrenched Right) to the Transaction Documents and/or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) in order to enable the Issuer (or, where applicable, any other transaction parties) to:

(a) comply with, or implement or reflect, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time;

(b) comply with its obligations under UK EMIR and any such provisions, rules, regulations, directions, processes, guidelines and procedures relating to UK EMIR which have been clarified, updated, delivered, amended, modified or become operative or applicable, subject to the terms of the Interest Rate Swap Agreement and subject to receipt by the Security Trustee of a certificate issued by the Issuer or the Cash Manager on behalf of the Issuer certifying to the Security Trustee the requested amendments are to be made solely for the purpose of enabling the Issuer and/or the Interest Rate Swap Counterparty, as the case may be, to satisfy such requirements under UK EMIR and have been drafted solely to that effect and the Security Trustee shall be entitled to rely absolutely on such certification without any liability to any person for so doing;

(c) (I) comply with, implement or reflect any changes in the requirements (including, but not limited to, risk retention, transparency and/or investor due diligence) of, or to enable the Issuer or any other transaction party to comply with an obligation under, the UK Securitisation Regulation or the EU Securitisation Regulation (as in force, interpreted and applied as at the Closing Date only), together with any relevant laws, regulations, technical standards, rules, other implementing legislation, official guidance or policy statements, in each case as amended, varied or substituted from time to time after the Closing Date applying in respect of the Transaction; or (II) comply with any changes in the requirements of the U.S. Credit Risk Retention Requirements, including as a result of any other U.S. risk retention legislation, regulations or official guidance in relation thereto, in each case applying in respect of the Transaction;

(d) ensure the Notes are (or remain) listed on the London Stock Exchange;

(e) comply with FATCA;

(f) comply with any changes in the requirements of the UK CRA Regulation after the Closing Date including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation or regulations or official guidance in relation thereto;

(g) comply (or continue to comply) with any changes in the requirements of the CRR or the Solvency II Regulation applicable to the Notes;

(h) in connection with the transfer of the Interest Rate Swap Agreement to a replacement Interest Rate Swap Counterparty, effect such modifications to the original Interest Rate Swap Agreement as may be agreed with the replacement Interest Rate Swap Counterparty, provided that the Servicer or the replacement Interest Rate Swap Counterparty certifies to the Note Trustee and the Security Trustee that, following any such modifications, the Interest Rate Swap Agreement will satisfy the rating criteria of the Rating Agencies;

(i) in connection with the transfer of any Account Bank Agreement to a replacement Transaction Account Bank, effect such modifications to the original Account Bank Agreement as may be agreed with the replacement Transaction Account Bank;

(j) change the reference rate or the base rate that then applies in respect of the Notes to an alternative base rate (including where such base rate may remain linked to SONIA but may be calculated in a different manner), (any such rate, which may include an alternative screen rate, an "**Alternative Base Rate**") and making such other amendments as are necessary or advisable in the commercially reasonable judgement of the Issuer to facilitate such change (a "**Base Rate Modification**"), provided that the Issuer provides a certificate to the Note Trustee and the Security Trustee certifying (such certificate, a "**Base Rate Modification Certificate**") that:

(i) such Base Rate Modification is being undertaken due to:

(A) an alternative manner of calculating a SONIA-based rate being introduced and becoming a standard means of calculating interest for similar transactions;

(B) a material disruption to SONIA, an adverse change in the methodology of calculating SONIA or SONIA ceasing to exist or be published;

(C) the insolvency or cessation of business of the SONIA administrator (in circumstances where no successor SONIA administrator has been appointed);

(D) a public statement by the SONIA administrator that it will cease publishing SONIA permanently or indefinitely (in circumstances where no successor SONIA administrator has been appointed that will continue publication of SONIA);

(E) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(F) a public statement by the supervisor of the SONIA administrator that means SONIA may no longer be used or that its use is subject to restrictions or adverse consequences; or

(G) the reasonable expectation of the Issuer that any of the events specified in paragraphs (A) to (F) above will occur or exist within six months of the proposed effective date of such Base Rate Modification; and

(ii) such Alternative Base Rate is:

(A) a base rate published, endorsed, approved or recognised by the Federal Reserve or the Bank of England, any regulator in the United States, the United Kingdom or the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);

(B) a base rate utilised in a material number of publicly listed new issues of Sterling-denominated asset-backed floating rate notes prior to the effective date of such Base Rate Modification; or

(C) such other base rate as the Issuer reasonably determines (to preserve, so far as reasonably and commercially practicable, what would have been the expected Floating Rate of Interest applicable to the Class A Notes) or which is proposed by any holder of the Most Senior Class of Notes then outstanding; and

(k) change the base rate that then applies in respect of any Interest Rate Swap Agreement to an alternative base rate as is necessary or advisable in the commercially reasonable judgment of the Issuer (or the Servicer on its behalf) and the Interest Rate Swap Counterparty solely as a consequence of a Base Rate Modification and solely for the purpose of aligning the base rate of any Interest Rate Swap Agreement to the base rate of the Notes following such Base Rate Modification (a "**Swap Rate Modification**"), 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 (such certificate being a "**Swap Rate Modification Certificate**").

The Note Trustee and the Security Trustee shall be entitled to rely on a Base Rate Modification Certificate and a Swap Rate Modification Certificate absolutely without liability and enquiry.

For the avoidance of doubt, the Issuer (or the Servicer on its behalf) may propose an Alternative Base Rate on more than one occasion, provided that the conditions set out in this paragraph (k) are satisfied,(each a "**Proposed Amendment**"**)** and subject to:

(i) receipt by the Note Trustee and the Security Trustee of a certificate (upon which they may rely without liability or enquiry) issued by the Issuer signed by two directors of the Issuer certifying to the Note Trustee and the Security Trustee that the requested modifications in relation to any Proposed Amendment are to be made solely for the purpose of enabling the Issuer to satisfy such obligations under any Proposed Amendment and have been drafted solely to such effect, and in the case of a Proposed Amendment under paragraph (a) above shall include a memorandum addressed to the Note Trustee and the Security Trustee for the benefit of Noteholders, by a reputable law firm confirming that the Proposed Amendment seeks to address the non-compliance set out in paragraph (a) above and each of the Note Trustee and the Security Trustee shall be entitled to rely on such certificate and memorandum without enquiry or liability; and

(ii) the Issuer certifying in writing to the Note Trustee and the Security Trustee (upon which certificate the Note Trustee and the Security Trustee may rely absolutely and without liability or enquiry) that:

(A) the Issuer has provided at least 30 calendar days' notice to the Noteholders and Certificateholders of each Class of the proposed modification in accordance with Condition 16 (*Notice to Noteholders*) and Certificate Condition 15 (*Notice to Certificateholders*) and by publication on Bloomberg on the "Company Filings" screen relating to the Notes and Certificates (then in issue); and

(B) Noteholders or Certificateholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding and persons entitled to at least 10 per cent. in aggregate of the share of Residual Deferred Consideration have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or the Class Y Certificates (then in issue) may be held) within such notification period

notifying the Issuer that such Noteholders or persons entitled to Residual Deferred Consideration do not consent to the modification.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding or persons entitled to at least 10 per cent. of the share of Residual Deferred Consideration have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which such Notes or Class Y Certificates (then in issue) may be held within the notification period referred to above that they object to the proposed modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding and/or of the Class Y Certificates or of persons entitled to the Residual Deferred Consideration, as applicable, is passed in favour of such modification in accordance with the Trust Deed.

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes or the relevant Certificateholder's holding of the Class Y Certificates or entitlement to the Residual Deferred Consideration.

Neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification pursuant to this Certificate Condition 12.6 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 or duties, or decreasing the protections of the Note Trustee (and/or the Security Trustee) in the Transaction Documents and/or the Certificate Conditions.

Notwithstanding anything to the contrary in the Trust Deed or the other Transaction Documents, when implementing any Proposed Amendment pursuant to this Certificate Condition 12.6, the Note Trustee shall not consider the interests of the Noteholders, the Certificateholders or any other Secured Creditor (other than itself (and the Security Trustee) as provided above) or any other person and each of the Note Trustee and the Security Trustee and shall be entitled to rely, without investigation, on any certificate or legal memorandum provided to it by the Issuer pursuant to this Certificate Condition 12.6 as evidence that the Proposed Amendments are made solely for the purpose of enabling the Issuer to satisfy any such obligation applicable to it, and have been drafted solely to such effect and shall not be liable to any Noteholder, Certificateholder or other Secured Creditor for so acting or relying irrespective of whether any such modification is or may be materially prejudicial to the interests of the Noteholders of any Class, the Certificateholders of any Class or any other Secured Creditor or any other person.

Only modifications which comply with this Certificate Condition 12.6 may be made pursuant to this Certificate Condition 12.6. Any other modifications may only be made pursuant to Certificate Condition 12.4 or Certificate Condition 12.9 and the Trust Deed.

12.7 Any such modification, waiver, authorisation or determination by the Note Trustee and/or the Security Trustee, as applicable, in accordance with these Certificate Conditions, the Conditions or Transaction Documents shall be binding on the persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration, unless the Note Trustee or, as the case may be, the Security Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Certificateholders as soon as practicable thereafter in accordance with Certificate Condition 15 (*Notice to Certificateholders*).

12.8 Any modification to the Transaction Documents and the Certificate Conditions shall be notified by the Issuer in writing to the Rating Agencies.

12.9 In connection with any such substitution of principal debtor referred to in Condition 7.9 (*Optional redemption for tax and other reasons*) or Certificate Condition 12.16 (*Issuer substitution condition*), the Note Trustee may agree, without the consent of the Noteholders, the Certificateholders or the other Secured Creditors, to a change of the laws governing the Certificates, these Certificate Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Certificateholders of any Class or the Certificateholders of any Class.

12.10 In determining whether a proposed action will not be materially prejudicial to the interests of the Noteholders of any Class or Certificateholders of any Class thereof, the Note Trustee may, among other things, have regard to whether the Rating Agencies have confirmed in writing to the Issuer or any other party to the Transaction Documents that any proposed action will not result in the withdrawal or reduction of, or entail any other adverse action with respect to, the then current ratings of the Rated Notes. It is agreed and acknowledged by the Note Trustee that, notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Noteholders and/or the Certificateholders. In being entitled to take into account that each of the Rating Agencies has confirmed that the then current ratings of the Rated Notes would not be adversely affected, it is agreed and acknowledged by the Note Trustee this does not impose or extend any actual or contingent liability for each of the Rating Agencies to the Security Trustee, the Note Trustee, the Noteholders, the Certificateholders or any other person, or create any legal relations between each of the Rating Agencies and the Note Trustee, the Noteholders, the Certificateholders or any other person, whether by way of contract or otherwise.

12.11 Where, in connection with the exercise or performance by each of them of any right, power, trust, authority, duty or discretion under or in relation to these Certificate Conditions or any of the Transaction Documents (including in relation to any modification, waiver, authorisation, determination, substitution or change of laws as referred to above), the Note Trustee or the Security Trustee (acting on the instructions of the Note Trustee) is required to have regard to the interests of the Noteholders of any Class or Certificateholders of any Class or Classes, it shall (a) have regard (except as expressly provided otherwise and at all times subject to the Senior Deferred Consideration Entrenched Rights and the Retained Interest Entrenched Rights) to the general interests of the Noteholders or Certificateholders of such Class or Classes but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Certificateholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders or Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political subdivision thereof, and the Note Trustee or, as the case may be, the Security Trustee shall not be entitled to require, nor shall any Noteholder or Certificateholder be entitled to claim, from the Issuer, the Note Trustee or the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Certificateholders and (b) subject to the more detailed provisions of the Trust Deed and the Deed of Charge, as applicable, have regard to the interests of holders of each Class of Notes and Class of Certificates (except where expressly provided otherwise) but requiring the Note Trustee and the Security Trustee where there is a conflict of interests between one or more Classes of Notes and/or Class of Certificates in any such case to have regard (except as expressly provided otherwise) to the interests of the holders of the Class or Classes of Notes or Certificates ranking in priority to the other relevant Classes of Notes or Certificates in the Post-Enforcement Priority of Payments (other than the Class S Certificates or the persons entitled to the Senior Deferred Consideration, in respect of which the Note Trustee or, as the case may be, the Security Trustee will have regard only as to the Senior Deferred Consideration Entrenched Rights).

12.12 "**Ordinary Resolution**" means, in respect of the holders of any of the Classes of Notes or Certificates:

(a) a resolution passed at a meeting of Noteholders and/or Certificateholders duly convened and held in accordance with the Trust Deed (including by way of conference call and by use of a videoconference platform) and these Conditions by a clear majority of the Eligible Persons voting thereat on a show of hands or, if a poll is duly demanded, by a clear majority of the votes cast on such poll (calculated on the basis of the aggregate Principal Amount Outstanding of the relevant Class of Notes and/or Certificates held by such Eligible Persons);

(b) a resolution in writing signed by or on behalf of the Noteholders and/or Certificateholders of a clear majority of the aggregate Principal Amount Outstanding of the Notes and/or Certificates, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant class of Noteholders and/or Certificateholders of the relevant Class; or

(c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the Noteholders and/or Certificateholders holding a clear majority in aggregate Principal Amount Outstanding of the relevant Class of Notes or Class of Certificates.

12.13 "**Extraordinary Resolution**" means, in respect of the holders of any of the Classes of Notes and/or Certificates:

(a) a resolution passed at a meeting of Noteholders and/or Certificateholders duly convened and held in accordance with the Trust Deed (including by way of conference call and by use of a videoconference platform) and these Certificate Conditions by at least 75 per cent. of Eligible Persons voting at such meeting upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than 75 per cent. of the votes cast on such poll (calculated on the basis of the aggregate Principal Amount Outstanding of the relevant Class of Notes and/or Certificates held by such Eligible Persons);

(b) a resolution in writing signed by or on behalf of the Noteholders and/or Certificateholders of at least 75 per cent. of the aggregate Principal Amount Outstanding of the Notes and/or the Certificates, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant class of Noteholders and/or Certificateholders of the relevant Class; or

(c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the Noteholders and/or Certificateholders holding at least 75 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Notes and/or the Certificates.

12.14 Details of any Extraordinary Resolution and any Ordinary Resolution passed in accordance with the provisions of the Trust Deed shall be notified to each of the Rating Agencies by the Principal Paying Agent on behalf of the Issuer.

12.15 The Certificates will not have a Principal Amount Outstanding. However, for the purposes of the voting and quorum provisions, and the provisions concerning the giving of directions in writing to the Note Trustee or the Security Trustee, set out in the Conditions, the Certificate Conditions, the Deed of Charge and the Trust Deed any reference to the Principal Amount Outstanding of the Class S Certificates and the Class Y Certificates shall be deemed to be £1,000,000 in respect of each Class of Certificate.

12.16 Issuer substitution condition

The Note Trustee may agree, subject to such amendment of these Certificate Conditions and of any of the Transaction Documents, and to such other conditions as the Note Trustee may require and subject to

the terms of the Trust Deed, but without the consent of the Certificateholders, to the substitution of another body corporate in place of the Issuer as principal debtor under the Trust Deed, the Notes and the Certificates and in respect of the other secured obligations, provided that (a) the conditions set out in the Trust Deed are satisfied including, inter alia, that the Certificates are unconditionally and irrevocably guaranteed by the Issuer (unless all of the assets of the Issuer are transferred to such body corporate) and that such body corporate is a single purpose vehicle and undertakes itself to be bound by provisions corresponding to those set out in Condition 5 (*Covenants*) and (b) a legal opinion or memorandum in respect of whether the substituted issuer is required to be an sponsored structured finance vehicle for the purposes of the Ring-Fencing Rules has been delivered in a form and substance satisfactory to the Note Trustee and which is capable of being relied on by the Note Trustee. In the case of a substitution pursuant to this Certificate Condition 12.16, the Note Trustee may in its absolute discretion agree, without the consent of the Certificateholders, to a change in law governing the Certificates and/or any of the Transaction Documents unless such change would, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders of any Class and the Certificateholders of each Class.

12.17 Limited recourse

If at any time following:

(a) the occurrence of either:

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

(ii) the delivery by the Note Trustee of an Enforcement Notice; and

(b) Realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Certificates 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 Certificates then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) in respect of such Class of Certificates (and any Class of Certificates junior to that Class of Certificates) 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. "**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 Certificateholders, 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.

13. 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 pre-funded

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 Seller 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 that may arise because it is liable to tax in respect of the proceeds of any Security.

14. REPLACEMENT OF CERTIFICATES

If Individual Certificates are lost, stolen, mutilated, defaced or destroyed, the Certificateholder can replace them at the specified office of the Principal Paying Agent subject to all applicable laws. The Certificateholder will be required both to pay the expenses of producing a replacement and to comply with the Issuer's, the Registrar's and the Principal Paying Agent's reasonable requests for evidence and indemnity.

If a Global Certificate is lost, stolen, mutilated, defaced or destroyed, the Issuer will procure the delivery of a replacement Global Certificate to the registered holder upon receipt of satisfactory evidence and surrender of any defaced or mutilated Global Certificate. A replacement will only be made upon payment of the expenses for a replacement and compliance with the Issuer's, Registrar's and Principal Paying Agent's reasonable requests as to evidence and indemnity.

Defaced or mutilated Global Certificates or Individual Certificates must be surrendered before replacements will be issued.

15. NOTICE TO CERTIFICATEHOLDERS

15.1 Publication of notice

Any notice to Certificateholders will be validly given if such notice is:

(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

(b) published in the *Financial Times*,

or, if any such newspaper 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 United Kingdom **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.

15.2 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.

15.3 Global Certificates

While the Certificates are represented by Global Certificates, any notice to Certificateholders will be validly given if such notice is provided in accordance with Certificate Condition 15.1 (*Publication of notice*) or (at the option of the Issuer) if delivered to Euroclear and/or Clearstream, Luxembourg. Any notice delivered to Euroclear and/or Clearstream, Luxembourg and/or such alternative Clearing System will be deemed to be given on the day of delivery.

15.4 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 Certificateholders or any 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 quotation systems on or by which the Certificates are then quoted and/or traded and **provided that** notice of such other method is given to the Certificateholders in such manner as the Note Trustee will require.

16. GOVERNING LAW AND JURISDICTION

The Transaction Documents and all non-contractual obligations arising out of or in connection with them are and the Certificates are governed by English law unless specifically stated to the contrary. The Scottish Declaration of Trust, the 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, and certain provisions in the Transaction Documents relating to property situated in Northern Ireland and all non-contractual obligations arising out of or in connection with them are governed by Northern Irish 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 Certificate Conditions) which may arise out of or in connection with the Certificates 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 Certificate Condition of the Certificates 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.

FURTHER INFORMATION RELATING TO THE REGULATION OF MORTGAGES IN THE UK

Regulation of the UK Residential Mortgage Market

In the United Kingdom, regulation of residential mortgage business under the FSMA came into force on 31 October 2004 (the "**Regulation Effective Date**"). Entering into a regulated mortgage contract as a lender, arranging a regulated mortgage contract, 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 the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) (as amended) (the "**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 or varied, such that a new contract was entered into on or after the Regulation Effective Date but before 21 March 2016, it will be a regulated mortgage contract under the RAO if (a) the lender provided credit to an individual or to trustees, (b) the obligation of the borrower to repay to be secured by a first legal mortgage (or in Scotland, a first ranking Standard Security on land) (other than timeshare accommodation) on land in the UK, and (c) at least 40 per cent. of that land 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 is a beneficiary of the trust or by a related person.

The current definition of a "Regulated Mortgage Contract" (a "**Regulated Mortgage Contract**") is such that if a mortgage contract was entered into on or after 21 March 2016, the contract will be a Regulated Mortgage Contract if, at the time it is entered into, the following conditions (when read in conjunction with and subject to certain relevant exclusions) were met: (a) the borrower is an individual or trustee; (b) the contract provides for the obligation of the borrower to repay to be secured by a mortgage (or in Scotland, heritable security) on land at least 40 per cent. 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 which 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. A related person (in relation to a borrower, or in the case of credit provided to trustees, a beneficiary of the trust) 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. In relation to a contract entered into before 11pm 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 11pm on 31 December 2020, 'land' means land in the United Kingdom.

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 the Seller) 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 Seller, the Legal Title Holder and Servicer hold authorisation and permission to enter into a Regulated Mortgage Contract as lender and to administer Regulated Mortgage Contracts and (where applicable) to advise in respect of Regulated Mortgage Contracts. Subject to certain exemptions, brokers will be 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 Article 62 of 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 an administration agreement by an entity having the required FCA authorisation and permission. If such an administration agreement terminates, however, the Issuer will be required to arrange for mortgage administration to be carried out by a replacement administrator having the required FCA authorisation and permission, and will have a period of not more than one month (beginning with the day on which such agreement terminates) in which to do so.

The Issuer will not itself be an authorised person under FSMA. 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. In addition, no variation has been or will be made to the Mortgage Loans and no Further Advance or Product Switch has been or will be made in relation to a Mortgage Loan, where it would result in the Issuer arranging or advising in respect of, administering or entering into a Regulated Mortgage Contract or agreeing to carry on any of these activities, if the Issuer would be required to be authorised under the FSMA to do so.

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.

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 an FCA rule, 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 (or exercise analogous rights in Scotland).

Any regulated activities carried on by an entity that is not authorised under the FSMA would be in breach of the general prohibition on conducting unauthorised regulated activities in Section 19 FSMA and would be a criminal offence. In addition to criminal offences, the FCA may take civil action against a firm which breaches Section 19 FSMA with, potentially, the imposition of unlimited fines. Therefore, to the extent that the Issuer or the Servicer does not ensure that it acts with the necessary authorisation under the FSMA, there is a risk that such action will result in criminal or civil sanctions against the Issuer or the Servicer. However, this will not render the contract unenforceable against the borrower.

The Seller will give the Mortgage Loan Warranties to the Issuer in the Mortgage Sale Agreement. These include, among other things, that each relevant Mortgage Loan and its Related Security is enforceable (subject to certain exceptions). The Mortgage Sale Agreement and Servicing Agreement provide that in respect of a breach of a Mortgage Loan Warranty (which, if capable of remedy, is not remedied within the specified time) that has a material adverse effect, the Issuer and, following the delivery of an Enforcement Notice, the Security Trustee may require the Seller to repurchase the relevant Mortgage Loan in exchange for payment of a repurchase price following re-assignment by the Issuer to the Seller of the relevant Mortgage Loan and its Related Security.

Regulation of residential secured lending (other than Regulated Mortgage Contracts)

The UK government had a policy commitment to move second charge lending into the regulatory regime for mortgage lending, replacing the regime for consumer credit under which second charge lending previously fell.

The UK government concluded that there was a strong case for regulating lending secured on a borrower's home consistently, regardless of whether it is secured by a first or subsequent charge. The UK government also proposed to move the regulation of second (and subsequent) charge loans already in existence before 21 March 2016 to the regulated mortgage contract regime rather than keeping them within the consumer credit regime. The policy of regulating lending secured on a borrower's home consistently also meant that the UK government decided to change the regulatory regime of pre-2004 first charge loans regulated by the CCA. Mortgage regulation under FSMA began on 31 October 2004. Mortgages entered into before that date were regulated by the CCA, provided they did not exceed the financial threshold in place when they were entered into and were not otherwise exempt. In November 2015, the UK government made legislation which meant that the administration of and other activities relating to those pre-October 2004 first charge mortgages which at that time were regulated by the CCA became regulated mortgage activities from 21 March 2017 although firms could have adopted the new rules from 21 March 2016 if they chose. The move of CCA-regulated mortgages to the FSMA regime was implemented by the Mortgage Credit Directive Order 2015 on 21 March 2016 (the "**MCD Order**"). The government has put in place transitional provisions for existing loans so that some of the CCA protections in place when the Mortgage Loans were originally taken out were not removed retrospectively.

Credit agreements that were originated before 21 March 2016 which are regulated by the CCA and that would have been Regulated Mortgage Contracts had they been entered into on or after 21 March 2016 are defined by the MCD Order as "consumer credit back book mortgage contracts" and would also therefore be Regulated Mortgage Contracts. The main CCA consumer protection retained in respect of consumer credit back book mortgage contracts is the continuing unenforceability of the agreement if it was rendered unenforceable by the CCA prior to 21 March 2016. Unless the agreement was irredeemably unenforceable, the lender may enforce the agreement by seeking a court order or bringing any relevant period of non-compliance with the CCA to an end in the same manner as would have applied if the agreement was still regulated by the CCA. If a consumer credit back book mortgage contract was void as a result of Section 56(3) of the CCA, that agreement or the relevant part of it will remain void. Restrictions on early settlement fees will also be retained. If interest was not chargeable under a consumer credit back book mortgage contract due to non-compliance with Section 77A of the CCA (duty to serve an annual statement) or Section 86B of the CCA (duty to serve a notice of sums in arrears), once the consumer credit back book mortgage contract became regulated by FSMA under the MCD Order as of 21 March 2016, the sanction of interest not being chargeable under Section 77A of the CCA and Section 86D of the CCA ceased to apply, but only for interest payable under those loans after 21 March 2016. A consumer credit back book mortgage contract will also be subject to the unfair relationship provisions described below. Certain provisions of MCOB are applicable to these consumer credit back book mortgage contracts. These include the rules relating to disclosure at the start of a contract and post-sale disclosure (MCOB 7), charges (MCOB 12) and arrears, payment shortfalls and repossessions (MCOB 13). General conduct of business standards will also apply (MCOB 2). This process is subject to detailed transitional provisions that are intended to retain certain customer protections in the FCA's Consumer Credit Sourcebook and the CCA that are not contained within MCOB.

The Seller will give warranties to the Issuer in the Mortgage Sale Agreement that, among other things, each of the respective Mortgage Loans and their Related Security is enforceable (subject to exceptions). If a Mortgage Loan or its Related Security does not comply with these warranties, and if the default cannot be or is not cured within the time periods specified in the Mortgage Sale Agreement, then the Issuer will re-assign the relevant Mortgage Loan and its Related Security to the Seller and the Seller will, upon such re-assignment from the Issuer, be solely liable to repurchase the relevant Mortgage Loan(s) and their Related Security from the Issuer in accordance with the Mortgage Sale Agreement and Servicing Agreement.

This regulatory regime may affect the enforceability of certain Mortgage Loans.

Matters relating to Help to Buy Mortgage Loans

In November 2020, the UK Government announced a new "Help to Buy" scheme to be made available to eligible borrowers from April 2021 to March 2023. The scheme involves a shared equity loan made available by the UK Government to Borrowers for the purchase of new homes of up to 20 per cent. of the cost of the new build home or up to 40 per cent. in London. The scheme is restricted to first-time buyers and includes regional upper limits

on the full property purchase price. Loans made by the UK Government under the 2021-2023 Help to Buy equity scheme are each a "**Help to Buy Government Loan**". Approximately 3.91 per cent. by Current Balance as at the Portfolio Reference Date of the Mortgage Loans in the Mortgage Portfolio are Mortgage Loans where the Borrower also has a Help to Buy Government Loan in respect of the relevant property (each a "**Help to Buy Mortgage Loan**").

The Help to Buy Government Loan is secured by way of a second charge mortgage on the relevant property. Following a sale of a property which benefits from a Help to Buy Government Loan, the UK Government (through Homes England) will be repaid a pro rata amount of the disposal proceeds of the property equal to the percentage of the original purchase price funded by the Help to Buy Government Loan regardless of whether the disposal value has increased or decreased relative to the original purchase price. In circumstances where the disposal proceeds are insufficient to discharge in full both the Loan and the Help to Buy Government Loan secured on the property, the disposal proceeds will be applied to discharge the first ranking legal Mortgage and the remaining proceeds (if any) applied to discharge the Help to Buy Government Loan. The enforcement or repossession of the Help to Buy Government Loan by the Seller will not require the consent of Homes England, however any disposal of a property which benefits from a Help to Buy Government Loan (including following an enforcement), will require the consent of Homes England which may result in a delay to the enforcement of the relevant Mortgage.

Interest payable on Help to Buy Mortgage Loans is calculated automatically based on affordability and the proportion of the shared equity loan as compared to the cost of the relevant Mortgaged Property. The UK Government equity share is not repayable until the sale of the relevant Mortgaged Property and interest only becomes payable on such equity share from the fifth anniversary of origination.

In Scotland, equivalent "Help to Buy (Scotland)" schemes previously applied which were run by the Scottish Government and under which a contribution of up to 15 per cent. of the purchase price was available to qualifying participants, subject to certain maximum threshold prices. The contribution is secured by a second ranking standard security in favour of the Scottish Ministers and a ranking agreement is put in place to regulate the application of proceeds between the mortgage lender as first ranking creditor and the Scottish Ministers as second ranking creditor. No new applications are currently being accepted under the primary Help to Buy (Scotland) schemes, although some additional financial support schemes for home buyers still remain available through the Scottish government.

The second proposal announced by the UK Government to assist home buyers involves a guarantee provided by the UK Government for loans made to borrowers allowing for borrowings by potential purchasers with an up to 95 per cent. LTV ratio (the "**Mortgage Guarantee Scheme**"). None of the Loans in the Portfolio benefit from the Mortgage Guarantee Scheme.

Right to Buy Loans

0.65 per cent of the Loans by Current Balance in the Provisional Portfolio as at the Portfolio Reference Date are Right to Buy Loans. Properties sold under the Right to Buy scheme of the Housing Act 1985 are sold by the landlord at a discount to market value calculated in accordance with the Housing Act 1985. A purchaser under the scheme of the Housing Act 1985 must repay the whole of the discount if he or she disposes of the property within one year of acquiring it from the landlord, four-fifths if he or she does so within two years, three-fifths if within three years, two-fifths if within four years and one-fifth if within five years. The landlord obtains a statutory charge in respect of the contingent liability of the purchaser under the scheme to repay the discount. Under the Housing Act 1985, such statutory charge ranks in priority to other charges including that of any mortgage lenders except in certain circumstances. Such statutory charge shall automatically rank behind any charge on the related property in relation to monies advanced by an approved lending institution to the extent they are advanced for the purpose of enabling the purchaser to exercise his or her right to buy. The purchaser is required, before a sale or disposal of the property within ten years of the date of purchase, to offer the property to the landlord or another social landlord at full market value and to allow up to eight weeks for acceptance of the offer. A mortgage lender selling the property as a mortgagee in possession in such circumstances will also be obliged to grant such right of first refusal to the landlord or other social landlord.

The equivalent right to buy scheme in Scotland was abolished in 2016 and any contingent liability of an owner to repay a proportion of the discount within a specified period has now expired.

FCA Consumer Duty

The FCA, in July 2022, published final rules on the introduction of the Consumer Duty on regulated firms, which aims to set a higher level of consumer protection in retail financial markets. 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 Consumer Duty applies to the regulated activities and ancillary activities of all firms authorised under the Financial Services and Markets Act 2000 ("**FSMA**"), where such firms carry on certain specified activities with consumers.

There are three main elements to the Consumer Duty, comprising, (1) the new consumer principle, that requires firms to act to deliver good outcomes for retail customers, (2) the cross-cutting rules supporting the consumer principle, and (3) the four outcomes, relating to the (i) quality of firms' products and services, (ii) price and value, (iii) consumer understanding, and (iv) consumer support.

The Consumer Duty applies not only at the origination of a product but throughout its subsistence. In the case of a mortgage loan, the Consumer Duty applies at origination and throughout the period the mortgage loan is outstanding. The cross-cutting rules include an obligation for firms to act in good faith and requires firms to avoid causing foreseeable harm to the consumers as well as a requirement for firms to enable and support retail customers in the customer's pursuit of their financial objectives. The outcomes include an obligation to ensure that the product (for example, a mortgage loan) provides fair value and price to the retail customer. These obligations (and 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 to firms administering or servicing those mortgage loans. Although the Consumer Duty does not apply retrospectively to past business, 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 Mortgage Portfolio, it could adversely affect the amounts received or recoverable in relation to the Mortgage Portfolio. This may adversely affect the ability of the Issuer to make payments in full on the Notes when due. It is not yet fully possible to predict the precise effect of the new Consumer Duty on the Loans with any certainty.

Unfair relationships

Under the Consumer Credit Act 2006, the "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 under the FSMA. If a 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 originator, or any assignee (such as the Issuer), to repay amounts received from the borrower. In applying the "unfair relationship" test, the courts are able to consider a wider range of circumstances surrounding the transaction, including the creditor's conduct (or the conduct of 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 the relationship "unfair". However, the word "unfair" is not an unfamiliar term in UK legislation due to the UTCCR and CRA (each as defined below). The courts may, but are not obliged to, look solely to the CCA 2006 for guidance. The principle of "treating customers fairly" under the FSMA, and guidance published by the PRA and the FCA (and, prior to 1 April 2013, the FSA) on that principle and by the FCA (and, prior to 1 April 2014,

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 [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. Where add-on products such as insurance are sold and are subject to a significant commission payment, it is possible that the non-disclosure of commission by the lender is a factor that could form part of a finding of an unfair relationship.

If a court determined that there was an unfair relationship between the lender and the borrowers in respect of the Mortgage Loans and ordered that financial redress was made in respect of such Mortgage Loans, and such redress may adversely affect the ultimate amount received by the Issuer in respect of the relevant Loans and the realisable value of the Mortgage Portfolio. See "*Risk Factors – Legal and Regulatory Risks relating to the Mortgage Loans – Mortgage Loans are subject to certain legal and regulatory risks – Unfair Relationships*" for further details on the effect any such redress may have on the Issuer.

Distance Marketing Regulations

In the UK, 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 lender and the borrower).

The Distance Marketing Regulations (and MCOB in respect of activities related to Regulated Mortgage Contracts) 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 a distance contract for the supply of financial services 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 UK lender (who is authorised by the FCA) from an establishment in the UK, 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 possible claims for damages under Section 138D of FSMA.

Certain other agreements for financial services (including consumer buy-to-let mortgage loans) will be cancellable under the Distance Marketing Regulations if the borrower does not receive 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 the 14 days beginning with (a) 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 (b) 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:

the borrower is liable to repay the principal and any other sums paid by or on behalf of the lender to the borrower under or in relation to the cancelled 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;

(a) the borrower is liable to pay interest, any early repayment charges and other applicable 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 to the full coverage of the contract) and the amount 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 lender did not commence performance of the contract before the expiry of the relevant cancellation period (unless requested to do so by the borrower); and

(b) any security provided in relation to the contract is to be treated as never having had effect.

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.

Unfair Terms in Consumer Contracts Regulations 1994 and 1999 and Consumer Rights Act 2015

In the United Kingdom, the Unfair Terms in Consumer Contracts Regulations 1999 as amended (the "**1999 Regulations**"), together with (insofar as applicable) the Unfair Terms in Consumer Contracts Regulation 1994 (together with the 1999 Regulations, the "**UTCCR**"), applies to business-to-consumer agreements made on or after 1 July 1995 and prior to 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 (see "*Unfair Terms in Consumer Contracts Regulations 1994 and 1999 and Consumer Rights Act 2015*" below)

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" 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 that are considered to be unfair.

UTCCR

The UTCCR and the CRA will not generally affect terms which define the main subject matter of the contract, such as the borrower's obligation to repay the principal under a loan (**provided that** these terms are written in plain and intelligible language and are drawn adequately to the consumer's attention), but 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 Legal Title Holder is permitted to do) were found to be unfair, the borrower would not be liable to pay interest at the increased rate or, to the extent that the borrower has paid it, would 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 that the borrower has taken with the lender (or exercise analogous rights in Scotland).

CRA

The main provisions of the CRA came into force on 1 October 2015 and apply to agreements entered into 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.

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: (a) take into account the nature of the subject matter of the contract; (b) refer to all the circumstances existing when the term was agreed; and (c) 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 of Schedule 2 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 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.

Regulatory developments

Historically, the OFT, FSA and FCA (as appropriate) have issued guidance on the UTCCR. This has included: (a) OFT guidance on fair terms for interest variation in mortgage contracts dated February 2000; (b) an FSA statement of good practice on fairness of terms in consumer contracts dated May 2005; (c) an FSA statement of good practice on mortgage exit administration fees dated January 2007; and (d) 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 above-mentioned guidance) relating to unfair contract terms. The FCA stated that such material "no longer reflects the FCA's views on unfair contract terms" and firms should no longer rely on the content of the documents that have been removed.

The broad and general wording of the UTCCR and 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 the CRA may contain unfair terms that may result in the possible unenforceability of the terms of the underlying loans.

The provisions in the CRA governing unfair contractual terms came into force on 1 October 2015. 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 Competition and Markets Authority ("**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 Consumer Rights Act 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 European Union particularly, is for the most part as relevant to the Act as it was the UTCCRs". In general, the interpretation of the UTCCR and the CRA 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 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 that 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.

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 (the "**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.

See "*Risk Factors – Legal and Regulatory Risks relating to the Mortgage Loans – Mortgage Loans are subject to certain legal and regulatory risks – Guidance Issued by the Regulators*" and "*Risk Factors – Legal and Regulatory Risks relating to the Mortgage Loans – Mortgage Loans are subject to certain legal and regulatory risks – UTCCR and CRA*" for details on the effect that any change in guidance issued by the regulators or changes in legislation may have on the Issuer and other transaction parties.

See "*Risk Factors – Legal and Regulatory Risks relating to the Mortgage Loans – Mortgage Loans are subject to certain legal and regulatory risks – Guidance Issued by the Regulators*" and "*Risk Factors – Legal and Regulatory Risks relating to the Mortgage Loans – Mortgage Loans are subject to certain legal and regulatory risks – UTCCR and CRA*" for details on the effect that any change in guidance issued by the regulators or changes in legislation may have on the Issuer and other transaction parties.

Consumer Protection from Unfair Trading Regulations 2008

The Consumer Protection from Unfair Trading Regulations 2008 (the "**CPUTR**"), came into force on 26 May 2008 and 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. Most of the provisions of the Consumer Protection (Amendment) Regulations 2014 (SI No. 870/2014) 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.

Repossessions

A protocol for mortgage repossession cases in England and Wales came into force on 19 November 2008 and was replaced with an updated protocol for mortgage possession claims which came into force on 6 April 2015 (the "**Pre-Action Protocol**") 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 may be subject to the wishes of the relevant borrower and may not apply in cases of fraud. The Pre-Action Protocol is

addressed to residential mortgage lenders and may have adverse effects in markets experiencing above-average levels of possession claims.

Similar to the above, prior to commencing legal proceedings for repossession of a property in Northern Ireland, a lender or security-holder should have due regard to the provisions contained within the "Pre-Action Protocol for Possession Proceedings based on Mortgage Arrears in respect of Residential Property" which came into effect on 1 November 2021 and sets out best practice for interaction between the lender or security-holder and the borrower prior to the issuance of formal legal proceedings in Northern Ireland (the "**Northern Irish Pre-Action Protocol**"). The Northern Irish Pre-Action Protocol is addressed to residential mortgage lenders operating in Northern Ireland and, similar to the Pre-Action Protocol, may have adverse effects in markets experiencing above-average levels of possession claims.

In addition, MCOB rules for Regulated Mortgage Contracts prevent the lender from: (a) repossessing the property unless all other reasonable attempts to resolve the position have failed, or a change in the product type; and (b) automatically capitalising a payment shortfall.

FCA response to the cost-of-living crisis

On 16 June 2022, the FCA sent a "Dear CEO" letter which stated that the FCA consider that the Mortgages Tailored Support Guidance published on 25 March 2021 (the "**Mortgages Tailored Support Guidance**") which was issued to address exceptional circumstances arising out of coronavirus, is also relevant for borrowers in financial difficulties due to other circumstances such as the rising cost of living. Therefore, if a borrower indicates that they are experiencing or reasonably expect to experience payment difficulties due to the rising cost of living, the FCA have said that lenders should offer prospective forbearance to enable them to avoid, reduce, or manage any payment shortfall that would otherwise arise. This includes borrowers who have not yet missed a payment.

The Mortgages Tailored Support Guidance emphasises the MCOB requirement that a lender must not repossess a property unless all other reasonable attempts to resolve the position have failed. It further states that mortgage lenders must also establish and implement clear, effective and appropriate policies and procedures for the fair and appropriate treatment of borrowers whom the lender understands, or reasonably suspects, to be particularly vulnerable. The Mortgages Tailored Support Guidance also confirms the FCA's expectation that action to seek possession should be a last resort.

In addition, the FCA proposed that lenders considering or resuming possession proceedings, should support and enable borrowers to disclose circumstances that might make them particularly vulnerable to repossession action at this time – and to consider whether additional care may be required as a result.

On 10 March 2023, the FCA published finalised guidance: "Guidance for firms supporting their existing mortgage borrowers impacted by the rising cost of living" (FG23/2). The FCA stated that the purpose of the finalised guidance was to ensure that lenders are clear about the effect of the FCA rules and the range of options lenders have to support their customers including those who are facing higher interest rates alongside the rising cost of living. The FCA have said that the guidance clarifies the effect of their existing rules and principles and is not intended to set new expectations or requirements of lenders or to repeat the position set out in other documents, such as the expectations around repossessions or the treatment of vulnerable customers. It explains how lenders can support borrowers in, or at risk of, payment difficulty and confirms the flexibility lenders have under FCA rules and guidance to support borrowers in different ways.

In March 2021, the FCA stated that as the more immediate impacts of coronavirus had begun to subside, they were considering whether they should make any permanent changes to their forbearance regimes for mortgages and credit in light of the Mortgages Tailored Support Guidance. It was proposed that this could include updating the rules and guidance in MCOB and incorporating elements of the Mortgages Tailored Support Guidance. On 25 May 2023, the FCA launched consultation CP23/13 setting out how they planned to incorporate aspects of the Mortgages Tailored Support Guidance into MCOB and withdraw the Mortgages Tailored Support Guidance.

On 10 April 2024, the FCA published PS24/2: Strengthening protections for borrowers in financial difficulty: Consumer credit and mortgages and the related Consumer Credit and Mortgages (Tailored Support) Instrument 2024 (FCA 2024/7). It also published FG24/2: Guidance for firms supporting existing mortgage borrowers impacted by rising living costs. 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 are doing 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 have 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 will come into force on 4 November 2024 and the Mortgages Tailored Support Guidance will be withdrawn at that time.

There can be no assurance that the FCA, or other UK government or regulatory bodies, will not take further steps in response to the rising cost of living in the UK which may impact the performance of the Loans, including further amending and extending the scope of the above guidance.

Mortgage Charter

On 26 June 2023, HM Treasury published the 'Mortgage Charter' in light of the current pressures on households following interest rate rises and the cost-of-living crisis. The Mortgage Charter states that the UK's largest mortgage lenders and the FCA have agreed with the Chancellor a set of standards that they will adopt when helping their regulated mortgage borrowers worried about high interest rates (the "**Mortgage Charter**"). The Seller, Legal Title Holder and the Servicer are signatories to the Mortgage Charter and have 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.

With the 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 FCA announced that it intends to review the impact of the rule changes within 12 months.

The charter is currently voluntary and adhering to it will be a decision for lenders to make individually.

4.17 per cent. of the Current Balance as at the Portfolio Reference Date of the Mortgage Portfolio is on a mortgage charter arrangement. 93.77 per cent. (of the Current Balance as at the Portfolio Reference Date) of these Mortgage Loans that are subject to a Mortgage Charter arrangement are in the form of a temporary interest only arrangement while the remaining 6.23 per cent. (of the Current Balance as at the Portfolio Reference Date) of these Mortgage Loans are on a term extension. 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 and the ability of the Issuer to make payments on the Notes, including further amending and extending the scope of the Mortgage Charter or related rules.

Home Owner and Debtor Protection (Scotland) Act 2010

The Home Owner and Debtor Protection (Scotland) Act 2010 (the "**2010 Act**") came into effect in Scotland on 30 September 2010. Part 1 of the 2010 Act contains provisions imposing additional requirements on heritable creditors (the Scottish equivalent to mortgagees) in relation to the enforcement of standard securities over residential property in Scotland. The 2010 Act amends the sections of the Conveyancing and Feudal Reform (Scotland) Act 1970 which permitted a heritable creditor to proceed to sell the secured property where the formal

notice calling up the Standard Security had expired without challenge (or where a challenge had been made but not upheld). In terms of the 2010 Act, the heritable creditor is now required to obtain a court order to exercise its power of sale, unless the borrower and any other occupier have surrendered the property voluntarily. In addition, the 2010 Act requires the heritable creditor in applying for a court order to demonstrate that it has taken various preliminary steps to resolve the borrower's position, as well as imposing further procedural requirements.

See "*Repossessions*" above for additional factors for investor consideration in relation to the Mortgages Tailored Support Guidance and "*Risk Factors – Legal and Regulatory Risks relating to the Mortgage Loans – FCA measures and guidance*" for a further description of the actions taken by the FCA in response to the COVID-19 outbreak.

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. There is a risk that the 2016 Act may result in lower recoveries in relation to buy-to-let mortgages over properties in Scotland and may affect the ability of the Issuer to make payments under the Notes.

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 United Kingdom 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, and any long-term rent restrictions or delays to a landlord's ability to seek possession of a property introduced under the Housing (Scotland) Bill may result in less rental income being available to meet the Borrower's repayment obligations in respect of their Mortgage Loan.

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) 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.

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 6 months is longer than in England and Wales and does not make any accommodation for mental health crisis. The Scottish Parliament 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.

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, among other things, 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 by an adjudicator. Either party to the case may appeal against the adjudication. In the event of an appeal, the case proceeds to a final decision by the Ombudsman. As the Ombudsman is required to make decisions on the basis of, among other things, the principles of fairness, and may order a monetary award to a complaining borrower, it is not possible to predict how any future decision of the Ombudsman would affect the ability of the Issuer to make payments to Noteholders.

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) ("**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;

(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 two-thirds of the rateable value at 31 March 1990; and

(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 in England and Wales 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. There is a government consultation underway to review residential leasehold law generally and it is anticipated that this issue will be addressed as part of any resulting reforms.

Currently, however, there is a risk that where:

(a) a long lease is also an AT/AST due to the level of the ground rent;

(b) the tenant is in arrears of ground rent for more than three months;

(c) the landlord chooses to use the HA 1988 route to seek possession under Ground 8; and

(d) 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 in England and Wales will come to an end and the landlord will be able to re-enter the relevant property.

In Scotland, the corresponding provisions of the Housing (Scotland) Act 1988 that govern assured tenancies and short assured tenancies (being broadly the Scottish equivalent of an AT and an AST in England and Wales) do not apply to long leases in respect of residential property in Scotland that are capable of being registered in the Registers of Scotland and secured by a standard security.

Scotland Act 2016

The Scotland Act 2016 passed control of income tax to the Scottish Parliament by giving it the power to raise or lower the rate of income tax and thresholds for non-dividend and non-savings income of Scottish residents. The rates and thresholds for income tax that apply to the non-savings and non-dividend income of Scottish taxpayers have, since 6 April 2018, differed from those applied throughout the rest of the UK. At that time, the basic rate of tax was split into three tiers (a starter rate, a basic rate and an intermediate rate). The higher and top rates of tax have also both increased, most recently in April 2024 to 42 per cent. and 48 per cent. respectively. In addition, a new advanced rate was introduced from 6 April 2024 which sits between the higher and top rates and which attracts a rate of 45 per cent. The changes mean that certain taxpayers in Scotland now pay a higher level of tax than Borrowers in the same income bracket in England and Wales.

Land Registration Reform in Scotland

The Land Registration etc. (Scotland) Act 2012 (the "**2012 Act**") 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. Under the 2012 Act, first registration will also be triggered where an application is made to record a standard security over a property recorded in the General Register of Sasines. This would include 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 Agreement (a "**Scottish Sasine Sub-Security**"). A first registration triggered by a Scottish Sasine Sub-Security will likely result in higher legal costs and a longer period required to complete registration than would previously have been the case.

Potential effects of any additional regulatory changes

No assurance can be given that additional regulatory changes by or guidance from the CMA, the FCA, the Ombudsman or any other regulatory authority will not arise with regard to the mortgage market in the United Kingdom generally, the Seller's particular sector in that market or specifically in relation to the Seller. To the extent that the new rules do apply to any of the Mortgage Loans, failure to comply with these rules may entitle a Borrower to claim damages for loss suffered or to set off the amount of the claim against the amount owing under the Mortgage Loan.

Flexible Mortgage Loans

As described under "*Risk Factors – Legal and Regulatory Risks relating to the Structure and the Notes – The Legal Title Holder will initially retain legal title to the Mortgage Loans*", the Seller will make an equitable assignment of the relevant Mortgage Loans and Related Security to the Issuer (or, in the case of Scottish Mortgage Loans and Related Security, will enter into the Scottish Declaration of Trust pursuant to which it will hold the beneficial interest in the Scottish Mortgage Loans on trust for the Issuer, with legal title being retained by the Legal Title Holder). Therefore, the rights of the Issuer may be subject to the direct rights of the Borrowers against the Legal Title Holder, including rights of set-off (or analogous rights under Scots law) existing prior to notification to the Borrowers of the assignment of the Mortgage Loans and Related Security.

Further, there may be circumstances in which:

(a) a Borrower may seek to argue that certain Flexible Feature Payments and Further Advances are unenforceable by virtue of non-compliance with the Consumer Credit Act 1974 (as amended) (the "**CCA**");

(b) a Borrower may seek to argue that a mortgage loan is unenforceable under the FSMA or that there has been a breach of an FCA or PRA rule, and claim damages in respect thereof (see "*Further Information relating to the Regulation of Mortgages in the UK – Regulation of the UK Residential Mortgage Market*"); or

(c) certain Flexible Feature Payments and Further Advances may rank behind security created by a Borrower after the date upon which the Borrower entered into its mortgage loan with the Seller.

UNITED KINGDOM TAX CONSEQUENCES

*The following is a summary of the United Kingdom 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 United Kingdom 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. 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 United Kingdom 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 United Kingdom taxation aspects of payments in respect of the Notes. In particular, listed 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 United Kingdom. This description of United Kingdom tax consequences applies to the Notes only.*

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 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 United Kingdom 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 United Kingdom 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 EEA states, in a country outside the United Kingdom in which there is a recognised stock exchange.

The London Stock Exchange is a recognised stock exchange, and accordingly the Notes will constitute quoted Eurobonds provided they are and continue to be included in the United Kingdom 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 United Kingdom income tax at the basic rate (currently 20 per cent.) 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.

Other rules relating to United Kingdom withholding tax

Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such Notes will not generally be subject to any United Kingdom withholding tax pursuant to the provisions mentioned in "*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 United Kingdom withholding tax as outlined above.

Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom 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", "discount" and "premium" above mean "interest", "discount" and "premium" as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of "interest", "discount" and "premium" 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", "discount" and "premium" or "principal" as those terms are understood in United Kingdom tax law.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an Issuer and does not consider the tax consequences of any such substitution.

UNITED STATES FEDERAL INCOME TAXATION

A discussion of the material U.S. federal income tax consequences of the purchase, ownership and disposition of the Rule 144A Notes is set out below. As set forth in the discussion below it is anticipated that, upon issuance of the Rule 144A Notes, Allen Overy Shearman Sterling US LLP will deliver its opinion that, although there is no statutory, judicial or administrative authority directly addressing the characterisation of instruments similar to the Rule 144A Notes, when issued, the Class A Notes will, and the Class B Notes, the Class C Notes and the Class D Notes should, be treated as debt for U.S. federal income tax purposes.

General

The following is a general summary of certain material U.S. federal income tax consequences that may be relevant with respect to the purchase, ownership and disposition of the Rule 144A Notes (except for the discussions under "*Taxation of United States holders of the Equity Notes – Taxation of Non-United States holders of the Notes*" and *Taxation of United States holders of the Equity Notes* – "*Back-up withholding and information reporting*" which apply in respect of all Notes). In general, the discussion only addresses a holder that acquires the Notes at original issuance and holds the Notes as capital assets. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the Notes. In particular, it does not discuss special tax considerations that may apply to certain types of taxpayers, including, without limitation, the following:

(a) financial institutions;

(b) insurance companies;

(c) dealers or traders in stocks, securities, notional principal contracts or currencies;

(d) tax-exempt entities;

(e) regulated investment companies;

(f) real estate investment trusts;

(g) persons that will hold the Notes as part of a "hedging" or "conversion" transaction or as a position in a "straddle" for U.S. federal income tax purposes;

(h) partnerships or other pass-through entities for U.S. federal income tax purposes;

(i) certain former citizens or residents of the United States;

(j) persons subject to special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account in an applicable financial statement; and

(k) United States holders (as defined below) that have a "functional currency" other than the U.S. Dollar.

This discussion also does not address alternative minimum tax or net investment income tax consequences, or the indirect effects on the holders of equity interests in holders of Notes, nor does it describe any tax consequences arising under the laws of any taxing jurisdiction other than the U.S. federal government.

This discussion is based on the Code, U.S. Treasury regulations and judicial and administrative interpretations thereof, all as currently in effect and subject to change at any time, possibly with retroactive effect.

No rulings will be sought from the U.S. Internal Revenue Service (the "**IRS**") on any of the issues discussed in this section and there can be no assurance that the IRS or courts will agree with the conclusions expressed herein. Accordingly, investors are encouraged to consult their own tax advisers as to the U.S. federal income tax

consequences to the investor of the purchase, ownership and disposition of the Notes to them, including the possible application of state, local, non-U.S. or other tax laws, and other U.S. tax issues affecting the transaction.

As used in this section, the term **United States holder** means a beneficial owner of Notes that is for U.S. federal income tax purposes:

(a) a citizen or resident of the United States;

(b) a corporation created or organised in or under the laws of the United States or any state thereof (including the District of Columbia);

(c) any estate the income of which is subject to U.S. federal income tax regardless of the source of its income; or

(d) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust.

A **Non-United States holder** is a beneficial owner of the Notes that is not a United States holder and not a partnership. If a holder of Notes is a partnership for U.S. federal income tax purposes, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. Such partners of partnerships holding Notes are encouraged to consult their own tax advisers regarding the personal tax consequences to them.

Characterisation of the Rule 144A Notes

The Issuer will treat the Rule 144A Notes other than the Class E Notes, Class F Notes, Class G Notes and Class Z Notes (the "**U.S. Notes**") as indebtedness for U.S. federal income tax purposes. Each United States holder of a U.S. Note, by acceptance of such U.S. Note, will agree to treat such U.S. Note as indebtedness for U.S. federal income tax purposes. Although there is no authority regarding the treatment of instruments that are substantially similar to the U.S. Notes, upon issuance of the U.S. Notes, Allen Overy Shearman Sterling US LLP will deliver an opinion that when issued, the Class A Notes will, and the Class B Notes, the Class C Notes and the Class D Notes should, be treated as debt for U.S. federal income tax purposes. This opinion is not binding on the IRS, and no assurance can be given that the characterisation of the U.S. Notes as indebtedness will prevail if the issue were challenged by the IRS. In general, the characterisation of an instrument for such purposes as debt or equity by its issuer as of the time of issuance is binding on a holder, unless the holder takes an inconsistent position and discloses such position in its tax return. This characterisation, however, is not binding on the IRS. In particular, there can be no assurances that the IRS would not contend, and that a court would not ultimately hold, that the Class D Notes constitute equity of the Issuer. Prospective United States holders of the U.S. Notes should consult with their tax advisers as to the effect of a recharacterisation of the U.S. Notes as equity interests in the Issuer. In general, if a Class of Notes were treated as equity, the discussion under the heading "*Taxation of United States holders of the Equity Notes*" below and elsewhere of the tax consequences of holding Equity Notes (as defined below) would be relevant to holders of that Class as well. Except as otherwise stated below, the remainder of this discussion assumes the U.S. Notes will be treated as indebtedness for U.S. federal income tax purposes.

The Issuer has agreed, and by its acceptance of the Class E Notes, Class F Notes, Class G Notes and Class Z Notes (the "**Equity Notes**") each United States holder of an Equity Note will be deemed to have agreed, to treat the Equity Notes as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by any governmental authority. The balance of this discussion assumes that the Equity Notes will properly be characterised as equity in the Issuer.

Taxation of United States holders of the U.S. Notes

Qualified Stated Interest and Original Issue Discount

United States holders of U.S. Notes generally will be required to include in gross income the U.S. Dollar value of payments of "qualified stated interest" (generally, stated interest unconditionally payable at least annually at a single fixed rate) accrued or received on their U.S. Notes, in accordance with their usual method of tax accounting, as ordinary interest income. The Issuer intends to treat interest on the Class A Notes as "qualified stated interest" under U.S. Treasury regulations ("**OID Regulations**") relating to original issue discount ("**OID**"). As a consequence, discount on a Class A Note arising from an issuance at less than par will only be required to be accrued under the OID Regulations if such discount exceeds 0.25 per cent. of such Class A Note's stated redemption price at maturity multiplied by the number of complete years to its maturity. In general, the stated redemption price at maturity of a Class A Note is the total of all payments provided by the Class A Notes that are not payments of qualified stated interest. If the discount on a Class A Note does not exceed the above threshold, such discount will be treated as de minimis OID and, absent an election by the holder to accrue under the OID rules, will be included in income on a pro rata basis as principal payments are made on the Class A Notes.

If a United States holder holds a U.S. Note issued with OID other than a Deferred Interest Note (as defined below) (any such Note, a "**Discount Note**"), such United States holder must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Note. The amount of OID includible in income by a United States holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the United States holder holds the Discount Note. The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Discount Note may be of any length selected by the United States holder and may vary in length over the term of the Discount Note as long as (i) no accrual period is longer than one year, and (ii) each scheduled payment of interest or principal on the Discount Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note's adjusted issue price at the beginning of the accrual period and the Discount Note's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of interest on the Discount Note allocable to the accrual period. The "adjusted issue price" of a Discount Note at the beginning of any accrual period is equal to the "issue price" of the Discount Note (generally, the first price at which a substantial amount of U.S. Notes are sold to persons other than bond houses, brokers, or similar persons or organisations acting in the capacity of underwriters, placement agents, or wholesalers), increased by the amount of any OID accrued for each prior accrual period.

Because payments of stated interest on the Class B Notes, Class C Notes and Class D Notes (together, the "**Deferred Interest Notes**") are contingent on available funds and subject to deferral (and such potential for deferral is not, in the Issuer's view, sufficiently remote to be disregarded for purposes of the OID rules), the Deferred Interest Notes will be treated for U.S. federal income tax purposes as having OID. The total amount of such discount with respect to a Deferred Interest Note will equal the sum of all payments to be received under such Deferred Interest Note less its issue price (the first price at which a substantial amount of Deferred Interest Notes of the same Class was sold to investors). A U.S. holder of Deferred Interest Notes will be required to include OID in income as it accrues. The amount of OID accruing in any Interest Period will generally equal the stated interest accruing in that period (whether or not currently due) plus any additional amount representing the accrual under a constant yield method of any additional OID represented by the excess of the principal amount of the Deferred Interest Notes over their issue price. Accruals of any such additional OID will be based on the projected weighted average life of the Deferred Interest Notes rather than their stated maturity. In the case of Deferred Interest Notes, accruals of OID should be calculated by assuming that interest will be paid over the life of the Deferred Interest Note based on the value of SONIA used in setting interest for the first Interest Period, and then adjusting the income for each subsequent Interest Period for any difference between the actual value of SONIA used in setting interest for those periods and the assumed rate.

As an alternative to the above treatments, United States holders may elect to include in gross income all interest with respect to the U.S. Notes, including stated interest, OID, de minimis OID, and unstated interest using the constant yield method described above.

Interest income on the U.S. Notes will be treated as foreign source income for U.S. federal income tax purposes, which may be relevant in calculating a United States holder's foreign tax credit limitation for U.S. federal income tax purposes. The limitation on foreign taxes eligible for the U.S. foreign tax credit is calculated separately with respect to specific classes of income. The foreign tax credit rules are complex, and United States holders are encouraged to consult their tax advisers regarding the availability of a foreign tax credit and the application of the limitation in their particular circumstances.

Sale, exchange or retirement of the U.S. Notes

In general, a United States holder of a U.S. Note will have an adjusted tax basis in such U.S. Note equal to the cost of the U.S. Note to such holder, increased by any amounts includible in income by the holder as OID, and reduced by any payments thereon other than payments of qualified stated interest. Upon a sale, exchange or retirement of the U.S. Note, a United States holder will generally recognise gain or loss equal to the difference between the amount realised (less any accrued interest, which would be taxable as such) and the holder's adjusted tax basis in the U.S. Note. Such gain or loss will be long-term capital gain or loss if the United States holder has held the U.S. Note for more than one year at the time of disposition. Long-term capital gains recognised by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The deductibility of capital losses is subject to limitations.

U.S. Notes denominated in a non-U.S. Dollar currency

A United States holder holding U.S. Notes denominated in a non-U.S. Dollar currency will be subject to the U.S. federal income tax rules generally applicable to debt instruments denominated in a non-functional currency. Under those rules, interest income generally will be calculated in the non-U.S. Dollar currency and converted into U.S. Dollars based on an applicable exchange rate. The holder will recognise foreign currency gain or loss (which is ordinary income or loss) as interest payments are received to account for any difference between the amount of accrued interest income and the U.S. Dollar value of the interest payments received. OID on U.S. Notes denominated in a non-U.S. Dollar currency for each accrual period will be determined in the non-U.S. Dollar currency that such U.S. Note is denominated in and then translated into U.S. Dollars in the same manner as stated interest accrued by an accrual basis United States holder. Upon receipt of an amount attributable to OID (whether in connection with a payment of interest or the sale, exchange or retirement of a Discount Note), a United States holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. Dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. Dollars.

Foreign currency gain or loss also may be recognised as principal payments are received, or upon a sale, exchange or retirement of the U.S. Notes (limited by the overall gain or loss on sale, exchange or retirement of the U.S. Notes), reflecting changes in exchange rates over the period in which the U.S. Notes are held. United States holders purchasing U.S. Notes denominated in a non-U.S. Dollar currency should consult their tax advisers regarding the calculation and treatment of foreign currency gain or loss.

Taxation of United States holders of the Equity Notes

Investment in a Passive Foreign Investment Company

A non-U.S. corporation will be classified as a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes if 75 per cent. or more of its gross income (including the pro rata share of the gross income of any corporation in which the non-U.S. corporation is considered to own 25 per cent. or more of the shares by value) in a taxable year is passive income. Alternatively, a non-U.S. corporation will be classified as a PFIC if at least 50 per cent. of its assets, averaged over the year and generally determined based on fair market value

(including the pro rata share of the assets of any corporation in which the non-U.S. corporation is considered to own 25 per cent. or more of the shares by value) are held for the production of, or produce, passive income.

Based on the assets that the Issuer expects to hold and the income anticipated thereon, it is highly likely that the Issuer will be classified as a PFIC for U.S. federal income tax purposes. Accordingly, the following discussion assumes that the Issuer will be a PFIC throughout the term of the Equity Notes, and United States holders of Equity Notes should assume that they will be subject to the U.S. federal income tax consequences described below that result from owning stock in a PFIC (subject to the discussion under "*Investment in a Controlled Foreign Corporation*", below).

If the PFIC rules are applicable and a United States holder has not elected to treat the Issuer as a "qualified electing fund" (as described in the next paragraph), such United States holder generally will be subject to special rules with respect to (i) any "excess distribution" (generally, any distributions received by the United States holder on the Equity Notes in a taxable year that are greater than 125 per cent. of the average annual distributions received by the United States holder in the three preceding taxable years or, if shorter, the United States holder's holding period for the Equity Notes) and (ii) any gain realised on the sale, exchange or retirement of the Equity Notes. Under these rules, (a) the excess distribution or gain will be allocated rateably over the United States holder's holding period, (b) the amount allocated to the current taxable year will be taxed as ordinary income, and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest tax rate on ordinary income in effect for each taxable year to which the income is allocated, as if such distributions and gain had been recognised rateably over the United States holder's holding period for the Equity Notes. An interest charge is also applied to the deferred tax amount resulting from the deemed rateable distribution.

If a United States holder elects to treat the Issuer as a "qualified electing fund" (a "**QEF**"), distributions and gain will not be taxed as if recognised rateably over the United States holder's holding period or subject to an interest charge. Instead, a United States holder that makes a QEF election is required for each taxable year to include in income the United States holder's pro rata share of the ordinary earnings of the qualified electing fund as ordinary income and a pro rata share of the net capital gain of the qualified electing fund as capital gain, regardless of whether such earnings or gain have in fact been distributed (assuming the discussion below under "*Investment in a Controlled Foreign Corporation*" does not apply), and subject to a separate election to defer payment of taxes, which deferral is subject to an interest charge. In order to comply with the requirements of a QEF election, a United States holder must receive from the Issuer certain information. The Issuer will cause its independent accountants to provide United States holders, upon request and at the Issuer's expense, with the information reasonably available to the Issuer that a United States holder would need (i) with respect to a United States holder of Equity Notes, to allow such holder to make a QEF election, (ii) with respect to any United States holder of the Class B Notes, Class C Notes and Class D Notes, to allow such holder to file a protective statement preserving such United States holder's ability to make a retroactive QEF election if such Class is recharacterized as equity rather than debt for U.S. federal income tax purposes (although there is no guidance that such protective statements are effective or permitted) and (iii) to complete a “PFIC Annual Information Statement” as described in Treasury regulation section 1.1295–1 (or in any successor IRS release or Treasury regulation), including all representations and statements required by such statement. Except as expressly noted, the discussion below assumes that a QEF election will not be made.

If the Issuer is a PFIC, each United States holder of an Equity Note must make an annual return on IRS Form 8621, reporting distributions received and gains realised with respect to each PFIC in which the United States holder holds a direct or indirect interest. If a United States holder does not file IRS Form 8621, the statute of limitations on the assessment and collection of U.S. federal income taxes of such United States holder for the related tax year may not close before the date which is three years after the date on which such report is filed. Prospective investors should consult their own tax advisers regarding the potential application of the PFIC rules.

Investment in a Controlled Foreign Corporation

Depending on the degree of ownership of the Equity Notes and other equity interests in the Issuer by United States holders, the Issuer may constitute a controlled foreign corporation ("**CFC**"). In general, a foreign corporation will

constitute a CFC if more than 50 per cent. of the shares of the corporation, measured by reference to combined voting power or value, are owned, directly or indirectly or constructively, by "**United States shareholders**". A United States shareholder for this purpose is any United States person that owns or is treated as owning under specified attribution rules, 10 per cent. or more of the combined voting power or value of all classes of shares of a foreign corporation. If more than 50 per cent. of the Equity Notes and other equity interests in the Issuer are held by such United States shareholders, the Issuer would be a CFC.

If the Issuer were treated as a CFC, a United States shareholder of the Issuer would be treated, subject to certain exceptions, as receiving a dividend at the end of the taxable year of the Issuer in an amount equal to that person's pro rata share of the Issuer's **subpart F income** and investments of the Issuer's earnings in U.S. property. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, substantially all of its income would be subpart F income. In addition, distributions of previously taxed amounts included as dividends by a United States shareholder generally will not be treated as income to the United States shareholder when distributed. Instead, special rules apply to determine the appropriate exchange rate to be used to translate such amounts treated as a dividend and the amount of any foreign currency gain or loss with respect to distributions of previously taxed amounts attributable to movements in exchange rates between the times of deemed and actual distributions and certain "dividends" from such CFC could be recharacterised as U.S. source income for U.S. foreign tax credit purposes.

If the Issuer were to constitute a CFC, for the period during which a United States holder of Equity Notes is a United States shareholder of the Issuer, such holder generally would be taxable on the Issuer's subpart F income and investments of the Issuer's earnings in U.S. property under rules described in the preceding paragraph and not under the PFIC rules previously described. A United States holder that is a United States shareholder of the Issuer subject to the CFC rules for only a portion of the time during which it holds Equity Notes should consult its tax adviser regarding the interaction of the PFIC and CFC rules.

Distributions on the Equity Notes

Except to the extent that distributions are attributable to amounts previously taxed by virtue of a QEF election or pursuant to the CFC rules, some or all of any distributions with respect to the Equity Notes may constitute excess distributions, taxable as previously described. Distributions of current or accumulated earnings and profits of the Issuer, as determined for U.S. federal income tax purposes, which are not excess distributions will be taxed as dividends when received. The amount of such income is determined by translating non-U.S. Dollar currency received into U.S. Dollars at the spot rate on the date of receipt. A United States holder may realise foreign currency gain or loss on a subsequent disposition of the non-U.S. Dollar currency received.

Disposition of the Equity Notes

In general, a United States holder of an Equity Note will recognise gain or loss upon the sale, exchange or retirement of the Equity Note equal to the difference between the amount realised and such holder's adjusted tax basis in such Equity Note. Initially, the tax basis of a United States holder should equal the amount paid for an Equity Note. Such basis will be increased by amounts taxable to such United States holder by virtue of a QEF election or the CFC rules (if applicable), and decreased by actual distributions from the Issuer that are deemed to consist of such previously taxed amounts or are treated as a non-taxable return of capital. Unless a QEF election is made, it is highly likely that any gain realised on the sale, exchange or retirement of an Equity Note will be treated as an excess distribution and taxed as ordinary income under the special tax rules described above (assuming that the PFIC rules apply and not the CFC rules).

Subject to a special limitation for individual United States holders that have held the Equity Notes for more than one year, if the Issuer were treated as a CFC and a United States holder were treated as a United States shareholder thereof, any gain realised by such holder upon the sale, exchange or retirement of Equity Notes would be treated as ordinary income to the extent of the United States holder's pro rata share of current and accumulated earnings

and profits of the Issuer and any of its subsidiaries. In this respect, earnings and profits would not include any amounts previously taxed pursuant to the CFC rules.

Foreign Currency Gain or Loss

A United States holder of Equity Notes that recognises income from the Equity Notes under the QEF or CFC rules discussed above will recognise foreign currency gain or loss attributable to movement in foreign exchange rates between the date when it recognised income under those rules and the date when the income actually is distributed. Any such foreign currency gain or loss will be treated as ordinary income or loss.

A United States holder that purchases Equity Notes with previously owned foreign currency generally will recognise foreign currency gain or loss in an amount equal to any difference between the United States holder's tax basis in the foreign currency and the U.S. Dollar value of the foreign currency at the spot rate on the date the Equity Notes are purchased. A United States holder that receives foreign currency upon the sale or other disposition of the Equity Notes generally will realise an amount equal to the U.S. Dollar value of the foreign currency on the date of such sale, exchange or retirement. A United States holder will have a tax basis in the foreign currency received equal to the U.S. Dollar amount realised. Any gain or loss realised by a United States holder on a subsequent conversion of the foreign currency for a different amount will be foreign currency gain or loss.

Transfer and Other Reporting Requirements

In general, United States holders that acquire Equity Notes for cash may be required to file IRS Form 926 and to supply certain additional information to the IRS if (i) such United States holder owns (directly or indirectly) immediately after the transfer, at least 10 per cent. by vote or value of the Issuer or (ii) the transfer when aggregated with all related transfers under applicable regulations exceeds $100,000. In addition, a United States holder of Equity Notes that owns (actually or constructively) at least 10 per cent. by vote or value of the Issuer may be required to file an information return on IRS Form 5471. A United States holder of Equity Notes generally is required to provide additional information regarding the Issuer annually on IRS Form 5471 if it owns (actually or constructively) more than 50 per cent. by vote or value of the Issuer.

Prospective investors in the Equity Notes should consult with their own tax advisers regarding whether they are required to file IRS Form 8886 in respect of this transaction. Such filing generally will be required if such investors file U.S. federal income tax returns or U.S. federal information returns and recognise losses in excess of a specified threshold. Such filing will also generally be required by a United States holder of the Equity Notes if the Issuer both participates in certain types of transactions that are treated as "reportable transactions", such as a transaction in which its loss exceeds a specified threshold, and either (x) such United States holders owns 10 per cent. or more of the aggregate amount of the Equity Notes and makes a QEF election with respect to the Issuer or (y) the Issuer is treated as a CFC and such United States holder is a "United States shareholder" (as defined above) of the Issuer. If the Issuer does participate in a reportable transaction, it will make reasonable efforts to make such information available. Significant penalties may be imposed on taxpayers required to file IRS Form 8886 that fail to do so timely.

Foreign Financial Asset Reporting

Certain United States holders that own certain foreign financial assets, including debt or equity of foreign entities, with an aggregate value in excess of certain U.S. Dollar thresholds may be required to file an information report with respect to such assets with their tax returns and the understatement of income attributable to such foreign financial assets may extend the statute of limitations with respect to the tax return. Failure to comply with this requirement may result in the imposition of substantial penalties. United States holders are urged to consult their tax advisers regarding the application of these reporting requirements to their ownership of the Rule 144A Notes.

Taxation of Non-United States holders of the Notes

Subject to the back-up withholding and Foreign Account Tax Compliance Act rules discussed below, a Non-United States holder generally should not be subject to U.S. federal income or withholding tax on any payments on a Note and gain from the sale, redemption or other disposition of a Note.

Non-United States holders are encouraged to consult their own tax advisers regarding the U.S. federal income and other tax consequences to them of owning Notes.

Back-up withholding and information reporting

Back-up withholding and information reporting requirements may apply to certain payments on the Notes and to proceeds of the sale or redemption of the Notes to United States holders. The Issuer, its agent, a broker or any paying agent, as the case may be, may be required to withhold tax from any payment that is subject to back-up withholding if the United States holder fails to furnish the United States holder's taxpayer identification number (usually on IRS Form W-9), to certify that such United States holder is not subject to back-up withholding, or to otherwise comply with the applicable certification requirements of the back-up withholding rules. Certain United States holders are not subject to the back-up withholding and information reporting requirements. Non-United States 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 United States holders in order to avoid the application of such information reporting requirements and back-up withholding.

Back-up withholding is not an additional tax. Any amounts withheld under the back-up withholding rules will be refunded or credited against the holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS. Holders of Notes are encouraged to consult their own tax advisers as to their qualification for exemption from back-up withholding and the procedure for obtaining an exemption.

Foreign Account Tax Compliance

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 United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the U.S. 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 U.S. Treasury regulations and Internal Revenue Service 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 U.S. 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 such withholding.

CERTAIN ERISA AND RELATED CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include for ERISA purposes 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.

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 individual retirement accounts (together with ERISA Plans, the "**Plans**")) and persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person, including a Plan fiduciary, who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and/or Section 4975 of the Code.

The Issuer, the Principal Paying Agent, any transfer agent, the Registrar or any other party to the transactions referred to in this Prospectus may be parties in interest or disqualified persons 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 Notes is acquired or held by a Plan, including but not limited to where the Issuer, the Principal Paying Agent, any transfer agent, the Registrar 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 Notes and the circumstances under which such decision is made. Included among these exemptions are Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions between a person that is a party in interest solely by reason of providing services to the plan (and neither it nor its affiliate has or exercises discretionary authority or control, or renders investment advice with respect to assets involved in the transaction), provided that the Plan receives no less than and pays no more than adequate consideration for the transaction), 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) and PTCE 96-23 (relating to transactions determined by in-house asset managers). Prospective investors should consult with their advisers regarding the prohibited transaction rules and these exceptions. There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving any Notes.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code, may nevertheless be subject to state, local, other federal law of the United States or non-U.S. law that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Similar Law**"). Fiduciaries of any such plans should consult with their counsel before purchasing the Notes to determine the need for, if necessary, and the availability of, any exempted relief under any Similar Law.

In addition, the U.S. Department of Labor has promulgated a regulation, 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**"), describing 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 the 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 United States Investment Company Act of 1940, 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 the form of debt may be considered an equity interest if it has substantial equity features. If the Issuer is deemed under the Plan Asset Regulation to hold plan assets by reason of a Plan's investment in any of the Notes, such plan assets 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 the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code. The Plan Asset Regulation provides, however, that if equity participation in any entity by "Benefit Plan Investors" is not significant, then the "look-through" rule will not apply to such entity. The term "**Benefit Plan Investors**" is defined in the Plan Asset Regulation to include (1) any "employee benefit plan" as defined in Section 3(3) of ERISA which is subject to the provisions of Part 4 of Subtitle B of Title I of ERISA, (2) any "plan" as defined in Section 4975(e)(1) of the Code to which Section 4975 of the Code applies, and (3) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan or plan's investment in the entity. Equity participation by Benefit Plan Investors in any entity is significant if, immediately after the most recent acquisition of any equity interest in the entity, 25 per cent. or more of the total value of any class of equity interests in the entity (excluding the value of any interests held by certain persons, other than Benefit Plan Investors, with discretionary authority or control over the assets of the entity or who provide investment advice to the entity for a fee (direct or indirect) with respect to such assets or certain "affiliates" (as defined in the Plan Asset Regulation) of such persons) is held by Benefit Plan Investors. While there is little pertinent authority in this area and no assurance can be given, the Issuer believes that the Class A Notes, Class B Notes, Class C Notes and Class D Notes ("**ERISA-Eligible Notes**") should not be treated as equity interests for the purposes of the Plan Asset Regulation and, therefore, the look-through rule of the Plan Asset Regulation should not apply to this class of Notes. However, the characterization of the Class A Notes, Class B Notes, Class C Notes and Class D Notes for purposes of the Plan Asset Regulation is less certain and the Class A Notes, Class B Notes, Class C Notes and Class D Notes may be considered equity interests for purposes of the Plan Asset Regulation.

Accordingly, any Notes that are not ERISA-Eligible Notes may not be purchased or held by any Benefit Plan Investor, including any ERISA Plan or other Plan or any entity whose underlying assets include plan assets by reason of such an ERISA Plan or other Plan's investment in such entity within the meaning of the Plan Asset Regulation.

Each purchaser and transferee of ERISA-Eligible Notes (or any interest therein) will be deemed to have represented, warranted and agreed that either (i) 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 or a governmental, church, non-U.S. or other plan which is subject to Similar Law, and no part of the assets to be used by it to acquire or hold such Notes (or interests therein) constitutes or will constitute the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (ii) its acquisition, holding and disposition of such Notes (or interests therein) do not and 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, non-U.S. or other plan, a violation of any Similar Law.

Each purchaser and transferee of Notes that are not ERISA-Eligible Notes (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 Notes (or interests 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-U.S. 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-U.S. 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 Notes (or any interest therein) will not constitute or result in a violation of any Similar Law.

Each purchaser and transferee of any Note or any interest therein that is, or is acting on behalf of, a Benefit Plan Investor, will be further deemed to have represented, warranted and agreed that (i) none of the Issuer, the Principal Paying Agent, any transfer agent, the Registrar or any other party to the transactions referred to in this Prospectus, or other persons that provide marketing services, or any of their respective affiliates, has provided any investment recommendation or investment advice to it, or any fiduciary or other person investing the assets of the Benefit Plan Investor (Plan Fiduciary), in connection with its decision to invest in the Notes, and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Plan Fiduciary in connection with the Benefit Plan Investor's acquisition of the Notes, and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the investment in the Notes.

Each Plan Fiduciary who is responsible for making the investment decisions on whether to purchase or commit to purchase and to hold any of the Notes should determine whether, under the documents and instruments governing the Plan, an investment in such Notes is appropriate for the Plan, taking into account the overall investment policy of the Plan and the composition of the Plan's investment portfolio. Any Plan proposing to invest in such Notes (including any governmental, church or non-U.S. plan) should consult with its counsel to confirm that such investment will not constitute or result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA and the Code (or, in the case of a governmental, church or non-U.S. plan, any Similar Law).

The sale of any Notes to a Plan is in no respect a representation by the Issuer, the Principal Paying Agent, any transfer agent, the Registrar, the Lead Manager or any other party to the transactions 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.

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Lead Manager has, in the Subscription Agreement agreed with the Issuer (subject to certain conditions) to subscribe and pay for:

(a) £693,546,000 of the Class A Notes at the issue price of 99.8646 per cent. of the aggregate principal amount of the Class A Notes;

(b) £60,685,000.00 of the Class B Notes at the issue price of 100.0000 per cent. of the aggregate principal amount of the Class B Notes;

(c) £39,011,000 of the Class C Notes at the issue price of 99.8410 per cent. of the aggregate principal amount of the Class C Notes;

(d) £28,175,000 of the Class D Notes at the issue price of 99.6860 per cent. of the aggregate principal amount of the Class D Notes;

(e) £23,840,000 of the Class E Notes at the issue price of 99.3887 per cent. of the aggregate principal amount of the Class E Notes;

(f) £13,003,000 of the Class F Notes at the issue price of 100.9008 per cent. of the aggregate principal amount of the Class F Notes;

(g) £8,669,000 of the Class G Notes at the issue price of 91.4845 per cent. of the aggregate principal amount of the Class G Notes; and

(h) £17,340,000 of the Class Z Notes at the issue price of 82.1878 per cent. of the aggregate principal amount of the Class Z Notes,

being the Notes other than those Notes forming part of the Retained Interest, as at the Closing Date.

The Lead Manager is entitled to be released and discharged from its obligations in relation to any agreement to issue and purchase Notes under the Subscription Agreement in certain circumstances prior to payment to the Issuer.

The Lead Manager 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.

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.

Under the Subscription Agreement, the Issuer has agreed to indemnify the Lead Manager against certain liabilities (including liabilities under the Securities Act) or to contribute to payments the Lead Manager may be required to make in respect thereof in connection with the establishment of the Transaction and the issue of Notes under the Transaction. The Issuer has also agreed to reimburse the Lead Manager for certain other expenses in connection with the establishment of the Transaction and the issue of Notes under the Transaction.

The Lead Manager may, from time to time, purchase and sell Notes in the secondary market, but it is 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 Lead Manager may make a market in the Notes.

The Lead Manager and its respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Issuer and the Lead Manager has 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. The Lead Manager and its 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.

The Lead Manager has acknowledged to the Issuer that the Notes have not been and will not be registered under the Securities Act or the securities laws or "blue sky" laws of any state or any other relevant jurisdiction of the United States and therefore may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S of the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes are being offered and sold only (a) outside the United States to persons other than U.S. persons as defined in Regulation S in offshore transactions in reliance on, and in compliance with, Regulation S and (b) in the United States to a limited number of QIBs as defined in the Securities Act in connection with resales by the Lead Manager, in reliance on, and in compliance with, Rule 144A.

With respect to any Rule 144A Notes, the Lead Manager has agreed that with respect to the relevant Rule 144A Notes for which it has subscribed, it will directly or through its U.S. broker-dealer affiliates arrange for the offer and resale of Rule 144A Notes within the United States only to QIBs in reliance on Rule 144A, and each purchaser of Rule 144A Notes is hereby notified that the Lead Manager may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Rule 144A Notes which may be purchased by a QIB is £250,000 (or the approximate equivalent thereof in any other currency). To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "restricted securities" within the meaning of the Securities Act, the Issuer has undertaken to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to 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, any of the Notes remain outstanding as restricted securities within the meaning of Rule 144(a)(3) of the Securities Act and the Issuer is neither a reporting company under Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

The Issuer, the Arranger and the Lead Manager reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Prospectus does not constitute an offer to any person in the United States or to any U.S. person, other than any QIB within the meaning of Rule 144A to whom an offer has been made directly by the Lead Manager or, in each case, any U.S. broker-dealer affiliate. Distribution of this Prospectus by person to any U.S. person or to any other person within the United States, other than any QIB (and those persons, if any, retained to advise such non-U.S. person or QIB with respect thereto), is unauthorised. Any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, other than any QIB (and those persons, if any, retained to advise such non-U.S. person or QIB), is prohibited.

With respect to any Regulation S Notes, the Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the relevant Regulation S Notes (a) as part of its distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering of the Notes and the Closing Date (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Rule 903 or 904 of Regulation S. In connection with any Regulation S Notes, the Lead Manager has further agreed that it will have sent to each affiliate or other person receiving a selling commission, fee or other remunerations that purchases the Regulation S Notes from it during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account of, U.S. persons.

In addition, until the expiration of the period made up of the 40 days following the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by the Lead Manager, or any other manager or dealer that is 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. Terms used in this section that are defined in Regulation S are used herein as defined therein.

The Lead Manager acknowledges that any Notes that are not ERISA-Eligible Notes may not be purchased or held by, or with the assets of, a Benefit Plan Investor or a governmental, church or non-U.S. plan which is subject to any Similar Law and each purchaser of such Notes (or interests therein) will be deemed to have represented, warranted and agreed that (a) it is not, and is not acting on behalf of (and for so long as it holds such a Note (or interest therein) will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church or non-U.S. plan which is subject to any Similar Law, and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes or will constitute the assets of any Benefit Plan Investor or such governmental, church or non-U.S. plan, or (b) if it is a governmental, church or non-U.S. plan, its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a violation of any Similar Law. Each purchaser of ERISA-Eligible Notes (or interests therein) will be deemed to have represented, warranted and agreed that either (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 or a governmental, church or non-U.S. plan which is subject to any Similar Law, and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes or will constitute the assets of any Benefit Plan Investor or such governmental, church or non-U.S. plan, or (ii) its acquisition, holding and disposition of such Note (or 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-U.S. plan, a violation of any Similar Law.

Transfer restrictions

The Notes are subject to transfer restrictions and are not transferable except in accordance with the restrictions set forth herein. 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.

The Notes have not been and will not be registered under the Securities Act or the securities laws or "blue sky" laws of any state of the United States or any other relevant jurisdiction and, accordingly, may not be re-offered, resold, pledged or otherwise transferred except in accordance with the restrictions described below. Neither the Issuer nor any other person is required to so register or qualify the Notes or to provide registration rights to any investor therein.

The Notes may not be reoffered, resold, pledged or otherwise transferred except (a)(i) to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction in accordance with Rule 903 or 904 of Regulation S, or (b) pursuant to another available exemption from the registration requirements of the Securities Act, in each case in accordance with all applicable securities laws of any state or other jurisdiction of the United States.

On or prior to the expiration of the Distribution Compliance Period, any sale or transfer of interests in a Regulation S Global Note to U.S. persons shall not be permitted during such period unless such resale or transfer is made pursuant to Rule 144A as provided below. Any offers, sales or deliveries of the Notes in the United States or to U.S. persons by an investor purchasing in an offshore transaction pursuant to Regulation S prior to the end of the Distribution Compliance Period may constitute a violation of United States law.

Each purchaser of an interest in a Global Note or a Registered Definitive Note (each initial purchaser of the Notes, together with each subsequent transferee of the Notes, is referred to herein as the "**Purchaser**") will be deemed, or in the case of a Registered Definitive Note required, to have acknowledged, represented and agreed as follows (terms used in this section that are defined in Rule 144A or Regulation S are used herein as defined therein):

(a) The notes are being offered and sold in a transaction not involving a public offering in the United States 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 other applicable U.S. state securities laws.

(b) (A) In the case of the Rule 144A Global Notes, it (i) is a QIB within the meaning of Rule 144A under the Securities Act, (ii) is aware, and each beneficial owner of such Notes has been advised, that the sale to it is being made in reliance on Rule 144A under the Securities Act, (iii) is acquiring such Notes for its own account or as a fiduciary or agent for others (which others must also be QIBs) for investment purposes and not for distribution in violation of the Securities Act, and (iv) is able to bear the economic risk of an investment in such Notes and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of purchasing the Notes; or (B) in the case of the Regulation S Notes, it is not a U.S. person and is acquiring such Regulation S Notes for its own account or as a fiduciary or agent for other non-U.S. persons in an offshore transaction pursuant to an exemption from registration provided by Regulation S.

(c) It understands that the Issuer is not and will not be registered under the Investment Company Act.

(d) If it decides to resell or otherwise transfer the Notes or any beneficial interest therein, then it agrees that it will only resell or transfer such Notes or any beneficial interest therein: (i) to the Issuer or any affiliate thereof; (ii) inside the United States to a person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and to whom notice is given that the resale or other transfer is being made in reliance on Rule 144A; (iii) pursuant to an exemption from registration provided by Rule 144 under the Securities Act (if available); (iv) to a non-U.S. person acquiring the Notes in an offshore transaction pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S; or (v) pursuant to another available exemption from the registration requirements of the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States, provided, that the agreement of such purchaser is subject to any requirement of law that the disposition of the purchaser's property shall at all times be and remain within its control.

(e) If it is outside the United States and is not a U.S. person, if it should resell or otherwise transfer the notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of the commencement of the offering and the Closing Date with respect to the original issuance of the Notes), it will do so only (i)(A) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (B) to a QIB in compliance with Rule 144A and (ii) in accordance with all applicable U.S. state securities laws.

(f) It will, and will require each subsequent holder to, notify any purchaser of the notes from it of the resale restrictions referred to in paragraph (d) above, if then applicable.

(g) It is not acquiring the notes with a view to the resale, distribution or other disposition thereof in violation of the Securities Act.

(h) Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes and that before any interest in the Rule 144A Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note, it will be required to provide a transfer agent with a written certification (in the form provided in the Trust Deed) as to compliance with applicable securities laws.

(i) Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes and before any interest in the Regulation S Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Rule 144A Global Note, it will be required to provide a transfer agent with a written certification (in the form provided in the Trust Deed) as to compliance with applicable securities laws.

(j) If it is acquiring any Notes for the account of one or more QIBs, 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.

(k) Each purchaser and subsequent transferee of any ERISA-Eligible Note (or interest therein) will be deemed by such purchase or acquisition of any such Note (or interest therein) to have represented, warranted and agreed, on each day from the date on which the purchaser or transferee acquires such Note (or interest therein) through and including the date on which the purchaser or transferee disposes of such Note (or interest therein), that either (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 Benefit Plan Investor or a governmental, church or non-U.S. plan which is subject to any Similar Law, and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes or will constitute the assets of any Benefit Plan Investor or such governmental, church or non-U.S. plan, or (B) its acquisition, holding and disposition of such Note (or 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-U.S. plan, a violation of any Similar Law.

(l) Each purchaser and transferee of any Note or any interest therein that is, or is acting on behalf of, a Benefit Plan Investor, will be further deemed to have represented, warranted and agreed that (i) none of the Issuer, the Principal Paying Agent, any transfer agent, the Registrar or any other party to the transactions referred to in this Prospectus, or other persons that provide marketing services, or any of their respective affiliates, has provided any investment recommendation or investment advice to it or any Plan Fiduciary in connection with its decision to invest in the Notes, and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Plan Fiduciary in connection with the Benefit Plan Investor's acquisition of the Notes, and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the investment in the Notes.

(m) Each purchaser and subsequent transferee of any Note (or interest therein) that is not an ERISA-Eligible Note will be deemed by such purchase or acquisition of any such Note (or interest therein) to have represented, warranted and agreed, on each day from the date on which the purchaser or transferee acquires such Note (or interest therein) through and including the date on which the purchaser or transferee disposes of such Note (or interest therein), that (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, or (B) if it is governmental, church, non-U.S. or other plan, (1) 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-U.S. 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 (2) its acquisition, holding and disposition of such Note (or interest therein) does not and will not result in a violation of Similar Law.

(n) With respect to any foreign purchaser claiming an exemption from United States income or withholding tax, such purchaser has delivered to the paying agent a true and complete Form W-8BEN, W-8ECI or W-8IMY, indicating such exemption; and the purchaser acknowledges that transfers of the Issuer notes or any interest therein will otherwise be subject in all respects to any other restrictions applicable thereto contained in the Trust Deed.

(o) Legends on Rule 144A Global Notes. Each Purchaser acknowledges that each Rule 144A Global Note will bear a legend substantially to the effect set out below and that the Issuer has covenanted in the Trust Deed not to remove such legend.

THIS NOTE IS ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A

THEREUNDER. THE HOLDER OF THIS NOTE AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS NOTE MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (I) IN THE UNITED STATES OR TO A U.S. PERSON, TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 UNDER THE SECURITIES ACT, (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), OR (IV) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN PARAGRAPH (A) ABOVE. ANY PURPORTED TRANSFER OF THIS NOTE THAT DOES NOT COMPLY WITH THE FOREGOING REQUIREMENTS SHALL BE NULL AND VOID *AB INITIO*.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM, LUXEMBOURG (THE COMMON SAFEKEEPER) TO THE REGISTRAR OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF SUCH ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF THE COMMON SAFEKEEPER OR SUCH OTHER REPRESENTATIVE OF THE COMMON SAFEKEEPER OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF THE COMMON SAFEKEEPER (AND ANY PAYMENT HEREON IS MADE TO SUCH ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF THE COMMON SAFEKEEPER), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO SUCH NOMINEES OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE, AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ANY APPLICABLE REGULATIONS.

[[*TO BE INCLUDED FOR NOTES THAT ARE ERISA-ELIGIBLE*:] EACH PURCHASER OR TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN, BY ITS ACQUISITION AND HOLDING OF THIS NOTE, SHALL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (A) 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), (I) AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), WHICH IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (II) A PLAN AS DEFINED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), THAT IS SUBJECT TO SECTION 4975 OF THE CODE, OR (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) (EACH OF THE FOREGOING, "**A BENEFIT PLAN INVESTOR**"), OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL, OR NON U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED

TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES OR WILL CONSTITUTE THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR ANY INTEREST HEREIN 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-U.S. PLAN, A VIOLATION OF ANY SIMILAR LAW.) ANY PURPORTED TRANSFER OF THIS NOTE THAT DOES NOT COMPLY WITH THESE REQUIREMENTS SHALL BE NULL AND VOID AB INITIO. EACH PURCHASER OR TRANSFEREE OF THIS NOTE OR INTEREST HEREIN THAT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR WILL BE FURTHER DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (I) NONE OF THE ISSUER, THE PRINCIPAL PAYING AGENT, ANY TRANSFER AGENT, THE REGISTRAR OR ANY OTHER PARTY TO THE TRANSACTIONS REFERRED TO IN THIS PROSPECTUS, OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED, AND NONE OF THEM WILL PROVIDE, ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE TO IT, OR ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR (PLAN FIDUCIARY), IN CONNECTION WITH ITS DECISION TO INVEST IN THIS NOTE, AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE BENEFIT PLAN INVESTOR OR THE PLAN FIDUCIARY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS NOTE; AND (II) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGEMENT IN EVALUATING THE INVESTMENT IN THIS NOTE.]

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(p) Legends on Regulations S Global Notes. Each Purchaser acknowledges that each Regulation S Global Note will bear a legend substantially to the effect set out below and that the Issuer has covenanted in the Trust Deed not to remove such legend.

NEITHER THIS NOTE NOR BENEFICIAL INTERESTS HEREIN HAVE BEEN OR WILL BE REGISTERED UNDER THE U.S. 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 OF THE UNITED STATES.

AS A MATTER OF U.S. LAW, PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE CLOSING DATE, THE NOTES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT: (A) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**"), (B) TO OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS WHO ARE QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**")), OR (C) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS. ANY PURPORTED TRANSFER OF THIS NOTE OR ANY INTEREST HEREIN THAT DOES NOT COMPLY WITH THE FOREGOING REQUIREMENTS SHALL BE NULL AND VOID *AB INITIO*.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF THE COMMON SAFEKEEPER OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ANY APPLICABLE REGULATIONS.

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Selling restrictions

Prohibition of sales to UK retail investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus in relation thereto to any retail investor in the United Kingdom.

For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) 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 (as amended by the European Union (Withdrawal Agreement) Act 2020) as amended, varied, superseded or substituted from time to time ("**EUWA**"); or

(b) 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 EUWA; or

(c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation,

and 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 the Notes.

The Lead Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Prohibition of sales to EEA retail investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area.

For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II;

(b) 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; or

(c) not a qualified investor as defined in the EU Prospectus Regulation,

and 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 the Notes.

General

The Lead Manager has agreed 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 Prospectus 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 Seller, the Legal Title Holder, the Note Trustee nor the Security Trustee 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, 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 Seller, the Legal Title Holder, the Note Trustee, the Security Trustee or the Lead Manager 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.

The Lead Manager will, unless prohibited by applicable law, furnish to each person to whom it offers or sells Notes a copy of the Prospectus as then amended or supplemented or, unless delivery of the Prospectus is required by applicable law, inform each such person that a copy will be made available upon request. The Lead Manager is not authorised to give any information or to make any representation not contained in the Prospectus in connection with the offer and sale of Notes to which the Prospectus relates.

This Prospectus may be used by the Lead Manager for offers and sales related to market-making transactions in the Notes. The Lead Manager 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. The Lead Manager does not have any obligation to make a market in the Notes, and any market-making may be discontinued at any time without notice. The Lead Manager is participating in the initial distribution of the Notes.

GENERAL INFORMATION

Authorisation

The issue of the Notes has been authorised by resolution of the board of directors of the Issuer passed on 30 September 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 Notes are expected to be accepted for clearance through Clearstream, Luxembourg and Euroclear.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this 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 24 June 2024 and accordingly has not yet prepared statutory accounts within the meaning of the Companies Act 2006 (as amended). So long as Notes are listed on the Official List and are traded on the regulated market of the London Stock Exchange, 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.

Auditors

The auditors of the Issuer are PricewaterhouseCoopers LLP, a limited liability partnership registered in England and Wales with registered number OC303525 and its registered office at 1 Embankment Place, London, WC2N 6RH.

Significant or material change

Since the date of its incorporation, there has been no material adverse change in the financial position or prospects and no significant change in the financial or trading position of Holdings or the Issuer.

Further information available to Noteholders

From the date of this Prospectus and for so long as any 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) and electronic copies of such documents can be inspected in electronic form online at https://www.secrep.co.uk/:

(a) the memorandum and articles of association of each of the Issuer and Holdings;

(b) a copy of the Prospectus; and

(c) each of the following documents:

(i) the Account Bank Agreement;

(ii) the Agency Agreement;

(iii) the Cash Management Agreement;

(iv) the Corporate Services Agreement;

(v) the Deed of Charge;

(vi) the Incorporated Terms Memorandum;

(vii) the Interest Rate Swap Agreement(s);

(viii) the Standby Swap Collateral Account Bank Agreement;

(ix) the Issuer Security Power of Attorney;

(x) the Legal Title Holder Security Power of Attorney;

(xi) the Mortgage Sale Agreement;

(xii) the Portfolio Option Deed Poll;

(xiii) the Refinancing Option Deed Poll;

(xiv) the Retention Holder Deed Poll;

(xv) the Risk Retention Letter;

(xvi) the Scottish Declaration of Trust (in the form annexed to the Mortgage Sale Agreement);

(xvii) the Scottish Supplemental Charge;

(xviii) the Servicer Power of Attorney;

(xix) the Servicing Agreement;

(xx) the Share Trust Deed;

(xxi) the Trust Deed; and

(xxii) the Sponsor Administration Agreement.

Under the terms of the Transaction Documents, the Transaction has been structured so that the income and/or repayments in respect of the securitised assets backing the issue of Notes by the Issuer have the characteristics that demonstrate capacity to produce funds to service, on a timely basis, any payments due and payable on the Notes.

This Prospectus 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: 635400CN5QLLGWRQSA75.

UK Securitisation Regulation reporting

The Issuer and the Retention Holder (as SSPE and sponsor, respectively, within the meaning of the UK Securitisation Regulation), have agreed that the Issuer is designated as the reporting entity (the "**Reporting Entity**") as required under Article 7(2) of the UK Securitisation Regulation.

The Reporting Entity has undertaken in the Subscription Agreement:

(a) that it will fulfil the requirements of Article 7 of the UK Securitisation Regulation and the UK Article 7 Technical Standards and Article 7 of the EU Securitisation Regulation and the EU Article 7 Technical Standards (in each case, as if it were applicable to the Reporting Entity and as in force on the Closing Date) either itself or shall procure that such requirements are fulfilled on its behalf;

(b) that it will procure that:

(i) on a monthly basis, the Servicer Report will be made available to the Cash Manager, the Sponsor Administrator and the Issuer;

(ii) on a monthly basis, information on the Mortgage Loans in the Mortgage Portfolio required to be made available pursuant to Article 7(1)(a) of the UK Securitisation Regulation and the UK Article 7 Technical Standards (the "**UK Loan Level Report**") will be published;

(iii) on a quarterly basis, an investor report containing the information required to be made available pursuant to Article 7(1)(e) of the UK Securitisation Regulation and the UK Article 7 Technical Standards (the "**UK Quarterly Report**") will be published;

(iv) on a monthly basis, the Monthly Investor Report will be made available on https://pivot.usbank.com; and

(v) on a quarterly basis and, where required, without delay, any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards will be published; and

(c) that:

(i) it will procure that the information referred to above is made available to the Noteholders, persons entitled to receive the Senior Deferred Consideration and the Residual Deferred Consideration, the FCA, the Bank of England, the PRA and/or the Pensions Regulator and, upon request, to potential investors and that it is provided in a manner consistent with the requirements of Article 7(2) of the UK Securitisation Regulation by means of the Securitisation Repository at https://www.secrep.co.uk ; and

(ii) it will provide information to and to comply with written confirmation requests of the Securitisation Repository, as required under the UK Securitisation Repository Operational Standards,

subject always to any requirement of law and provided that: (A) the Reporting Entity will not be in breach of such undertaking if the Reporting Entity fails to so comply due to events, actions or circumstances

beyond the Reporting Entity's control; and (B) the Reporting Entity is only required to do so to the extent that the disclosure requirements under Article 7 of the UK Securitisation Regulation and the UK Article 7 Technical Standards remain in effect.

The first Loan Level Report and Quarterly Report will be published as required by and in accordance with Article 7(1)(a) and Article 7(1)(e) of the UK Securitisation Regulation respectively.

The Reporting Entity further confirms that it has made available this Prospectus and the Transaction Documents (in draft form) as required by Article 7(1)(b) of the UK Securitisation Regulation prior to the pricing of the Notes and that it will procure that final documents are provided no later than 15 days after the Closing Date.

EU Securitisation Regulation reporting

The Issuer and the Retention Holder (as SSPE and sponsor, respectively, within the meaning of the EU Securitisation Regulation) have agreed that the Issuer will act as if it is the designated entity for the purposes of Article 7(2) of the EU Securitisation Regulation as such regulation is in force as at the Closing Date.

(a) The Issuer hereby contractually agrees to procure that:

(i) on a monthly basis, the Servicer Report will be made available to the Cash Manager, the Sponsor Administrator and the Issuer;

(ii) certain loan level information in relation to the Mortgage Loans in respect of the relevant period is published on a monthly basis as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation and the EU Article 7 Technical Standards for the purposes of Article 5(1)(e) of the EU Securitisation Regulation not taking into account any relevant national measures, as if such requirement was applicable to it and as in force on the Closing Date (the "**EU Loan Level Report**");

(iii) a quarterly investor report is prepared and published as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation and the EU Article 7 Technical Standards for the purposes of Article 5(1)(e) of the EU Securitisation Regulation not taking into account any relevant national measures, as if such requirement was applicable to it and as in force on the Closing Date (the "**EU Quarterly Report**");

(iv) on a monthly basis, the Monthly Investor Report will be made available on https://pivot.usbank.com; and

(v) on a quarterly basis and, where required, without delay, any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and the EU Article 7 Technical Standards (in each case, as if it were applicable to the Reporting Entity and as in force on the Closing Date) and any information required to be reported pursuant to Article 7(1)(g) of the EU Securitisation Regulation and the EU Article 7 Technical Standards (in each case, as if it were applicable to the Reporting Entity and as in force on the Closing Date) is prepared and published without delay (for the purposes of Article 5(1)(e) of the EU Securitisation Regulation) not taking into account any relevant national measures, as if such requirements were applicable to it and as such regulation is in force as at the Closing Date,

in each case:

(A) as such articles and/or requirements under the EU Securitisation Regulation and the EU Article 7 Technical Standards described in paragraphs (i) to (iv) above are interpreted and applied solely on the Closing Date (and, for the avoidance of doubt, the Issuer (as SSPE within the meaning of the EU Securitisation Regulation) will not be under any obligation to comply with any

amendments to applicable EU technical standards, guidance or policy statements introduced in relation to paragraphs (i) to (iv) above after the Closing Date);

(B) in the form or template prescribed under the EU Securitisation Regulation and the EU Article 7 Technical Standards as at the Closing Date only or as otherwise adopted by the Issuer as SSPE within the meaning of the EU Securitisation Regulation (following consultation with the Retention Holder and the Servicer) from time to time; and

(C) until such time when the Issuer (as SSPE within the meaning of the EU Securitisation Regulation) is able to certify to the Note Trustee that a competent EU authority has confirmed that the satisfaction of the requirements detailed in paragraphs (a) to (c) above under the heading "*UK Securitisation Regulation reporting*" relating to the UK Securitisation Regulation will also satisfy the requirements of Article 7 of the EU Securitisation Regulation due to the application of an equivalence regime or similar analogous concept;

subject always to any requirement of law and provided that:

(I) the Issuer (as SSPE within the meaning of the EU Securitisation Regulation) will not be in breach of such obligation if it fails to so comply due to events, actions or circumstances beyond its control; and

(II) the Issuer (as SSPE within the meaning of the EU Securitisation Regulation) is only required to comply with such obligation to the extent that the disclosure requirements under Article 7 of the EU Securitisation Regulation and EU Article 7 Technical Standards (in each case, as in force as at the Closing Date) remain in effect.

(b) The Issuer (as SSPE within the meaning of the EU Securitisation Regulation) confirms that it has made available this Prospectus and the Transaction Documents (in draft form) in accordance with Article 7(1)(b) of the EU Securitisation Regulation (as if such requirement applied to it and as such regulation is in force as at the Closing Date) prior to the pricing date of the Notes and that it will procure that final documents are provided no later than 15 days after the Closing Date.

(c) The Issuer undertakes that it will procure that the information referred to in paragraphs (i) to (iv) above is made available to the Noteholders, the EU competent authorities and, upon request to potential investors in the Notes at https://www.secrep.co.uk

The undertakings referred to in paragraphs (i) to (c) above are subject always to any requirement of law, and provided that: (x) the Issuer will not be in breach of such undertaking if the Issuer fails to so comply due to events, actions or circumstances beyond the Issuer's control; and (y) the Issuer is only required to do so to the extent that the relevant disclosure requirements under Article 7 of the EU Securitisation Regulation and EU Article 7 Technical Standards (in each case, as in force as at the Closing Date) remain in effect.

GLOSSARY

Set forth below in this glossary are the definitions of certain defined terms used in this Prospectus.

"**Account Bank Agreement**"	The Account Bank Agreement entered into on or about the Closing Date between, among others, the Issuer, the Transaction Account Bank and the Security Trustee which provides for the operation of the Issuer Accounts named therein.
"**Accrued Interest**"	In respect of a Mortgage Loan as at any date (the "**relevant date**"), the aggregate of all interest accrued but not yet due and payable on that Mortgage Loan from (and including) the Monthly Payment Date immediately preceding the relevant date to (but excluding) the relevant date.
"**Actual Ratings Confirmation**"	Written confirmation from each 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 notes rated by that Rating Agency, **provided however** that it is understood that the Rating Agencies will be under no obligation to provide an Actual Ratings Confirmation.
"**Additional Fixed Rate Loan Hedging Condition**"	In respect of the Fixed Rate Mortgage Loans, means and is satisfied at any time if, at such time, the aggregate Principal Amount Outstanding of the Fixed Rate Mortgage Loans does not exceed the aggregate notional amount of all Interest Rate Swaps then outstanding (if any) by an amount equal to or greater than 5 per cent. of the aggregate Principal Amount Outstanding of all Mortgage Loans in the Mortgage Portfolio in each case as at the last calendar day of the immediately preceding calendar month.
"**Agency Agreement**"	The agency agreement entered into on the Closing 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 Principal Paying Agent, the Registrar and the Agent Bank.
"**Agent Bank**"	Elavon Financial Services DAC, UK Branch, in its capacity as the 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 Principal Paying Agent, the Registrar and the Agent Bank initially appointed pursuant to the Agency Agreement or, if applicable, any successor agents.

"**Applicable Law**"

(a) All applicable laws, rules, regulations, ordinances, directives, treaties and statutes, authorisations, permits, licences, notices, instructions and decrees of any relevant regulatory authority or any judgment or judicial practice of any court and any other legally binding requirement of any regulatory authority or government authority having jurisdiction with respect to a Transaction Party; and

(b) in the context of the Mortgage Portfolio, any guidance and principles set out in the MCOB, only to the extent such guidance or principles do not conflict with any of the matters referred to in paragraph (a) above.

"**Appointee**" Any custodian, agent, delegate, nominee, attorney or manager or any other person appointed by the Note Trustee under the Trust Deed or the Security Trustee under the Deed of Charge.

"**Arranger**" Barclays Bank PLC, acting through its investment bank or its affiliates, in its capacity as arranger under the Subscription Agreement.

"**Arrears of Interest**" In respect of a Mortgage Loan as at any date, interest (other than Capitalised Interest or Accrued Interest) on that Mortgage Loan which is currently due and payable and unpaid on that date.

"**Article 7 ITS**" The Commission Implementing Regulation (EU) 2020/1225 including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission.

"**Article 7 RTS**" The Commission Delegated Regulation (EU) 2020/1224 including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission.

"**Authorised Investments**"

(a) Sterling gilt-edged investments and Sterling demand or time deposits, certificates of deposit and short-term debt obligations (which may include deposits in any account which earns a rate of interest related to SONIA but which may not, for the avoidance of doubt, consist, in whole or in part, actually or potentially, of tranches of other asset-backed securities, credit-linked notes, swaps or other derivatives instruments or synthetic securities) with a maturity date prior to the next Payment Date where the issuing or guaranteeing entity or the entity with which the investments are made, at a minimum, satisfies the rating criteria of the Rating Agencies set out in the table below (or such other lower short-term or long-term rating by the relevant Rating Agency which would not affect the then current rating of the Rated Notes):

	Short-Term			**Long-Term (if available)**	
	Fitch	**DBRS**		**Fitch**	**DBRS**
	F1+	R-1 (low)		AA-	AA (low)

(b) such other arrangements as are otherwise notified to the Rating Agencies where there is no reduction, qualification or withdrawal by any rating agency of then current ratings of the Class A Notes as a consequence thereof and which are "financial assets" within the meaning of regulation

2(1) of The Taxation of Securitisation Companies Regulations 2006 (as amended).

"**Available Funds**" Available Principal Receipts and Available Revenue Receipts.

"**Available Principal Receipts**" In respect of a Payment Date, an amount, calculated by the Cash Manager on the Calculation Date immediately preceding such Payment Date, 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;

(b) all other principal amounts standing to the credit of the Principal Ledger on the Transaction Account including any Available Principal Receipts previously credited to the Principal Ledger on a Payment Date in accordance with the applicable Pre-Enforcement Principal Priority of Payments;

(c) all amounts credited to the Principal Deficiency Sub-Ledgers pursuant to items (vii), (x), (xii), (xiv), (xvi) and (xviii) of the Pre-Enforcement Revenue Priority of Payments; and

(d) following the service of an Enforcement Notice, all amounts standing to the credit of the General Reserve Fund and the Liquidity Reserve Fund.

"**Available Revenue Receipts**" In respect of a Payment Date, an amount, calculated by the Cash Manager on the Calculation Date immediately preceding such Payment Date, 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 on the Transaction Account and all income from Authorised Investments, which will be received on or prior to the relevant Payment Date;

(c) amounts to be received from the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement (other than Swap Collateral Excluded Amounts), any Swap Termination Payments (other than such Swap Termination Payments applied or to be applied by the Issuer in the purchase of one or more replacement Interest Rate Swap) recovered by the Issuer under the Interest Rate Swap Agreement and any Swap Replacement Premium (other than such Swap Replacement Premium applied or to be applied by the Issuer in making any Swap Termination Payment due from it to the Interest Rate Swap Counterparty);

(d) any amounts standing to the credit of the General Reserve Fund (but only to the extent necessary after applying all other Available Revenue Receipts (other than Principal Addition Amounts under paragraph (f) of this definition of Available Revenue Receipts and amounts standing to the credit of the Liquidity Reserve Fund under paragraph (e) of this definition of Available Revenue Receipts)) to make a General Reserve Fund Payment;

(e) any amounts standing to the credit of the Liquidity Reserve Fund (but only to the extent necessary after applying all other Available Revenue Receipts (other than Principal Addition Amounts under paragraph (f) of this definition of Available Revenue Receipts)) to pay Senior Revenue Amounts;

(f) any Principal Addition Amounts to be applied as Available Revenue Receipts in accordance with paragraph (i) of the Pre-Enforcement Principal Priority of Payments to pay a Revenue Shortfall;

(g) any other income received by the Issuer during the immediately preceding Calculation Period other than Available Principal Receipts;

(h) following redemption in full of the Class A Notes and Class B Notes, all amounts standing to the credit of the Liquidity Reserve Fund;

(i) all Liquidity Reserve Fund Excess Amounts;

(j) following redemption in full of the Class F Notes, all amounts standing to the credit of the General Reserve Fund; and

(k) if the Notes are being redeemed in accordance with Condition 7.4 (*Mandatory Redemption in full or in part pursuant to the exercise of the Portfolio Purchase Option*), Condition 7.5 (*Mandatory Redemption in full pursuant to the exercise of the Refinancing Option*), Condition 7.6 (*Mandatory Redemption in full pursuant to the exercise of the Clean-up Purchase Option*), Condition 7.7 (*Mandatory Redemption of the Notes following the exercise of a Risk Retention Regulatory Change Option*), Condition 7.8 (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Event Option*) or Condition 7.9 (*Optional redemption for tax and other reasons*) on the relevant Payment Date, then all amounts standing to the credit of the General Reserve Fund and the Liquidity Reserve Fund.

"**Back-up Servicer Facilitator**" CSC Capital Markets UK Limited, or any other person or persons for the time being acting as back-up servicer provider to the Issuer under the Servicing Agreement.

"**Balance**" " In relation to any Mortgage Loan and as at any given date, the aggregate (without double-counting) of:

(a) the Principal Balance; and

(b) any other amounts whether being with respect to interest, legal expenses, fees, charges, premiums, other payments and/or any amounts in arrears which as at the date of the assignment and sale of such Mortgage Loan to the Issuer was included in the calculation of the Balance as at the Cut-off Date for the purpose of calculating the Initial Purchase Price to be paid by the Issuer,

as at the end of the London Business Day immediately preceding that given date, less any repayment or payment of any of the foregoing made on or before the end of the London Business Day immediately preceding that given date.

"**Barclays Bank UK Regulatory Sub-Group**" Barclays Bank UK PLC and any subsidiary undertakings and/or other entities which are incorporated in Barclays Bank UK PLC's calculations of its sub-consolidated capital requirements in accordance with the Capital Regulations.

"**Barclays Bank UK Solus**" Barclays Bank UK PLC, in its capacity as an 'institution', regulated by the PRA on an individual basis pursuant to the Capital Regulations.

"**Block Voting Instruction**" An English language document issued by the Principal Paying Agent in which:

(a) it is certified that on the date thereof Notes and/or any Certificates (then in issue) (not being Notes and/or Certificates (as applicable) in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) are blocked in an account with a clearing system and that no such Notes and/or such Certificates (then in issue) will cease to be so blocked until the first to occur of:

(i) the conclusion of the meeting specified in such Block Voting Instruction; and

(ii) the Notes and/or any Certificates (then in issue) ceasing with the agreement of the Principal Paying Agent to be so blocked and the giving of notice by the Principal Paying Agent to the Issuer of the necessary amendment to the Block Voting Instruction;

(b) it is certified that each holder of such Notes and/or such Certificates (then in issue) has instructed the Principal Paying Agent that the vote(s) attributable to the Notes and/or any Certificates (then in issue) so blocked should be cast in a particular way in relation to the resolution(s) to be put to such meeting and that all such instructions are, during the period commencing 48 hours prior to the time for which such meeting is convened and ending at the conclusion thereof, neither revocable nor capable of amendment;

(c) the aggregate principal amount or aggregate total amount of the Notes and/or the number of any Certificates (then in issue) so blocked is listed distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and

(d) one or more persons named in such Block Voting Instruction (each hereinafter called a "**proxy**") is or are authorised and instructed by the Principal Paying Agent to cast the votes attributable to the Notes and/or any Certificates (then in issue) so listed in accordance with the instructions referred to in paragraph (c) above as set out in such Block Voting Instruction, provided that no such person shall be named as a proxy:

(i) whose appointment has been revoked and in relation to whom the Principal Paying Agent has been notified in writing of such

revocation by the time which is 48 hours before the time fixed for such meeting; and

(ii) who was originally appointed to vote at a meeting which has been adjourned for want of a quorum and who has not been reappointed to vote at the meeting when it is resumed.

"**Borrower**"	In relation to a Mortgage Loan, the individual or individuals specified as such in the relevant Mortgage Loan Agreement, 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.
"**Business Day**"	A day (other than a Saturday or Sunday or a public holiday) on which banks are open for general business in London.
"**Buy-to-Let Mortgage Loans**"	Mortgage loans which are intended for Borrowers who wish to use the relevant mortgage loan as a means to purchase or refinance residential property which is not the Borrower's main dwelling, including for the purpose of letting to third parties.
"**Calculation Date**"	The date falling three Business Days before each Payment Date.
"**Calculation Period**"	As at any date of determination, the immediately preceding three Collection Periods or, in the case of the first Calculation Period, the date from and excluding the Cut-Off Date to and including the last day of the Collection Period immediately preceding such date of determination.
"**Capital Regulations**"	At any time, the laws, regulations, requirements, standards, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss-absorbing capacity for credit institutions of either (a) the PRA; and/or (b) any other national or European authority, in each case then in effect in the United Kingdom (or in such other jurisdiction in which the Seller may be organised or domiciled) and applicable to Barclays Bank UK Solus or the Barclays Bank UK Regulatory Sub-Group, as the case may be, including CRD IV and related technical standards.
"**Capitalised**"	In respect of a fee, an interest amount or any other amount, means that amount which is added to the Principal Balance of a Mortgage Loan.
"**Capitalised Interest**"	In respect of a Mortgage Loan as at any date, interest which is overdue in respect of that Mortgage Loan and which as at that date has been added to Principal 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).
"**Cash Management Agreement**"	The cash management agreement entered into on or about the Closing Date between, among others, the Cash Manager, the Issuer, the Servicer and the Security Trustee, which provides for the management of revenue and payment obligations and the administration of the Issuer Accounts.
"**Cash Manager**"	U.S. Bank Global Corporate Trust Limited in its capacity as cash manager, or such other person or persons for the time being acting as cash manager pursuant to the terms of the Cash Management Agreement.

"**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 Seller in respect of each Mortgaged Property substantially in the form of the pro forma set out in the Standard Documentation.
"**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.
"**Clearing Systems**"	Euroclear and Clearstream, Luxembourg and includes in respect of any Note and/or any Certificate (then in issue) any clearing system on behalf of which such Note and/or any Certificate (then in issue) is held or which is the holder or (directly or through a nominee) registered owner of a Note and/or a Certificate (then in issue), in either case whether alone or jointly with any other Clearing System(s).
"**Collection Account**"	Any account in the name of the Legal Title Holder held at the Collection Account Bank through which the Seller measures payments received from Borrowers in respect of amounts due under the Mortgage Loans.
"**Collection Account Bank**"	Barclays Bank UK PLC.
"**Collection Period**"	The period from, and including, the first day of each month to, and including, the last day of each month.
"**Common Safekeeper**"	A common safekeeper for Euroclear and Clearstream, Luxembourg.
"**Corporate Services Agreement**"	The corporate services agreement entered into on or about the Closing Date between, among others, the Issuer and the Corporate Services Provider, for the provision by the Corporate Services Provider of certain corporate services.
"**Corporate Services Provider**"	CSC Capital Markets UK 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.
"**CPR**"	The constant rate of scheduled and unscheduled repayments on the Mortgage Loans in the Mortgage Portfolio for the relevant period relative to the aggregate Current Balance of such Mortgage Loans.
"**CRD**"	Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended.
"**CRD IV**"	The legislative package consisting of the CRD and the CRR.
"**CRR**"	Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended.
"**Current Balance**"	In relation to any Mortgage Loan, as at any given date, the aggregate (without double-counting) of:

(a) the Principal Balance; and

(b) any other amounts which are due and payable but have not been paid by the relevant Borrower in accordance with the terms of the relevant Mortgage Conditions, including without limitation Accrued Interest and Arrears of Interest,

as at the end of the London Business Day immediately preceding that given date, less any repayment or payment of any of the foregoing made on or before the end of the London Business Day immediately preceding that given date.

"**Current LTV**" The ratio of:

(a) the aggregate Current Balance such Mortgage Loan and any related Further Advances, to

(b) the valuation of the Mortgaged Property securing such Mortgage Loan as determined by the relevant valuation by the Seller.

"**Custody Agreement**" The custody agreement entered into between the Issuer and any custodian in connection with the opening of a securities collateral account as required by the terms of the Interest Rate Swap Agreement.

"**Cut-Off Date**" 31 August 2024.

"**Data Protection Laws**" Any law, enactment, regulation or order concerning the processing of data relating to living persons including:

(a) the UK GDPR, the UK Data Protection Act 2018 and the Privacy and Electronic Communications (EC Directive) Regulations 2003;

(b) the EU GDPR and any law, enactment, regulation or order transposing, implementing, adopting, supplementing or derogating from, the EU GDPR and the EU Directive 2002/58/EC in each Member State,

each to the extent applicable to the activities or obligations under or pursuant to the Transaction Documents, and the terms controller, data subject, personal data, personal data breach, process (and its variants) and processor shall have the meaning given in the relevant Data Protection Laws as at the time at which that activity or obligation was performed.

"**DBRS**" or "**Morningstar DBRS**" means:

(a) for the purpose of identifying which DBRS entity has assigned the credit rating to the Rated Notes, DBRS Ratings Limited and any successor to that rating activity; and

(b) in any other case, any entity that is part of Morningstar DBRS, which is either registered or not under the UK CRA Regulation, as it appears from the last available list published by the FCA on the Financial Services Register, or any other applicable regulation.

"**Deed of Charge**" The deed of charge entered into on or about the Closing Date between the Issuer and the Security Trustee, and each supplement entered into in connection therewith.

"**Deemed Ratings Confirmation**" A certification in writing by an authorised signatory of the Issuer 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 an Actual Ratings Confirmation or response based on the same facts.

"**Direct Debit**" A payment made pursuant to the Direct Debiting Scheme.

"**Direct Debiting Scheme**" The scheme for the manual or automated debiting of bank accounts operated in accordance with the detailed rules of certain members of the Association for Payment Clearing Services.

"**Distribution Compliance Period**" The period that ends 40 days after the completion of the distribution of the relevant Class of Notes and the Closing Date.

"**Dodd-Frank Act**" The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

"**Early Repayment Charge**" Any charge or fee which a Borrower is required to pay in accordance with the Mortgage Conditions applicable to the relevant Mortgage Loan in the event that that Borrower repays all or part of the relevant Mortgage Loan before a specified date (other than, for the avoidance of doubt, any redemption fees).

"**EBA**" European Banking Authority.

"**EIOPA**" European Insurance and Occupational Pensions Authority.

"**Eligible Person**" Any one of the following persons who shall be entitled to attend and vote at a meeting:

(a) a bearer of any Voting Certificate; and

(b) a proxy specified in any Block Voting Instruction.

"**Enforcement Procedures**" The procedures for the enforcement of Mortgages relating to Mortgage Loans in the Mortgage Portfolio undertaken by the Servicer from time to time in

	accordance with the Servicing Procedures, as may be varied or amended from time to time.
"**English Mortgage**"	A first ranking legal mortgage over an English Property.
"**English Mortgage Loan**"	A Mortgage Loan secured by an English Mortgage.
"**English Property**"	A Mortgaged Property situated in England or Wales.
"**ESMA**"	The European Securities and Markets Authority.
"**EU Article 7 Technical Standards**"	The Article 7 RTS and the Article 7 ITS.
"**Event of Default**"	Any of the events specified in Condition 11 (*Events of default*).
"**Family Springboard Mortgage Loan** "	A Mortgage Loan that allows a Borrower to secure a loan for up to 100 per cent. of the purchase price of a property, facilitated by a family member who provides a 10 per cent. retainer, held on account with the Seller as security for the Borrower's obligations.
"**Fast-track Mortgage Loan**"	A Mortgage Loan which is approved by a lender without proof of income of the Borrower at the time of the making of the loan.
"**FCA**"	The UK Financial Conduct Authority as successor to the FSA, or any successor regulatory body or authority.
"**Financial Services Register** "	A public record of firms, individuals and other bodies that are, or have been, regulated by the PRA and/or FCA.
"**Fitch**"	Fitch Ratings Ltd., and any successor to its ratings business.
"**Fixed Amount**"	Has the meaning given to it in the confirmation evidencing the terms of the initial Interest Rate Swap under the Interest Rate Swap Agreement
"**Fixed Rate Mortgage Loan**"	A Mortgage Loan which is subject to a fixed interest rate for a specified period of time (usually a period of two, three, four, five or ten years) and at the expiration of that period is subject to a rate linked to the Bank of England's base rate.
"**Flexible Feature Payments**"	Any payments in respect of any Further Advances or other flexible features in relation to the Mortgage Loans in the Mortgage Portfolio.
"**FSA**"	Financial Services Authority and any successor thereto, including the FCA.
"**FSMA**"	The Financial Services and Markets Act 2000.
"**Further Advance**"	In relation to a Mortgage Loan, any advance of further money to the relevant Borrower following the making of the initial advance of monies in respect of such Mortgage Loan (the "**Initial Advance**") which is secured by the same Mortgage as the Initial Advance.
"**GDPR**"	Regulation (EU) 2016/679 as it forms part of domestic law by virtue of the EUWA.

"**General Reserve Fund**"	The reserve fund that the Issuer will be required to establish in the Transaction Account which will be credited with an amount advanced under the Class Z Notes and the proceeds of Available Revenue Receipts up to an amount equal to the General Reserve Fund Required Amount.
"**General Reserve Ledger**"	The ledger of the Transaction Account so named and maintained by the Cash Manager in the books of the Issuer pursuant to the Cash Management Agreement to record amounts standing to the credit of the General Reserve Fund at any time.
"**Help to Buy Mortgage Loan**"	A shared equity mortgage loan made available from 1 April 2013 by the UK government to borrowers in England and Wales for the purchase of new homes.
"**Holdings**"	Pavillion Mortgages 2024-1 Holdings Limited, a private limited company incorporated in England and Wales (registered number 15800518) with its registered office at 5 Churchill Place, 10th Floor, London E14 5HU.
"**ICSDs**"	Euroclear and/or Clearstream, Luxembourg, as applicable.
"**IFRS**"	International Financial Reporting Standards (IFRS) are accounting standards issued by the IFRS Foundation and the International Accounting Standards Board.
"**Incorporated Terms Memorandum**"	The incorporated terms memorandum signed by, among others, the Issuer and the Seller for the purpose of identification on or about the Closing Date.
"**Initial Purchase Price**"	£879,101,786.38, being 96.33 per cent., of the aggregate Balance of the Mortgage Portfolio as at the Cut-Off Date and constituting that portion of the purchase price paid by the Issuer to the Seller on the Closing Date in consideration for the assignment by the Seller to the Issuer of Mortgage Loans on the Closing Date, in each case in accordance with the Mortgage Sale Agreement.
"**Insolvency Event**"	In respect of a person: (a) an order is made or an effective resolution passed for the winding-up of that person or the appointment of a liquidator or administrator over that person (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) that person 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 1986 (as amended, modified or re-enacted) 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; and (c) (i) proceedings are initiated against that person under any applicable liquidation, insolvency, composition, arrangement, 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; or

(ii) an administration order being granted or, an administrative or other receiver, administrator, liquidator, monitor or other similar official is appointed in relation to the whole or any substantial part of the undertaking or assets of that person; or

(iii) a bank insolvency order or a bank administration order is made pursuant to the Banking Act 2009; or

(iv) a distress, execution, diligence or other process is enforced upon the whole or any substantial part of the undertaking or assets of that person and in any of the foregoing cases it is not discharged within 30 London Business Days; or

(v) that person 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 or assignation for the benefit of its creditors generally.

"**Insurance Contracts**" The insurance contracts or policies described in the Mortgage Sale Agreement and any other additional, substitute or replacement insurance contract or policy arranged by or on behalf of the Seller from time to time and in which the Seller has an interest relating to the Mortgage Loans.

"**Interest Only Mortgage Loan**" A Mortgage Loan where the relevant Mortgage Conditions require that the Borrower makes monthly payments of interest but not of principal (ignoring, for these purposes, any temporary waiver or deferral of the payment of principal that may be granted to a Borrower from time to time). When the Mortgage Loan matures, the entire principal amount of the Mortgage Loan is still outstanding and the Borrower must repay that amount in one lump sum.

"**Interest Rate Swap**" Each swap transaction evidenced by a confirmation under the Interest Rate Swap Agreement.

"**Interest Rate Swap Agreement**" The ISDA Master Agreement and schedule thereto entered into between the Issuer and the Interest Rate Swap Counterparty dated as of the Closing Date, as amended or supplemented from time to time, relating to the Interest Rate Swap and any confirmations thereunder, and any credit support annex or other credit support document entered into at any time among the Issuer and the Interest Rate Swap Counterparty and/or any credit support provider.

"**Interest Rate Swap Counterparty**" Barclays Bank PLC, in its capacity as interest rate swap counterparty under the Interest Rate Swap Agreement, or such other person for the time being acting as interest rate swap counterparty under the Interest Rate Swap Agreement.

"**Interest Rate Swap Counterparty Default**"	Means: (a) the occurrence of an event of default (as defined in the Interest Rate Swap Agreement) where the Interest Rate Swap Counterparty is the defaulting party (as defined in the Interest Rate Swap Agreement); or (b) the occurrence of an additional termination event (as defined in the Interest Rate Swap Agreement) as a result of the failure by the Interest Rate Swap Counterparty to remedy a swap downgrade event in accordance with the Interest Rate Swap Agreement where the relevant Interest Rate Swap Counterparty is the sole affected party (as defined in the Interest Rate Swap Agreement); or (c) if applicable, the additional tax representation (as defined in the Interest Rate 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 Interest Rate Swap Counterparty which could have prevented such breach of representation.
"**Interest Rate Swap Excluded Termination Amount**"	In relation to the Interest Rate Swap Agreement, the amount of any Swap Termination Payment due and payable to the Interest Rate Swap Counterparty as a result of an Interest Rate Swap Counterparty Default in respect of the 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 Interest Rate Swap Agreement which has terminated as a result of such Interest Rate Swap Counterparty Default.
"**Investment Company Act**"	The Investment Company Act of 1940, as amended.
"**Irrecoverable VAT**"	Any amount in respect of VAT which a person (or the representative member of the VAT group of which such person is a member) has incurred and in respect of which that person (or any member of the same VAT group of which such person is a member) is not able to recover (by way of credit, repayment, refund or otherwise) from any relevant tax authority pursuant to and determined in accordance with any relevant law.
"**ISDA Master Agreement**"	The ISDA 2002 Master Agreement published by the International Swaps and Derivatives Association, Inc.
"**Issuer**"	Pavillion Mortgages 2024-1 PLC, a public limited liability company incorporated in England and Wales (registered number 15800566), with its registered office at 10th Floor, 5 Churchill Place, London E14 5HU.
"**Issuer Accounts**"	The Transaction Account, any Swap Collateral Account, the Standby Swap Collateral Account and any additional accounts of the Issuer as may, from time to time, be opened in accordance with the terms of the Account Bank Agreement, the Standby Swap Collateral Account Bank Agreement, a Standby Account Bank Agreement (if applicable), or any Custody Agreement (as applicable) and maintained pursuant to the terms of the Account Bank Agreement or a Standby Account Bank Agreement (if applicable) or any Custody Agreement (as applicable), the Cash Management Agreement and the Deed of Charge.

"**Issuer Profit Amount**"	Subject to the applicable Priority of Payments, an amount up to £300 paid on each Payment Date, which shall be credited to the Issuer Profit Ledger for the Issuer to retain as a profit for entering into the Transaction.
"**Issuer Profit Ledger**"	The ledger of the Transaction Account so named and maintained by the Cash Manager in the books of the Issuer pursuant to the provisions of the Cash Management Agreement to record amounts retained by the Issuer as profit.
"**Issuer Security Power of Attorney**"	The power of attorney granted by the Issuer on or about the Closing Date in favour of the Security Trustee, substantially in the form set out in Schedule 1 (*Form of Issuer Security Power of Attorney*) to the Deed of Charge.
"**Land Registers of Northern Ireland**"	The Land Registry of Northern Ireland and the Registry of Deeds of Northern Ireland.
"**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 liquidity coverage requirement for credit institutions.
"**Lead Manager**"	Barclays Bank PLC, acting through its investment bank or its affiliates.
"**Legal Title Holder**"	Barclays Bank UK PLC, in its capacity as legal title holder.
"**Legal Title Holder Security Power of Attorney**"	The power of attorney granted by the Legal Title Holder on or about the Closing Date in favour of the Issuer, substantially in the form set out in Schedule 7 (*Form of Legal Title Holder Security Power of Attorney*) to the Mortgage Sale Agreement.
"**Lending Criteria**"	The lending criteria of the Seller and which, as at the Closing Date, are set out in the Mortgage Sale Agreement and/or such other criteria as would be acceptable to a Prudent Mortgage Lender.
"**Liabilities**"	In respect of any person, any fees, losses, damages, costs, charges, awards, claims, demands, expenses (including legal fees and expenses), judgments, decrees, interest on judgments or decrees, amounts paid in settlements, obligations, penalties, assessments, actions, suits or any other liabilities whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges and all legal fees and disbursements incurred in defending or disputing any of the foregoing and including any Irrecoverable VAT or similar tax charged or chargeable in respect thereof but excluding any tax payable on net income, profits or gains)
"**Liquidity Reserve Fund**"	The reserve fund that the Issuer will be required to establish in the Transaction Account which will be credited with an amount advanced under the Class Z Notes and the proceeds of Available Revenue Receipts up to an amount equal to the Liquidity Reserve Fund Required Amount.
"**Liquidity Reserve Ledger**"	The ledger of the Transaction Account so named and maintained by the Cash Manager in the books of the Issuer pursuant to the Cash Management Agreement to record amounts standing to the credit of the Liquidity Reserve Fund at any time.
"**Listing Rules**"	The rules published by the FCA and contained in the Listing Rules sourcebook.

"**Loan Level Report**"	The UK Loan Level Report and the EU Loan Level Report made available by means of the Securitisation Repository in the case of the UK Loan Level Report or by means of the Securitisation Repository Website in the case of the EU Loan Level Report.
"**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 United Kingdom upon which the Notes are formally admitted for public trading.
"**Long-Term DBRS Rating**"	At any time, with respect to an entity: (a) a rating one notch below its Critical Obligations Rating; or (b) if no Critical Obligations Rating has been assigned by DBRS, the higher of (i) the issuer rating assigned by DBRS to such entity or (ii) the rating assigned by DBRS to such entity's long term senior unsecured debt obligations; or (c) if no such rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating.
"**Losses**"	All realised losses on the Mortgage Loans in the Mortgage Portfolio.
"LTV Exception Mortgage Loan" "	each Mortgage Loan with a LTV greater than 100 per cent. which is identified as a Provisional LTV Exception Mortgage Loan and which is included in the Mortgage Portfolio assigned to the Issuer pursuant to the Mortgage Sale Agreement.
"**Master Definitions Schedule**"	The master definitions schedule set out in Schedule 1 (*Master Definitions Schedule*) to the Incorporated Terms Memorandum, which is a schedule of definitions used in the Transaction Documents.
"**MH/CP Documentation**"	An affidavit, declaration, consent or renunciation granted in terms of the Matrimonial Homes (Family Protection) (Scotland) Act 1981 (as amended) and/or, as applicable, the Civil Partnership Act 2004 in connection with a Scottish Mortgage relating to a Scottish Mortgage Loan or its relevant Scottish Property.
"**Monthly Calculation Date**"	The 21st day of each month or, if such day is not a Business Day, the immediately following Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not) and where such Monthly Calculation Date falls in the same month as a Payment Date, Monthly Calculation Date shall mean the date falling three Business Days before the relevant Payment Date.
"**Monthly Calculation Period**"	As at any date of determination, the period commencing on (and including) the first calendar day of each calendar month and ending on (and including) the last calendar day of each calendar month.
"**Monthly Investor Report**"	A monthly investor report substantially in the form scheduled to the Cash Management Agreement detailing, *inter alia*, certain aggregated loan data in relation to the Mortgage Portfolio. Such report shall be prepared by the Cash

	Manager and made available electronically to the Servicer, Issuer, Security Trustee, Seller, the Sponsor Administrator and the Rating Agencies through its website at https://pivot.usbank.com by no later than each Monthly Reporting Date, provided that it receives the relevant Servicer Report no later than the relevant Servicer Reporting 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.
"**Monthly Reporting Date**"	The 20th day of each month or, if such day is not a Business Day, the immediately following Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).
"**Moody's**"	Moody's Investors Service Ltd and any successor to its rating business.
"**Mortgage**"	An English Mortgage, Northern Irish Mortgage or a Scottish Mortgage.
"**Mortgage Conditions**"	In relation to a Mortgage Loan, the terms and conditions applicable to that Mortgage Loan and its Related Security at any time, as varied by the relevant Mortgage Loan Agreement and the relevant Mortgage Deed, and any variation or supplement thereto.
"**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 mortgage loan originated by the Seller or Barclays Bank PLC and sold to the Issuer in accordance with the Mortgage Sale Agreement.
"**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 Files**"	In relation to a Mortgage Loan, the file or files (including files kept in microfiche format or similar electronic data retrieval system) containing, among other things, correspondence between the Borrower and the Legal Title Holder and including the mortgage documentation applicable to that 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 Guarantee**"	Each guarantee in support of the obligations of a Borrower under a Mortgage Loan.

"**Mortgage Portfolio**" The portfolio of Mortgage Loans and their Related Security assigned by the Seller to the Issuer on or prior to the Closing Date, particulars of which are set out in the Mortgage Sale Agreement, but excluding any such Mortgage Loan and its Related Security which has been redeemed in full on or before the Closing Date, and (subject where applicable to the subsisting rights of redemption of the Borrowers) all right, title, interest and benefit of the Seller in and to:

(a) all sums of principal, interest and any other sum payable or to become payable under such Mortgage Loans after the Cut-Off 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 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 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 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 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 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;

(f) all right, title, interest and benefit of the Seller (both present and future) in, to and under the Third Party Building Policies (including the right to demand, sue for, receive and recover the proceeds of any claims); and

(g) all right, title, interest and benefit of the Seller (both present and future) in, to and under the Insurance Contracts to the extent they relate to the Mortgage Portfolio (including the right to demand, sue for, receive and recover the proceeds of any claims).

"**Mortgage Sale Agreement**" The mortgage sale agreement entered into on the Closing Date between the Seller, the Issuer and the Security Trustee, 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**"

(a) in relation to any English Mortgage Loan, the freehold, leasehold or commonhold property in England and Wales subject to the relevant Mortgage securing repayment of the relevant English Mortgage Loan;

(b) in relation to any Northern Irish Mortgage Loan, the freehold, leasehold or fee farm grant property in Northern Ireland subject to the relevant Mortgage securing repayment of the relevant Northern Irish Mortgage Loan; and

(c) in relation to any Scottish Mortgage Loan, the heritable or long leasehold property in Scotland subject to the relevant Mortgage securing repayment of the relevant Scottish Mortgage Loan,

and (in each case) all rights and security attached or appurtenant or related thereto and all buildings and fixtures and fittings thereon which are subject to the Mortgage securing repayment of such Mortgage Loan.

"**Most Senior Class**"

(a) The Class A Notes; or

(b) if there are no Class A Notes then outstanding, the Class B Notes; or

(c) if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes; or

(d) if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes; or

(e) if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes; or

(f) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes then outstanding, the Class F Notes;

(g) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes then outstanding, the Class G Notes; or

(h) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class G Notes then outstanding, the Class Z Notes; or

(i) if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes or Class Z Notes then outstanding, the Residual Deferred Consideration.

The Senior Deferred Consideration shall not at any time constitute the Most Senior Class.

"**Northern Irish Mortgage**"

A Mortgage secured over a Northern Irish Property.

"**Northern Irish Mortgage Loan**"

A Mortgage Loan secured by a Northern Irish Mortgage.

"**Northern Irish Property**"	A Mortgaged Property situated in Northern Ireland.
"**Note Certificates**"	Any Global Notes or Registered Definitive Notes.
"**Note Trustee**"	U.S. Bank Trustees Limited, in its capacity as note trustee under the Trust Deed, together with any successor note trustee appointed from time to time.
"**Noteholder**"	The registered holder for the time being of the relevant Note who will be treated by the Issuer, the Principal Paying Agent, the Security Trustee and the Note Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Note Certificate and, together, the "**Noteholders**".
"**NSS**"	The new safekeeping structure for registered global securities which are intended to constitute eligible collateral for Eurosystem monetary policy operations.
"**Official List**"	The Official List maintained by the FCA.
"**OFT**"	Office of Fair Trading.
"**Optional Redemption Date**"	The date of early redemption of the Notes: (a) following the exercise by the Portfolio Option Holder of the Portfolio Purchase Option: (i) on the First Optional Redemption Date or any Payment Date following the First Optional Redemption Date; (ii) on any Payment Date following the date on which the Retention Holder (or any of its nominees) gives notice of its intention to exercise the Risk Retention Regulatory Change Option following the date on which a Risk Retention Regulatory Change Event has occurred; (iii) on the Payment Date following the date on which the Seller gives notice of its intention to exercise the Regulatory Change Event Option following the date on which the Seller has determined that a Regulatory Change Event has occurred; or (iv) on the Payment Date following the date on which the Seller gives notice of its intention to exercise the Tax/Illegality Option following the date on which a Tax/Illegality Event has occurred, provided that any election to exercise the Portfolio Purchase Option in these circumstances must be notified to the Note Trustee within 20 Business Days of receipt of such notice; (b) following the exercise by the Seller of the Clean-up Purchase Option to effect an early redemption of the Notes on any Payment Date on which the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio (as of the immediately preceding Calculation Date) is less than or equal to 10 per cent. of the aggregate Current Balance of the Mortgage Loans in the Mortgage Portfolio as at the Cut-Off Date; or

(c) following the exercise by the Refinancing Option Holder of the Refinancing Option, on the First Optional Redemption Date or any Payment Date following the First Optional Redemption Date.

"**Original LTV**" The ratio of:

(a) the aggregate Original Balance of such Mortgage Loan and any related Further Advances, as at the date of the initial loan origination, to

(b) (i) in the case of a loan originated for purchase purposes, the lower of the purchase price or valuation of the Mortgaged Property securing such Mortgage Loan as determined by the relevant valuation by the Seller at the time of origination; or

(i) in all other cases, the valuation of the Mortgaged Property securing such Mortgage Loan as determined by the relevant valuation by the Seller at the time of origination.

"**OTC**" Over-the-counter.

"**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.

"**Payment Date**" The 25th day of each January, April, July and October in each year or, if such day is not a Business Day, the immediately following Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

"**Permitted Other Change**" A variation in the financial terms and conditions applicable to a Mortgage Loan in accordance with paragraphs (a)-(h) of the Product Switch definition and not covered by the proviso therein.

"**Permitted Product Switch**" A Product Switch where the following conditions are all met as at the relevant Switch Date:

(a) the relevant Mortgage Loan, as amended by such Product Switch, is subject to either a fixed rate or base rate-linked rate of interest;

(b) the relevant Mortgage Loan, as amended by such Product Switch, has a maturity date no later than three years prior to the earliest Final Redemption Date, then outstanding; and

(c) that Product Switch does not result in the relevant Mortgage Loan, as amended by such Product Switch, having a Current Balance which is greater than the Current Balance of such Mortgage Loan immediately prior to such Product Switch (other than any increase as a result of capitalised fees).

"**Post-Enforcement Priority of Payments**" The order of 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 of the United Kingdom, or any successor regulatory body or authority.
"**Pre-Enforcement Principal Priority of Payments**"	The order of priority of payments for Available Principal Receipts before the delivery of an Enforcement Notice, as set out in "*Credit Structure and Cashflows – Available Principal Receipts*".
"**Pre-Enforcement Revenue Priority of Payments**"	The order of priority of payments for Available Revenue Receipts before the delivery of an Enforcement Notice, as set out in "*Credit Structure and Cashflows – Available Revenue Receipts – Pre-Enforcement Revenue Priority of Payments*".
"**Principal Balance** "	In relation to any Mortgage Loan, as at any given date, the current principal amount outstanding of that Mortgage Loan to which the Seller applies the relevant interest rate at which interest on that Mortgage Loan accrues, and which is the aggregate (without double-counting) of: (a) the original principal amount advanced to the relevant Borrower and any further amount advanced to the relevant Borrower under that Mortgage Loan on or before that given date secured or intended to be secured by the Related Security; and (b) any interest, legal expense, fee, charge, premium or payment which has been properly Capitalised in accordance with the relevant Mortgage Conditions or with the relevant Borrower's consent and added to the amounts secured or intended to be secured by that Mortgage Loan and the Related Security, as at the end of the London Business Day immediately preceding that given date, less any repayment or payment of any of the foregoing made on or before the end of the London Business Day immediately preceding that given date.
"**Principal Paying Agent**"	Elavon Financial Services DAC, UK Branch, in its capacity as the principal paying agent at its Specified Office initially appointed pursuant to the Agency Agreement, or such other person for the time being acting as principal paying agent under the Agency Agreement.

"**Principal Receipts**"

(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 (including payments pursuant to any Insurance Contract);

(b) any consideration received by the Issuer and allocable to principal or otherwise corresponding to an amount included in the Balance of the relevant Mortgage Loan as at the Cut-Off Date for the purpose of calculating the Initial Purchase Price to be paid by the Issuer, upon a repurchase of the Mortgage Loan by the Legal Title Holder or the Seller in accordance with the Mortgage Sale Agreement or otherwise; and

(c) all payments of any amounts whether being with respect to interest, fees, breakage costs and/or any amounts in arrears which as at the date of assignment and sale of such Mortgage Loan to the Issuer was included in the calculation of the Balance of the relevant Mortgage Loan as at the Cut-Off Date for the purposes of calculating the Initial Purchase Price to be paid by the Issuer.

"**Priorities of Payments**" As applicable, any of the Pre-Enforcement Revenue Priority of Payments, the Pre-Enforcement Principal Priority of Payments and the Post-Enforcement Priority of Payments.

"**Product Switch**" The conversion of a Mortgage Loan (either by the agreement of the Servicer and/or the Legal Title Holder to a Borrower's request to convert their Mortgage Loan or, in the case of a default by a Borrower, by election by the Servicer) into a Mortgage Loan with a different type of interest rate, repayment term, type of repayment and/or any variation in the financial terms and conditions applicable to a Mortgage Loan, other than:

(a) any variation of the rate of interest payable in respect of a Fixed Rate Mortgage Loan as a result of the operation and effect of and/or as contemplated by the existing terms of that Mortgage Loan (including, without limitation, period resetting of an interest rate in respect of a fixed rate tracker to a tracker rate);

(b) any Mortgage Loan in respect of which a Borrower has applied, and been granted permission by the Seller, to transfer to a new property (it being noted that any such activity will be subject to the operation of Clause 10.10 (Porting and certain other actions) of the Mortgage Sale Agreement);

(c) other than with respect to any arrangement made in accordance with and/or as a result of the provisions of the Mortgage Charter, any arrangement entered into with a Borrower as part of the arrears management, forbearance or debt rehabilitation of the Borrower or the exercise of the rights and remedies against a Borrower or in relation to the security for the Borrower's obligations arising from any default by the Borrower under or in connection with such Borrower's Mortgage Loan or Related Security, provided that:

(i) each such arrangement must be in accordance with the Seller's Policy and in accordance with the procedures that could reasonably be expected of a Prudent Mortgage Lender (including, without limitation if a Mortgage Loan is in arrears and a fixed rate payment schedule is agreed with a Borrower to enable arrears to be cleared or the term of the Mortgage Loan is extended to assist a Borrower in financial difficulties), and

(ii) a change to the form of interest rate applicable to a Mortgage Loan to a standard variable rate (where such standard variable rate is a purely discretionary rate administered by the Legal Title-Holder and irrespective of whether such a change would be in accordance with the Servicer's Procedures or the Seller's Policy) will not constitute the arrears management, forbearance or debt rehabilitation of the Borrower or the exercise of the rights and remedies against a Borrower or in relation to the security for the Borrower's obligations arising from any default by the Borrower under or in connection with such Borrower's Mortgage Loan or Related Security, pursuant to this paragraph (c);

(d) any arrangement entered into with a Borrower is in accordance with and as a result of the provisions of the Mortgage Charter which is in order to (A) facilitate a switch to interest-only payments for a duration of not more than six months; or (B) extend the term of the Borrower's Mortgage Loan to reduce their monthly payments where such Borrower has the option to revert to their original term within six months by contacting their lender, in each case where such measures are in accordance with the Seller's Policy and are in accordance with the procedures that could reasonably be expected of a Prudent Mortgage Lender;

(e) other than with respect to any arrangement made in accordance with and/or as a result of the provisions of the Mortgage Charter, any variation imposed by or pursuant to Applicable Law and which is in accordance with the Seller's Policy and in accordance with the procedures that could reasonably be expected of a Prudent Mortgage Lender;

(f) where the Legal Title Holder agrees to a Borrower's request to convert from an owner-occupied Mortgage Loan to a Buy-to-Let Mortgage Loan (it being noted that any such activity will be subject to the operation of Clause 10.10 (Porting and certain other actions) of the Mortgage Sale Agreement);

(g) where the Legal Title Holder agrees to a Borrower's request to convert to an offset mortgage (it being noted that any such Mortgage Loan will be redeemed in full by the Legal Title Holder); or

(h) a transfer of equity (other than in the context of a deceased Borrower) (it being noted that any such Mortgage Loan will be redeemed in full by the Legal Title Holder),

provided that, for the avoidance of doubt, any variation in the rate of interest payable in respect of a Mortgage Loan not permitted or otherwise contemplated by the relevant Mortgage Conditions (including any re-fixing of an interest rate) shall be considered a Product Switch.

"**Prospectus Rules**" The rules published by the FCA and contained in the Prospectus Rules sourcebook.

"**Prudent Mortgage Lender**" The Seller, the Legal Title Holder 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, Northern Ireland and/or Scotland.

"**Qualified Institution**" A bank which:

(a) is a bank as defined for the purposes of Section 878 of the Income Tax Act 2007 and which pays any relevant interest in the ordinary course of its business; and

(b) (i) in the case of the Transaction Account Bank, the Swap Collateral Standby Account Bank or the Standby Account Bank, as applicable, or any successor, is rated at least the Account Bank Required Ratings; or

(ii) in the case of the Collection Account Bank or any successor, is rated at least the Collection Account Bank Required Rating,

or is an institution acceptable to each Rating Agency.

"**Quarterly Report**" The UK Quarterly Report and the EU Quarterly Report and made available at https://pivot.usbank.com and then by the Servicer by means of the Securitisation Repository in the case of the UK Quarterly Report or by means of the Securitisation Repository Website in the case of the EU Quarterly Report.

"**Ratings Confirmation**" An Actual Ratings Confirmation or a Deemed Ratings Confirmation.

"**Receiver**" Any person or persons appointed (and any additional person or persons appointed or substituted) as an administrative receiver, receiver, manager, or receiver and manager of the Charged Property by the Security Trustee pursuant to the Deed of Charge.

"**Registered Definitive Certificates**" Any Certificates (then in issue) in definitive registered form.

"**Registered Definitive Notes**" Any of the Notes in definitive registered form.

"**Registers of Scotland**" The Land Register of Scotland and/or the General Register of Sasines (as applicable).

"**Registrar**" Elavon Financial Services DAC, UK Branch, in its capacity as the registrar at its Specified Office initially appointed pursuant to the Agency Agreement, or such other person for the time being acting as registrar under the Agency Agreement.

"**Regulated Mortgage Contract**"	A credit agreement which constitutes a "regulated mortgage contract" as defined in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, as amended.
"**Regulation S**"	Regulation S under the Securities Act.
"**Related Security**"	In relation to a Mortgage Loan, the security for the repayment of that Mortgage Loan including the relevant Mortgage, all Further Advances in respect thereof and all other matters applicable thereto acquired as part of the Mortgage Portfolio.
"**Reporting Agent**"	EuroABS Limited.
"**Revenue Receipts**"	Any payment received from time to time in respect of any Mortgage Loan which is not a Principal Receipt (including any Early Repayment Charges on any Mortgage Loan) and whether as all or part of a Monthly Payment, on redemption (in whole or in part), on enforcement or on disposal of such Mortgage Loan, the revenue element of any consideration received by the Issuer in respect of a Mortgage Loan repurchased by the Legal Title Holder or the Seller in accordance with the Mortgage Sale Agreement or otherwise (including (a) pursuant to any Insurance Contract and (b) any Accrued Interest and Arrears of Interest in respect of such relevant Mortgage Loan).
"**Revenue Shortfall**"	Any deficit of Available Revenue Receipts to pay items (i) to (vi)(A) of the Pre-Enforcement Revenue Priority of Payments (and not, for the avoidance of doubt any payment due in respect of Senior Deferred Consideration) and, subject to the relevant PDL Condition being satisfied, items (viii), (xi), (xiii), (xv) and (xvii) of the Pre-Enforcement Revenue Priority of Payments on any Payment Date, as determined by the Cash Manager on the relevant Calculation Date.
"**Right to Buy Mortgage Loan**"	A mortgage loan in respect of a property made in whole or in part to a borrower for the purpose of enabling that borrower to exercise his/her 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).
"**Risk Retention Letter**"	The risk retention letter entered into by, among others, the Retention Holder.
"**S&P**"	Standard & Poor's Credit Market Services Europe Limited, and any successor to its rating business.
"**Scottish Declaration of Trust**"	The Scots law declaration of trust, substantially in the form scheduled to the Mortgage Sale Agreement, declared by the Seller in its capacity as Legal Title Holder in favour of the Issuer over its whole right, title, benefit and interest in and to the Scottish Trust Property specified therein.
"**Scottish Mortgage**"	A first-ranking standard security over a Scottish Property.
"**Scottish Mortgage Loan**"	A Mortgage Loan secured by a Scottish Mortgage.
"**Scottish Property**"	A Mortgaged Property situated in Scotland.
"**Scottish Supplemental Charge**"	The Scots law assignation in security, substantially in the form scheduled to the Deed of Charge, granted by the Issuer in favour of the Security Trustee pursuant

	to the Deed of Charge in respect of the Issuer's right, title, interest and benefit in the Scottish Mortgage Loans, Scottish Mortgages and their Related Security as are sold to the Issuer on the Closing Date (comprising the Issuer's beneficial interest under the Scottish Declaration of Trust).
"**Scottish Trust Property**"	The meaning given to it in the Scottish Declaration of Trust and, in relation to a Scottish Mortgage Loan, includes the Scottish Mortgage and other Related Security securing that Mortgage Loan including, in each case, all sums of principal, interest and other sums payable or to become payable under such Scottish Mortgage Loan.
"**Secured Creditors**"	means the Security Trustee, any Receiver appointed by the Security Trustee pursuant to the Deed of Charge, the Note Trustee, any Appointee of the Note Trustee, the Noteholders, the persons entitled to the Senior Deferred Consideration and the Residual Deferred Consideration, the Sponsor Administrator, the Seller, the Servicer, any replacement servicer, the Back-up Servicer Facilitator, the Cash Manager, any replacement cash manager, the Transaction Account Bank, the Standby Swap Collateral Account Bank, the Standby Account Bank (if appointed), the Interest Rate Swap Counterparty, the Corporate Services Provider, the Principal Paying Agent, the Registrar, the Agent Bank, the Collection Account Bank, the Reporting Agent, the Securitisation Repository and any other person who is expressed in any deed supplemental to the Deed of Charge to be a secured creditor.
"**Securities Act**"	The U.S. Securities Act of 1933, as amended.
"**Securitisation Repository**"	means SecRep Limited, or its substitute, successor or replacement that is registered with the FCA under the UK Securitisation Regulation.
"**Securitisation Repository Website**"	means the website of SecRep Limited at https://www.secrep.co.uk, being a website that conforms with the requirements set out in Article 7(2) of the UK Securitisation Regulation.
"**Security**"	The Security Interests created by the Issuer pursuant to the terms of the Deed of Charge in favour of the Security Trustee for the benefit of the Secured Creditors, as described in the section entitled "*Security for the Issuer's Obligations – Deed of Charge*".
"**Security Interest**"	Any mortgage or sub-mortgage, standard security, charge or sub-charge (whether legal or equitable), encumbrance, pledge, lien, hypothecation, assignment or assignation by way of security or other security interest or title retention arrangement and any agreement, trust or arrangement having substantially the same economic or financial effect as any of the foregoing (other than a lien arising in the ordinary course of business or by operation of law).
"**Security Trustee**"	U.S. Bank Trustees Limited and its successors or any further or other security trustee appointed pursuant to the terms of the Deed of Charge.
"**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**"	Barclays Bank UK PLC, in its capacity as seller.

"**Seller's Policy**"	The originating, lending and underwriting, administration, arrears and enforcement policies and procedures which are applied from time to time by the Seller to mortgage loans and the related security for their repayment which are beneficially owned solely by the Seller in its capacity as Legal Title Holder and which may be amended or varied by the Seller from time to time.
"**Senior Revenue Amounts**"	All payments required to be made pursuant to items (i) to (viii) of the Pre-Enforcement Revenue Priority of Payments (and in relation to item (viii) of the Pre-Enforcement Revenue Priority of Payments, only if the relevant PDL Condition is satisfied).
"**Servicer**"	Barclays Bank UK PLC, in its capacity as servicer of the Mortgage Portfolio initially appointed pursuant to the Servicing Agreement, or such other person for the time being acting as servicer under the Servicing Agreement.
"**Servicer Power of Attorney**"	The power of attorney from the Issuer provided to the Servicer pursuant to the Servicing Agreement.
"**Servicer Report**"	A monthly report in relation to the Mortgage Loans in the Mortgage Portfolio prepared by the Servicer and made available to the Issuer, the Sponsor Administrator and the Cash Manager on or before each Servicer Reporting Date.
"**Servicer Reporting Date**"	The date falling three Business Days before each Calculation Date or, if such day is not a Business Day, the immediately following Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).
"**Servicing Agreement**"	The servicing agreement entered into on or about the Closing Date between the Servicer, the Issuer, the Seller, the Legal Title Holder and the Security Trustee which provides for the administration of the Mortgage Loans in the Mortgage Portfolio, as described in the section entitled "*The Servicer and the Servicing Agreement*".
"**Servicing Procedures**"	The administration, arrears and enforcement policies and procedures forming part of the Seller's Policy from time to time, pursuant to which the Servicer administers and enforces mortgage loans and the related security for their repayment which are beneficially owned by the Seller in its capacity as Legal Title Holder or, at any time when the Servicer is not also the Legal Title Holder, the policies and procedures from time to time which would be adopted by a Prudent Mortgage Lender.
"**Share Trust Deed**"	The share trust deed entered into by the Share Trustee and dated 2 August 2024 in relation to the shares in Holdings.
"**Share Trustee**"	CSC Corporate Services (UK) Limited, in its capacity as holder of the issued share capital of Holdings as trustee.
"**Shared Ownership Mortgage Loan**"	A mortgage loan in respect of a mortgaged property where the borrower acquires a percentage of the relevant mortgaged property and pays rent to a landlord in respect of the remaining interest in the mortgaged property.
"**Shared Ownership Mortgage Scheme**"	The shared ownership scheme which operates in England and Wales and which was introduced by the Housing Act 1985 and which enables Borrowers to purchase a share in the property which is owned by a Housing Association.

"**Shared Ownership Scheme Borrower**"	An eligible person in England and Wales able to purchase a share in a property which is owned by a Housing Association (as defined in Section 5 of the Housing Act 1985).
"**Solvency II Regulation**"	Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II).
"**SONIA**"	The Sterling Overnight Index Average.
"**Specified Office**"	As the context may require, in relation to any of the Agents, the office specified against the name of such Agent in the provisions for the giving of notice scheduled to the Incorporated Terms Memorandum or such other specified notice as may be notified to the Issuer and the Note Trustee pursuant to the Agency Agreement.
"**Sponsor Administration Agreement**"	The sponsor administration agreement entered into on or about the Closing Date between the Seller, the Sponsor Administrator, the Issuer and the Security Trustee which provides for the Sponsor Administrator to provide certain sponsor administration services to the Issuer.
"**Sponsor Administrator**"	Barclays Bank PLC, in its capacity as the sponsor administrator initially appointed pursuant to the Sponsor Administration Agreement, or such other person for the time being acting as sponsor administrator under the Sponsor Administration Agreement.
"**SSPE**"	Has the meaning given to it in the EU Securitisation Regulation and the UK Securitisation Regulation.
"**Standard Documentation**"	The standard documentation referred to in the Mortgage Sale Agreement.
"**Standard Security**"	A standard security in terms of Part II of the Conveyancing and Feudal Reform (Scotland) Act 1970.
"**Standby Account Bank**"	The standby account bank that may be appointed pursuant to a Standby Account Bank Agreement, and such additional or replacement standby bank account of the Issuer as may, from time to time, be in place pursuant to the terms of the Standby Account Bank Agreement.
"**Standby Account Bank Agreement**"	The standby account bank agreement that may be entered into following the Closing Date between, among others, the Issuer, the Standby Account Bank and the Security Trustee which provides for the operation of the accounts named therein.
"**Standby Issuer Accounts**"	The Standby Transaction Account, the Standby Swap Collateral Account and any additional accounts of the Issuer as may, from time to time, be opened in accordance with the terms of the Standby Account Bank Agreement (if applicable) and (in relation to the Standby Swap Collateral Account) the Standby Swap Collateral Account Bank Agreement and maintained pursuant to the terms of the Standby Account Bank Agreement and (in relation to the Standby Swap Collateral Account) the Standby Swap Collateral Account Bank Agreement, the Cash Management Agreement and the Deed of Charge.

"**Standby Swap Collateral Account**"	One or more accounts in the name of the Issuer held at the Standby Swap Collateral Account Bank and maintained pursuant to the terms of the Transaction Documents, and such additional account (including, if applicable, any securities accounts held with the Standby Swap Collateral Account Bank or another financial institution that is a Qualified Institution) or replacement bank account of the Issuer as may, from time to time, be in place pursuant to the terms of the Transaction Documents.
"**Standby Swap Collateral Account Bank Agreement**"	The standby swap collateral account bank agreement dated on or about the Closing Date between, among others, the Issuer, the Standby Swap Collateral Account Bank and the Security Trustee which provides for the operation of the Standby Swap Collateral Account.
"**Standby Swap Collateral Account Bank Notice**"	The notice delivered to the Standby Swap Collateral Account Bank pursuant to the Standby Swap Collateral Account Bank Agreement.
"**Standby Transaction Account**"	The account in the name of the Issuer held at the Standby Account Bank and maintained pursuant to the terms of the Standby Account Bank Agreement (if applicable), 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 Standby Account Bank Agreement.
"**Step-Up Date**"	The Payment Date falling in April 2028.
"**Sterling LIBOR**"	London interbank offered rate with respect to the Sterling.
"**Subscription Agreement**"	The subscription agreement in such form as may be agreed between the Issuer, the Arranger and the Lead Manager.
"**Swap Collateral**"	At any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by the Interest Rate Swap Counterparty to, or held by, the Issuer as collateral in accordance with the terms of the Interest Rate 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**"	One or more accounts in the name of the Issuer held at the Transaction Account Bank and maintained pursuant to the terms of the Transaction Documents, and such additional account (including, if applicable, any securities accounts held with the Transaction Account Bank or another financial institution that is a Qualified Institution) or replacement bank account of the Issuer as may, from time to time, be in place pursuant to the terms of the Transaction Documents.
"**Swap Collateral Available Amounts**"	At any time in respect of the Interest Rate 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 Interest Rate Swap Counterparty after the termination of the Interest Rate Swap Agreement.
"**Swap Collateral Excluded Amounts**"	At any time in respect of the Interest Rate 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 Interest Rate Swap Agreement, to satisfy the Issuer's obligations to the Interest Rate Swap Counterparty, including Swap Collateral which is to be returned to the Interest

	Rate Swap Counterparty as a return amount (as defined in the Interest Rate Swap Agreement) from time to time in accordance with the terms of the Interest Rate Swap Agreement and, ultimately upon termination of the Interest Rate Swap Agreement, to make a payment of any termination payment owed to the Interest Rate Swap Counterparty.
"**Swap Collateral Ledger**"	A ledger maintained by the Cash Manager to record all payments, deliveries, transfers and receipts in connection with Swap Collateral relating to the Interest Rate Swap Agreement.
"**Swap Counterparty Required Ratings**"	The minimum ratings required by the Rating Agencies at the time the relevant Interest Rate Swap Agreement is entered into to support the then current rating of the Rated Notes as set out in the relevant Interest Rate Swap Agreement.
"**Swap Early Termination Event**"	The circumstances in which some or all swap transactions (as the case may be) under the Interest Rate Swap Agreement can be terminated before their respective scheduled termination dates, as described in "*The Interest Rate Swap Agreement – Termination of the Interest Rate Swap*" on page 219.
"**Swap Notional Amount Schedule**"	In respect of an Interest Rate Swap, the notional amount schedule appended to the confirmation evidencing such Interest Rate Swap.
"**Swap Replacement Premium**"	Any payment received from a replacement Interest Rate Swap Counterparty in order to enter into a replacement Interest Rate Swap Agreement with such replacement Interest Rate Swap Counterparty replacing the Interest Rate Swap Agreement.
"**Swap Termination Payment**"	The amount payable because of a Swap Early Termination Event.
"**Switch Date**"	In relation to a Product Switch, the date on which such Product Switch is granted.
"**Third Party Building Policies**"	means: (a) all buildings insurance policies relating to freehold English Properties or any heritable Scottish Properties which have been taken out in the name of the relevant Borrower or in the name of the Borrower and the Seller or in the name of the Borrower with the interest of the Seller noted, in accordance with the applicable Mortgage Conditions; and (b) all landlord's buildings insurance policies relating to leasehold or long leasehold Mortgaged Properties.
"**Title Deeds**"	In relation to a Mortgage Loan, the deed constituting the relevant Mortgage and any documents of title to the relevant Mortgaged Property and to the Related Security.
"**Transaction**"	The transaction contemplated by the Transaction Documents.
"**Transaction Account**"	The account in the name of the Issuer held at the Transaction Account Bank and maintained pursuant to the terms of the 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 Account Bank Agreement.

"**Transaction Account Bank**"	Barclays Bank PLC, in its capacity as the Transaction Account Bank initially appointed pursuant to the Account Bank Agreement, or such other person for the time being acting as Transaction Account Bank under the Account Bank Agreement.
"**Transaction Documents**"	Each of the following documents: (a) the Account Bank Agreement; (b) the Standby Account Bank Agreement (if applicable); (c) the Agency Agreement; (d) the Cash Management Agreement; (e) the Corporate Services Agreement; (f) the Deed of Charge; (g) the Incorporated Terms Memorandum; (h) the Interest Rate Swap Agreement; (i) the Standby Swap Collateral Account Bank Agreement; (j) the Issuer Security Power of Attorney; (k) the Legal Title Holder Security Power of Attorney; (l) the Mortgage Sale Agreement; (m) the Portfolio Option Deed Poll; (n) the Refinancing Option Deed Poll; (o) the Retention Holder Deed Poll; (p) the Risk Retention Letter; (q) the Scottish Declaration of Trust; (r) the Scottish Supplemental Charge; (s) the Servicer Power of Attorney; (t) the Servicing Agreement; (u) the Share Trust Deed; (v) the Trust Deed; (w) the Sponsor Administration Agreement; and (x) any Custody Agreement,

	and such other related documents which are referred to in the terms of the above documents or which relate to the Issuer of the Notes and/or which relate to the Senior Deferred Consideration and Residual Deferred Consideration.
"**Transaction Party**"	Any person who is a party to a Transaction Document and "**Transaction Parties**" means some or all of them.
"**Transparency Requirements**"	The information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of Article 7(1) of the UK Securitisation Regulation.
"**Trust Deed**"	The trust deed entered into on or about the Closing Date between the Issuer and the Note Trustee constituting the Notes.
"**UK Article 7 ITS**"	Commission Implementing Regulation (EU) 2020/1225 as it forms part of the domestic law by virtue of the EUWA, including any relevant legislation, 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 successor) in relation thereto.
"**UK Article 7 RTS**"	Commission Delegated Regulation (EU) 2020/1224 as it forms part of the domestic law by virtue of the EUWA, including any relevant legislation, 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 successor) in relation thereto.
"**UK Article 7 Technical Standards**"	The UK Article 7 RTS and the UK Article 7 ITS.
"**UK CRR**"	Regulation (EU) No. 575/2013 as it forms part of domestic law by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA, the Bank of England or the PRA (or their successor) in relation thereto.
"**UK Securitisation Regulation**"	Regulation (EU) 2017/2402 as it forms part of UK domestic law by virtue of the EUWA, including 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 successor) in relation thereto, in each case as amended, varied, superseded or substituted from time to time.
"**UK Securitisation Repository Operational Standards**"	Commission Delegated Regulation (EU) 2020/1229 as it forms part of domestic law by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA (or its successor) in relation thereto.
"**UK Solvency II** "	Commission Delegated Regulation (EU) No 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of business of Insurance and Reinsurance as it forms part of domestic law by virtue of the EUWA.
"**Underpayment**"	A situation where a Borrower makes a monthly payment on its Mortgage Loan which is less than the required monthly payment for that month.

"**United Kingdom**" or "**UK**"	The United Kingdom of Great Britain and Northern Ireland.
"**Upfront Swap Payment**"	The Fixed Amount payable by the Issuer to the Interest Rate Swap Counterparty on the Closing Date pursuant to the terms of the initial Interest Rate Swap under the Interest Rate Swap Agreement
"**U.S. Credit Risk Retention Requirements**"	The risk retention requirements under Section 15G of the Securities Exchange Act of 1934 and regulations promulgated thereunder.
"**U.S. person**"	A U.S. person (as defined in Regulation S).
"**Valuation Report**"	The valuation report or reports for mortgage purposes, in the form of the proforma contained in the Standard Documentation, obtained by a Seller from a Valuer in respect of a Mortgaged Property or a valuation report in respect of a valuation made using a methodology which would be acceptable to a Prudent 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 which was on the list of Valuers approved by or on behalf of the 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 a Seller acting for the Seller in respect of the valuation of a Mortgaged Property.
"**Voting Certificate**"	An English language certificate issued by the Principal Paying Agent in which it is stated: (a) that on the date thereof the Notes and/or any Certificates (then in issue) (not being the Notes and/or Certificates (as applicable) in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) are blocked in an account with a clearing system and that no such Notes and/or such Certificates (then in issue) will cease to be so blocked until the first to occur of: (i) the conclusion of the meeting specified in such Voting Certificate; and (ii) the surrender of the Voting Certificate to the Principal Paying Agent who issued the same; and (b) that the bearer thereof is entitled to attend and vote at such meeting in respect of the Notes and/or any Certificates (then in issue) represented by such Voting Certificate.

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