

RNS ANNOUNCEMENT

SILVERSTONE MASTER ISSUER PLC

£35,000,000,000 RESIDENTIAL MORTGAGE-BACKED NOTE ISSUANCE PROGRAMME

29 February 2016

NOTICE OF AMENDMENTS TO TRANSACTION DOCUMENTS TO THE HOLDERS OF:

£650,000,000 Series 2009-1 Class A3 Mortgage Backed Floating Rate Notes due 2055

(ISIN: XS0462896688, Common Code: 046289668)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(the Series 2011-1 Class 2A Notes and Series 2011-1 Class 4A Notes together,

the Series 2011-1 Notes and holders thereof, the Series 2011-1 Noteholders)

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

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

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

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

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

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

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

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

£200,000,000 Series 2012-1 Class 2A2 Mortgage Backed Floating Rate Notes due 2055

(Regulation S Notes: ISIN: XS0758797848, Common Code: 075879784;

Rule 144A Notes: XS0758797921, Common Code: 075879792)

(the Series 2012-1 Class 2A2 Notes and holders thereof, the Series 2012-1 Class 2A2 Noteholders)

(the Series 2012 Class 1A Notes, Series 2012-1 Class 2A1 Notes and Series 2012-1 Class 2A2 Notes together,

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

£650,000,000 Series 2015-1 Class 1A Mortgage Backed Floating Rate Notes due 2070

(Regulation S Notes: ISIN: XS1191555173, Common Code: 119155517;

Rule 144A Notes: ISIN: XS1191555504, Common Code: 119155517)
(the Series 2015-1 Class 1A Notes and holders thereof, the Series 2015-1 Class 1A Noteholders)
€750,000,000 Series 2015-1 Class 2A1 Mortgage Backed Floating Rate Notes due 2070
(Regulation S Notes: ISIN: XS1191556148, Common Code: 119155614;
Rule 144A Notes: ISIN:1191556577, Common Code: 119155657)
(the Series 2015-1 Class 2A1 Notes and holders thereof, the Series 2015-1 Class 2A1 Noteholders)
U.S.\$500,000,000 Series 2015-1 Class 2A2 Mortgage Backed Floating Rate Notes due 2070
(Regulation S Notes: ISIN: XS1191557468, Common Code: 119155746;
Rule 144A Notes: US82846GAP54, Common Code: 119179017, CUSIP: 82846G AP5)
(the Series 2015-1 Class 2A2 Notes and holders thereof, the Series 2015-1 Class 2A2 Noteholders)
(the Series 2015-1 Class 1A Notes, Series 2015-1 Class 2A1 Notes and Series 2015-1 Class 2A2 Notes together, the Series 2015-1 Notes and holders thereof, the Series 2015-1 Noteholders)

(the Series 2009-1 Notes, the Series 2010-1 Notes, the Series 2011-1 Notes, the Series 2012-1 Notes and the Series 2015-1 Notes together, the Notes, and holders thereof, the Noteholders)

1. AMENDMENTS TO THE PROGRAMME

The following modifications have been made to the Transaction Documents under the Programme including certain related and consequential amendments as may be necessary to give effect to the main amendments described in paragraphs 1.1 to 1.6 below. Unless otherwise stated below, the amendments to the Relevant Documents (defined in section 2 below) became effective as of 25 February 2016.

1.1 Cash Management Agreement and Issuer Cash Management Agreement

(a) Authorised Investments Covenant

A covenant has been added to each of the Cash Management Agreement and the Issuer Cash Management Agreement from the Cash Manager and the Issuer Cash Manager, as applicable, that it will not invest in Authorised Investments which would cause the Notes to fail to be eligible marketable assets for Eurosystem purposes in accordance with the Guidelines (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60).

(b) Article 8(b) Covenant

The Cash Management Agreement has been amended to specify more clearly the powers, obligations and duties that the Cash Manager already had under the Cash Management Agreement as such powers, obligations and duties relate to Article 8(b) of Regulation EC 1060/2009 (as amended) including the corresponding implementing measures from time to time including under articles 3 to 7 of Regulation (EU) 2015/3.

1.2 Controlling Beneficiary Deed

The Mortgages Trustee was removed as a party to the Controlling Beneficiary Deed in connection with the migration of the Mortgages Trustee role from Jersey to the United Kingdom which took place in September 2015. This amendment was made to support favourable UK tax analysis with respect to the Programme.

1.3 Master Definitions and Construction Schedule

(a) "Authorised Investments" Definition

The definition of “Authorised Investments” in the Master Definitions and Construction Schedule has been amended to limit money market fund investments to those money market funds subject to daily redemption. The purpose of this amendment is to strengthen the Issuer’s eligibility for the loan securitization exemption under regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended (commonly known as the Volcker Rule).

(b) "Product Switch" Definition

The definition of “Product Switch” has been updated to reflect the corresponding Representation and Warranty in the Mortgage Sale Agreement and permit the final maturity date for Loans in the Portfolio to be extended to match the final maturity date permitted for Loans added to the Portfolio.

1.4 Mortgages Trust Deed

The Mortgages Trust Deed has been amended to incorporate a floor on the Minimum Seller Share in order to comply with regulations adopted (i) under Section 15G of the United States Exchange Act of 1934, as amended, by the U.S. Securities Exchange Commission, the Board of Governors of the Federal Reserve System and certain other banking regulators in the United States (the **U.S. Credit Risk Retention Requirements**) and (ii) under Article 405(1) of Regulation (EU) No 575/2013, Article 51(1) of Regulation (EU) No 231/2013 and Article 254 of Regulation (EU) No 2015/35 (the **EU Risk Retention Requirements**). Such floor is equal to the larger of (i) 5 per cent. of the outstanding principal balance of the Notes calculated in accordance with the text of the U.S. Credit Risk Retention Requirements, and (ii) on and following the date on which the Seller is required to comply with the EU Risk Retention Requirements, an amount equal to a material net economic interest of not less than 5 per cent. in accordance with the text of the EU Risk Retention Requirements.

1.5 Issuer Swap Agreements

Each of the Issuer Swap Agreements in respect of the Series 2009-1 Class A3 Notes, the Series 2011-1 Class 4A Notes, the Series 2012-1 Class 2A1 Notes, the Series 2015-1 Class 2A1 Notes and the Series 2015-1 Class 2A2 Notes (each such Issuer Swap Agreement, an **Amended Issuer Swap Agreement**) has been amended. Amendments have been made to the schedule, the credit support annex and the confirmation to each Amended Issuer Swap Agreement. A floor of zero with respect to the USD LIBOR or EURIBOR rates used under the Issuer Swaps has been introduced and other clarificatory changes have been made.

1.6 Paying Agent and Agent Bank Agreement

(a) Withholding

Recent International Capital Market Association and International Capital Market Services Association recommended language regarding withholding under various applicable laws, including under FATCA has been added.

(b) EU Savings Directive

The EU Savings Directive has been repealed and with it the risk that a Paying Agent might have to withhold or deduct tax under the EU Savings Directive, so an unnecessary clause has been removed.

1.7 Mortgage Sale Agreement

2. A PROVISION HAS BE ADDED TO THE MORTGAGE SALE AGREEMENT TO PERMIT THE REPURCHASE BY THE SELLER OF CERTAIN LOANS WHICH ARE NOT

COMPLIANT WITH ARTICLE 13 OF COMMISSION DELEGATED REGULATION SUPPLEMENTING REGULATION (EU) 575/2013 WITH REGARD TO THE LIQUIDITY COVERAGE REQUIREMENT FOR CREDIT INSTITUTIONS OF 10 OCTOBER 2014 (THE LCR REGULATION) OR ARTICLE 177 OF 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 (SOLVENCY II) (THE SOLVENCY II REGULATION) (OR, IN EACH CASE, IF DIFFERENT, THE EQUIVALENT PROVISIONS IN ANY SUCH ENACTED VERSION OF SUCH COMMISSION DELEGATED REGULATION). A NEW REPRESENTATIONS AND WARRANTY HAS BEEN ADDED TO THE MORTGAGE SALE AGREEMENT STIPULATING THAT NO LOAN SOLD UNDER THE MORTGAGE SALE AGREEMENT WILL, SO FAR AS THE SELLER IS AWARE, HAVING MADE ALL REASONABLE ENQUIRIES, BE TO A BORROWER WHO IS A “CREDIT-IMPAIRED OBLIGOR” AS DESCRIBED IN ARTICLE 13(2)(J) OF THE LCR REGULATION OR PARAGRAPH 2(K) OF THE SOLVENCY II REGULATION. THESE PROPOSED AMENDMENTS TO THE MORTGAGE SALE AGREEMENT ARE INTENDED TO REFLECT CERTAIN REQUIREMENTS OF THE LCR REGULATION AND THE SOLVENCY II REGULATION. AMENDMENT OF RELEVANT TRANSACTION DOCUMENTS

2.1 Paying Agent and Agent Bank Agreement

In order to implement the Amendments, the following Transaction Documents have been amended and/or restated or supplemented:

- (a) the Cash Management Agreement;
- (b) the Controlling Beneficiary Deed;
- (c) the Issuer Cash Management Agreement;
- (d) the Master Definitions and Construction Schedule;
- (e) the Mortgages Trust Deed;
- (f) the Issuer Swap Agreements in respect of the Series 2009-1 Class A3 Notes, the Series 2011-1 Class 4A Notes, the Series 2012-1 Class 2A1 Notes, the Series 2015-1 Class 2A1 Notes and the Series 2015-1 Class 2A2 Notes;
- (g) the Paying Agent and Agent Bank Agreement; and
- (h) the Mortgage Sale Agreement (together, the **Amended Documents**).

Copies of the Amended Documents will be available for inspection by Noteholders at the specified offices of the Principal Paying Agent set out below:

Citibank, N.A. London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
For the attention of: Agency and Trust

Except where the context otherwise requires and save where otherwise defined herein, expressions defined in the amended and restated master definitions and construction schedule signed by, amongst others, the Issuer Security Trustee and the Funding 1 Security Trustee and dated 25 July 2008 (as amended and restated on 22 December 2008, 27 October 2009, 22 October 2010, 15 July 2011, 13 September 2011, 21 October 2011, 22 March 2012 and 30 October 2014, as supplemented on 11 December 2014 and as amended and restated on 18 September 2015 and 12 February 2016) and the issuer master definitions and construction schedule signed by, amongst others, the Issuer Security Trustee, the Note Trustee and the Funding 1 Security Trustee and dated 25 July 2008 (as supplemented on 27 October 2009, 22 October 2010, 13 September 2011 and 30 October 2014), shall have the same meanings in this announcement.

For further information, please contact:

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