IMPORTANT NOTICES

NOT FOR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED) OR TO ANY PERSON OR ADDRESS IN THE U.S.

IMPORTANT: YOU MUST READ THE FOLLOWING BEFORE CONTINUING. THE FOLLOWING APPLIES TO THE PROSPECTUS ATTACHED TO THIS ELECTRONIC TRANSMISSION (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 OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF MORTON FUNDING 2026-1 PLC (THE "**ISSUER**") IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES 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 OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES 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 UNDER THE SECURITIES ACT) EXCEPT IN RELIANCE ON AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) OR ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS 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.

THIS PROSPECTUS DOES NOT COMPRISE A PROSPECTUS FOR THE PUBLIC OFFERS AND ADMISSIONS TO TRADING REGULATIONS 2024 (THE "**POATRS**").

THIS PROSPECTUS HAS BEEN DELIVERED TO YOU ON THE BASIS THAT YOU ARE A PERSON INTO WHOSE POSSESSION THIS PROSPECTUS MAY BE LAWFULLY DELIVERED IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH YOU ARE LOCATED. BY ACCESSING THE PROSPECTUS, YOU SHALL 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 NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) 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 AND (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.

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 Lloyds Bank Corporate Markets plc as the Arranger (the "**Arranger**") or the Lead Manager (the "**Lead Manager**"), the Issuer or the Transaction Parties (as defined in the Prospectus) or any person who controls any such person or 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 Issuer and the Arranger.

This Prospectus has been prepared by the Issuer solely for use in connection with the sale of the Notes offered pursuant to this Prospectus. The Certificates are not being offered pursuant to this Prospectus. The Prospectus is personal to each offeree to whom it has been delivered by the Issuer and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. Distribution of the Prospectus to any persons other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Each prospective investor in the United States, by accepting delivery of the Prospectus, agrees to the foregoing and to make no photocopies of the Prospectus or any documents related hereto and, if the offeree does not purchase any note or the offering is terminated, to return the Prospectus and all documents attached hereto to the Lead Manager.

The Notes are offered subject to prior sale or withdrawal, cancellation or modification of this offering without notice. The Issuer and the Lead Manager also reserve the right to reject any offer to purchase the Notes in whole or in part for any reason and to allot to any prospective purchaser less than the full amount of Notes sought by such investor.

You acknowledge that you have been afforded an opportunity to request from the Issuer, and have received and reviewed, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained or incorporated by reference in the Prospectus. You also acknowledge that you have not relied on the Lead Manager, the Arranger or any person affiliated with the Lead Manager or the Arranger in connection with the investigation of the accuracy of such information or your investment decision. The contents of the Prospectus are not to be construed as legal, business or tax advice. Each prospective purchaser should consult its own attorney, business adviser and tax adviser for legal, business and tax advice relating to an investment in the Notes.

The terms of the issue, the transactions and the Transaction Documents described in this Prospectus are not yet final and, without limitation, are subject to updating, further detailed negotiation, amendment, verification and completion. This Prospectus has not been fully reviewed or approved by the rating agencies (which are expected to assign ratings to some or all of the securities) and has not been reviewed by the transaction parties.

Once finalised, we will send you a copy of the final form of the Prospectus. You are reminded that any investment decision as to any purchase of securities must be made solely on the basis of information contained or incorporated by reference in the final form of the Prospectus and that no reliance may be placed on the completeness or accuracy of the information contained or incorporated by reference in the Prospectus or any other documents. No representation, warranty or undertaking is made hereby or to be implied by any person as to the completeness, accuracy or fairness of the information contained or incorporated by reference in the Prospectus and none of the Issuer or Lloyds Bank Corporate Markets plc (or any affiliate of any such person) or any other person accepts any liability or responsibility whatsoever in respect hereof. No representation or warranty is made by the Arranger, the Lead Manager, the Issuer or any other person as to the legality under legal investment or similar laws of an investment in the Notes or the classification or treatment of the Notes under any risk weighting, securities valuation, regulatory accounting or other financial institution regulatory regimes of the National Association of Insurance Commissioners, any state insurance commissioner, any federal or state banking authority, or any other regulatory body. You should obtain your own legal, accounting, tax and financial advice as to the desirability of an investment in the Notes, and the consequences of such an investment.

Neither the Arranger, the Lead Manager nor any of their respective affiliates have authorised the whole or any part of this Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus or any responsibility for any acts or omissions of the Issuer, the Seller or any other person (other than the Arranger or the Lead Manager) in connection with the issue and offering of the Notes.

Neither the Notes nor the Certificates have been and nor will they be registered under the United States Securities Act 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction of the United States. Neither the Notes nor the Certificates may be offered, sold, pledged, delivered or otherwise transferred, directly or indirectly, 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 local securities laws. The Notes and the Certificates will be subject to restrictions on resale and transfer. See the sections entitled "*Subscription and Sale*" and "*Transfer Restrictions*".

MORTON FUNDING 2026-1 PLC

(incorporated with limited liability in England and Wales under number 17345416)
Legal Entity Identifier: 213800OZK8GPT685XA27

Note Class	Initial Principal Amount (GBP)	Issue Price	Reference Rate[1]	Relevant Margin	Final Maturity Date	Expected Ratings (Fitch) / (S&P)[2]
A	338,227,000	99.9292%	Compounded Daily SONIA	0.84%	The Interest Payment Date falling in August 2034	AAA sf / AAA (sf)
B	29,549,000	99.4126%	Compounded Daily SONIA	1.10%	The Interest Payment Date falling in August 2034	AA sf / AA (sf)
C	26,140,000	99.3366%	Compounded Daily SONIA	1.35%	The Interest Payment Date falling in August 2034	A sf / A (sf)
D	25,003,000	99.4038%	Compounded Daily SONIA	1.70%	The Interest Payment Date falling in August 2034	BBB sf / BBB (sf)
E	15,911,000	99.2514%	Compounded Daily SONIA	3.00%	The Interest Payment Date falling in August 2034	BB sf / BB- (sf)
F	12,502,000	101.2885%	Compounded Daily SONIA	4.50%	The Interest Payment Date falling in August 2034	B sf / B- (sf)
Z	7,274,000	87.3469%	N/A[3]	N/A	The Interest Payment Date falling in August 2034	Unrated

[1] The rate of interest payable on each class of Notes and each accrual period will be based on a per annum rate equal to Compounded Daily SONIA plus the Relevant Margin.

[2] A designation of "Unrated" means that the Rating Agencies will not rate that Class of Notes or Certificate as of the Closing Date. The Class Z Notes and the Certificates will not be rated by any Rating Agency.

[3] No rate of interest is earned on the Class Z Notes.

Note Class	Initial Principal Amount (GBP)	Issue Price	Reference Rate[1]	Relevant Margin	Final Maturity Date	Expected Ratings (Fitch) / (S&P)[2]
X	13,500,000	100.4015%	Compounded Daily SONIA	4.00%	The Interest Payment Date falling in August 2034	B- sf / BB (sf)
Certificate[4]	N/A[5]	N/A	N/A[6]	N/A	The Interest Payment Date falling in August 2034	Unrated

[4] The Certificates are not being offered by this Prospectus and will be issued on the Closing Date to the Seller and represent a right to deferred consideration for the sale of the Portfolio by the Seller to the Issuer. The Seller expects to transfer 100% of the Certificates to one or more third party investors pursuant to a private placement transaction.

[5] The Certificates do not have a principal amount outstanding. See "*Overview – Transaction Overview*".

[6] No rate of interest is earned on the Certificates.

The date of this Prospectus is 20 October 2026.

Arranger

Lloyds Bank Corporate Markets plc

Lead Manager

Lloyds Bank Corporate Markets plc

Closing Date	On or around 22 October 2026.
Stand-alone/programme issuance	Stand-alone issuance.
Underlying Assets	The Issuer will make payments on the Notes and Certificates from, among other things, payments made on a portfolio of loans sold by the Seller to the Issuer on the Closing Date (the "**Portfolio**"), subject to the satisfaction of certain conditions, including compliance with the Eligibility Criteria. Please refer to the section entitled "*The Portfolio*" for further information.
Cashflows	Citibank, N.A., London Branch has agreed to act as Cash Administrator and as Principal Paying Agent in respect of the Transaction. Please refer to the section entitled "*Cashflows and Cash Management*" for further information.
Credit Enhancement	Provided by: • subordination of junior ranking Notes; and • excess Available Revenue Receipts applied to reduce any debit balance on the applicable Principal Deficiency Ledger. Please refer to sections entitled "*Key Structural Features*" and "*Cashflows and Cash Management*" for further information.
Liquidity Support	Provided by: • in respect of the Class A Notes and the Class B Notes only, amounts standing to the credit of the Liquidity Reserve Fund Ledger up to the Liquidity Reserve Required Amount; • the subordination in payment of those Classes of Notes and Certificates ranking junior in the Priority of Payments; and • following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts, there is a Revenue Shortfall, the application of amounts otherwise constituting Available Principal Receipts to cover any Revenue Shortfall. Please refer to the sections entitled "*Key Structural Features*" and "*Cashflows and Cash Management*" for further information.
Redemption Provisions on the Notes	Information on any optional and mandatory redemption of the Notes is detailed in the section entitled "*Overview – Overview of the Terms and Conditions of the Notes and Certificates*" and is set out in full in Condition 8 (*Redemption*).
Benchmarks	Interest Amounts payable under the Notes shall be calculated by reference to SONIA. At the date of this Prospectus, the administrator of SONIA is not included in ESMA's register of administrators under Article 36 of Regulation (EU) 2016/1011 (as amended) (the "**EU Benchmarks Regulation**"), and from 1 January 2026 pursuant to the EU Benchmarks Regulation any non-significant/non-critical benchmark does not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of that regulation. As far as the Issuer is aware, the

Bank of England, as administrator of SONIA, does not fall within the scope of the EU Benchmark Regulation by virtue of Article 2 of that regulation.

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) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**"). As far as the Issuer is aware, the Bank of England, as administrator of SONIA, does not fall within the scope of the UK Benchmark Regulation by virtue of Article 2 of that regulation.

Credit Rating Agencies..... S&P Global Ratings UK Limited ("**S&P**") and Fitch Ratings Limited ("**Fitch**") (each a "**Rating Agency**" and together, the "**Rating Agencies**").

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

As at the date of this Prospectus, none of S&P and Fitch are established in the European Union and have not applied for registration under Regulation (EU) No. 1060/2009 (as amended) (the "**EU CRA Regulation**"). The ratings issued by S&P have been endorsed by S&P Global Ratings Europe Limited and the ratings issued by Fitch have been endorsed by Fitch Ratings Ireland Limited, in each case in accordance with the EU CRA Regulation.

As such, each of the Rating Agencies is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at www.esma.europa.eu/page/list-registered-and-certified-CRAs) (this website and the contents thereof do not form part of this Prospectus) and by the FCA on its website (at https://www.fca.org.uk/markets/credit-rating-agencies/registered-certified-cras) (this website and the contents thereof do not form part of this Prospectus).

Credit Ratings..... Ratings are expected to be assigned 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 and the Class X Notes (the "**Rated Notes**") as set out above on or before the Closing Date. The Class Z Notes and the Certificates will not be rated.

The ratings reflect the views of the Rating Agencies and are based on the Purchased Receivables and the structural features of the Transaction.

The ratings to be assigned on the Closing Date to the Class A Notes by S&P, and the ratings to be assigned on the Closing Date to the Class A Notes and the Class B Notes by Fitch address the likelihood of timely payment of interest due, and ultimate payment of principal, on such Notes by a date that is not later than the Final Maturity Date.

The ratings to be assigned on the Closing Date by S&P to the Class B Notes, and by Fitch and S&P to the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes and the Class X Notes address the likelihood of ultimate payment of interest and principal on such Notes.

The assignment of ratings to the Rated Notes is not a recommendation to invest in the Notes. Any credit rating assigned to the Notes may be revised, suspended or withdrawn at any time.

Listing..... This document comprises a prospectus (the "**Prospectus**") for the purposes of the Prospectus Rules: Admission to Trading on a Regulation Market Sourcebook (the "**PRM**").

This Prospectus has been approved as a prospectus by the Financial Conduct Authority (the "**FCA**"), pursuant to the PRM. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the rules in the PRM. Such approval should not be considered as an endorsement of the Issuer 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 the Notes which are to be admitted to trading on a regulated market (a "**Regulated Market**") of the London Stock Exchange plc (the "**LSE**") or other regulated markets for the purposes of Regulation (EU) No 600/2014 as it forms part of domestic UK 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**") ("**UK MiFIR**").

Application has been made to the FCA for the Notes to be admitted to the official list (the "**Official List**") in accordance with section 74 of the Financial Services and Markets Act 2000 as amended by the Financial Services and Markets Act 2023 ("**FSMA**") and to the LSE for the Notes to be admitted to trading on its Regulated Market. The Regulated Market of the LSE is a Regulated Market for the purposes of UK MiFIR. Investors should make their own assessment as to the suitability of investing in the Notes. Each of the Certificates are not and will not be listed or admitted to trading. The Certificates are not being offered by this Prospectus. Information contained in this Prospectus relating to the Certificates is included herein for completeness.

The Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months after its approval for the admission to trading of the Notes on the Regulated Market of the LSE. The obligation to supplement this Prospectus in the event of the significant new factor, material mistake or material inaccuracy does not apply, once the Notes are admitted to trading on the Regulated Market of the LSE.

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.

This Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months after its approval for admissions to trading of the Notes on the Regulated Market of the LSE. 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 to trading on the Regulated Market of the LSE.

UK simple, transparent and standardised securitisation ("**STS**"). The Transaction (as defined below) is intended to qualify as a simple, transparent and standardised ("**STS**") securitisation within the meaning of regulation 9 of the SR 2024. On or about the Closing Date (and in any event no later than 15 calendar days of the Closing Date), it is intended that a notification will be submitted to the FCA by the Seller,

as originator, in accordance with SECN 2.5, confirming that the requirements of SECN 2.2.1R to SECN 2.2.29R (the "**UK STS Requirements**") have been satisfied with respect to the Notes (such notification, the "**UK STS Notification**"). It is not intended that the issue of the Notes complies with the requirements of Articles 18 to 22 of the EU Securitisation Regulation. Any events which trigger changes in any Priority of Payments and any change in any Priority of Payment which will materially adversely affect the repayment of the Notes shall be disclosed without undue delay to the extent required under SECN 2.2.23R.

The UK STS Notification, once notified to the FCA, will be available for download on the FCA Register of Securitisation UK STS Notifications at https://data.fca.org.uk/#/sts/stssecuritisations (or its successor website) (the "**FCA STS Register Website**"). For the avoidance of doubt, the FCA STS Register Website and the contents thereof do not form part of this Prospectus. The UK STS Notification, once notified to the FCA will also be made available via the Reporting Agent at https://www.euroabs.com/IH.aspx?d=33768.

The UK STS status of the Notes is not static, and investors should verify the current status on the FCA STS Register Website, which will be updated where the Notes are no longer considered to be UK STS following a decision of the FCA, another relevant UK regulator or a notification by the Seller.

In relation to the UK STS Notification, the Seller has been designated as the first contact point for investors and the FCA.

The Seller has used the services of Prime Collateralised Securities (PCS) UK Limited ("**PCS UK**"), as a verification agent authorised under Article 25 of the SR 2024 in connection with:

(a) an assessment of the compliance of the Notes with the UK STS Requirements (the "**UK STS Verification**"); and

(b) an assessment of compliance of the Notes with the relevant provisions of (i) Article 243 of (A) Regulation (EU) No 575/2013 as it forms part of domestic law by virtue of the EUWA, (B) the law of the United Kingdom or any part of it, which immediately before IP completion day (as defined in the European Union (Withdrawal Agreement) Act 2020) implemented Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC and its implementing measures and (C) CRR rules, as such term is defined in article 144A of FSMA (collectively, the "**UK CRR**") and (ii) Articles 1 to 15, 17 to 35, and 37 and Annexes I and II of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part of the PRA Rulebook together with any applicable guidance and statements of policy and other regulations, rules, guidance or other measures of the FCA, the Bank of England or the PRA (or their successor) implementing standards published by the Basel Committee on Banking Supervision in relation to the liquidity coverage ratio (the "**UK LCR**") (the assessments referred to in paragraphs (i) and (ii) together, (the "**UK STS Additional Assessments**")).

It is expected that the UK STS Verification and the UK STS Additional Assessments prepared by PCS UK will be available on its website at https://pcsmarket.org/sts-verification-transactions/ (the "**PCS Website**") together with detailed explanations of its scope at https://www.pcsmarket.org/disclaimer on and from the Closing Date. For the avoidance of doubt, the PCS UK website and the contents thereof do not form part of this Prospectus.

Note that designation as a UK STS securitisation does not meet, as at the date of this Prospectus, the STS requirements of the EU Securitisation Regulation and, as such, better or more flexible regulatory treatment under the relevant EU regulatory regimes (in particular, under Regulation (EU) 2017/2401 (the "**EU CRR**"), the 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 Text with EEA relevance (the "**EU LCR Regulation**") and the EU Solvency II regime) will not be available. For further information please refer to the section entitled "*Certain Regulatory Disclosures – STS*".

Each potential relevant investor is required to independently verify the compliance with the UK STS Requirements for any transactions notified as UK STS. None of the Issuer, the Arranger, the Lead Manager, the Seller or any other person makes any representation that any such information described above or elsewhere in this Prospectus, or in the UK STS Notification or UK STS Additional Assessments is sufficient in all circumstances for such purposes.

No assurance can be given that the Notes will, on the Closing Date or at any point in future, be compliant and thereafter remain compliant, because the UK STS Requirements may change over time.

Obligations ..... The Notes and Certificates will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. The Notes and Certificates will not be obligations of any Transaction Party other than the Issuer.

Retention Undertaking..... Zopa Bank Limited (the "**Retention Holder**"), acting as "originator", will retain on an ongoing basis a material net economic interest of not less than 5% of the nominal value of the securitised exposures as required by:

(a) Article 6 of Chapter 2 together with Chapter 4 of the Securitisation Part of the PRA Rulebook (the "**PRASR**") as amended, varied or substituted from time to time after the Closing Date (the "**UK Retention Requirements**"); and

(b) Article 6 of Regulation (EU) 2017/2402, as amended, 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 European Banking Authority, the ESMA, the European Insurance and Occupational Pensions Authority, the European Commission and/or the European Central Bank, in each case solely as in force, interpreted and applied as at the Closing Date (the "**EU Securitisation Regulation**") together with any binding technical standards (which does not take into account

any relevant national measures as if it were applicable to the Retention Holder and solely as in force, interpreted and applied as at the Closing Date only (the "**EU Retention Requirement**").)

As at the Closing Date, such interest will be comprised of certain randomly selected exposures held on the balance sheet of the Retention Holder, in accordance with Article 6(3)(c) of Chapter 2 of the PRASR and Article 6(3)(c) of the EU Securitisation Regulation (as if it were applicable to the Retention Holder and solely as it is in force, interpreted and applied on the Closing Date) (the "**Retained Interest**").

Any change to the manner in which the Retained Interest is held may only be made in accordance with applicable laws and regulations and will be notified to the Noteholders and Certificateholders in accordance with the Terms and Conditions of the Notes and the Terms and Conditions of the Certificates. Please refer to the sections entitled "*Certain Regulatory Disclosures*" and "*Subscription and Sale*" for further information.

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 if it were applicable to the Retention Holder and solely as it is in force, interpreted and applied 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 prospective 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 (as applicable) SECN 4 (the "**FCA Due Diligence Rules**"), regulations 32B, 32C and 32D of the SR 2024 (the "**OPS Due Diligence Rules**") and Article 5 of Chapter 2 of the Securitisation Part of the PRA Rulebook (the "**PRA Due Diligence Rules**", together with the FCA Due Diligence Rules and the OPS Due Diligence Rules, the "**UK Due Diligence Rules**"), and any corresponding national measures which may be relevant to such affected investors. None of the Issuer, the Seller, the Trustee, the Lead Manager, the Arranger, the Retention Holder 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.

U.S. Credit Risk Retention ..... The Retention Holder does not intend to retain at least 5% 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**"), but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Requirements regarding non-U.S. transactions.

Except with the prior written consent of the Seller and where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account of benefit of, any Risk Retention U.S. Person.

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**"). 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. See the section entitled "*Volcker Rule*".
Certificates.....	The Issuer will issue the Certificates to the Seller on the Closing Date. The Certificates represent a right to deferred consideration for the sale of the Portfolio by the Seller to the Issuer on the Closing Date, represented by the Certificate Payment in accordance with the Certificate Conditions. In addition, pursuant to the Call Option Deed, the Majority Certificateholders have a backstop right to deliver an Exercise Notice in respect of a Clean-Up Call Event during the Certificateholder Backstop Exercise Period in the circumstances described in the section entitled "*Certain Transaction Documents — Call Option Deed*". Immediately following the issue of the Certificates to the Seller on the Closing Date, the Seller will transfer 100% of the Certificates to one or more third party investors (including, without limitation, funds, accounts or other institutional or professional investors), whether by way of private placement, syndication, bookbuilding or other customary capital markets process. See the section entitled "*Terms and Conditions of the Certificates*" for further details. The Certificates are not being offered by this Prospectus. Any transferee of any Certificate is prohibited from relying on this Prospectus in connection with any such transaction. The Certificates are not and will not be listed or rated.
Significant Investors	On the Closing Date, the Lead Manager expects to place 100% of the Class A Notes with Zopa Bank Limited and 100% of each of the Class F Notes, the Class Z Notes and the Class X Notes with one or more third party investors which may include, without limitation, one or more funds, acting directly or through an affiliate. As at the Closing Date 100% of the Certificates are expected to be acquired by one or more third party investors which may include, without limitation, one or more funds, acting directly or through an affiliate. The 100% holding of each of the Notes and the Certificates by a single investor will be sufficient to pass or block Noteholder or Certificateholder resolutions in respect of Basic Terms Modifications or resolutions in respect of such Classes of Notes and Certificates, except in the case of the Retained Interest Entrenched Rights. Therefore, no assurance can be given that any other Noteholder or Certificateholder will have influence to block or pass certain Noteholder or Certificateholder resolutions in respect of such Classes, other than the holder of the Retained Interest Entrenched Rights' ability to block matters in respect of the Retained Interest Entrenched Rights as applicable.

THE SECTION ENTITLED "RISK FACTORS" 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.

IMPORTANT NOTICES

THE NOTES AND THE CERTIFICATES WILL BE OBLIGATIONS OF THE ISSUER ONLY. THE NOTES AND THE CERTIFICATES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY PERSON OTHER THAN THE ISSUER. IN PARTICULAR, THE NOTES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY OF THE SELLER, THE RETENTION HOLDER, THE ARRANGER, THE LEAD MANAGER, THE PAYING AGENTS, THE SERVICER, THE CASH ADMINISTRATOR, THE ACCOUNT BANK, THE CORPORATE SERVICES PROVIDER, THE AGENT BANK, THE REGISTRAR, THE TRUSTEE, THE INTEREST RATE HEDGE COUNTERPARTY (EACH AS DEFINED HEREIN), ANY COMPANY IN THE SAME GROUP OF COMPANIES AS ANY SUCH ENTITIES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (TOGETHER, THE "RELEVANT PARTIES"). NO LIABILITY WHATSOEVER IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES AND THE CERTIFICATES SHALL BE ACCEPTED BY ANY OF THE RELEVANT PARTIES OR BY ANY PERSON OTHER THAN THE ISSUER.

Each Class of Notes will each be represented on issue by a global certificate in registered form (a "**Global Note**"). Each Class of Notes may be issued in definitive registered form under certain circumstances.

The Certificates are represented by a global certificate in registered form (a "**Global Certificate**"). The Certificates may be issued in definitive registered form in certain circumstances.

The Notes and Certificates are intended to be held in a manner which would allow European System of Central Banks (as the term is used in the Governing Council of the European Central Bank (the "**ECB**")) ("**Eurosystem**") eligibility. The Notes and Certificates will be deposited with one of Euroclear and/or Clearstream, Luxembourg (each an "**ICSD**" and together the "**ICSDs**") as common safekeeper ("**Common Safekeeper**") and registered in the name of a nominee of one of the ICSDs acting as common safekeeper (the "**New Safekeeping Structure**"). The Common Safekeeper will be the sole legal holder of the Global Notes and the Global Certificates. Notwithstanding that the Notes and Certificates are intended to be held in accordance with the New Safekeeping Structure, this does not mean that any of the Notes or Certificates will be recognised as eligible collateral for the Eurosystem monetary policy and intra-day operations by the Eurosystem, either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that all Eurosystem eligibility has been met.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING OF THE NOTES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. OTHER THAN OBTAINING THE APPROVAL OF THIS PROSPECTUS AS A PROSPECTUS FOR THE PURPOSES OF PROSPECTUS RULES: ADMISSION TO TRADING ON A REGULATED MARKET SOURCEBOOK (PRM) BY THE FINANCIAL CONDUCT AUTHORITY, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER OR BY ANY RELEVANT PARTY WHICH WOULD PERMIT A PUBLIC OFFERING OF THE NOTES OR DISTRIBUTION OF THIS PROSPECTUS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS PROSPECTUS NOR ANY PART HEREOF NOR ANY OTHER OFFERING DOCUMENT, PROSPECTUS, FORM OF APPLICATION, ADVERTISEMENT OR OTHER OFFERING MATERIAL OR INFORMATION MAY BE DISTRIBUTED OR PUBLISHED, IN ANY JURISDICTION, (INCLUDING THE UNITED KINGDOM) EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS PROSPECTUS COMES ARE REQUIRED BY THE ISSUER AND THE ARRANGER TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 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 THEREFORE MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION** S")) ("**U.S. PERSONS**") EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS. ACCORDINGLY, THE 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 THE SECTION ENTITLED "*DESCRIPTION OF THE NOTES IN GLOBAL FORM – TRANSFERS AND TRANSFER 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**").

THE SELLER, AS SPONSOR UNDER THE U.S. RISK RETENTION RULES, DOES NOT INTEND TO RETAIN AT LEAST 5% 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**"), BUT RATHER INTENDS TO RELY ON AN EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES REGARDING NON-U.S. TRANSACTIONS. CONSEQUENTLY, EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE SELLER (A "**U.S. RISK RETENTION CONSENT**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE U.S. RISK RETENTION RULES, THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES BY ITS ACQUISITION OF THE NOTES OR A BENEFICIAL INTEREST THEREIN WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (i) IS NOT A RISK RETENTION U.S. PERSON OR (ii) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10% RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES). ANY RISK RETENTION U.S. PERSON WISHING TO PURCHASE NOTES MUST INFORM THE SELLER, THE LEAD MANAGER AND THE ARRANGER THAT IT IS A RISK RETENTION U.S. PERSON.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA ("**EEA**"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, "**MIFID II**"); OR (II) A CUSTOMER WITHIN THE MEANING OF Directive (EU) 2016/97 (THE "**INSURANCE DISTRIBUTION DIRECTIVE**"), AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EC) 2017/1129. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE "**EU PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE EU PRIIPS REGULATION.

PROHIBITION OF SALES TO UK RETAIL INVESTORS - THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM ("**UK**"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS NEITHER: (I) A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UK 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 (THE "**EUWA**"); NOR (II) A QUALIFIED INVESTOR AS DEFINED IN

PARAGRAPH 15 OF SCHEDULE 1 TO THE POATRS. CONSEQUENTLY NO DISCLOSURE DOCUMENT REQUIRED BY THE FCA PRODUCT DISCLOSURE SOURCEBOOK ("**DISC**") FOR OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER DISC AND THE CONSUMER COMPOSITE INVESTMENTS (DESIGNATED ACTIVITIES) REGULATIONS 2024, AS APPLICABLE.

EU MIFID II 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 IN THE EUROPEAN ECONOMIC AREA (EEA) HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN DIRECTIVE 2014/65/EU (AS AMENDED, "**EU MIFID II**"); AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES 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 EU MIFID II 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.

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 IN THE UNITED KINGDOM (THE **UK**) HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE NOTES IS ONLY ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("**COBS**") AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA ("**UK MIFIR**"); AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "**DISTRIBUTOR**") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT. HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE "**UK MIFIR PRODUCT GOVERNANCE RULES**") IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

RESPONSIBILITY FOR INFORMATION

The information contained in this Prospectus was obtained from the Issuer and other sources, but no assurance is or can be given by the Arranger, the Lead Manager, the Trustee, the Paying Agents, the Account Bank, the Cash Administrator, the Agent Bank, the Registrar, the Retention Holder, the Seller or anyone (save as outlined below) other than the Issuer as to the adequacy, accuracy or completeness of such information and this Prospectus does not constitute and shall not be construed as any representation or warranty by the Arranger, the Lead Manager or the Trustee, the Paying Agents, the Account Bank, the Account Bank, the Cash Administrator, the Agent Bank or the Registrar, or anyone (save as outlined below) other than the Issuer as to the adequacy, accuracy or completeness of such information contained herein. None of the Arranger, the Lead Manager or the Trustee the Paying Agents, the Account Bank, the Account Bank, the Cash Administrator, the Agent Bank or the Registrar, or anyone other than the Issuer has independently verified any of the information contained herein (financial, legal or otherwise) and in making an investment decision, investors must rely on their own examination of the terms of this Prospectus, including the merits and risks involved. Delivery of this Prospectus to any person other than the prospective investor and those persons, if any, retained to advise such prospective investor with respect to the possible offer and sale of the Notes is unauthorised, and any disclosure of any of its contents for any purpose other than considering an investment in the Notes is strictly prohibited. A prospective investor shall not be entitled to, and must not rely on, this Prospectus unless it was furnished to such prospective investor directly by the Issuer, the Arranger or the Lead Manager.

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

Where third party information has been used in this Prospectus, the source of such information has been identified. In the case of the presented statistical information, similar statistics may be obtainable from other sources, although the underlying assumptions and methodology, and consequently the resulting data, may vary from source to source. Where information has been sourced from a third party, such publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed. As far as the Issuer is aware and able to ascertain from the information published by such third party sources, such information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by such third party sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Neither the Arranger nor the Lead Manager is responsible for any obligation of the Retention Holder, the Seller or the Issuer for compliance with the requirements (including existing or ongoing reporting requirements) of the EU Securitisation Regulation and the UK Securitisation Framework.

THE LEAD MANAGER, THE ARRANGER, THE RETENTION HOLDER AND EACH PURCHASER AND SUBSEQUENT PURCHASER OF THE NOTES WILL BE DEEMED BY ITS ACCEPTANCE OF SUCH NOTES TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF THE NOTES AS SET OUT IN THE SUBSCRIPTION AGREEMENT AND DESCRIBED IN THIS PROSPECTUS AND, IN CONNECTION THEREWITH, MAY BE REQUIRED TO PROVIDE CONFIRMATION OF ITS COMPLIANCE WITH SUCH RESALE AND OTHER TRANSFER RESTRICTIONS IN CERTAIN CASES. SEE THE SECTION ENTITLED "*DESCRIPTION OF THE NOTES IN GLOBAL FORM – TRANSFERS AND TRANSFER RESTRICTIONS*". NEITHER OF THE ISSUER NOR ANY RELEVANT PARTY MAKES ANY REPRESENTATION TO ANY PROSPECTIVE INVESTOR OR PURCHASER OF THE NOTES REGARDING THE LEGALITY OF INVESTMENT THEREIN BY SUCH PROSPECTIVE INVESTOR OR PURCHASER UNDER APPLICABLE LEGAL INVESTMENT OR SIMILAR LAWS OR REGULATIONS.

Zopa Bank Limited in its capacity as the ("**Retention Holder**", the "**Seller**," "**Legal Title Holder**", and/or the "**Servicer**") accepts responsibility for the information set out in the section entitled "*The Seller, Retention Holder, Legal Title Holder and Servicer*". To the best of the knowledge of Zopa Bank Limited, the information contained in such section is in accordance with the facts and such section makes no omission likely to affect its import. No representation, warranty or undertaking, expressed or implied, is made, and no responsibility or liability is accepted by Zopa Bank Limited as to the accuracy or completeness of any information contained in this Prospectus (other than the section referred to above) or any other information supplied in connection with the Notes or their distribution.

Lloyds Bank Corporate Markets Plc in its capacity as the "**Interest Rate Hedge Counterparty**" accepts responsibility for the information set out in the section entitled "*Interest Rate Hedge Counterparty*", To the best of the knowledge of Lloyds Bank Corporate Markets Plc, the information contained in such section is in accordance with the facts and such section makes no omission likely to affect its import. No representation, warranty or undertaking, expressed or implied, is made, and no responsibility or liability is accepted by Lloyds Bank Corporate Markets Plc as to the accuracy or completeness of any information contained in this Prospectus (other than the section referred to above) or any other information supplied in connection with the Notes or their distribution.

Citicorp Trustee Company Limited (the "**Trustee**") accepts responsibility for the information set out in the section entitled "*The Trustee*". To the best of the knowledge of the Trustee the information contained in such section is in accordance with the facts and such section makes no omission likely to affect its import. No representation, warranty or undertaking, expressed or implied, is made, and no responsibility or liability is accepted by the Trustee as to the accuracy or completeness of any information contained in this Prospectus (other than the section referred to above) or any other information supplied in connection with the Notes or their distribution.

Citibank, N.A., London Branch (the "**Cash Administrator**", "**Account Bank**", "**Principal Paying Agent**", "**Agent Bank**" and "**Registrar**") accepts responsibility for the information set out in the sections entitled

"*The Cash Administrator, the Account Bank, the Principal Paying Agent, the Agent* Bank *and the Registrar*". To the best of the knowledge of Citibank, N.A., London Branch, the information contained in such sections is in accordance with the facts and such sections make no omission likely to affect its import. No representation, warranty or undertaking, expressed or implied, is made, and no responsibility or liability is accepted by Citibank, N.A., London Branch as to the accuracy or completeness of any information contained in this Prospectus (other than the sections referred to above) or any other information supplied in connection with the Notes or their distribution.

CSC Capital Markets UK Limited (the "**Corporate Services Provider"**) has provided and accepts responsibility for the information set out in the section entitled "*The Corporate Services Provider and Back-Up Servicer Facilitator*". To the best of the knowledge of the Corporate Services Provider, the information contained in such section is in accordance with the facts and such section makes no omission likely to affect its import. No representation, warranty or undertaking, expressed or implied, is made, and no responsibility or liability is accepted by the Corporate Services Provider as to the accuracy or completeness of any information contained in this Prospectus (other than the section referred to above) or any other information supplied in connection with the Notes or their distribution.

THE INFORMATION ON THE WEBSITES TO WHICH THIS PROSPECTUS REFERS DOES NOT FORM PART OF THIS PROSPECTUS AND HAS NOT BEEN SCRUTINISED OR APPROVED BY THE FINANCIAL CONDUCT AUTHORITY.

NO PERSON IS AUTHORISED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFERING OR SALE OF THE NOTES OTHER THAN THOSE CONTAINED IN OR CONSISTENT WITH THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER OR ANY OTHER RELEVANT PARTY OR ANY OF THEIR RESPECTIVE AFFILIATES OR ADVISERS. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE OR ALLOTMENT MADE IN CONNECTION WITH THE OFFERING OF THE NOTES SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION OR CONSTITUTE A REPRESENTATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER OR ANY OTHER RELEVANT PARTY IN THE OTHER INFORMATION CONTAINED HEREIN SINCE THE DATE HEREOF. THE INFORMATION CONTAINED IN THIS PROSPECTUS WAS OBTAINED FROM THE ISSUER OR FROM OTHER SOURCES IDENTIFIED HEREIN (SUCH SOURCES OTHER THAN FROM THE ISSUER, THE "**THIRD PARTY INFORMATION**"). THE ISSUER HAS NOT SEPARATELY VERIFIED ANY SUCH THIRD PARTY INFORMATION. NO RELEVANT PARTY HAS VERIFIED THE INFORMATION CONTAINED HEREIN EXCEPT WHERE THAT PARTY HAS PROVIDED SUCH RELEVANT INFORMATION. ACCORDINGLY, NONE OF THE APPROPRIATE RELEVANT PARTIES MAKES ANY REPRESENTATION, EXPRESS OR IMPLIED, OR ACCEPTS ANY RESPONSIBILITY, WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF ANY OF THE INFORMATION IN THIS PROSPECTUS (OTHER THAN THE CASH ADMINISTRATOR, THE ACCOUNT BANK, THE PRINCIPAL PAYING AGENT, THE AGENT BANK, THE REGISTRAR, THE TRUSTEE, THE SERVICER, THE SELLER, THE LEGAL TITLE HOLDER, THE RETENTION HOLDER, THE INTEREST RATE HEDGE COUNTERPARTY AND THE CORPORATE SERVICES PROVIDER IN THE SECTIONS HEADED "*The Cash Administrator, the Account Bank, the Principal Paying Agent, the Agent* Bank and the Registrar", "*The Trustee*", "*The Seller, Retention Holder, Legal Title Holder and Servicer*", "*Holdings*" AND "*The Corporate Services Provider and Back-Up Servicer Facilitator*" RESPECTIVELY). NEITHER THE ARRANGER NOR THE LEAD MANAGER ASSUME RESPONSIBILITY FOR AND SHALL NOT BE LIABLE TO INVESTORS FOR THE ACTS OR OMISSIONS OF THE PARTIES TO THE TRANSACTION. THE ISSUER DOES NOT MAKE ANY REPRESENTATION, EXPRESS OR IMPLIED, OR ACCEPT ANY RESPONSIBILITY, WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF ANY OF THE THIRD PARTY INFORMATION INCLUDED IN THIS PROSPECTUS. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE CONTENTS OF THIS PROSPECTUS SHOULD NOT BE CONSTRUED AS PROVIDING LEGAL, BUSINESS, ACCOUNTING, REGULATORY OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN LEGAL, BUSINESS, ACCOUNTING, REGULATORY AND TAX ADVISERS PRIOR TO MAKING A DECISION TO INVEST IN THE NOTES.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OF, OR AN INVITATION BY OR ON BEHALF OF ANY RELEVANT PARTY OR ANY OF THEM TO SUBSCRIBE FOR OR PURCHASE ANY OF THE NOTES OR CERTIFICATES IN ANY JURISDICTION WHERE SUCH ACTION WOULD BE

UNLAWFUL AND NEITHER THIS PROSPECTUS, NOR ANY PART THEREOF, MAY BE USED FOR OR IN CONNECTION WITH ANY OFFER TO, OR SOLICITATION BY, ANY PERSON IN ANY JURISDICTION OR IN ANY CIRCUMSTANCES IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORISED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

PAYMENTS OF INTEREST AND PRINCIPAL AND OTHER PAYMENT AMOUNTS IN RESPECT OF THE NOTES AND PAYMENTS ON THE CERTIFICATES WILL BE SUBJECT TO ANY APPLICABLE WITHHOLDING TAXES WITHOUT THE ISSUER OR ANY OTHER PERSON BEING OBLIGED TO PAY ADDITIONAL AMOUNTS THEREFOR.

DISCLAIMER

Except as otherwise stated above, none of the Arranger, the Lead Manager, the Principal Paying Agent, the Cash Administrator, the Agent Bank, the Account Bank, the Registrar, the Seller, the Servicer, the Retention Holder or the Trustee makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus or part thereof or any other information provided by the Issuer in connection with the Notes. Except as otherwise stated above, none of the Arranger, the Lead Manager, the Principal Paying Agent, the Account Bank, the Cash Administrator, the Agent Bank, the Registrar, the Seller, the Servicer, the Retention Holder or the Trustee accepts any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes. Each potential purchaser of Notes should determine the relevance of the information contained in this Prospectus or part hereof and the purchase of Notes should be based upon such investigation as each purchaser deems necessary. Except as otherwise stated above, none of the Arranger, the Lead Manager, the Principal Paying Agent, the Cash Administrator, the Agent Bank, the Account Bank, the Registrar, the Seller, the Servicer, the Retention Holder or the Trustee undertakes or shall undertake to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Arranger, the Lead Manager, the Principal Paying Agent, the Cash Administrator, the Agent Bank, the Account Bank, the Registrar, the Seller, the Servicer, the Retention Holder or the Trustee.

The information on the Transaction Documents contained in this Prospectus are an overview of the material terms of such Transaction Documents. The overviews do not purport to be complete and are subject to the provisions of the respective Transaction Documents. See further the sections entitled "*Certain Transaction Documents*", "*Listing and General Information*", "*Description of the Notes in Global Form*" and "*Description of the Global Certificates*".

UK STS SECURITISATION

A notification will be submitted to the FCA by the Seller, as originator, promptly on or after the Closing Date (and in any event no later than 15 calendar days of the Closing Date), confirming that the UK STS Requirements have been satisfied with respect to the Notes. It is not intended that the issue of the Notes comply with the requirements of Article 18 and Articles 19 to 22 of the EU Securitisation Regulation (the "**EU STS Requirements**").

CURRENCIES

In this Prospectus, unless otherwise specified, references to "**Euro**", "**euro**", "**€**" and "**EUR**" are to the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty on the European Union, as amended from time to time and references to "**Sterling**", "**pound**", "**£**" and "**GBP**" are to the lawful currency of the United Kingdom.

FORWARD-LOOKING STATEMENTS AND STATISTICAL INFORMATION

Certain matters contained herein are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Purchased Receivables, and reflect significant assumptions and subjective judgements by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as **may**, **will**, **could**, **believes**, **expects**, **anticipates**, **continues**, **intends**, **plans** or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of

factors, including (but not limited to) the economic environment and regulatory changes in the unsecured consumer credit market in the United Kingdom. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer.

This Prospectus also contains certain tables and other statistical analyses (the **Statistical Information**) which have been prepared in reliance on information provided by the Issuer. Numerous assumptions have been used in preparing the Statistical Information, which may or may not be reflected in the material. As such, no assurance can be given as to the Statistical Information's accuracy, appropriateness or completeness in any particular context, or as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either projections or predictions or as legal, tax, financial or accounting advice. The average life of or the potential yields on any security cannot be predicted, because the actual rate of repayment on the underlying assets, as well as a number of other relevant factors, cannot be determined. No assurance can be given that the assumptions on which the possible average lives of or yields on the securities are made will prove to be realistic.

None of the Trustee, the Principal Paying Agent, the Agent Bank, the Registrar, the Account Bank, the Corporate Services Provider, the Back-up Servicer Facilitator, the Seller, the Retention Holder, the Arranger nor the Lead Manager have attempted to verify any forward-looking statements or Statistical Information, nor do they make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements or Statistical Information. None of the Issuer, Trustee, the Principal Paying Agent, the Agent Bank, the Registrar, the Account Bank, the Corporate Services Provider, the Back-up Servicer Facilitator, the Seller, the Retention Holder, the Arranger nor the Lead Manager assumes any obligation to update these forward-looking statements or Statistical Information or to update the reasons for which actual results could differ materially from those anticipated.

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RISK FACTORS

The following is a description of the principal risks associated with an investment in the Notes. It does not cover the material risks associated with an investment in the Certificates.

An investment in the Notes and the Certificates 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 believes that the risks described below are the material risks inherent in the transaction for Noteholders and the Certificateholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes and the Certificates may occur for other reasons and this section of the Prospectus is not intended to be exhaustive, and prospective holders of Notes and/or Certificates should also read the detailed information set out elsewhere in this Prospectus prior to making any investment decision. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers immaterial may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts in respect of the Notes and the Certificates.

Before making an investment decision, prospective purchasers of the Notes should (i) ensure that they understand the nature of the Notes and the extent of their exposure to risk, (ii) consider carefully, in the light of their own financial circumstances and investment objectives (and those of any accounts for which they are acting) and in consultation with such legal, financial, regulatory and tax advisers as it deems appropriate, all the information set out in this Prospectus so as to arrive at their own independent evaluation of the investment and (iii) confirm that an investment in the Notes is fully consistent with their respective financial needs, objectives and any applicable investment restrictions and is suitable for them. The Notes are not a conventional investment and carry various unique investment risks, which prospective investors should understand clearly before investing in them. Where more than one significant risk factor is present, the risk of loss to any such investor may be significantly increased. In any of such cases, the value of the Notes could decline, and the Issuer may not be able to pay all or part of the interest, principal or other amounts payable on the Notes and investors may lose all or part of their investment. Prospective Noteholders should take their own legal, financial, accounting, tax and other relevant advice as to the structure and viability of an investment in such instruments. As a result, an investment in the Notes involves substantial risks and uncertainties and should be considered only by sophisticated institutional investors with substantial investment experience with similar types of securities and who have conducted appropriate due diligence on the Portfolio and the Notes.

For the avoidance of doubt, while the following risk factors contain references to the Certificates, the following risk factors do not address, nor are they intended to address, the risks relevant to prospective holders of the Certificates.

Risks Related to the Notes

The Issuer is solely responsible for making payments on the Notes and Certificates

The Notes and the Certificates will not represent an obligation or be the responsibility of Zopa Bank Limited or any of their affiliates, the Arranger, the Lead Manager, the Trustee, the Servicer, the Cash Administrator, the Agent Bank, the Paying Agents, the Registrar or any other party to the Transaction Documents other than the Issuer and therefore any shortfall in the Charged Property will result in a reduction in the amounts available to the Issuer to pay the Noteholders and the Certificateholders. No person other than the Issuer shall assume any liability towards the Noteholders and Certificateholders.

Limited source of funds

The ability of the Issuer to meet its obligations to pay principal and interest on the Notes, amounts due in respect of the Certificates and its operating and administrative expenses will be dependent solely on the Customer Collections and Recovery Collections received in respect of the Purchased Receivables, interest earned on the Issuer Transaction Account (if any), amounts standing to the credit of the Liquidity Reserve Fund Ledger and amounts received under the Interest Rate Hedge Agreement, if any. Other than the foregoing, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes, the Certificates and/or any other payment obligation ranking in priority to, or *pari passu* with, the Notes or the Certificates under the applicable Priority of Payments. In addition, and as the case may be, negative interest might also be charged by

the Account Bank on funds maintained on the Issuer Accounts, which in the case of the Issuer Transaction Account and the Hedge Collateral Cash Account held with the Account Bank may be in the form of a liquidity fee. If such funds are insufficient, any such insufficiency will be borne by the Noteholders, the Certificateholders and the other Secured Creditors, subject to the applicable Priority of Payments. Following enforcement of the Security, there is no guarantee that the Issuer will have sufficient funds to redeem the Notes and Certificates in full. The Issuer will rely on the indemnity amounts and repurchase obligations of the Seller as set out in the Receivables Sale Agreement (see further the section entitled "*Certain Transaction Documents – Receivables Sale Agreement*").

Subordination of other Note classes may not protect Noteholders or Certificateholders from all risk of loss

The Class B Notes are subordinated in right of payment of interest and principal to the Class A Notes at all times; the Class C Notes are subordinated in right of payment of interest and principal to the Class A Notes and the Class B Notes at all times; the Class D Notes are subordinated in right of payment of interest and principal to the Class A Notes, the Class B Notes and the Class C Notes at all times; the Class E Notes are subordinated in right of payment of interest and principal to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes at all times; the Class F Notes are subordinated in right of payment of interest and principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes at all times; the Class Z Notes are subordinated in right of payment of interest and principal 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 at all times; the Class X Notes are subordinated in right of payment of interest and principal 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 and the Class Z Notes at all times.

Following the delivery of an Enforcement Notice, each Class of Notes will be redeemed in accordance with the Post-Enforcement Priority of Payments.

The Certificates will rank *pari passu* without preference or priority among themselves in relation to payment of the Certificate Payment, but subordinate in right of payment of interest on all of the Notes.

In addition to the above, payments on the Notes and the Certificates are subordinate to payments of certain fees, costs and expenses payable to the other Secured Creditors and certain third parties. For further information on the likely costs payable to such Secured Creditors, please see section entitled "*Fees*".

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 and the Certificates are further set out in the section entitled "*Cashflows and Cash Management*".

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

Yield and prepayment considerations

The yield to maturity of the Notes of each Class will depend on, among other things, the amount and timing of payment of principal and interest (including prepayments, sale proceeds arising on enforcement of a Purchased Receivable) on the Purchased Receivables and the price paid by the holders of the Notes of each Class. Such yield may be adversely affected by, amongst other things, a higher or lower than anticipated rate of prepayments on the Purchased Receivables.

The rate of prepayment of Purchased Receivables may be influenced by a wide variety of economic, social and other factors, including the availability of alternative financing programmes and local, regional national and macroeconomic conditions (including the deterioration of economic conditions caused by the war between Russia and Ukraine, the ongoing conflict in the Middle East as well as the emergence of other regional conflicts and wars with global impact, or political and trade-related risks (including tariffs, counter-tariffs, export controls, economic sanctions, currency regulations and other changes driven by U.S. trade policies which have in the past and could in the future trigger retaliatory actions by affected countries and otherwise affect global trade and which could, in turn, lead to increased costs and disrupt supply chains, as well as increasing the risk of inflation or other negative impacts on the global economy or certain sectors thereof)). Subject to the terms and conditions of the Purchased Receivables, a Customer may prepay a Receivable in whole. No assurance can be given as to the level

of prepayments that the Portfolio will experience. See also the sections entitled "*The Portfolio*" and "*Certain Transaction Documents – Receivables Sale Agreement*".

Liquidity risk

The Issuer is subject to the risk of insufficiency of funds on any Interest Payment Date as a result of payments being made late by Customers after the end of the relevant Collection Period. This risk may adversely affect the Issuer's ability to make payments on the Notes but is mitigated to some extent by the provision of liquidity from alternative sources as described in the section entitled "*Key Structural Features – Credit Enhancement and Liquidity Support*." However, no assurance can be made as to the effectiveness of such alternative sources of liquidity, or that such alternative sources of liquidity will protect the Noteholders from all risk of loss.

Deferral of interest payments on the Notes

To the extent that, on any Interest Payment Date, the Issuer does not have sufficient funds to pay in full interest on the Notes of any Class (other than the Most Senior Class of Notes then outstanding), this payment may be deferred. Any amounts of Deferred Interest will accrue Additional Interest described in the Conditions and payment of any Additional Interest will also be deferred. See Condition 6.3 (*Deferral of Interest*). Any such deferral in accordance with the Conditions will not constitute an Event of Default.

Payments of interest on the Most Senior Class of Notes (other than any interest which arose prior to the relevant Class of Notes (other than Class A Notes) becoming the Most Senior Class of Notes and payment of interest are deferred pursuant to Condition 6.3 (*Deferral of Interest*)) cannot be deferred and, if such amounts remain unpaid 10 calendar days after the relevant due date, this will constitute an Event of Default.

Payment of the shortfall representing Deferred Interest and Additional Interest will be deferred until the first Interest Payment Date on which the Issuer has sufficient funds to pay such amounts. The deferral of such amounts shall not be an Event of Default until the Final Maturity Date or any earlier date of redemption in full of the relevant Class of Notes. For further details, see Condition 6.3 (*Deferral of Interest*) and Condition 6.4 (*Payment of Deferred Interest and Additional Interest*).

Calculation of SONIA

If the Reference Screen or the relevant page is unavailable, in the manner described in Condition 6.5 (*Interest on the Notes*) there can be no guarantee that the Issuer (or the Agent Bank on its behalf) will be able to determine any SONIA Rate of Interest in respect of the Notes.

If the Reference Screen, or the relevant page is unavailable, and the Issuer (or the Agent Bank on its behalf) is unable to determine the relevant SONIA Rate of Interest in respect of such Interest Payment Date, pursuant to Condition 6.5 (*Interest on the Notes*), the relevant SONIA Rate of Interest in respect of such Interest Payment Date shall be determined in accordance with the fall-back provisions set out in Condition 6 (*Interest*). To the extent interest amounts in respect of the Notes are determined by reference to a previously calculated rate, Noteholders may be adversely affected.

Basis risk

The Issuer is subject to:

(a) the risk of a mismatch between the fixed rates of interest payable on the Purchased Receivables and the floating interest rate payable in respect of the Notes; and

(b) the risk that any cash held by or on behalf of the Issuer may earn a rate of return below the rate of interest payable on the Notes, mitigated, however, by the availability of excess Available Revenue Receipts, which are available to meet payments of interest due under the Notes and Certificates and the other expenses of the Issuer.

The interest rate risk between the fixed rate of interest payable on the Purchased Receivables and the floating rates of interest on the Notes will be partially mitigated (but not obviated) on the Closing Date by the Issuer entering into the Interest Rate Hedge Agreement. There may be some residual unhedged interest rate

exposure given that the notional amount of the Interest Rate Hedge Agreement shall be set by reference to a predefined schedule. However, the risk of being under-hedged is intended to be mitigated by the fact that the predefined schedule has been set based on the assumption that there will be a continuous prepayment rate of 30% or defaults.

Pursuant to the terms of the Swap Transaction under the Interest Rate Hedge Agreement, on each Interest Payment Date commencing on the First Interest Payment Date and ending on 23 September 2033, the Issuer will make a fixed amount payment to the Interest Rate Hedge Counterparty in sterling which the Issuer will fund using payments which it receives from the Purchased Receivables. The fixed rate for the purposes of the Interest Rate Hedge Agreement will be the amount set out in the Interest Rate Hedge Agreement, and will be multiplied by the notional amount and the fixed rate day count fraction of the Swap Transaction for the relevant Interest Period to calculate the fixed amount payable by the Issuer on such Interest Payment Date. The Interest Rate Hedge Counterparty will, on the same Interest Payment Date, make a floating amount payment in sterling to the Issuer (calculated by reference to the same notional amount and Compounded Daily SONIA determined pursuant to the Interest Rate Hedge Agreement, subject to any replacement rate being applied pursuant to the terms of the Interest Rate Hedge Agreement, and the floating rate day count fraction). The amounts payable by the Issuer and the Interest Rate Hedge Counterparty under the Swap Transaction will be netted so that only a net amount will be due from the Issuer or the Interest Rate Hedge Counterparty (as the case may be) on an Interest Payment Date in respect of the Swap Transaction. A failure by the Interest Rate Hedge Counterparty to make timely payments of amounts due under the Interest Rate Hedge Agreement will constitute a default thereunder (after giving effect to any applicable grace period). To the extent that the Interest Rate Hedge Counterparty defaults on its obligations under the Interest Rate Hedge Agreement to make payments to the Issuer in sterling, on any payment date under the Swap Transaction (which corresponds to an Interest Payment Date), the Issuer will be exposed to the possible variance between the rates of interest payable in respect of the Purchased Receivables and the rate of interest payable in respect of the Notes.

In the event of an early termination date occurring or being designated under the Interest Rate Hedge Agreement for any reason, including due to an Event of Default or a Termination Event (in each case as defined in the Interest Rate Hedge Agreement), while endeavours will be made to enter into a Replacement Interest Rate Hedge Agreement, no assurance can be given that the Issuer would be able to enter into a Replacement Interest Rate Hedge Agreement with similar terms, immediately or at all. In that situation, there is also no assurance that the amount of any other credit enhancement would be sufficient to cover any applicable interest rate exposure in connection with the Issuer's obligations under the Notes. In addition, a failure to enter into a Replacement Interest Rate Hedge Agreement may result in the reduction, qualification or withdrawal of the then current ratings of the Rated Notes by the Rating Agencies.

For further details on the Interest Rate Hedge Counterparty and the Interest Rate Hedge Agreement, please see the sections entitled "*Interest Rate Hedge Counterparty" and "Certain Transaction Documents – Interest Rate Hedge Agreement*".

Termination payments on the termination of the Swap Transaction

If the Swap Transaction is terminated, the Issuer may be obliged to make a termination payment to the Interest Rate Hedge Counterparty. There can be no assurance that the Issuer will have sufficient funds available to make any termination payment due under the Interest Rate Hedge Agreement.

Except where the Issuer has terminated the Swap Transaction as a result of the Interest Rate Hedge Counterparty's default or ratings downgrade, any termination payment due by the Issuer following termination of the Swap Transaction (including any extra cost incurred if the Issuer cannot immediately enter into a Replacement Interest Rate Hedge Agreement) will also rank in priority to the Notes.

Therefore, if the Issuer is obliged to make a termination payment to the Interest Rate Hedge Counterparty or pay any other additional amounts as a result of the termination of the Swap Transaction, this could affect the Issuer's ability to make timely payments on the Notes. Any additional amounts required to be paid by the Issuer following termination of the Swap Transaction (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.

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

Limited recourse and non-petition

The Notes will be limited recourse obligations of the Issuer.

Notwithstanding any of the Transaction Documents, each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that if the net proceeds of realisation of the security constituted by or pursuant to the Deed of Charge are less than the aggregate amount payable by the Issuer to the Noteholders, Certificateholders and any other Secured Creditors in respect of its obligations under the Transaction Documents (such negative amount being referred to as a "**shortfall**"), the amount payable by the Issuer to the Noteholders, Certificateholders and each other Secured Creditor in respect of the Issuer's obligations under such Transaction Documents shall be reduced to such amount of the net proceeds as shall be applied in accordance with the Deed of Charge and the applicable Priority of Payments, and such parties shall not (directly or indirectly) be entitled to take any further steps against the Issuer to recover such shortfall, which shall be deemed to be automatically extinguished.

The parties to the Transaction Documents (other than the Issuer) acknowledge and agree that they (or any other party acting on their behalf) shall not be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency or liquidation proceedings, or other analogous proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer under the Transaction Documents, save for lodging a claim in the liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer in relation to such Transaction Documents. For the avoidance of doubt, this shall not prevent the Trustee from enforcing the security constituted by or pursuant to the Deed of Charge in accordance with its terms, provided that in connection with any such enforcement neither the Trustee nor any Receiver appointed thereunder shall take any steps or proceedings to procure the winding up or liquidation of the Issuer.

Each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that no recourse under any obligation, covenant, or agreement of the Issuer contained in any Transaction Document may be sought by it against any shareholder, officer, agent, employee or director of the Issuer, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise, it being expressly agreed and understood that the Transaction Documents are corporate obligations of the Issuer only. Each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that no personal liability shall attach to or be incurred by the shareholders, officers, agents, employees or directors of the Issuer, or any of them, under or by reason of any of the obligations, covenants or agreements of the Issuer contained in any Transaction Document, or implied therefrom, and any and all personal liability of every such shareholder, officer, agent, employee or director for breaches by the Issuer of any such obligations, covenants or agreements, either at law or by statute or constitution, of every such shareholder, officer, agent, employee or director is deemed expressly waived by the Noteholders, Certificateholders and the Transaction Parties.

Each Secured Creditor (other than the 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 and the Trust Deed, 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 and the Trust Deed, as applicable, shall be received and held by it as trustee (except in the case of the Cash Administrator, the Principal Paying Agent, the Agent Bank, the Registrar and the Account Bank which will hold such funds as banker and to the order of the Trustee) for the Trustee and shall be paid over to, or to the order of, the Trustee immediately upon receipt so that such amount can be applied in accordance with the provisions of the Deed of Charge and the Trust Deed.

Prospective investors should be aware that there are a number of risks associated with the purchase of the Notes, including the risk that the Issuer may become subject to claims or other liabilities (whether in respect of the Notes or otherwise) which are not themselves subject to limited recourse or non-petition provisions.

Failure of Court to Enforce Non-Petition Obligations

As described in the section entitled "*Limited recourse and non-petition*", each Noteholder and Certificateholder, as applicable, will agree, and each beneficial owner of Notes and Certificates, as applicable, will be deemed to agree that it will be subject to non-petition covenants. If such provisions fail to be enforceable under applicable bankruptcy or insolvency laws, and a winding-up (or similar) petition is presented in respect of

the Issuer, then the presentation of such a petition could (subject to certain conditions) result in one or more payments on the Notes and Certificates made during the period prior to such presentation being deemed to be preferential transfers subject to avoidance by the bankruptcy trustee or insolvency practitioner or similar official exercising authority with respect to the Issuer's estate. It could also result in the bankruptcy or insolvency court, trustee or receiver or insolvency practitioner liquidating the assets of the Issuer without regard to any votes or directions required for such liquidation pursuant to the Trust Deed and could result in any payments under the Notes or Certificates made during the period prior to such presentation being deemed to be a fraudulent or improper disposition of the Issuer's assets.

Enforcement Rights

If an Event of Default occurs and is continuing, the Trustee may at its discretion, and shall: (a) if so requested in writing by the Noteholders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class; or (b) if so directed by an Extraordinary Resolution of the Most Senior Class (subject, in each case, to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction) deliver an Enforcement Notice to the Issuer and institute such proceedings and take any other steps as may be required in order to enforce the Security.

The requirements described above could result in enforcement of the Security in circumstances where the proceeds of liquidation thereof would be insufficient to ensure payment in full of all amounts due and payable in respect of the Notes in accordance with the applicable Priority of Payments and/or at a time when enforcement thereof may be adverse to the interests to certain Classes of Notes.

There may be insufficient funds available to repay the Noteholders and Certificateholders as a result of income or principal deficiencies

If, on any Interest Payment Date prior to the service of an Enforcement Notice or the redemption in full 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 a result of shortfalls in Available Revenue Receipts and following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts, there would be a Revenue Shortfall, the Issuer shall apply Available Principal Receipts (if any) as Available Revenue Receipts in accordance with item (a) of the Principal Priority of Payments, to cure such Revenue Shortfall (such reapplied amounts, the "**Principal Addition Amounts**"). The application of any Available Principal Receipts as Principal Addition Amounts will be recorded as a debit to the Principal Deficiency Ledger.

In addition, upon a Purchased Receivable becoming a Defaulted Receivable, a debit will be made to the Principal Deficiency Ledger in an amount equal to the related Loss, which may correspond to the Outstanding Receivables Balance of such Purchased Receivable at that time.

Such debits will be recorded in reverse sequential order to the Class Z Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class Z Notes then outstanding, the Class F Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class F Notes then outstanding, the Class E Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class E Notes then outstanding, the Class D Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class D Notes then outstanding, the Class C Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class C Notes then outstanding, the Class B Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class B Notes then outstanding and the Class A Principal Deficiency 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 Ledgers will be recouped from Available Revenue Receipts. Available Revenue Receipts will be applied, after meeting prior ranking obligations as set out under the Revenue Priority of Payments, to credit first the Class A Principal Deficiency Ledger, second the Class B Principal Deficiency Ledger, third the Class C Principal Deficiency Ledger, fourth the Class D Principal Deficiency Ledger, fifth the Class E Principal Deficiency Ledger, sixth the Class F Principal Deficiency Ledger, and seventh the Class Z Principal Deficiency 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 Maturity Date of the Notes.

The Notes are subject to optional and mandatory redemption

On any Business Day following a Clean-Up Call Event, the Issuer shall, if so directed by the Seller in its capacity as the Clean-Up Call Option Holder during the Clean-Up Call Exercise Period or by the Majority Certificateholders in their backstop capacity as the Clean-Up Call Option Holder during the Certificateholder Backstop Exercise Period, and subject to certain conditions, redeem all of the Notes and cancel the Certificates. The Clean-Up Call Exercise Period is the period from receipt of written notification from the Issuer of the occurrence of a Clean-Up Call Event to the second Interest Payment Date falling after the occurrence of such notification or, if the notice is delivered by the Issuer fewer than 15 Business Days prior to the immediately following Interest Payment Date, the third Interest Payment Date falling after the occurrence of such notification.

In addition, subject to the Conditions, the Issuer shall redeem the Notes and cancel the Certificates if so required by the applicable Regulatory Call Option Holder (being the Seller in respect of a Regulatory Change Event and the Retention Holder in respect of a Risk Retention Regulatory Change Event) following the exercise of the Regulatory Call Option. In respect of a Risk Retention Regulatory Change Event a Regulatory Change Event, the relevant Regulatory Call Option Holder shall have a period of 30 Business Days from receipt of written notification from the Issuer of the occurrence of that event within which to deliver an Exercise Notice. See Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*), Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*) and Condition 8.4 (*Optional Redemption in whole upon the occurrence of an Illegality Event*) for further information.

Pursuant to Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*), each applicable Option Holder has the option to direct the Issuer to exercise the mandatory redemption, where it is entitled to do so. No make-whole amount or other early repayment fee will be paid to the Noteholders or Certificateholders if such option is exercised by an Option Holder. However, the Option Holders are not obligated to exercise their rights in respect of the Call Option and, as such, no assurance can be given that the Notes will be redeemed in full pursuant to Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*).

Any redemption of the Notes 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. There is no assurance that Noteholders 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 had they not been redeemed or cancelled, as applicable. In particular, there is no assurance that the Certificateholders would receive any amounts on such an early redemption.

The New Issue Conditions Precedent must be satisfied (or otherwise waived or not be required to be met) prior to the exercise of any redemption of the Notes being redeemed pursuant to the Conditions. No assurance can be given that such New Issue Conditions Precedent will be satisfied (or otherwise waived or not be required to be met) in order for the relevant call options to be exercised 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 a redemption.

Early redemption of the Notes may adversely affect the yield on the Notes.

Ratings of the Notes

A rating is not a recommendation to buy, sell or hold the Rated Notes and there is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any one or more of the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. At any time, a Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to the Notes may be lowered or withdrawn. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Rated Notes. The Class Z Notes will not be rated by the Rating Agencies.

Credit ratings assigned to the Rated Notes reflect the relevant Rating Agency's assessment only of either the likelihood of the full payment of interest and principal on the Rated Notes on a date that is not later than the Final Maturity Date or the likelihood of the timely payment of interest and the ultimate payment of principal in full on the Rated Notes on a date that is not later than the Final Maturity Date, not that it will be paid when expected or scheduled, and may not reflect the potential impact of all risks related to the transaction structure, the other risk factors discussed in this Prospectus or any other factors that may affect the value of the Rated Notes.

These ratings are based on the Rating Agencies' determination of, among other things, the value of the Receivables, the reliability of the payments on the Receivables, the creditworthiness of the Account Bank, the Collection Account Banks, the Interest Rate Hedge Counterparty and the availability of credit enhancement. A rating or rating confirmation does not impose or extend any actual or contingent liability for the Rating Agencies to the Noteholders or any other party or create any legal relations between the Rating Agencies and the Noteholders or any other party.

The ratings to do not address the following: (i) the likelihood that the principal or interest on the Rated Notes will be redeemed or paid, as expected, on the Final Maturity Date; (ii) the possibility of the imposition of United Kingdom or any other withholding tax; (iii) the marketability of the Rated Notes, or any market price for the Rated Notes; or (iv) whether an investment in the Notes is a suitable investment for Noteholders.

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

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 ("**ESMA**") 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.

Ratings can be revised or withdrawn after Noteholders purchase their Notes

Any Rating Agency may revise its rating or withdraw its rating if, in the sole judgment of the Rating Agency, the credit quality of the Notes has declined or is in question or for other tangible and intangible reasons.

If any rating assigned to the Notes is lowered or withdrawn, the market value of the Notes may be reduced and their liquidity in the secondary market adversely affected.

Any Rating Agency may also lower or withdraw its rating with respect to the Interest Rate Hedge Counterparty. Under the terms of the Interest Rate Hedge Agreement, the Interest Rate Hedge Counterparty shall be required to transfer or novate the Interest Rate Hedge Agreement to a replacement interest rate hedge counterparty or enter into other suitable arrangements (including posting collateral or procuring a guarantee of its obligations) if the relevant credit rating of the Interest Rate Hedge Counterparty is withdrawn or reduced below certain thresholds. It cannot be assured, however, that a replacement interest rate hedge counterparty would be found, or the Interest Rate Hedge Agreement would be transferred or novated and/or other suitable arrangements (including posting collateral or procuring a guarantee) would be entered into in this event or that the ratings of the Notes will not be lowered or withdrawn in this event. If any rating assigned to the Notes is lowered or withdrawn, then the market value of such Notes may be reduced.

Rating Agency Confirmation

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

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

The Conditions provide that if a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Trustee) and within 30 calendar days of delivery of such request: (i)(A) either or both Rating Agencies 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) 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 (any such Rating Agency, a "**Non-Responsive Rating Agency**"); or (ii) only one Rating Agency gives such Rating Agency Confirmation or response based on the same facts, then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be deemed modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive Rating Agency if the Issuer provides to the Trustee a certificate signed by two of its

directors certifying and confirming that one of the events in paragraph (i)(A) or (i)(B) has occurred following the delivery by or on behalf of the Issuer of a written request to each Rating Agency. 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 calendar days, there remains a risk that such Non-Responsive Rating Agency may subsequently reduce, downgrade, qualify, suspend or withdraw the then current ratings of the Rated Notes as a result of the action or step. Such a downgrade, reduction, qualification, suspension or withdrawal to the then current ratings of the Rated Notes may have an adverse effect on the value of the Rated Notes.

The Trustee shall be entitled to rely without further enquiry or liability to any person, on any certificate delivered to it in connection with a Non-Responsive Rating Agency pursuant to Condition 17 (*Non-Responsive Rating Agency*). The Trustee shall not be required to investigate any action taken by the Issuer or such Non-Responsive Rating Agency and shall treat the applicable condition or requirement to receive a Rating Agency Confirmation or response from each Rating Agency as having been modified with the consent of all Noteholders and all parties to the relevant Transaction Documents so that there shall be no requirement for such Rating Agency Confirmation or response from a Non-Responsive Rating Agency. For further information, see sections entitled "*Description of the Notes in Global Form*" and "*Description of the Global Certificates*".

Absence of a secondary market for the Notes

There can be no assurance 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 such market will provide Noteholders with liquidity of investment for the life of the Notes or that such market will subsequently continue to exist. Any investor in the Notes must be prepared to hold its Notes for an indefinite period of time or until the Final Maturity Date or alternatively such investor may only be able to sell its Notes at a discount to the original purchase price of those Notes.

The secondary market for asset-backed securities has in the past experienced significant disruptions resulting from reduced investor demand for such securities. This has resulted in the secondary market for asset-backed securities comparable to the Notes experiencing very limited liquidity during such severe disruptions. If limited liquidity were to occur in the secondary market it could have a material adverse effect on the market value of asset-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 investment requirements of limited categories of investors. It is not known whether such market conditions will recur.

In addition, potential investors should be aware that global markets have recently been negatively impacted by the then prevailing global credit market conditions, 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. Absence of a secondary market or lack of liquidity in the secondary market may adversely affect the market value of the Notes.

Eligibility for Central Bank Schemes

Whilst 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 wide-spread 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. No assurance is given that any Notes or Certificates will be eligible for any specific central bank liquidity schemes and as at the Closing Date the Notes and the Certificates are not expected to be eligible securities for the purpose of the Eurosystem facilities. 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.

Conflict between Noteholders or Certificateholders

The Trust Deed contains provisions requiring the Trustee to have regard to the interests of all Classes of Noteholders and Certificateholders and the Retention Holder as regards all powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise). Except where expressly provided otherwise, where in the opinion of the Trustee there is or may be a conflict of interest between one or more Classes of Notes or Certificates, on the one hand, and the interests of the holders of one or more Classes of Notes or Certificates, on the other hand, then the Trustee is required to have regard only to the interests of the Most Senior Class (subject always to the Retained Interest Entrenched Rights). If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class given priority as described in this paragraph, each representing less than the majority by principal amount of Notes or Certificates outstanding of such Class (but subject to them meeting the required threshold for instruction pursuant to the Transaction Documents), the Trustee shall give priority to the group which holds the greater amount of Notes Outstanding of such Class or Certificates, as applicable. Except as expressly provided otherwise by the Trust Deed or any other Transaction Document, the Trustee will act in relation to the Trust Deed or any other Transaction Document upon the directions acting by an Extraordinary Resolution of the Most Senior Class or so requested in writing by the Noteholders of at least 25% in Principal Amount Outstanding of the Most Senior Class, subject to being indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which may be incurred by it in connection therewith, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes and/or Certificates.

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

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

Prospective investors should note that for certain purposes, including the determination as to whether Notes are deemed outstanding or Certificates are deemed still to be in issue for the purposes of convening or voting at a meeting of Noteholders or Certificateholders, those Notes or Certificates held by Zopa Bank Limited (where, on the Closing Date, it is expected that 100% of the Class A Notes shall be held by Zopa Bank Limited) shall, in each case, (unless ceasing to be so held) be deemed to remain outstanding or in issue (as applicable) and such entities shall be entitled to attend and vote at a meeting of Noteholders or Certificateholders (as applicable) unless such Extraordinary Resolution, Ordinary Resolution or direction of the Noteholders relates to (i) a waiver in respect of a breach of the Seller Asset Warranties given by the Seller pursuant to the Receivables Sale Agreement, (ii) the termination of the Servicer following a Servicer Termination Event, or (iii) the nomination of a Successor Servicer, in which case any Notes held by or on behalf of the Seller shall be deemed not to be Outstanding and shall be disregarded for the purposes of determining whether the necessary quorum is present and whether the requisite majority has been obtained in respect thereof.

In addition, it is expected that on the Closing Date an investor will acquire a majority holding in each of the Class F Notes, Class X Notes and Class Z Notes, giving it a sufficient holding of such Notes to allow it to pass or block Noteholder resolutions in respect of Basic Terms Modifications or resolutions in respect of such Classes of Notes. Therefore, no assurance can be given that any other Noteholder will not have influence to block or pass certain Noteholder resolutions.

For further details, see the section entitled "*Overview – Overview of Rights of Noteholders and Certificateholders and Relationship with Other Secured Creditors*".

Conflict between Noteholders and Certificateholders and other Secured Creditors

So long as any of the Notes or Certificates of any Class remains Outstanding, the Trustee shall, as regards all the powers, trusts, authorities, duties and discretions vested in it by the Trust Deed except where expressly provided otherwise, have no regard to the interests of any Secured Creditor other than the Noteholders or

Certificateholders (as applicable) or, at any time, to the interests of any other person and no Secured Creditor shall have any claim against the Trustee for so doing. Noteholders 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.

Retained Interest modifications and Retained Interest Entrenched Rights

Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document, 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 Certificateholders.

Interest Rate Hedge Counterparty Entrenched Rights

No provision of the Transaction Documents, the Conditions or the Certificate Conditions, may be modified, amended, waived and/or supplemented without the Interest Rate Hedge Counterparty giving its prior written consent (such consent not to be unreasonably withheld) which affects any Interest Rate Hedge Counterparty Entrenched Rights.

There can be no assurance that the Interest Rate Hedge Counterparty will provide its consent to any such modification, amendment, waiver or supplement in a timely manner or at all. The Interest Rate Hedge Counterparty may act solely in its own interests and it does not have any duties to any Noteholders and as such may consent to a modification, amendment, waiver or supplement that negatively impacts the Noteholders.

Risks relating to the Trustee agreeing to modifications of the Transaction Documents

The Conditions and the Certificate Conditions also specify that certain categories of amendments (including changes to majorities required to pass resolutions or quorum requirements) would be classified as Basic Terms Modifications. Investors should note that a Basic Terms Modification is required to be sanctioned by an Extraordinary Resolution of the holders of the relevant affected Class or Classes of Notes or Certificates which are affected by such Basic Terms Modifications.

Subject to certain conditions, the Trustee may (in relation to sub-paragraphs (a) and (b)) and shall (in relation to sub-paragraphs (c) to (e)) be obliged, without any consent or sanction of the Noteholders or Certificateholders, or (subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified) any of the other Secured Creditors, to concur with the Issuer in making any modification:

(a) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document (other than (i) in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right, save where the holder of such right has provided their consent in writing or (ii) a modification in relation to the Call Option Deed unless the Seller, Retention Holder and Majority Certificateholders have provided their consent in writing), which in the opinion of the Trustee will not be materially prejudicial to the interests of the holders of the Most Senior Class then Outstanding;

(b) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document (including a Basic Terms Modification) which, in the opinion of the Trustee, is to correct a manifest error or is of a formal, minor or technical nature;

(c) (other than (i) in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right, save where the holder of such right has provided their consent in writing or (ii) a modification in relation to the Call Option Deed unless the Seller, Retention Holder and Majority Certificateholders have provided their consent in writing) that would result in the Issuer entering into any new and/or amended bank account agreement or collection account agreement or declaration of trust (including where the unsecured, unsubordinated and unguaranteed debt obligations of the Account Bank or a

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);

(d) (other than in respect of a Basic Terms Modification or a Retained Interest Entrenched Right, save where the holder of such right has provided their consent in writing) 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; 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 Hedge 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),

provided that any such modification shall be notified by or on behalf of the Issuer as soon as reasonably practicable to, so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency and provided that in the case of amendments pursuant to any of paragraphs (a) to (e), that the Trustee shall not 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 Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the protections, of the Trustee, Agent Bank, the Registrar, the Principal Paying Agent, the Account Bank and/or the Cash Administrator under the Transaction Documents and/or the Conditions and/or the Certificate Conditions.

In addition, the Trustee shall be obliged, without any consent or sanction of the Noteholders and/or Certificateholders, or (subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified) any of the other Secured Creditors, to concur with the Issuer in making any modification (other than in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right) to the Trust Deed, the Conditions, the Certificate Conditions or any other Transaction Document to which it is a party or in relation to which it holds security or enter into any new, supplemental or additional documents that the Issuer (acting in its own discretion or at the direction of any transaction party) certifies to the Trustee (upon which certificate the Trustee shall rely absolutely and without enquiry or liability) as being necessary for the purpose of the Issuer (or, where applicable, any other transaction parties): (i) complying with, implementing or reflecting any changes in the requirements of the UK Securitisation Framework including as a result of the adoption of regulatory technical standards in relation to the UK Securitisation Framework or any other risk retention legislation or regulations or official guidance in relation thereto; (ii) complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time; (iii) in order to enable the Issuer and/or the Interest Rate Hedge Counterparty to comply (or continue to comply) with their respective obligations under EU EMIR or UK EMIR; (iv) enabling the Notes to be (or to remain) listed on the LSE; (v) enabling the Issuer or any of the other transaction parties to comply with FATCA; (vi) for the purpose of complying with any changes in the requirements of the UK CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation or regulations or official guidance in relation thereto; (vii) amending the screen rate or the base rate that then applies in respect of the Notes, as further detailed in Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*); and (viii) modifying a Transaction Document proposed by any of the Cash Administrator, the Seller, the Servicer, the Account Bank, any Custodian, and/or the Interest Rate Hedge Counterparty (for the purposes of this paragraph (viii) only, each a **Relevant Party**) in order (x) to enable the Relevant Party to be eligible or to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds), provided that, the Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Trustee would have the effect of (a) exposing the 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 Trustee in the Transaction Documents, the Conditions, the Certificate Conditions and/or the Trust Deed and/or the Deed of Charge (as applicable).

In relation to any such proposed amendment, the Issuer is required to give at least 30 calendar days' notice to the Noteholders and Certificateholders of each Class of the proposed modification in accordance with Condition 10 (*Notifications*) and by publication on Bloomberg on the "Company News" screen relating to the Notes. However, Noteholders should be aware that in relation to such amendments, if Noteholders or Certificateholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class have not contacted the Issuer or the Principal Paying Agent in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Notes or Certificates may be held) within such notification period notifying the Issuer or the Principal Paying Agent that such Noteholders or Certificateholders do not consent to the modification, the modification will be passed without Noteholder or Certificateholder consent.

If Noteholders or Certificateholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class have notified the Principal Paying Agent or the Issuer in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Notes or Certificates may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders or Certificateholders of the Most Senior Class is passed in favour of such modification in accordance with Condition 15 (*Meetings of Noteholders and Certificateholders, Modification, Waiver and Substitution*).

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

Meetings of Noteholders and Certificateholders and waiver

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

Subject to certain conditions set out in the Trust Deed, the Trustee may at any time and from time to time in its sole discretion, without prejudice to its rights in respect of any subsequent breach, condition, event or act and without the consent or sanction of the Noteholders, Certificateholders or any other Secured Creditor concur with the Issuer or any other relevant parties in authorising or waiving, on such terms and subject to such conditions (if any) as it may decide, any proposed breach or breach of the covenants or provisions contained in the Trust Deed and the Deed of Charge, the Notes, the Certificates or any of the other Transaction Documents or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of the Trust Deed, the Deed of Charge, the Notes, the Certificates or any other Transaction Document if, in the opinion of the Trustee, the interests of the holders of the Most Senior Class then Outstanding will not be materially prejudiced by such waiver.

The Trustee may, without the consent of the Noteholders or Certificateholders of any Class, or any other Secured Creditor, concur with the Issuer to the substitution in place of the Issuer (or of the previous substitute under the Trust Deed) as the principal debtor under the Trust Deed, the Notes of each Class and the other Transaction Documents of any other company (incorporated in any jurisdiction) (such substituted company being thereinafter called the "**New Company**") or to a migration of the Issuer's jurisdiction of Tax residency if required for taxation reasons and subject to certain conditions as set out in the Trust Deed. For further details, see the section entitled "*Overview – Overview of Rights of Noteholders and Certificateholders and Relationship with Other Secured Creditors*".

Risks related to the Purchased Receivables

The Purchased Receivables

The Purchased Receivables will be subject to credit, liquidity, interest rate risks, general economic conditions, operational risks, structural risks, the condition of financial markets, political events, developments or trends in any particular industry and periods of adverse performance which may have an adverse effect on the ability of the Customers to make payments on the Purchased Receivables (including at maturity) and which, in turn, may adversely affect the payments on the Notes and the interests of the Noteholders.

The Purchased Receivables are unsecured obligations of the Customers. Such obligations generally have a greater credit, insolvency, bankruptcy and liquidity risk than is typically associated with secured obligations. If the insolvency, bankruptcy or sequestration (as applicable) of a Customer occurs, the holders of such obligation will be considered general, unsecured creditors and will have fewer rights than secured creditors of a Customer. As a result, the Issuer may not be able to recover all or any portion of the Purchased Receivable.

Customers may default on their obligations under the Purchased Receivables. Such defaults may occur for a variety of reasons. The ability of Customers in respect of Purchased Receivables to repay amounts owing under Purchased Receivables may be adversely affected by their personal circumstances (for example, unemployment, illness, sudden death, divorce or other similar factors).

In addition to the financial conditions of the Customers, various other factors influence consumer loan delinquency rates, default rates, prepayment rates, the frequency with which security is enforced and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies.

Repurchase of Purchased Receivables

Purchased Receivables included in the Portfolio which are subsequently found not to have complied with the Eligibility Criteria at the time when tested and/or are found not to have satisfied the applicable Seller Asset Warranties given under the Receivables Sale Agreement, shall, if the Issuer so requires and subject to the terms set out in the Receivables Sale Agreement, be purchased or repurchased by the Seller, in which case they will no longer form part of the Portfolio or the Seller may (at its sole discretion) opt (in lieu of repurchase by the Seller) to indemnify and keep indemnified the Issuer against all actual losses suffered by the Issuer as a result of the breach of such Seller Asset Warranty, subject to a maximum amount equal to the Repurchase Price of such Purchased Receivable.

Any repurchase of a Purchased Receivable by the Seller may have the same effect as a repayment of such Purchased Receivable by the Customer, 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 repayments or repurchases that the Portfolio may experience as a result, which may in turn affect the yield to maturity of the Notes of each Class.

Disposals of Defaulted Receivables

The occurrence or absence of disposals of Defaulted Receivables may affect the performance of the Portfolio. The Seller may (but is not obliged to) exercise the Defaulted Receivables Call Option to repurchase Defaulted Receivables from the Issuer at a price equal to the Sale Recoveries for the purposes of an onward sale to a third party debt purchaser. It should be noted that it is unlikely that the price will be equal to the original Principal Amount Outstanding of the relevant Purchased Receivable. Sale Recoveries may enhance the level of Recovery Collections. If such sales become impossible or possible only on less favourable terms, the Recovery Collections would be reduced, which may increase the likelihood of a loss on the Notes.

Credit risk

The Issuer is subject to the risk of default in payment by the Customers and upon such default in payment, the failure by the Servicer, on behalf of the Issuer, to realise or recover sufficient funds from the Customers under the arrears and default procedures in respect of the Purchased Receivables in order to discharge all amounts due and owing by the relevant Customers under the Purchased Receivables. This risk may adversely affect the Issuer's ability to make payments on the Notes and Certificates but is mitigated to some extent by certain credit enhancement features which are described in the section entitled "*Overview – Overview of Credit Structure and Cashflow*". However, no assurance can be made as to the effectiveness of such credit enhancement features or that such alternative sources of liquidity will protect the Noteholders and Certificateholders from all risk of loss.

The Portfolio

Neither the Issuer, the Arranger, the Lead Manager nor any other party is under any obligation to provide any information with respect to the Customers under individual Purchased Receivables.

None of the Issuer, the Arranger or the Lead Manager has made any investigation into the Customers of the Purchased Receivables. There is a risk that the value of the Portfolio may fluctuate from time to time. None of the Issuer, the Seller, the Trustee, the Arranger, the Lead Manager or any other Transaction Party are under any obligation to maintain the value of the Purchased Receivables at any particular level. As none of the Issuer, the Seller, the Trustee, the Arranger, the Lead Manager or any other Transaction Party has any liability to the Noteholders or Certificateholders as to the amount or value of, or any decrease in the value of, the Purchased Receivables from time to time, any Noteholder or Certificateholder will be exposed to fluctuations in the value of the Portfolio from time to time.

Seller Asset Warranties

On the Closing Date, certain Seller Asset Warranties in respect of the Purchased Receivables will be made to the Issuer by the Seller by reference to the Cut-Off Date.

No searches, enquiries, independent investigation or other actions have been or will be made by the Issuer or the Trustee and the Issuer is relying entirely on the Seller Asset Warranties and the repurchase or compensation obligations set out in the Receivables Sale Agreement. Pursuant to the Receivables Sale Agreement, the Seller shall, promptly as it become aware thereof, give notice to each of the other parties to such agreement if any Seller Asset Warranties were untrue.

The Seller will give the relevant Seller Asset Warranties to the Issuer in the Receivables Sale Agreement. If any of the Seller Asset Warranties are untrue with respect to a Purchased Receivables as at the date given, the Seller may be required to repurchase such Purchased Receivables or (at its sole discretion) opt, in lieu of such repurchase by the Seller, to indemnify and keep indemnified the Issuer against any Seller Liabilities, subject to a maximum amount equal to the Repurchase Price of such Purchased Receivable.

The number of affected Purchased Receivables 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.

Any Seller Liabilities in relation to any Purchased Receivable shall not exceed an amount equal to the Repurchase Price of such Purchased Receivable as at the date of such indemnification payment or repurchase plus the Issuer's costs and expenses (if any) associated with the indemnity payment. Furthermore, the Seller Liabilities shall not exceed any of the limitations on liability with respect to a breach of Seller Asset Warranties under the Receivables Sale Agreement.

As the amount of any Seller Liabilities is based in part upon the amount of, among other things, actual costs, damages or loss suffered by the Issuer, such Seller Liabilities may not be known at the time at which the breach of Seller Asset Warranty is discovered and further additional time (which could be months or years) may be required before such actual loss can be determined. Accordingly, any indemnity payment required to be made by the Seller in respect of any breach of a Seller Asset Warranty may be significantly delayed, which may impact the ability of the Issuer to meet its payment obligations under the Notes.

There can be no assurance that the Seller will have the financial resources to repurchase or to make any such indemnity payment in respect of any Purchased Receivable.

In addition, the Seller will have no liability to the Issuer for breach of warranty in respect of the Purchased Receivables unless the (i) Issuer has notified the Seller in writing of such breach on or before the date on which the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio is less than 10% of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio at the Cut-Off Date and (ii) loss caused by the relevant breach of a Seller Asset Warranty exceeds a threshold of £500 unless the application of such threshold would affect the STS status of the Transaction.

Third Party Litigation; Limited Funds Available

The Issuer's acquisition of the Purchased Receivables may subject it to the risks of becoming involved in litigation by third parties. The expense of defending claims against the Issuer by third parties (including bankruptcy or insolvency proceedings) and paying any amounts pursuant to settlements or judgments would, except in the unlikely event that the Issuer is indemnified for such amounts, be borne by the Issuer and would reduce the funds available for distribution and the Issuer's net assets. The funds available to the Issuer to pay certain fees and expenses of the Trustee and for payment of the Issuer's other accrued and unpaid Senior Expenses

are limited to amounts available in accordance with the applicable Priority of Payments. If such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and the Issuer may not be able to defend or prosecute legal proceedings that may be bought against it or that the Issuer might otherwise bring to protect its interests which could lead to the insolvency of the Issuer.

Title of the Issuer

Pursuant to the Receivables Sale Agreement, the Issuer shall acquire by way of an equitable assignment all its rights, title, benefit and interest in the Purchased Receivables on the Closing Date with legal title to the Purchased Receivable being held by the Seller on an unperfected basis. Following notification as described below in the event of a Notification Event Notice being delivered, legal title to each Purchased Receivable shall be legally transferred to the Issuer (or its nominee) subject to the Servicer and LTH Replacement Conditions having been met.

Pursuant to the Servicing Agreement, the Issuer shall procure that the Servicer shall notify, as soon as reasonably practicable following the occurrence of a Notification Event, each Customer of each Purchased Receivable of the sale and assignment (or assignation, as applicable) of such Purchased Receivable to the Issuer and of the Issuer's ownership of such Purchased Receivable (by identifying the Issuer as the lender in respect of such Purchased Receivable of such Customer).

Because the Issuer has not obtained legal title to the Purchased Receivables, there are the following risks to the Portfolio: (i) first, if the Seller wrongly sold a Purchased Receivable to another person which has already been sold to the Issuer, and that person acted in good faith and did not have notice of the interests of the Issuer in the Purchased Receivables, then they might obtain good title to the Purchased Receivables, free from the interests of the Issuer. If this occurred, then the Issuer would not have good title to the affected Purchased Receivable, and it would not be entitled to payments by a Customer in respect of that Purchased Receivable. This may affect the ability of the Issuer to make payments on the Notes; (ii) second, unless the Issuer has perfected the assignment or assignation of the Purchased Receivables (which it is only entitled to do in certain circumstances), the Issuer would not be able to enforce any Customers' obligations under the Purchased Receivables itself but would have to join the Seller as a party to any legal proceedings; and (iii) third, the rights of the Issuer may be subject to the rights of the Customers against the Legal Title Holder such as rights of set-off which occur in relation to transactions or deposits made between certain Customers and the Legal Title Holder and the rights of Customers to repay their Purchased Receivables directly to the Legal Title Holder. If these rights were to be exercised, the Issuer may receive less money than anticipated from the Purchased Receivables, which may reduce the incoming cashflow to the Issuer and affect the ability of the Issuer to repay the Notes.

The assignment and sale of the Purchased Receivables is intended to be effective against the Seller and any creditor of the Seller in its insolvency, although to the extent that the Issuer needed to commence or continue legal proceedings against the Seller to enforce its rights in respect of the legal title, the consent of the insolvency officeholder or the leave of the court may be required.

An assignment and transfer of Purchased Receivables may be subject to clawback by a bank administrator or liquidator appointed in respect of the Seller, but only where the assignment or transfer was made within specific periods prior to the onset of the insolvency and it was made at an undervalue or the assignee was a preferred creditor.

Set off risk may adversely affect the value of the Portfolio or any part thereof

As described above, as the Seller has made an equitable assignment of the Purchased Receivables to the Issuer with legal title being retained by the Seller on an unperfected basis, the rights of the Issuer may be subject to the direct rights of the Customers against the Seller, including rights of set-off existing prior to notification to the Customers of the sale of the Purchased Receivables. These rights of set-off may arise following the breach of contract by the Legal Title Holder in its interactions with a Customer. These set-off rights if exercised could reduce the receipts from the Purchased Receivables available to the Issuer to distribute for payments on the Notes.

Once notice has been given to Customers of the transfer of the Purchased Receivables to the Issuer, independent set-off rights which a Customer 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 Purchased Receivables) will not be affected by that notice.

A Customer may attempt to set-off against his or her 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 Customer although the period of non-payment by the Customer is likely to continue until a judgment is obtained.

Although it is not currently envisaged that any Customer would have a significant right of set-off against the Seller, the effect of the exercise of set-off rights by Customers (even if this is in respect of a small amount, but applicable to a large number of Customers in the Portfolio) may adversely affect the timing of receipt and the ultimate amount received by the Issuer in respect of the relevant Purchased Receivables and the realisable value of the Portfolio and/or the ability of the Issuer to make payments under the Notes which could ultimately result in losses on the Notes.

Pursuant to the Master Framework Agreement, the Servicer and each other Transaction Party (other than the Issuer) agrees to certain restrictions on their right to exercise any right to set-off or deduct an amount from the proceeds of enforcement in respect of Purchased Receivables. For further details, see the section entitled "*Certain Transaction Documents – Master Framework Agreement*".

Underlying Agreements

The Purchased Receivables are made using materially standardised Underlying Agreements. Thus, many Customers may be similarly situated insofar as the provisions of their contractual obligations are concerned. Accordingly, certain allegations of violations of the provisions of Applicable Laws in relation to the Underlying Agreements could potentially result in a large class of claimants asserting claims against the Issuer, the Servicer, the Seller or any other relevant Transaction Party. The costs of defending or paying judgments in any such lawsuits could adversely affect the Servicer's, Seller's or other relevant Transaction Party's business, or could reduce the Issuer's funds available to make payments of principal of and interest on the Notes.

For further details, see the section entitled "*The Seller, Retention Holder, Legal Title* Holder and Servicer".

Market Value of Purchased Receivables

The financial markets periodically experience substantial fluctuations. No assurance can be given that the conditions giving rise to such price fluctuations and limited liquidity will not occur, subsist or become more acute following the Closing Date. A decrease in the market value of the Purchased Receivables would adversely affect the proceeds of sale that could be obtained by the Issuer or the Trustee upon the sale of the Purchased Receivables, which could affect the amount received by the Issuer in respect of the Purchased Receivables and could ultimately affect the ability of the Issuer to pay in full or redeem the Notes.

Concentration Risks

Although no significant concentration with respect to any particular Customer is expected to exist at the Closing Date, the concentration of the Portfolio in any one Customer, or any one type or profile of Customer, would subject the Notes to a greater degree of risk with respect to defaults by such Customer, and the concentration of the Portfolio in any one region could subject the Notes to a greater degree of risk with respect to economic downturns relating to such region. Prepayments of Purchased Receivables may alter the concentration of the Portfolio. See further the section entitled "*The Portfolio*".

The Issuer's rights may rank behind those of other creditors

All Purchased Receivables are credit obligations of the Customer. If a Customer incurs additional debt after entering into the Underlying Agreement, that additional debt may adversely affect the Customer's creditworthiness generally, and could result in the financial distress, bankruptcy or sequestration (as applicable) of the Customer. This could ultimately impair the ability of that Customer to make payments on the Purchased Receivable, which the Issuer expects to receive. To the extent Customers incur other indebtedness that is secured, such as a mortgage or standard security, in priority to the borrowing under the Underlying Agreement, the ability of the secured creditors to exercise remedies against the assets of that Customer may impair the Customer's ability to meet its obligations to the Issuer or it may impair the Servicer's ability to collect payments.

If a Customer files for bankruptcy or analogous proceedings, a stay may go into effect that will automatically put any pending collection actions on hold and prevent further collection action absent court

approval. It is possible that the Customer's personal liability will be discharged in bankruptcy. In most cases involving the bankruptcy of a Customer, creditors, including the Issuer, will receive only a proportion of any amount outstanding, if anything.

Unpredictability of default rates

The future rate of default on any Receivables may be worse than the historical default experience. As a result the Purchased Receivables in the Portfolio may have a higher risk of default than expected, which may result in increased losses to the Issuer.

Fraud

Fraud is a risk affecting the consumer credit industry in general. The value of the investments made by the Issuer may be affected by fraud, misrepresentation or omission or similar on the part of the Customer, his employer, advisor and/or representatives. While the Seller has put in place policies and procedures to reduce the risk of fraud, misrepresentation or omission ("**Fraudulent Activity**"), such measures may not be sufficient, in all cases, to prevent Purchased Receivables being originated following Fraudulent Activity. Fraudulent Activity may adversely affect the Issuer's ability to enforce its contractual rights under the Purchased Receivable or for the Customer to repay principal on it or its other debts. This risk is mitigated to a certain degree by the Seller Asset Warranties and related repurchase obligations. For further details, see the section entitled "*Certain Transaction Documents – Receivables Sale Agreement*".

Counterparty Risk

Issuer reliance on other third parties

The Issuer is also party to contracts with a number of other third parties who have agreed to perform services in relation to the Notes. In particular, but without limitation, the Corporate Services Provider has agreed to provide certain corporate administration services to the Issuer, the Account Bank has agreed to provide the Relevant Issuer Accounts to the Issuer, the Servicer has agreed to service the Portfolio, the Cash Administrator has agreed to provide cash management, calculation and agency services to the Issuer, the Interest Rate Hedge Counterparty has agreed to provide the Swap Transaction and the Principal Paying Agent, the Agent Bank and the Registrar have agreed to provide certain agency services to the Issuer. In some cases, the above parties are entitled to delegate the performance of the relevant services to third parties. In the event that any of the above parties of their delegates were to fail to perform their obligations under the respective agreements to which they are a party and/or are removed or if such parties resign without sufficiently experienced substitutes or any substitutes being appointed in their place promptly thereafter, collections on the Portfolio and / or payments on the Notes and Certificates may be disrupted and Noteholders and / or Certificateholders may be adversely affected. In the case of non-performance by a delegate of any of the above parties (including any Collection Agent), the delegate may be a party with whom the Issuer does not have any direct contractual relationship and therefore the Issuer will not be able to directly enforce performance by that delegate.

Investors should also be aware that third parties on which the Issuer relies may be adversely impacted by the general economic climate. At the date of this Prospectus, global markets have recently been negatively impacted by the then prevailing global credit market conditions as further described above in the section entitled "*Risks Related to the Notes – Absence of a secondary market for the Notes*". If such conditions were to return, these factors affecting Transaction Parties specifically, as well as market conditions generally, could adversely affect the performance of the Notes. In addition, there can be no assurance that governmental or other actions would improve market conditions in the future should conditions deteriorate.

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

The Servicer

The Servicer will be appointed by the Issuer to service the Portfolio.

If the appointment of the Servicer is terminated in accordance with the provisions of the Servicing Agreement and the performance of the Services is commenced by a Successor Servicer in accordance with the terms of the Servicing Agreement, the collection of payments on the Purchased Receivables and the provision of the Services could be disrupted during the transitional period. Even if willing and able to act under the terms of the Servicing Agreement, a Successor Servicer may be less effective in this role than the Servicer, given the Servicer's experience in administering and managing the Purchased Receivables. The ability of a Successor Servicer to fully perform the required services would depend on the information, software and records available at the time of the relevant appointment. Furthermore, the Servicer's business depends on the ability of the Servicer, to process a large number of transactions efficiently and accurately. Losses can result from inadequate or failed internal control processes, and systems, human error, fraud or from external events that interrupt normal business operations. Any Servicer Termination Event or failure or delay in collection of payments on the relevant Purchased Receivables resulting from a disruption in the servicing of the Purchased Receivables could ultimately adversely affect payments of interest and principal on the Notes and payments on the Certificates. A failure or delay in the performance of the Services, in particular reporting obligations and compliance with post- contractual requirements under the CCA (see the section entitled "*Certain Regulatory Disclosures – Consumer Credit Regulatory Framework*"), could affect the payments of interest and principal on the Notes and payments on the Certificates.

However, notwithstanding the above, no assurance can be given that a Successor Servicer will be appointed upon or soon after the occurrence of a Servicer Termination Event or at all. There can be no assurance that a Successor Servicer which meets the Servicer and LTH Replacement Conditions and with sufficient experience of administering similar consumer loans in the United Kingdom would be found who would be willing and able to service the Receivables in the Portfolio. In addition, depending on market circumstances, it may be difficult to appoint a replacement servicer and the fees charged by any replacement servicer may be higher which will be payable in priority to interest and principal in respect of the Notes and Certificates Any delay or inability to appoint a replacement servicer may adversely affect payments on the Receivables and hence the Issuer's ability to make payments when due on the Notes.

The Servicer will be entitled to subcontract or delegate all or a portion of the servicing services under the Servicing Agreement to one or more counterparties, subject to the terms set out in the Servicing Agreement. However, the Servicer remains liable at all times for servicing the Purchased Receivables and for the acts or omissions of any subcontractor or delegate.

For further details, see the section entitled "*Certain Transaction Documents – Servicing Agreement*".

The risks of operating in a highly regulated market

As is the case with other UK consumer credit businesses, the Seller operates in a highly regulated environment, which is subject to prescriptive, intricate and complex rules. There is always a risk that a regulator or court may consider that the Seller has not complied with the CCA. While non-material non-compliance is not unusual for regulated firms operating in this sector, as such, firms such as the Seller could be at risk of enforcement action by the regulator for breach of its rules, which could result in public or private censure, a financial penalty, a consumer redress exercise and/or ultimately, for a very serious breach, having its regulatory permissions limited or withdrawn. In addition, non-compliance with certain aspects of applicable laws, rules and regulations results in impacted loans being unenforceable without an order of the court (or in certain cases, unenforceable until an issue is corrected) and this may apply to Receivables forming part of the Portfolio. The regulatory environment is evolving, and failure to ensure compliance with new regulatory requirements or expectations could also result in a breach of regulatory rules.

Certain interests regarding certain parties to the Transaction Documents

The Arranger, Lead Manager and their respective related entities, associates, officers or employees (each a "**Lead Manager Related Person**") may act as lead manager, arranger, placement agent and/or initial purchaser or investment manager in other transactions involving issues of consumer loan receivables 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 and Certificates. The Lead Manager Related Persons 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.

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

In addition to the interests described in this Prospectus, the Lead Manager Related Persons:

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

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

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

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

(e) may have positions in or may have arranged financing in respect of the Notes or the loans in the Portfolio and may have provided or may be providing investment banking services and other services to the other Transaction Parties or the Seller.

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.

The Trustee is not obliged to act in certain circumstances

Save as expressly otherwise provided in the Trust Deed, the Trustee shall have absolute and uncontrolled discretion as to the exercise of its trusts, powers, authorities and discretions vested in the Trustee under the Trust Deed or any other Transaction Document (the exercise of which as between the Trustee and the Noteholders of each Class and the other Secured Creditors shall be conclusive and binding on such Noteholders, Certificateholders and the other Secured Creditors) and shall not be responsible for any Liability which may result from their exercise or non-exercise.

In relation to any discretion to be exercised or action to be taken by the Trustee under any Transaction Document, the Trustee may, at its discretion and without further notice or shall, if it has been so: (i) directed by an Extraordinary Resolution of the Noteholders of the Most Senior Class then Outstanding and/or the Certificateholders; or (ii) requested in writing by the holders of at least 25% in Principal Amount Outstanding of the Most Senior Class, exercise such discretion or take such action, provided that, in either case, the Trustee shall not be obliged to exercise such discretion or take such action unless it shall have been indemnified and/or, secured and/or prefunded to its satisfaction against all Liabilities and provided that subject to liability provisions in the Trust Deed the Trustee shall not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Noteholders.

In addition, the Trustee benefits from indemnities given to it by the Issuer pursuant to the Transaction Documents which rank in priority to the payments of interest and principal on the Notes and as a result, any such payment under an indemnity to the Trustee by the Issuer may impact the ability of the Issuer to make payments of interest and principal.

The Interest Rate Hedge Counterparty

The Interest Rate Hedge Agreement involves the Issuer entering into the Swap Transaction with the Interest Rate Hedge Counterparty pursuant to which the Interest Rate Hedge Counterparty agrees to make payments to the Issuer in accordance with the terms of the relevant confirmation. In the event of the insolvency of the Interest Rate Hedge Counterparty, the Issuer will be treated as a general creditor of the Interest Rate Hedge Counterparty and therefore the Issuer will be exposed to the credit risk of the Interest Rate Hedge Counterparty with respect to any such payments. The Interest Rate Hedge Counterparty (and any replacement counterparty) in respect of the Interest Rate Hedge Agreement is required to satisfy the applicable Rating Agency requirements.

To mitigate this risk if, following entry into the Interest Rate Hedge Agreement, the Interest Rate Hedge Counterparty is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Agency requirement, there will be a termination event under the Interest Rate Hedge Agreement unless the Interest Rate Hedge Counterparty effects a specified cure within the applicable grace period following such rating withdrawal or downgrade as set out in the Interest Rate Hedge Agreement. Such cures include the Interest Rate Hedge Counterparty transferring its obligations under the Interest Rate Hedge Agreement to a replacement counterparty that satisfies certain specified eligibility criteria (including the ratings requirement), obtaining a guarantee of its obligations by a guarantor that satisfies certain specified eligibility criteria (including the ratings requirements), collateralising its obligations or effecting some other such strategy which will not have an adverse effect on the Rated Notes. However, no assurance can be given that, at the time that such actions are required, the Interest Rate Hedge Counterparty will be able to provide collateral or that another entity with the required ratings will be available to become a replacement Interest Rate Hedge Counterparty, co-obligor or guarantor or that the Interest Rate Hedge Counterparty will be able to take the requisite other action.

Accordingly, if any of the Notes remain outstanding in circumstances where the Interest Rate Hedge Counterparty is insolvent and fails to make any payment to the Issuer required under the Interest Rate Hedge Agreement, the Issuer will be subject to the potential variation between the rates of interest payable in respect of the Purchased Receivables and the Compounded Daily SONIA interest payments due on the Notes. Unless one or more comparable replacement interest rate swaps are entered into, the Issuer may have insufficient funds to make payments due on the Notes after that date.

Other counterparties

Similarly, the Issuer will be exposed to the credit risk of the Account Bank to the extent of, respectively, all cash of the Issuer held in the Relevant Issuer Accounts and all Hedge Collateral in the form of cash collateral of the Issuer held by the Account Bank in the Hedge Collateral Cash Account. If the Account Bank no longer satisfies the Minimum Required Ratings as set out in the Account Bank Agreement, the Issuer shall use its reasonable endeavours to procure the appointment of a replacement Account Bank or a custodian, as the case may be, with the applicable Rating Agency requirements and within the time limits prescribed for such action in the applicable Transaction Documents. In these circumstances the new account bank may not offer a transaction account on terms as favourable as those provided by the Account Bank and the cost to the Issuer may therefore increase. In addition, the failure to take one of the actions listed above or the inability to find an entity with the ratings prescribed in the relevant Transaction Document who would be willing to act in the role, may reduce amounts available to the Issuer to make payments of interest, principal and other amounts (as applicable) on the Notes.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may agree to amend or waive certain of the terms of such document, including the applicable criteria (although this will not apply to mandatory provisions of law), in order to avoid the need for a replacement entity to be appointed. The consent of Noteholders may not be required in relation to such amendments and/or waivers, subject to where such remedial action must be acceptable to the Rating Agencies in order to maintain the rating of the Most Senior Class of Notes.

The Issuer will also be exposed to the credit risk of the Collection Account Banks to the extent of the cash held on trust for the benefit of the Issuer held by the Collection Account Banks. If a Collection Account Bank does not hold the Collection Account Banks Minimum Required Ratings, the Servicer shall use its reasonable endeavours to procure the appointment of a replacement collection account bank in respect of such account, obtain a guarantee or direct the Customers to make payments to the Issuer Transaction Account, as the case may be, with the applicable Rating Agency requirements and within the time limits prescribed for such action in the applicable Transaction Documents.

Transactions with counterparties that are relevant institutions for the purposes of the Bank Recovery and Resolution Directive (Directive 2014/59/EU of the European Parliament and of the Council) (the "**BRRD**") may be subject to the exercise of the "bail-in" powers attributed to Resolution Authorities (as defined therein) under the BRRD or similar resolution mechanisms provided for in Regulation (EU) No. 806-2014 (the "**SRM Regulation**").

Risks related to economic environment

Macro-economic conditions

Various factors influence default rates, prepayment rates and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic (due to local, national and/or global macroeconomic factors) or housing conditions, changes in tax laws, interest rates, inflation, cost of living, the availability of financing, yields on alternative investments, political developments and government and regulator policies such as payment accommodations in times of economic stress such as during an epidemic or pandemic (like the COVID-19 outbreak). Other factors may include geopolitical and economic risks relating to Russia's invasion of Ukraine or the conflict in the Middle East which could impact the UK economy, in particular by pushing up energy and oil prices and increasing inflation and volatility in interest rates (and increasing the cost of living) further which negatively impact household and business incomes, could have an adverse effect on the ability of Customers to make payments on the Purchased Receivables, decrease loan redemption levels, increase loan delinquency rates and increase loan losses, which may also result in losses on the Notes. Other factors in Customers' individual, personal or financial circumstances may affect the ability of Customers to repay the Purchased Receivables. Unemployment, loss of earnings, illness, divorce or widespread health crises or the fear of such crises (including, but not limited to, coronavirus/COVID-19 or other epidemic and/or pandemic diseases) and other similar factors may lead to an increase in delinquencies by, and bankruptcies (and analogous arrangements) of, Customers, may weaken economic conditions and could ultimately have an adverse impact on the ability of Customers to repay Purchased Receivables.

It should be noted that, as at the date of this Prospectus, the UK is experiencing increases in the cost of living following a period of high energy prices and rapid increases in inflation, 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 recent inflationary pressure. The UK has also been in a volatile interest rate environment and rises in interest rates are likely to be passed on to consumers leading to an increase in their cost of debt as well as further discouraging expenditure.

In addition, governmental action or inaction in respect of, or responses to, any widespread health crises or such potential crises (such as those mentioned previously), whether in the United Kingdom or in any other jurisdiction, may lead to a deterioration of economic conditions both globally and also within the United Kingdom. This may affect receipts on the Purchased Receivables and ultimately result in losses on the Notes. If the timing and payment of amounts due in respect of the Purchased Receivables are adversely affected by any of the risks described in this paragraph, then payments on the Notes could be reduced and/or delayed and could ultimately result in losses on the Notes and no payments being made on the Certificates. Given the unpredictable effect such

factors may have on the local, national or global economy, no assurance can be given as to the impact of any of the matters described in this paragraph and, in particular, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its payment obligations under the Notes and any such insufficiency will be borne by the Noteholders, the Certificateholders and the other Secured Creditors, subject to the applicable Priority of Payments.

Regulatory, taxation and legal risk

English Law Security and Insolvency Considerations

The Issuer will enter into the Deed of Charge pursuant to which it will grant the Security in respect of certain of its obligations, including its obligations under the Notes. In certain circumstances, including the occurrence of certain insolvency (or certain pre-insolvency) events in respect of the Issuer, the ability to realise the Security may be delayed and/or the value of the Security impaired.

In particular, it should be noted that significant changes to the UK insolvency regime have been enacted under the Corporate Insolvency and Governance Act 2020 which received royal assent on 25 June 2020 and came into effect on 26 June 2020. The changes include, among other things: (i) the introduction of a new moratorium regime that certain eligible companies can obtain which will prevent creditors taking certain action against the company for a specified period; (ii) a ban on operation of or exercise of ipso facto clauses preventing (subject to exemptions) termination, variation or exercise of other rights under a contract due to a counterparty entering into certain insolvency or restructuring procedures; and (iii) a new compromise or arrangement under Part 26A of the Companies Act 2006 (the "**Restructuring Plan**") that provides for ways of imposing a restructuring on creditors and/or shareholders without their consent (so-called cross-class cram-down procedure), subject to certain conditions being met and with a court adjudicating on the fairness of the restructuring proposal as a whole in determining whether or not to exercise its discretionary power to sanction the Restructuring Plan. While the Issuer is expected to be exempt from the application of the new moratorium regime and the ban on ipso facto clauses, there is no guidance on how the new legislation will be interpreted and the Secretary of State may by regulations modify the exceptions. For the purposes of the Restructuring Plan, it should also be noted that there are currently no exemptions, but the Secretary of State may by regulations provide for 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 (through the use of limited recourse provisions and non-petition clauses) 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 proceedings and/or that the Noteholders would not be adversely affected by the application of insolvency laws (including English insolvency laws or the laws affecting the creditors' rights generally) which may result in material losses being incurred by Noteholders.

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of Section 176A of the Insolvency Act 1986 ("**Insolvency Act**"), certain floating charge realisations which would otherwise be available to satisfy the claims of Secured Creditors under the Deed of Charge may be used to satisfy any claims of unsecured creditors. While certain of the covenants given by the Issuer in the Transaction Documents are intended to ensure it has no significant creditors other than the Secured Creditors under the Deed of Charge, it will be a matter of fact as to whether the Issuer has any other such creditors at any time. There can be no assurance that the Noteholders will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security which may result in payments on the Notes being reduced and/or delayed and could ultimately result in losses on the Notes.

Liquidation Expenses

On 6 April 2008, a provision in the Insolvency Act 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 of the Insolvency Rules (England and Wales) 2016. As a result of the changes described above, which bring the position in a liquidation into line with the position in an administration, 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 or administration expenses. There can be no assurance that the Noteholders will not be adversely affected by such a reduction in floating charge realisations.

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 Hedge Subordinated Amounts.

The English 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 U.S. 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 Hedge 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 Hedge Counterparty's payment rights in respect of Hedge Subordinated Amounts). In particular, based on the decision of the U.S. Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to a range of entities, 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 includes terms providing for the subordination of Hedge Subordinated Amounts, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts) may result in negative rating pressure in respect of the Notes. If any rating assigned to the Notes is lowered, the market value of the Notes may reduce.

Interest rate benchmarks – including SONIA

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.

Article 36 of 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.

Due to the reforms being considered with respect to interest rate benchmarks (including SONIA), based on the foregoing, investors should be aware that:

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

(b) while:

(i) an amendment may be made under Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*) to change the SONIA rate on the Notes to an alternative benchmark rate under certain circumstances broadly related to SONIA dysfunction or discontinuation and subject to certain conditions including objections to the proposed amendment being received by less than 10% of holder of the Most Senior Class then Outstanding;

(ii) the Issuer is under an obligation to use reasonable endeavours to propose an Alternative Benchmark Rate in accordance with Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*) under Condition 6.5 (*Interest on the Notes*); and

(iii) an amendment may be made under Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*) to change the benchmark rate that then applies under the Interest Rate Hedge Agreement for the purpose of aligning the benchmark rate of the Interest Rate Hedge Agreement to the benchmark rate of the Notes following a Benchmark Rate Modification,

there can be no assurance that any such amendments will be made or, if made, that they (x) will fully or effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes and the Interest Rate Hedge Agreement, or (y) 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, and whether or not an amendment is made under Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*) to change the benchmark rate on the Notes as described in paragraph (b), then the rate of interest on the Notes may be determined for a period by any applicable fall-back provisions provided for under

Condition 6.5 (*Interest on the Notes*) 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 this situation, there can be no assurance that the applicable fall-back provisions under the Interest Rate Hedge Agreement would operate so as to ensure that the benchmark floating interest rate used to determine payments under the Interest Rate Hedge Agreement is the same as that used to determine interest payments under the Notes, or that any such amendment made under Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*) would allow the Swap Transaction to effectively mitigate interest rate risk on the Notes. This, in turn, could cause a risk of mismatch of interest and reduced payments on the Notes.

Moreover, any of the above matters (including an amendment to change the SONIA rate as described in paragraph (a), or the occurrence of an Additional Termination Event (as defined in the Interest Rate Hedge Agreement) as a result of a Benchmark Rate Modification that causes a mismatch between the Notes and the Interest Rate Hedge Agreement) could affect the ability of the Issuer to meet its obligations under the Notes, as applicable, and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes. Changes in the manner of administration of SONIA could result in amendments to the Conditions and the Interest Rate Hedge Agreement, early redemption, delisting or other consequences in relation to the Notes. No assurance may be provided that relevant changes will not occur with respect to SONIA or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist. Investors should consider these matters when making their investment decision with respect to the Notes. In such circumstances, investors should be aware that the Issuer may terminate the Swap Transaction if the parties are not able to determine an alternative base rate in accordance with the terms of the Interest Rate Hedge Agreement. Related termination payments may be payable by the Issuer and there can be no assurance that a replacement swap can be found.

It should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Notes and/or the Interest Rate Hedge Agreement due to applicable fall back provisions or other matters and the effects of this are uncertain but could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Notes. Further, changes to SONIA may adversely affect the operation of the Interest Rate Hedge Agreement.

UK and European Market Infrastructure Regulation

It should be noted that the derivatives markets are subject to extensive regulation in a number of jurisdictions, including in the UK pursuant to UK EMIR as amended from time to time.

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 Hedge Agreement (and, if entered into, an additional swap agreement), such additional requirements and corresponding increased costs may negatively impact the Issuer's ability to meet its obligations and may result in investors' receiving less interest or principal than expected.

Impact of UK EMIR on the Swap Transaction

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

Pursuant to UK EMIR, counterparties can be classified as: (a) financial counterparties ("**FCs**") (which includes a sub-category of small FCs ("**SFCs**")), and (b) non-financial counterparties ("**NFCs**"). The category of "NFC" is further split into: (i) non-financial counterparties above the "clearing threshold" ("**NFC+s**"), and (ii) non-financial counterparties below the "clearing threshold" ("**NFC-s**"). Whereas FCs and NFC+ entities may be subject to the relevant Clearing Obligation or, to the extent that the relevant swaps are not subject to clearing, to the relevant collateral exchange obligation and the relevant 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 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 or (more likely) 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 the Issuer would be legally liable and responsible for its own reporting obligations under UK EMIR (although this requirement can be delegated). It should also be noted that the collateral exchange obligation should not apply in respect of the Interest Rate Hedge Agreement entered into prior to the relevant application date, unless such a swap is materially amended or novated on or after that date.

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, the collateral exchange obligation and the Reporting Obligation were they to be applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to the relevant Interest Rate Hedge Agreement (possibly resulting in a restructuring or termination of relevant Swap Transaction) or to enter into replacement interest rate hedge agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge certain risks. As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors' receiving less interest or principal than expected.

Prospective investors should also note that uncertainty remains as to the full impact on the Swap Transaction of the reforms to UK EMIR.

In respect of the Reporting Obligation under UK EMIR, with effect from 30 September 2024, changes were made to the existing UK EMIR reporting regime and the Issuer must comply with the changes (as the Issuer remains legally liable and responsible for the Reporting Obligation even if they have delegated the Reporting Obligation to a third party). Amongst other things, all new reports must comply with the amended requirements. In addition to new reports, the reported data for all outstanding derivative contracts should be updated in order to bring them in line with the revised reporting standards by 31 March 2025. Prospective investors should note that failure to comply with the Reporting Obligation may lead to regulatory sanctions (including fines). If sanctions were imposed, the amounts available to the Issuer to meet their obligations may be reduced, which may in turn result in investors' receiving less interest or principal than expected.

Basel reforms

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/3.1 or 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/3.1/IV reforms may vary those reforms and/or their timing. In the UK, the PRA published a consultation paper CP16/22 on the implementation of the Basel 3.1 standards on 30 November 2022. On 12 September 2024, the PRA published the second of two near-final policy statements (PS9/24) on the implementation of Basel 3.1 standards. This follows the first near-final policy statement (PS17/23) published on 12 December 2023. PS9/24 focuses on the implementation of Basel 3.1 standards for credit risk and the output floor and in most regards, the PRA continued the approach proposed in CP16/22 but has also proposed to amend more substantive reforms originally set out in CP16/22. On 17 January 2025, the PRA decided to delay the implementation date until 1 January 2027 (instead of 1 July 2025) and reduced the transitional period accordingly to ensure the date of full implementation of the Basel 3.1 standards remains at 1 January 2030, as set out in the original proposals in CP16/22. 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. Note that on 17 June 2025, the European Commission published legislative proposals on wide-ranging reforms to the prudential and non-prudential regulation of securitisation (the "**EC Proposals**") including, among other things, proposals on recalibrated regulatory capital and liquidity treatment of securitisation in the banking sector (with proposals for the (re)insurance sector expected later in Q3 2025), which would provide certain securitisations with certain regulatory benefits provided that a prescribed set of conditions (or other applicable requirements) are met but would result in less beneficial treatment for certain other securitisations (particularly those with high underlying asset risk weights). The EC Proposals do not represent the final position. The proposed reforms will now need to go through the relevant legislative process in the EU before the amendments can be finalised and remain subject to change. The timing of this process (that is, how quickly the final position will be reached), whether the EC Proposals will be adopted in full or in part or further amended during this legislative process and whether they will benefit the Notes remains to be seen.

Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect.

Regulatory Initiatives

In Europe, 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.

Volcker Rule

The Volcker Rule generally prohibits "**banking entities**" (which is broadly defined to include U.S. banks and bank holding companies and many non-US banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds. The Volcker Rule became effective on 1 April 2014, but was subject to a conformance period for certain funds which concluded on 21 July 2015. Under the Volcker Rule, unless otherwise jointly determined otherwise by specified federal regulators, a "covered fund" 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) of the Investment Company Act. The general effects of the Volcker Rule remain uncertain. 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 and the Certificates may be materially and adversely affected, since banking entities could be prohibited from, or face restrictions in, investing in the Notes and the Certificates. Any prospective investor in the Notes and the Certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

UK Taxation Position of the Issuer

The Issuer has been advised that it should fall within the permanent regime for the taxation of securitisation companies (as set out in the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (as amended from time to time) (the "**Securitisation Tax Regulations**")), and as such should be taxed only on the amount of its "retained profit" (as that term is defined in the Securitisation Tax Regulations), for so long as it satisfies the conditions of the Securitisation Tax Regulations. Investors should note, however, that the Securitisation Tax Regulations are in short form and it is expected that advisers will rely significantly upon the published guidance of HMRC when advising on the scope and operation of the Securitisation Tax Regulations, including whether any particular company falls within the regime provided for in the Securitisation Tax Regulations. However, if the Issuer does not satisfy the conditions to be taxed in accordance with the Securitisation Tax Regulations (or subsequently does not), then the Issuer may be subject to Tax liabilities not contemplated in the cashflows for the transaction described in this Prospectus. Any such Tax liabilities may

reduce amounts available to the Issuer to meet its obligations under the Notes and the Certificates and may result in investors receiving less interest and/or principal than expected.

Withholding Tax on the Notes

Where Notes are and continue to be "listed on a recognised stock exchange" (within the meaning of Section 1005 of the Income Tax Act 2007), 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 any Tax is imposed on payments in respect of the Notes, neither the Issuer nor any other person is obliged to gross up or otherwise compensate the Noteholders for such withholding or deduction. However, where any withholding or deduction for or on account of any United Kingdom taxes, duties, assessments or governmental charges is imposed on payments in respect of the Notes by reason of a change in tax law which becomes effective on or after the Closing Date, the Issuer will, in accordance with Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*) of the Notes, be required to mitigate such an imposition through the appointment of a Paying Agent in another jurisdiction or by arranging the substitution of a company incorporated and/or resident in another jurisdiction approved in writing by the Trustee as principal debtor under the Notes. In the event that such an appointment or substitution would not mitigate the requirement to so withhold or deduct (or the Issuer, having used reasonable endeavours, is unable to arrange such an appointment or action), the Issuer may, subject to complying with the requirements of Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*), redeem all (but not some) of the Notes at their Principal Amount Outstanding, together with any unpaid interest that has accrued up to the redemption date.

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

Consumer Credit Act 1974 and CONC Conduct of Business Standards

The Purchased Receivables comprise regulated credit agreements under the Consumer Credit Act 1974 (as amended, extended or re-enacted from time to time) (the "**CCA**").) and are subject to the FSMA authorisation regime and to additional rules made pursuant to FSMA contained in the Consumer Credit sourcebook of the FCA Handbook ("**CONC**"). Non-compliance with the CCA's form and content requirements or CONC rules could render agreements unenforceable or give rise to customer claims, set-off rights, court remedies (including under sections 140A-C of the CCA) or regulatory enforcement action against the Seller. The CCA is subject to ongoing reform, which could impact the Seller's business. Any of the foregoing could adversely affect the Issuer's ability to make payments on the Notes and Certificates. For further details of the regulatory framework applicable to the Purchased Receivables, including the main consequences of regulation under the CCA, customer rights and remedies, CONC conduct standards and CCA reform, see the section entitled "*Certain Regulatory Disclosures – Consumer Credit Regulatory Framework*".

Consumer Rights Act 2015

In the United Kingdom, the CRA applies to regulated credit agreements entered into from 1 October 2015.

The CRA provides that a consumer (which would include a Customer under all or almost all of the Purchased Receivables) may challenge a standard term in an agreement on the basis that it is "unfair" under the CRA 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).

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. The CRA also applies substantially the same test of fairness to consumer notices and generally refers to terms and notices interchangeably. In determining whether a term is fair it is necessary to: (i) take into account the nature of the subject matter of the contract; (ii) refer to all the circumstances existing when the term was agreed; and (iii) refer to all of the other terms of the contract or any other contract on which it depends. The Competition and Markets Authority ("**CMA**") is the UK's national competition and consumer authority and therefore principal enforcer of the CRA. However, the CMA and the FCA concurrently supervise unfair terms under the CRA. There is a Memorandum of Understanding dated July 2019 that outlines the nature of this arrangement. Importantly, the

Memorandum of Understanding clarifies that it is the FCA's responsibility to consider fairness within the meaning of the CRA in financial services contracts entered into by Authorised Persons or appointed representatives and take action where appropriate. The CMA published guidelines on 31 July 2015 (reference CMA37) to support the CRA. These were updated on 22 July 2026. On 19 December 2018, the FCA published finalised guidance outlining factors the FCA considers Authorised Persons should have regard to when drafting and reviewing variation terms in consumer contracts (FG18/7). The finalised guidance relates to all financial services consumer contracts entered into since 1 July 1995. The FCA stated that Authorised Persons should consider both this guidance and any other rules that apply when they draft and use variation terms in their consumer contracts.

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 court would find a term to be unfair. It is therefore possible that any Purchased Receivables made with consumers may contain unfair terms, which may result in the possible unenforceability of those unfair terms. No assurance can be given that any regulatory action or guidance in respect of the CRA will not have a material adverse effect on the Purchased Receivables and accordingly on the Issuer's ability to make payments in full when due on the Notes.

Furthermore, this area of law is rapidly developing and the Seller can expect new regulatory guidance and case law as a result of this new legislation. 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 Servicer, the Issuer or any other party and their respective businesses and operations. There can be no assurance that any such changes (including changes in regulators' responsibilities) will not affect the Purchased Receivables.

Case law of the ECJ on unfair terms

The CMA's guidance on unfair terms took into account recent developments in European Court of Justice ("**ECJ**") case law on the interpretation of the Unfair Terms Directive (93/13/EEC) (which was initially implemented in the UK by the Unfair Terms in Consumer Contracts Regulations 1999) including: (i) *Nemzeti Fogyasztóvédelmi Hatóság v Invitel Távközlési Zrt* where the ECJ ruled that mandatory rules on variation and termination rights must be set out clearly in consumer contracts; and (ii) *RWE Vertrieb AG v Verbraucherzentrale* which emphasises the foundations of consumer protection on inequality of bargaining power and imbalances in information.

In the case of *Árpad Kásler and Hajnalka Káslerné Rábai v OTP Jelzálogbank ZRT* the ECJ ruled that, under the Unfair Terms Directive the expression the "main subject matter of a contract" covers such a term only in so far as it lays down an essential obligation of that agreement that, as such, characterises it and that such a term, in so far as it contains a pecuniary obligation for a consumer to pay, in repayment of instalments of a loan, a difference between the selling rate of exchange and the buying rate of exchange of a foreign currency, cannot be considered as "remuneration" the adequacy of which as consideration for a service supplied by the lender that cannot be the subject of an examination as regards unfairness. Secondly, the requirement for a contractual term to be drafted in plain intelligible language is to be understood as requiring not only that the relevant term should be grammatically intelligible to the consumer, but also that the contract should set out transparently the specific functioning of the mechanism of conversion for the foreign currency to which the relevant term refers and the relationship between that mechanism and that provided for by other contractual terms relating to the advance of the loan, so that the consumer is in a position to evaluate, on the basis of clear, intelligible criteria, the economic consequences for him that derive from it. Finally, where a contract concluded between a seller or supplier and a consumer cannot continue in existence after an unfair term has been deleted, that provision does not preclude a rule of national law enabling the national court to cure the invalidity of that term by substituting for it a supplementary provision of national law.

Following the end of the Brexit transition period, under the European Union (Withdrawal) Act 2018, case law of the ECJ forms part of retained EU law. However, the UK government adopted certain provisions which allow UK courts to depart from ECJ decisions they were previously bound by. It therefore remains to be seen how these judgments will impact the position in the UK. No assurance can be given that this case law will not have a material adverse effect on the Seller, the Servicer, the Issuer or any other party and their respective businesses and operations. No assurance can be made that this case law will not impact on the Issuer's ability to make payments in full when due on the Notes, although the impact of this partly depends on the number of Purchased Receivables which involve a Customer which experiences payment difficulties.

The Digital Markets, Competition and Consumers Act 2024

The Consumer Protection from Unfair Trading Regulations 2008 (the "**CPUTR**") were repealed and replaced by The Digital Markets, Competition and Consumers Act 2024 (the "**DMCCA**") on 6 April 2025. The new regime established by the DMCCA introduces new rules on consumer reviews, drip pricing and consumer vulnerability. In addition, the DMCCA largely replicates the list of specified banned practices contained in the **CPUTR** and creates new powers to expand the list of automatically unfair practices. Under the DMCCA, the unfair commercial practices regime, along with all other consumer protection legislation, has become subject to a new enforcement regime under which the CMA has new direct enforcement powers, which will operate in parallel with a court-based enforcement regime. It cannot be excluded that the new rules and enforcement regime under the DMCCA will have an adverse impact on the Purchased Receivables.

Non-disclosure of commissions

The Purchased Receivables have been originated through brokers such as price comparison websites and referral partners, with the remainder originated directly with the Customer. In line with market practice, the Seller, as originator, paid a fixed introductory fee to any such brokers.

Following the decision of the Supreme Court in *Hopcraft v Close Brothers Limited; Johnson v FirstRand Bank Limited; Wrench v FirstRand Bank Limited* [2025] UKSC 33 ("**Johnson**") the FCA conducted a review of the use of discretionary commission arrangements in the motor finance sector to compensate customers who were treated unfairly. The Portfolio does not include motor finance loans, however the media attention following Johnson (including any developments from the FCA review) may encourage other customers to consider claims in relation to commissions paid in respect of their loan products, including the type of claim mentioned above in respect of the Purchased Receivables.

The FCA intended to introduce an industry-wide redress scheme to compensate motor customer who were treated unfairly between 2007 and 2024. The compensation scheme was legally challenged in May 2026 and, on 2 July 2026, the Upper Tribunal suspended parts of the scheme on terms agreed between the FCA and its challengers, with the partial suspension enabling firms to continue preparing for the scheme while avoiding duplication of work if the challenges succeed. The Tribunal is scheduled to hear the challenges on 14-18 December 2026 or 16-26 February 2027. Firms are still expected to comply with all rules that are not suspended and a list of retained scheme rules has been published. Under the suspension, firms are currently not required to calculate, communicate or pay compensation under the scheme timetable; however, they must continue preparatory work, including identifying relevant complaints and gathering data. Firms must also notify complainants who are not entitled to compensation under the scheme within the scheme deadlines, subject to limited exceptions. If a firm requires more time to notify consumers, the FCA will not treat it as non-compliant or take enforcement action as long as consumers are notified within seven weeks of the relevant scheme deadline. If the scheme is ultimately upheld, compensation payments are expected to begin in 2027. If it is overturned, the FCA may instead require firms to resolve complaints through the standard complaints process, which could result in greater involvement from the UK Financial Ombudsman Service. The FCA has stated that it expects firms to plan for the event of no scheme and to be operationally and financially ready for a complaint-led and supervisory approach to resolve historical liabilities, in line with the default statutory timelines.

The Seller's origination process is factually different to the circumstances considered in Johnson. Successful claims, if any, in respect of non or partial disclosure of commissions may adversely affect the Seller and/or the Servicer (and their respective business and operations), the ultimate amount received by the Issuer in respect of the relevant Purchased Receivables, the realisable value of the Portfolio and/or the Issuer's ability to make payment in full on the Notes when due.

The Consumer Duty

On 31 July 2023, the FCA introduced its "**Consumer Duty**" for open products (with it applying to closed products from 31 July 2024). The core of the Consumer Duty is a FCA Principle for Business 12 (PRIN 12) which requires Authorised Persons to act to deliver good outcomes for retail customers. To the extent that the new Consumer Duty applies, Principles 6 (Customers' Interests) and 7 (Communications with clients) no longer apply. The Consumer Duty requires Authorised Persons to comply with certain overarching "cross cutting obligations" which require them to: (i) act in good faith towards retail customers; (ii) avoid causing foreseeable harm to retail customers; and (iii) enable and support retail customers to pursue their financial objectives.

The main elements of Authorised Persons' conduct obligations under the Consumer Duty are set out in chapter 2A of the FCA's Principles for Business which sets out a set of four outcomes and associated rules under the Consumer Duty, the application of which will depend on a particular Authorised Person's role. This is supported by the FCA's Final non-Handbook Guidance for firms on the Consumer Duty (FG22/5). The four outcomes relate to:

- *Governance of products and services*: This outcome involves extending product governance requirements across all retail products, with different rules for manufacturers and distributors. For example, manufacturers will be required to undertake a product approval process, identify a target market, and ensure appropriate distribution channels for their products.

- *Price and value*: This outcome focuses on the relationship between the price the consumer pays and the overall benefits they can reasonably expect from a product. Price and value should be considered at the design and distribution stages, and also on an ongoing basis. The FCA does not set requirements for how Authorised Persons assess fair value, but there is an emphasis that value needs to be considered in the round, and that low prices do not always mean fair value. The FCA does not set price caps or limit profits.

- *Consumer understanding*: The FCA expects Authorised Persons to focus more closely on consumer outcomes and understanding throughout the customer journey. This includes ensuring that individual communications are fair, clear, and not misleading, and considering an Authorised Person's overall approach to communicating information to ensure customers are equipped to make effective, timely, and properly informed decisions.

- *Consumer support*: This outcome focuses on Authorised Persons providing an appropriate standard of support to customers, so that customers can use products as reasonably anticipated, and do not face unreasonable barriers in doing so.

All Authorised Persons that have an impact on retail customer outcomes are required to consider the Consumer Duty including where they do not have a direct contractual relationship with the retail customer.

The FCA has been clear that it sees the implementation of the Consumer Duty as a paradigm shift in its expectations of Authorised Persons, requiring a strong focus on retail customers' interests and outcomes. The FCA expects Authorised Persons to consider the Consumer Duty at every stage of their processes and at every level of their organisational structures. In a "Dear CEO" letter to mainstream consumer credit lenders of February 2023, the FCA described the Consumer Duty as a "top priority" for the CEOs of such firms.

In February 2024, the FCA published its findings following a review of Authorised Persons' implementation of the Consumer Duty, noting improvements made by many Authorised Persons to deliver better outcomes for retail customers since the duty came into force, but also noting that some Authorised Persons have fallen behind. Further, the FCA has set out examples of good practice and highlighted areas for improvement. In May 2024, the FCA published sector-specific "Dear CEO" letters setting out priority issues for Authorised Persons ahead of the 31 July 2024 implementation deadline for closed products and services, including gaps in firms' customer data, fair value, treatment of consumers with characteristics of vulnerability, gone-away or disengaged customers, and vested contractual rights.

In 2025/ 2026, the FCA commenced work on four cross-cutting projects (i) a review of products and services outcome; (ii) a review of firms' approaches to outcomes monitoring; (iii) a review of firms' customer journey design; and (iv) a review of the consumer understanding outcome. The result of the consumer understanding review was published in March 2026.

On 29 June 2026, the FCA published is consultation on the scope and proportionality of the Consumer Duty (CP26/23). This consultation focuses on a targeted package of proposed changes which would (a) remove business with non-UK customers from the Consumer Duty's scope, reducing unnecessary friction for internationally active firms and supporting the UK's role as a leading global exporter of financial services; (b) make it clearer where the Consumer Duty applies; (c) clarify when and how firms can rely on each other when they work together in distribution chains, and how they can apply the Consumer Duty more proportionately and (d) explain the interaction between the Consumer Duty and other product governance rules. The consultation closed on 18 September 2026 and the FCA expects to publish the policy statement summarising responses and making any new rules in the first quarter of 2027.

It is unclear, despite the guidance from the FCA, how the Consumer Duty will operate in respect of the Purchased Receivables owing to the outcomes-based nature of the duty. If (for example) the obligations relating to fair value or not causing harm are not met in relation to the Purchased Receivables, it could adversely affect the amounts received or recoverable in relation to the Portfolio. The FCA has its usual enforcement powers, such as issuing fines and securing redress for consumers, in relation to breaches of the Consumer Duty. If such enforcement action were taken against the Seller or Servicer, this could adversely affect the Seller's or Servicer's ability to perform their respective functions under the Transaction Documents. This may adversely affect the ability of the Issuer to make payments in full on the Notes when due.

Risks relating to the Banking Act 2009

The Banking Act 2009 (the "**Banking Act**") includes provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of certain UK incorporated entities, including authorised deposit-taking institutions and investment firms, and powers to take certain resolution actions in respect of third country institutions. In addition, powers may be used in certain circumstances in respect of UK established banking group companies, where such companies are in the same group as a relevant UK or third country institution or in the same group as an EEA credit institution or investment firm. Relevant transaction parties for these purposes include the Seller, the Retention Holder, the Account Bank, the Collection Account Banks, the Principal Paying Agent, the Agent Bank, the Registrar and the Interest Rate Hedge Counterparty.

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

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

If an instrument or order were to be made under the provisions of the Banking Act currently in force in respect of a relevant entity as described above, such action may (amongst other things) affect the ability of such entities to satisfy their obligations under the Transaction Documents and/or result in the cancellation, modification or conversion of certain unsecured liabilities of such entity under the Transaction Documents or in other modifications to such documents. In particular, modifications may be made pursuant to powers permitting (i) certain trust arrangements to be removed or modified, (ii) contractual arrangements between relevant entities and other parties to be removed, modified or created where considered necessary to enable a transferee in the context of a property or share transfer to operate the transferred business effectively and (iii) in connection with the modification of an unsecured liability through use of the bail-in tool, the discharge of a relevant entity from further performance of its obligations under a contract. In addition, subject to certain conditions, powers would apply to require a relevant instrument or order (and related events) to be disregarded in determining whether certain widely defined "default events" have occurred (which events may include trigger events included in the Transaction Documents in respect of the relevant entity, including termination events and (in the case of the Seller) trigger events in respect of perfection of legal title to the Purchased Receivables). 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 Act, there can be no assurance that Noteholders would recover compensation promptly and equal to any loss actually incurred.

Financial Ombudsman Service

Under FSMA, the Financial Ombudsman Service (the "**Ombudsman**") is required to make decisions on, among other things, complaints by eligible complainants relating to 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. 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 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.

From 1 April 2024 the maximum level of compensation which can be awarded by the Ombudsman for complaints referred to it on or after 1 April 2004 has been increased to: (i) £430,000 for complaints about acts or omissions by Authorised Persons on or after 1 April 2019; and (ii) £195,000 for complaints about acts or omissions by Authorised Persons before 1 April 2019. The compensation limit is automatically adjusted each year for inflation from 1 April 2020 onwards.

On 19 May 2026 the Financial Services and Markets Bill was introduced to the House of Lords. The bill represents a significant package of reforms which includes modernising consumer protection and redress (including fundamental reform of the Ombudsman. The proposals include a recalibration of the "fair and reasonable test" such that (if implemented as drafted) where FCA rules applied and a firm complied with them, the Ombudsman will be required to find that the firm acted fairly and reasonably. The Ombudsman may only determine a complaint in the complainant's favour where there was non-compliance with an applicable FCA rule, or, where no rule applied, the firm's conduct was not fair and reasonable in all the circumstances. A further proposal will give the FCA significantly enhanced tools to manage mass redress events more quickly and consistently.

On 11 August 2026, following a joint consultation with the FCA, the Ombudsman confirmed that it would introduce changes including new powers to dismiss complaints that are not appropriate for the Ombudsman and may be better resolved (or are already being investigated) in other ways. These include complaints that may be better suited to court, law enforcement, or another dispute resolution process, or where there has been no financial loss, or material distress or inconvenience. These new powers come into effect on 1 October 2026. Other reforms include an amendment to rules to provide greater clarity that Ombudsman decisions are based on the standards applicable at the time of the act or omission complained about (and not applied retrospectively). This provides a foundation for proposed legislative changes to the 'fair and reasonable' remit which are currently progressing through Parliament. In addition, a new registration stage will be introduced in 2027, following a consultation on differential case fees later in 2026 year, to ensure that complaints referred to the Ombudsman are within its scope and ready to be investigated before being allocated to a caseworker.

It is not possible to predict how any the proposed reforms and any future decisions of the Ombudsman would affect outcomes in relation to the Purchased Receivables. It is possible that significant changes may be made to the Ombudsman and the FCA's new powers could affect the nature and outcome of awards made in favour of borrowers. Accordingly, this may result in adverse consequences such as a loss on the Notes or early redemption of the Notes.

Privacy and data security laws

Due to the personal and sensitive nature of the information that is collected from prospective and existing Customers, it is imperative that operators comply with Applicable Laws and regulations governing the security of personal data. The Seller has policies and procedures intended to ensure that any personal data it collects from Customers and processes and holds is handled securely and disposed of properly in accordance with Applicable Law.

The Seller's databases contain personal data of the Seller's customers, including the Customers. This data includes information (accurate, where appropriate, at the time of initial advance to the Customer) such as name and date of birth, location information, banking information, credit history, sensitive personal data and other information that may be considered personal or confidential. The Seller's databases could be subject to interference by individuals external to the Seller's business and by the Seller's own employees and service providers, and any misuse could include fraud and identity theft. Despite the security measures the Seller has implemented, the Seller's systems may be subject to physical or electronic break-ins, computer viruses and similar disruptive problems. Any security or privacy breach of these databases could expose the Seller's and/or the Issuer to liability or to incur expenses relating to the resolution of these breaches.

The Seller's ability to obtain, retain and otherwise manage the personal data of its customers, in respect of the Purchased Receivables, is governed by data protection and privacy requirements and regulatory rules and guidance issued by, among others, the UK Information Commissioner. Depending on their nature and scope, changes to such laws, regulations and guidance could require the Seller to make additional investments in its compliance governance framework, or could alter the way in which the Seller collect and use data. the Seller's ability to operate its business depends in part on its ability to use personal data in its consumer data operating systems. Any regulatory changes that impair the Seller's ability to continue to use its consumer data in such systems in the way in which the Seller currently uses them could have a material adverse effect on the Seller's operations, including its servicing of the Purchased Receivables.

Any violations of data security, personal data or other Applicable Laws by the Issuer could subject it to fines, penalties, or other regulatory action, which, individually or in the aggregate, could be costly and would likely entail ongoing expense to ensure compliance. Likewise, violations by the Seller could adversely affect the operations of the Seller, and so affect the availability or performance of the Purchased Receivables.

The Breathing Space Regulations

The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 (SI 2020/1311) (the "**Breathing Space Regulations**") came into force on 4 May 2021. The Breathing Space Regulations gives eligible individuals in England and Wales the right to legal protection from their creditors, including almost all enforcement action, during a period of "breathing space". A standard breathing space will give an individual in England and Wales with problem debt legal protection from creditor action for up to 60 days; and a mental health crisis breathing space will give an individual in England and Wales protection from creditor action for the duration of their mental health crisis treatment (which is not limited in duration) plus an additional 30 days. The Breathing Space Regulations impose obligations on consumer credit lenders to comply with the restrictions and obligations imposed by the moratorium on collection and enforcement of debts and application of interest and other charges.

The government has issued Debt Respite Scheme (Breathing Space) guidance for creditors which was most recently updated on 9 June 2023. The number of customers who may seek to take up these protections under the Breathing Space Regulations, and therefore the impact of the Breathing Space Regulations on the performance of the Receivables in the Portfolio, is not known as at the date of this Prospectus. If the timing of the payments, as well as the quantum of such payments, in respect of the Receivables is adversely affected, then payments on the Notes or Certificates could be reduced and/or delayed and this could ultimately result in losses on the Notes.

Increased levels of payment deferrals and other forbearance measures may result in a reduction of funds available to the Issuer to meet its obligations under the Notes. There can be no assurance that the FCA, or other UK government or regulatory bodies, will not take further steps which may adversely impact the performance of the Purchased Receivables, including further amending and extending the scope of the Breathing Space Regulations. If the timing of the payments, as well as the quantum of such payments, in respect of the Purchased Receivables 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.

UK Securitisation Framework and EU Securitisation Regulation

Non-compliance with the UK Securitisation Framework and/or EU Securitisation Regulation regimes, 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) to transactions within its scope from 1 January 2019 and, from 9 April 2021, the EU Securitisation Regulation applies as amended by Regulation (EU) 2021/557 to transactions within its scope. The EU Securitisation Regulation has direct effect in member states of the EU and, from 1 August 2025, it applies in the non-EU EEA member states (Iceland, Norway and Liechtenstein). The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes). However, some legislative measures necessary for the full implementation of the EU Securitisation Regulation regime have not yet been finalised and compliance with certain requirements is subject to the application of transitional provisions. In addition, further amendments are expected to be introduced to the EU Securitisation Regulation regime as a result of its periodic review. In this regard, it should be noted that, on 17 June 2025, the European Commission published the EC Proposals, including proposals on amendments to the EU Securitisation Regulation ("**EU SR Proposals**"). The EU SR Proposals, among other things, are aimed at potentially reducing the regulatory burden of compliance with the investor due diligence and transparency requirements and include the new mandate for amending the technical standards prescribing the EU reporting templates. However, the parameters for what constitutes a "public" securitisation are proposed to be broadened, potentially capturing all deals with a listing in the EU or deals that are broadly marketed. It is also proposed that all "public" and "private" securitisations are subject to mandatory reporting via an EU-registered securitisation repository. The new mandate on amendments to the technical standards on the EU reporting templates anticipates that "public" securitisations would become subject to a more streamlined and less burdensome reporting regime and that privately negotiated securitisations would be required to prepare only a simple supervisor-focused template and would otherwise be subject to less prescriptive asset-level and investor reporting regime with adjusted application of how and what information must be reported on a securitisation repository to protect confidentiality of the deal data. Further consultations on amendments to the relevant technical standards are expected in due course with the uncertainty remaining as to the application of any transitional or grandfathering provisions. It should also be noted that the EU SR Proposals do not represent the final position and that they will be subject to the inter-institutional trilogue negotiation process before a political agreement is reached on all amendments. Note in this regard that the Council's negotiation position and the draft report from the European Parliament's rapporteur published in December 2025 already indicate that in a few areas the co-legislators' approach to the EU SR Proposals is not aligned. This includes, for example, certain due diligence matters, the need for redefining what is a "public" or "private" securitisation and the use of EU-registered securitisation repositories. The timing of the overall legislative process (that is, how quickly a political compromise on the final position will be reached) and whether the EU SR Proposals will be adopted in full or in part or further amended during the trilogue negotiation remains to be seen. It is also unclear how and when such reforms may be implemented in the non-EU EEA member states, as it will require additional legislative procedures to be completed first before any amendments become applicable in such member states. No assurances can be made that these reforms (including amendments to any existing technical standards or the development of new ones) will not introduce new risks, new compliance challenges or will benefit the parties to this Transaction and/or the Notes.

The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast and revised versions of the pre-1 January 2019 risk retention and investor due diligence regimes). The EU Securitisation Regulation has direct effect in member states of the EU and is to be implemented in due course in other countries in the EEA.

Following the UK's withdrawal from the EU at the end of 2020, the EU Securitisation Regulation as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK Securitisation Regulation**") became applicable in the UK largely mirroring (with some adjustments) the EU Securitisation Regulation as it applied in the EU at the end of 2020.

However, from 1 November 2024, the UK Securitisation Regulation regime is revoked and replaced with a new recast regime introduced under FSMA and related thereto (i) SR 2024; (ii) the PRASR and (iii) SECN (together, the "**UK Securitisation Framework**"). The UK Securitisation Framework applies to this Transaction.

On 17 February 2026, the PRA and the FCA published consultations on further changes to the PRA rulebook and the FCA handbook respectively, which, among other things, include proposals for further simplification of the UK Securitisation Framework, including those relating to risk retention, credit granting standards, transparency and reporting and requirements for ongoing due diligence. The HM Treasury is also expected in due course to publish a related statutory instrument with further amendments to the SR 2024 which is expected to address, among other things, the recast due diligence rules applicable to occupational pension scheme investors. The timing of entry into force of the proposed changes is still to be confirmed. The PRA refers to the implementation date being in Q2 2027, with the FCA intending to make their final rules in H2 2026 subject to a delayed entry into force until six months after making the final rules. Because of this delay of the implementation date, no transitional or grandfathering provisions are being proposed. Some divergence between EU and UK regimes exists already. While the UK Securitisation Framework brought some alignment with the EU regime, it also introduced new points of divergence. However, the UK regulators' proposals on further changes in respect of the UK reforms bring significant simplification to the UK due diligence rules that will make some of such divergence less material in practice for non-UK sell-side parties that seek to attract relevant UK institutional investors. Therefore, while further divergence between EU and UK regimes is likely, whether such divergence has material impact on the Transaction and/or the Notes will depend on how the ongoing reforms in the EU and the UK will be finalised and implemented.

The EU Securitisation Regulation (as in force, interpreted and applied as at the Closing Date only) and/or the UK Securitisation Framework requirements will apply to the Notes. As such, certain European-regulated institutional investors or UK-regulated institutional investors, which include relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities and certain regulated pension funds (institutions for occupational retirement provision), are required to comply, as applicable, with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the securitisation position under Article 5 of the EU Securitisation Regulation or the relevant UK Due Diligence Rules. Among other things, prior to holding a securitisation position, such institutional investors are required to verify under their respective EU or UK regime certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements and, on transactions notified as UK STS, compliance of that transaction with the UK STS Requirements.

If an institutional investor in scope of the EU Securitisation Regulation or the UK Securitisation Framework elects to acquire or holds the Notes having failed to comply with one or more of the due diligence 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 corrective action, in the case of a certain type of regulated fund investor. Aspects of the requirements of the EU Securitisation Regulation and the UK Securitisation Framework and what is or will be required to demonstrate compliance to national regulators remain unclear. Furthermore, the EU SR Proposals described above, if adopted, will make failure to meet investor due diligence requirements subject to the new and additional administrative and remedial measures, including highly punitive financial sanctions. None of the Issuer, the Arranger, the Lead Manager, the Seller, the Retention Holder or any of the other Transaction Parties makes any representation that any such information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

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 Framework. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to the relevant UK regulators.

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). In addition, the Issuer has contractually elected and agreed to comply with the requirements of the EU Securitisation Regulation relating to reporting 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).

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 EU Securitisation Regulation or the UK Securitisation Framework (as applicable). Prospective investors in the Notes are responsible for analysing their own regulatory position and should consult their own advisers in this respect.

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

Simple, transparent and standardised securitisations (STS) and UK STS designation – UK STS designation impacts on regulatory treatment of the Notes.

The UK Securitisation Framework (and the UK CRR) includes provisions that implement the revised securitisation framework developed by BCBS (with adjustments) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as UK STS 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 regime of UK EMIR as to which investors are referred to the section entitled "*Impact of UK EMIR on the Swap Transaction*".

It is intended that a UK STS Notification will be submitted to the FCA by the Seller, as originator, promptly on or after the Closing Date (and in any event no later than 15 calendar days of the Closing Date). The UK STS Notification, once notified to the FCA will be made available via the Reporting Agent at https://www.euroabs.com/IH.aspx?d=33768, with the UK STS Notification being made available for download on the FCA STS Register Website.

The Seller and the Issuer have used the services of PCS UK to carry out the UK STS Verification (and to provide the UK STS Additional Assessments with regard to the status of the Notes). It is expected that the UK STS Verification and the UK STS Additional Assessments prepared by PCS UK will be available on its website at https://www.pcsmarket.org/sts-verification-transactions/. For the avoidance of doubt, the website of PCS UK and the contents of that website do not form part of this Prospectus.

It is important to note that the involvement of PCS UK is not mandatory and the responsibility for compliance with the UK Securitisation Framework (or, if applicable, the EU Securitisation Regulation) remains with the relevant institutional investors, originators, sponsors and issuers, as applicable in each case.

A UK STS Verification (and/or UK STS Additional Assessments) will not absolve such entities from making their own assessments with respect to the UK Securitisation Framework (or, if applicable the EU Securitisation Regulation) and other relevant regulatory provisions, and an UK STS Verification (and/or UK STS Additional Assessments) cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities.

The UK STS status of the Notes is not static and investors should verify the current status on the FCA STS Register website, which will be updated where the Notes are no longer considered to be UK STS following a decision of the FCA or another relevant UK regulator or a notification by the Seller.

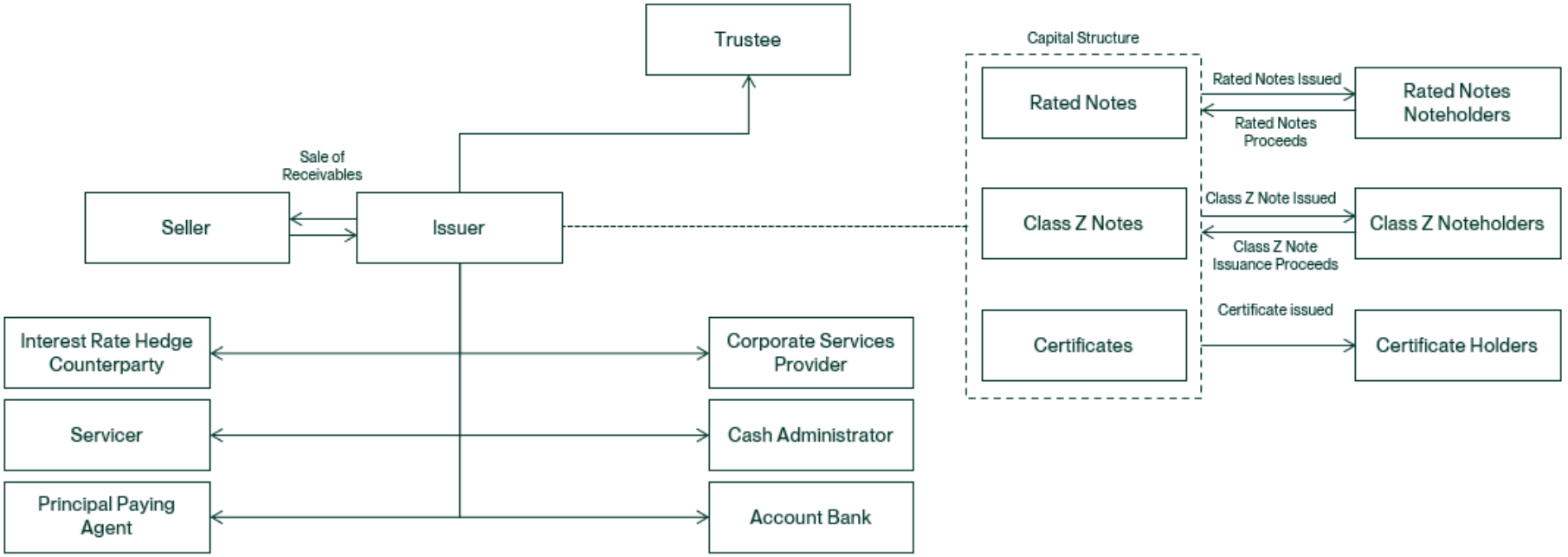
The UK STS securitisation designation is not an opinion on the creditworthiness of the relevant Notes nor on the level of risk associated with an investment in the relevant Notes. It is not an indication of the suitability of the relevant Notes for any investor and/or a recommendation to buy, sell or hold Notes. Institutional investors that are subject to the due diligence requirements of the UK Securitisation Framework need to make their own independent assessment and may not solely rely on any UK STS Verification, the UK STS Notification, any UK STS Additional Assessments or other disclosed information.

No assurances can be provided that the securitisation transaction described in this Prospectus does or continues to qualify as a UK STS securitisation under the UK Securitisation Framework. The relevant institutional investors are required to make their own assessment with regard to compliance of the securitisation with the UK STS Requirements and such investors should be aware that non-compliance with the UK STS Requirements and the change in the UK STS status of the Notes may result in the loss of better regulatory treatment of the Notes under the applicable UK regulatory regime(s), including in the case of prudential regulation, higher capital charges being applied to the Notes and may have a negative effect on the price and liquidity of the Notes in the secondary market. In addition, non-compliance may result in various sanctions and/or remedial measures being imposed on the relevant transaction parties, including the Seller, which may have an impact on the availability of funds to pay the Notes.

Note that designation as UK STS securitisation does not meet, as at the date of this Prospectus, the STS requirements of the EU Securitisation Regulation, and, as such, better or more flexible regulatory treatment under the relevant EU regulatory regimes (in particular, under the EU CRR, the EU LCR Regulation and the EU Solvency II regime) will not be available. Whilst the European Commission is required to do a periodic review of the functioning of the EU Securitisation Regulation, including in the area of STS securitisations and the possibility of an equivalence regime for non-EU transactions, the EU SR Proposals do not progress this issue further. Therefore, whilst it is possible that in due course, as part of the periodic review of the EU Securitisation Regulation regime, an equivalence regime for non-EU STS securitisations may be introduced in the EU, resulting in the UK STS regime being considered equivalent, no assurances can be made that such equivalence regime will be introduced or that, when introduced, it will benefit the EU regulatory treatment of the Notes.

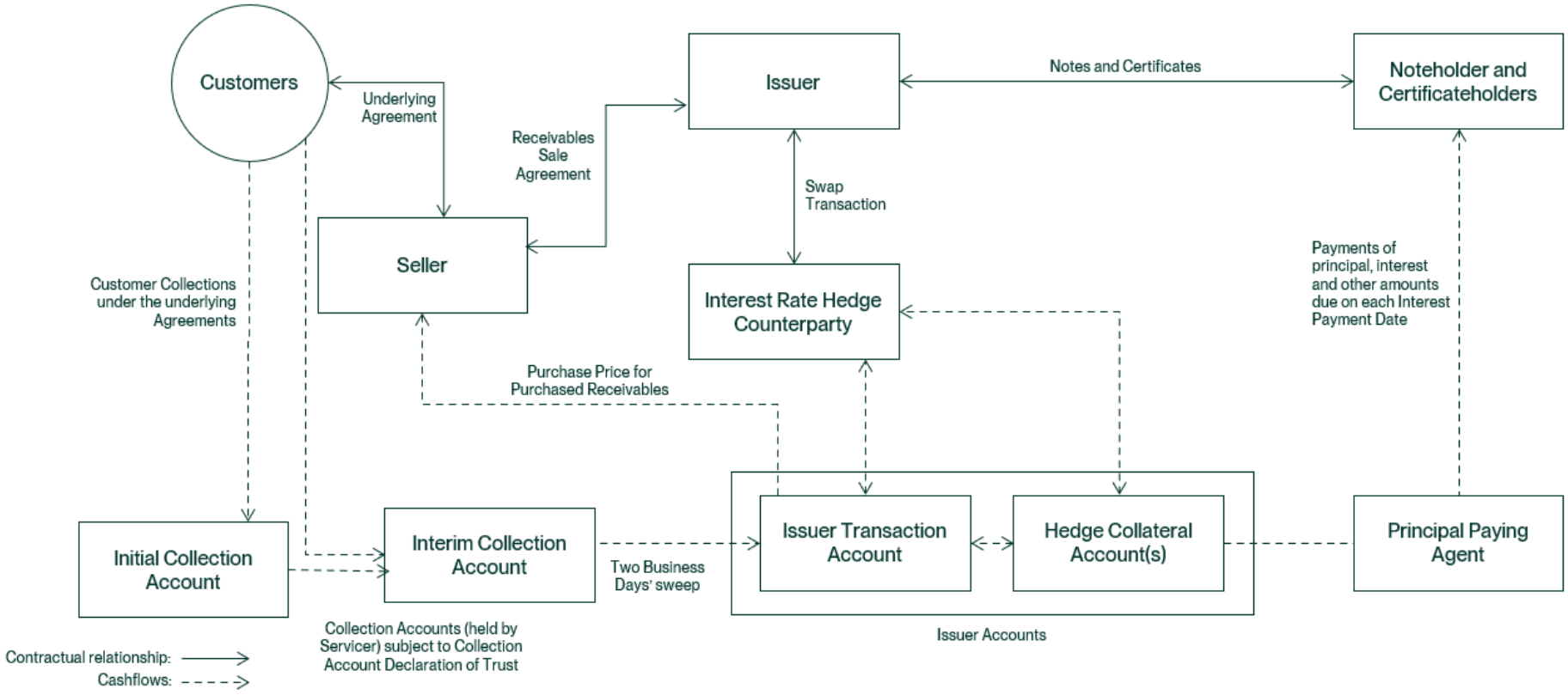
OVERVIEW

DIAGRAMMATIC OVERVIEW OF THE TRANSACTION AT ISSUE

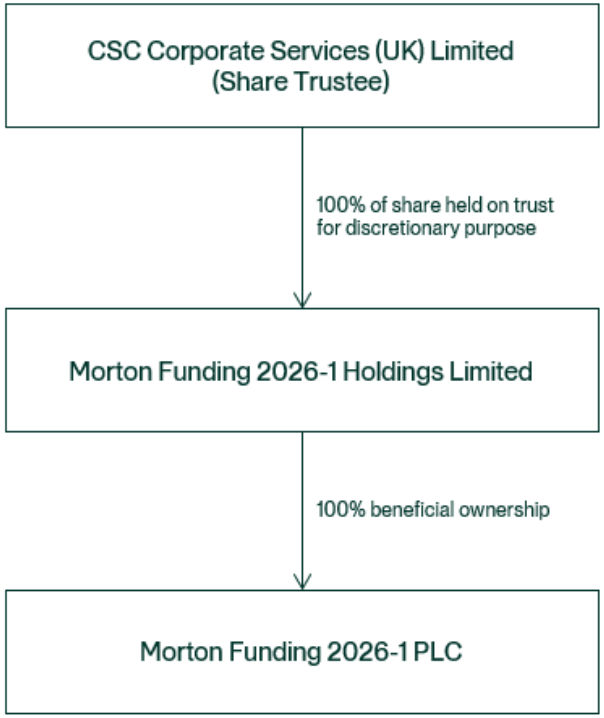


DIAGRAMMATIC OVERVIEW OF ONGOING CASH FLOW

Diagrammatic overview of ongoing cash flow



DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE



The diagram above illustrates the ownership structure of the Issuer, a special purpose company, that will be party to the Transaction, as follows:

- The Issuer is wholly owned by Morton Funding 2026-1 Holdings Limited ("**HoldCo**").
- The entire issued share capital of HoldCo is held on trust by CSC Corporate Services (UK) Limited (the "**Share Trustee**") under the terms of a declaration of trust for discretionary purposes for the benefit of certain beneficiaries.

TRANSACTION PARTIES ON THE CLOSING DATE

Party	Name	Address	Document under which appointed/Further Information
Account Bank	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB	Account Bank Agreement. See further the section entitled "*Certain Transaction Documents – Account Bank Agreement*"
Cash Administrator	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB	Cash Administration Agreement. See further the sections entitled "*Overview of Credit Structure and Cashflow*", "*Cashflows and Cash Management*" and "*Certain Transaction Documents – Cash Administration Agreement*"
Corporate Services Provider	CSC Capital Markets UK Limited	10th Floor, 5 Churchill Place, London, E14 5HU	Corporate Services Agreement
HoldCo	Morton Funding 2026-1 Holdings Limited	10th Floor, 5 Churchill Place, London, E14 5HU	N/A
Interest Rate Hedge Counterparty	Lloyds Bank Corporate Markets Plc	25 Gresham Street, London EC2V 7HN	Interest Rate Hedge Agreement. See further the section entitled "*Certain Transaction Documents – Interest Rate Hedge Agreement*"
Issuer	Morton Funding 2026-1 plc	10th Floor, 5 Churchill Place, London, E14 5HU	N/A
Legal Title Holder and Servicer	Zopa Bank Limited	Level 12, 20 Water Street, Canary Wharf, London, E14 5GX	Servicing Agreement. See further the sections entitled "*The Seller, Retention Holder, Legal Title Holder and Servicer*" and "*Certain Transaction Documents – Servicing Agreement*"
Principal Paying Agent and Agent Bank	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB	Principal Paying Agency Agreement See further the section entitled "*Certain Transaction Documents – Principal Paying Agency Agreement*"

Party	Name	Address	Document under which appointed/Further Information
Registrar	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, London E14 5LB	Principal Paying Agency Agreement See further the section entitled "*Certain Transaction Documents – Principal Paying Agency Agreement*"
Seller and **Retention Holder**	Zopa Bank Limited	Level 12, 20 Water Street, Canary Wharf, London, E14 5GX	Receivables Sale Agreement See further the section headed "*Certain Transaction Documents – Receivables Sale Agreement*"
Share Trustee	CSC Corporate Services (UK) Limited	10th Floor, 5 Churchill Place, London, E14 5HU	Share Trust Deed
Trustee	Citicorp Trustee Company Limited	Citigroup Centre, Canada Square, London E14 5LB	Trust Deed See further the section entitled "*Certain Transaction Documents – Trust Deed*" Deed of Charge See further the section entitled "*Certain Transaction Documents – Deed of Charge*"

TRANSACTION OVERVIEW

The overview below highlights information contained elsewhere in this Prospectus and does not contain all of the information that prospective investors should consider before investing in the Notes. It should be read only as an introduction to this Prospectus and any decision to invest in the Notes should be based on a consideration of the Prospectus.

This Prospectus does not cover the material risks associated with an investment in the Certificates. An investment in the Notes and the Certificates 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

Morton Funding 2026-1 plc is a public limited company incorporated under the Laws of England and Wales having its registered office at 10th Floor, 5 Churchill Place, London, E14 5HU.

The Issuer has been established as a special purpose vehicle for the purposes of issuing asset backed securities in the Transaction as more particularly described below.

The Transaction

The Issuer will issue the Notes on the Closing Date. The Issuer will apply the net proceeds from the issue of the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class Z Notes and Class X Notes to (i) pay the Purchase Price to the Seller in respect of the Portfolio pursuant to the Receivables Sale Agreement; (ii) make a deposit in an amount equal to the Liquidity Reserve Required Amount into the Issuer Transaction Account to be credited to the Liquidity Reserve Fund Ledger; (iii) if applicable, pay any upfront swap payment to the Interest Rate Hedge Counterparty; and (iv) make payments in respect of certain fees, costs and expenses in connection with the issuance of the Notes and Certificates.

The Seller shall transfer to the Issuer within two (2) Business Days of the Closing Date an amount equal to all Customer Collections received on the Purchased Receivables from (and excluding) the Cut-off Date to (and excluding) the Closing Date (which for the avoidance of doubt shall exclude any payments in respect of interest accrued prior to the Cut-Off Date).

The Portfolio will consist of rights under unsecured consumer loan agreements regulated under the Consumer Credit Act 1974 to individuals resident in England and Wales at the time of initial advance and originated by the Seller. For further details, see the section entitled "*The Portfolio – The Receivables*".

The Portfolio will represent a pool of assets which will be purchased by the Issuer on the Closing Date. There is no requirement for such Portfolio to be actively managed on a discretionary basis.

The assignment by the Seller of the Purchased Receivables will take effect in equity because no notice of the assignment will be given to Customers until a Notification Event has occurred.

The Issuer will use payments in respect of the Purchased Receivables, together with amounts available to it under the Swap Transaction, to make payments of, among other things, interest and principal due in respect of the Notes and the payments due in respect of the Certificates. The obligations of the Issuer in respect of the Notes and Certificates will rank below the obligations of the Issuer in respect of certain items set forth in the applicable Priority of Payments (see further the section entitled "*Overview of Credit Structure and Cashflow*"). The obligations of the Issuer under the Notes and Certificates will not be obligations or responsibilities of, or guaranteed by, any other person or entity.

Under the Servicing Agreement, the Servicer will provide services to the Issuer on a day-to-day basis in relation to the Purchased Receivables and the Transaction generally including, without limitation, the collection of payments of principal, interest and other amounts in respect of the Purchased Receivables, communicating with Customers on behalf of the Issuer, reporting and the implementation of arrears procedures (see further the section entitled "*Certain Transaction Documents – Servicing Agreement*").

Pursuant to the Interest Rate Hedge Agreement, the Issuer will hedge a part of the interest rate risk it is exposed to as a result of the interest the Issuer receives under the Portfolio being calculated by reference to a fixed rate and the interest payments the Issuer is obliged to make under the Notes being calculated by reference to SONIA (see further the section entitled "*Overview of Credit Structure and Cashflow*").

Security

The Notes, Certificates and certain other liabilities of the Issuer will be secured by, among other things, the fixed and floating charges created in favour of the Trustee for and on behalf of the Secured Creditors subject to and under the terms of the Deed of Charge.

Interest on the Notes and payments on the Certificates

The Issuer shall determine (or shall cause the Cash Administrator to determine) the Rate of Interest for each Class of Notes and calculate the amount of interest payable on each Class of Notes for the relevant Interest Period by applying the relevant Rate of Interest to the Principal Amount Outstanding of each Class of Notes.

Each Certificate shall receive, on a *pro-rata* basis, its relative share of the amounts (if any) remaining after the payment of higher ranking items in the applicable Priority of Payments in the form of the Certificate Payment (see further the section entitled "*Overview of Credit Structure and Cashflow*").

Redemption of the Notes and cancellation of the Certificates

On the Final Maturity Date, the Notes are, unless previously redeemed and cancelled, required to be redeemed in full at their Principal Amount Outstanding together with accrued (and unpaid) interest up to but excluding the Final Maturity Date subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*).

On each Interest Payment Date prior to the delivery of an Enforcement Notice, the Issuer shall apply: (i) the Available Principal Receipts to redeem the Notes (other than the Class X Notes) to the extent that there are such amounts available to do so in accordance with the Principal Priority of Payments; and (ii) the Available Revenue Receipts to redeem the Notes to the extent that there are such amounts available to do so in accordance with the Revenue Priority of Payments (see further the section entitled "*Overview of Credit Structure and Cashflow*").

If an Event of Default occurs and is continuing, the Trustee may at its discretion, and shall: (a) if so requested in writing by the holders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class; or (b) if so directed by an Extraordinary Resolution of the Most Senior Class, (subject, in each case, to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction), deliver an Enforcement Notice to the Issuer, with a copy to each Agent (other than the Corporate Services Provider), the Seller, the Retention Holder, the Interest Rate Hedge Counterparty and the Rating Agencies, and institute such proceedings and take any other steps as may be required in order to enforce the Security.

Upon the delivery of an Enforcement Notice: (i) the Notes of each Class shall become immediately due and payable, without further action or formality, at their Principal Amount Outstanding together with any accrued (and unpaid) interest; (ii) the Security shall become immediately enforceable; and (iii) on each Interest Payment Date (or other such date as the Trustee instructs in writing) following the delivery of an Enforcement Notice (or on such other date as the Trustee instructs the Cash Administrator in writing in accordance with the Transaction Documents), the Cash Administrator shall cause all amounts standing to the credit of the Issuer Transaction Account and all proceeds from the enforcement of the Security (other than amounts representing Hedge Excluded Receivable Amounts) or otherwise recovered by the Trustee (which shall be held by the Trustee on trust) to be applied in payment, in the amounts required, in accordance with the Post-Enforcement Priority of Payments.

The Issuer may redeem the Notes, subject to the New Issue Conditions Precedent and in accordance with the Conditions, pursuant to the following redemption and cancellation events:

- mandatory redemption on any Interest Payment Date from the Available Principal Receipts in accordance with the Principal Priority of Payments; (see Condition 8.1 (*Mandatory Repayment*));

- mandatory redemption in respect of the Notes in whole and cancellation of the Certificates exercisable by (or at the direction of) the Seller, as the Clean-Up Call Option Holder, or by the Majority Certificateholders in their backstop capacity as the Clean-Up Call Option Holder during the Certificateholder Backstop Exercise Period, following exercise of the Clean-Up Call Option (see Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*));

- mandatory redemption in respect of the Notes in whole and cancellation of the Certificates exercisable by the applicable Regulatory Call Option Holder (being the Seller in respect of a Regulatory Change Event and the Retention Holder in respect of a Risk Retention Regulatory Change Event) following exercise of the Regulatory Call Option. In respect of a Risk Retention Regulatory Change Event or a Regulatory Change Event, the relevant Regulatory Call Option Holder shall have a period of 30 Business Days from receipt of written notification from the Issuer of the occurrence of that event within which to deliver an Exercise Notice (see Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*));

- optional redemption in respect of the Notes in whole and cancellation of the Certificates exercisable by the Issuer upon the occurrence of certain events in respect of Tax or other reasons (see Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*));

- optional redemption in respect of the Notes in whole and cancellation of the Certificates exercisable by the Issuer upon the occurrence of an Illegality Event (see Condition 8.4 (*Optional Redemption in whole upon the occurrence of an Illegality Event*)); and

- mandatory redemption in whole, but not in part, on the Final Maturity Date (see Condition 8.5 (*Final Maturity Date*)).

Listing

Application has been made to the FCA for the Notes to be admitted to the Official List and to the LSE for the Notes to be admitted to trading on its Regulated Market.

Rating

It is a condition to the issue of the Notes that, on the Closing Date:

- the Class A Notes be assigned a credit rating of (i) AAA sf by Fitch, and (ii) AAA (sf) by S&P;

- the Class B Notes be assigned a credit rating of (i) AA sf by Fitch, and (ii) AA (sf) by S&P;

- the Class C Notes be assigned a credit rating of (i) A sf by Fitch, and (ii) A (sf) by S&P;

- the Class D Notes be assigned a credit rating of (i) BBB sf by Fitch, and (ii) BBB (sf) by S&P;

- the Class E Notes be assigned a credit rating of (i) BB sf by Fitch, and (ii) BB- (sf) by S&P;

- the Class F Notes be assigned a credit rating of (i) B sf by Fitch, and (ii) B- (sf) by S&P; and

- the Class X Notes be assigned a credit rating of (i) B- sf by Fitch, and (ii) BB (sf) by S&P;

- The Class Z Notes and the Certificates will not be rated.

Certain Risks

There are certain risks which prospective Noteholders should take into account. These risks are examined in detail in the section entitled "*Risk Factors*" starting at page 1 of this Prospectus and relate to, among other things, the Notes such as (but not limited to) the fact that the obligations of the Issuer under the Notes are limited recourse obligations whereby the ability of the Issuer to meet such obligations will be dependent on the receipt by it of funds under the Purchased Receivables and the receipt by it of other funds (including but not limited to the receipt of payments under the Interest Rate Hedge Agreement). Despite certain risk mitigating

factors, there remain credit risks, liquidity risks, prepayment risks, maturity risks and interest rate risks relating to the Notes. Moreover, there are certain structural, legal, insolvency, tax and regulatory risks relating to the Purchased Receivables and the Notes. Please see the section entitled "*Risks related to the Purchased Receivables*" for more information.

PORTFOLIO

Purchase of the Portfolio .....

The Portfolio will consist of unsecured consumer loan agreements regulated under the Consumer Credit Act 1974 to individuals resident in England and Wales at the time of the initial advance. Such loans were entered into by the Seller as the original lender in the ordinary course of its business.

Pursuant to the Receivables Sale Agreement, the Issuer will purchase on the Closing Date, the Portfolio at the Purchase Price *plus* any deferred consideration represented by a Certificate Payment from the Seller. All Purchased Receivables will be required to have satisfied the Seller Asset Warranties as at the Cut-Off Date (unless stated otherwise).

The Issuer may, by notice in writing, require the Seller to complete the transfer by way of assignment to the Issuer, of the legal title to the Purchased Receivables and their Related Collateral, as soon as practicable after the occurrence of a Notification Event, and in any event within two (2) months of the delivery of such notice provided that the entity which will hold legal title satisfies the relevant Servicer and LTH Replacement Conditions.

The Servicer will service the Portfolio on an ongoing basis in accordance with the provisions of the Servicing Agreement.

Each Purchased Receivable is governed by the laws of the country where the Customer resided at the time of origination, and the related Underlying Agreements disclose an address in England and Wales.

Purchase Price .....

The Purchase Price payable on the Closing Date by the Issuer in respect of the sale of the Portfolio will be an amount equal to £460,214,479.55. The purchase of the Portfolio will take economic effect as of the Cut-Off Date and the Seller will transfer to the Issuer within two (2) Business Days of the Closing Date an amount equal to all Customer Collections (which for the avoidance of doubt shall exclude any payments in respect of interest accrued prior to the Cut-Off Date) received on the Purchased Receivables from (and excluding) the Cut-off Date to (and excluding) the Closing Date.

Features of Receivables.....

The following is an overview of certain features of the Provisional Portfolio as at the Portfolio Reference Date and prospective Noteholders should refer to, and carefully consider, further details in respect of the Purchased Receivables set out in the section entitled "*The Portfolio – Portfolio Stratification Tables*."

Summary	
Portfolio Reference Date	31/08/2026
Number of Receivables	76,941
Original Balance	616,728,854.00
Outstanding Receivables Balance	573,075,817.41
Average Outstanding Receivables Balance	7,448.25
Minimum Outstanding Receivables Balance	1,000.00
Maximum Outstanding Receivables Balance	50,000.00

Weighted Average Contractual APR	15.07%
Weighted Average Remaining Term (months)	48.73
Weighted Average Original Term (months)	52.69
Weighted average Seasoning (months)	3.96
Direct Debit	100.00%
Receivables which are 1m+ Payments Down	0.00%
Receivables which are 3m+ Payments Down	0.00%
Weighted Average Equifax Navigator Score[7]	457.40

Seller Asset Warranties ..... Pursuant to the Receivables Sale Agreement, on the Closing Date, the Seller will make the following Seller Asset Warranties to the Issuer in respect of the Receivables to be sold by the Seller to the Issuer on the Closing Date, as of the Cut-Off Date:

For further information see section entitled "*Certain Transaction Documents – Receivables Sale Agreement – Seller Asset Warranties*".

Remedies for breach of Seller Asset Warranties ..... In the event of a breach of any of the Seller Asset Warranties given on the Closing Date (as of the Cut-Off Date) in respect of the Purchased Receivables sold on the Closing Date:

(a) if the breach is capable of remedy, the Seller will use reasonable endeavours to remedy such breach within 30 Business Days from and including the date on which the Seller was notified of or, if earlier, first became aware of the breach; and

(b) if the breach is not capable of remedy, or is not remedied within 30 Business Days as set out in paragraph (a) above, the Seller will either (at its sole discretion:

(i) repurchase (or procure the repurchase by a nominee of the Seller of) the relevant Purchased Receivable (and the Related Collateral relating thereto) within 10 Business Days of the delivery of the relevant Repurchase Notice (the "**Repurchase Date**") at a price equal to the Repurchase Price; or

(ii) in lieu of repurchasing (or procuring the purchase by a nominee of the Seller of) the relevant Purchased Receivable, indemnify and keep indemnified the Issuer against all actual losses suffered by the Issuer as a result of the breach of such Seller Asset Warranty,

provided that the aggregate amount under paragraph (ii) above shall not exceed the Repurchase Price of such Purchased Receivable, and that any payments payable by the Seller under this paragraph (b) shall be paid to the Issuer Transaction Account, and provided further that the Seller shall not be required to take any action in respect of any breach of a representation and warranty where in relation to a relevant Purchased Receivable, a breach of an Asset

Warranty has resulted in a loss to the Issuer of less than £500.

Repurchase Price ..... Means: in relation to a repurchase by the Seller or a purchase by a nominee of the Seller (as applicable) of one or more Purchased Receivables that failed to satisfy the Seller Asset Warranties on the Cut-Off Date, an amount equal to the Outstanding Receivables Balance of such Purchased Receivables, plus any accrued (and unpaid) interest in respect of such Purchased Receivables as at the Determination Date.

Eligibility Criteria..... Means, in respect of each Receivable:

(a) the Receivable has been underwritten by the Seller in accordance with, and it complies in all material respects with the then applicable Underlying Policies subject to exceptions made on a case by case basis as would be acceptable to a reasonable prudent consumer loan lender;

(b) the Receivable has been originated and underwritten by the Seller in the ordinary course of its business and on the terms of the Standard Documentation in all material respects;

(c) the Receivable is governed by the laws of England and Wales except that a Customer may elect to have different courts of Scotland and Northern Ireland resolve any dispute;

(d) the Receivable has been marketed and originated in all respects in accordance with all Applicable Laws in all material respects;

(e) the Underlying Agreements in relation to the Receivables constitute, subject to the Legal Reservations, legal, valid and binding obligations of the Customer, enforceable in accordance with its terms with full recourse to the relevant Customer (save that an Underlying Agreement will only be determined not to be enforceable by a reason of a breach of the CCA or FSMA at such time as a court delivers a judgment with respect to such specific agreement confirming non-enforceability), and is non-cancellable (except in accordance with Consumer Credit Laws);

(f) the particulars of each Receivable are true, complete and accurate in all material respects as at the Cut-Off Date;

(g) as far as the Seller is aware, the Customer is not in material breach of the terms of the Underlying Agreement;

(h) the Receivable is an unsecured consumer loan receivable;

(i) the Receivable is drawn down in full upon the initial advance and there is no obligation of the Seller to provide any additional advances at any time with

respect to that Receivable and no Customer has the right to require any additional advance of funds with respect to that Receivable;

(j) the administration of the Receivable complies with all Applicable Law, including the Consumer Credit Laws, in all material respects;

(k) the terms of the Receivable require it to be fully repaid upon its maturity date;

(l) the Receivable is required to be repaid in equal instalments that are no less frequent than monthly, unless otherwise permitted in accordance with any of the Seller's arrears management policies, practices and underwriting criteria;

(m) the Receivable is repaid by direct debit, unless otherwise permitted in accordance with the Underlying Agreement or any of the Seller's arrears management policies or where an overpayment is being made;

(n) the Customer is an individual;

(o) the Customer is an Eligible Customer;

(p) as of the date of origination for an applicable product, the Customer is resident in England or Wales;

(q) the original term of the Receivable does not exceed 96 months;

(r) the Original Balance under the Receivable is no greater than £50,000;

(s) the Receivable has a minimum annual percentage rate ("APR") of 5%;

(t) the Receivable has a maximum APR of 39.9%;

(u) so far as the Seller is aware (having made all due and reasonable enquiries of a Prudent Lender), no fraud or misrepresentation occurred in relation to the origination of the Receivable, and the Customer is not a person with whom transactions are prohibited under any Sanctions, nor are they located in a Sanctioned Country or any territory which was the subject of any Sanctions;

(v) the Customer is at least 18 years of age;

(w) as of the date of origination for an applicable product, the Customer is not subject to any insolvency proceeding and is not bankrupt or sequestrated (as applicable);

(x) the Receivable has not been subject to any variation, amendment, modification, waiver or exclusion of time of any kind since its origination;

(y) the Seller has not received any material complaint in writing in relation to the Receivable from any regulatory body (including the Financial Ombudsman Service) or the Customer to the Receivable that the Seller has acted unfairly in relation to the setting of the interest rate in respect of that Receivable, which, if adversely determined, could reasonably be expected to have a material adverse effect or to adversely affect the enforceability of a material portion of the Receivable, and in each case such complaint is not released or terminated within 120 days of the commencement of such complaint;

(z) as of the date of origination for an applicable product, the Customer does not have any unsatisfied County Court Judgments within three (3) years prior to the Cut-Off Date;

(aa) prior to the Receivable being advanced, all required 'know your customer' and anti-money laundering checks required under any Applicable Law have been undertaken;

(bb) as at the Cut-Off Date, no withholding taxes would apply to any payments to be made by the Customer under that Underlying Agreement and, to the best of the Seller's knowledge, no withholding taxes would apply to any payments to be made by the Customer under that Underlying Agreement after the Cut-Off Date for that Receivable;

(cc) as at the Cut-Off Date, the Customer has a minimum Equifax Score of at least 200;

(dd) the Customer has not (based on information obtained by the Seller from the relevant Customer at the time of origination of the relevant Receivable, in the course of the servicing of the relevant Receivable or the Seller's risk management procedures, or from a third party):

(i) (A) applied for an individual voluntary arrangement or had a bankruptcy order made against such Customer; or

(B) had a non-appealable county court judgment or decree (as applicable) or a court grant material damages against such Customer as a result of a missed payment within three (3) years of the date of origination of the relevant Receivable by the Seller; or

(ii) undergone a debt-restructuring process with regard to such Customer's non-performing

exposures within three (3) years of the Cut-Off Date, except if:

(A) a restructured underlying exposure has not presented new arrears since the date of the restructuring, which must have taken place at least one year prior to the Cut-Off Date; and

(B) the information provided by the Servicer in accordance with Article 7(1)(a) and the first subparagraph of Article 7(1)(e)(i) of the EU Securitisation Regulation and SECN 6.2.1R(1) and SECN 6.2.1R(5)(a) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

(ee) in so far as the Seller is aware, the Customer does not have a credit assessment or credit score indicating: (i) based on the Underlying Policies, a significant risk that contractually agreed payments will not be made; or (ii) that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures retained by the Seller;

(ff) the Customer has made at least one instalment in full in respect of the Receivable under the relevant Underlying Agreement;

(gg) the Customer was not, to the best of the Seller's knowledge, at the time of origination of the relevant Receivable on a register available to the Seller of persons with adverse credit history;

(hh) the Receivable is not more than 90 days in arrears nor a Defaulted Receivable and there is no active forbearance granted in relation to the Receivable; and

(ii) the Receivable was originated by the Seller in the year 2026.

10% Clean Up Call Option…….. Pursuant to the Call Option Deed, on any Business Day following a Clean-Up Call Event, the Seller, as the Clean-Up Call Option Holder may, during the Clean-Up Call Exercise Period, or the Majority Certificateholders, in their backstop capacity as the Clean-Up Call Option Holder, may during the Certificateholder Backstop Exercise Period, give an Exercise Notice to the Issuer (with a copy to the Trustee, the Seller, the Cash Administrator and the Interest Rate Hedge Counterparty) requiring the Issuer to sell all (but not some) of the outstanding Purchased Receivables in the Portfolio and their Related Collateral at the aggregate Call Option Purchase Price on the Call Option Redemption Date, subject to the Counter Notice and Acceptance Notice procedure in the Call Option Deed.

A "**Clean-Up Call Event**" means, at any time after the Closing Date, the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio is less than 10% of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio at the Cut-Off Date.

The exercise of the Clean-Up Call Option is subject to the satisfaction of the New Issue Conditions Precedent and the Issuer having certified to the Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Notes in full (including meeting its payment obligations of a higher priority under the Post-Enforcement Priority of Payments) on the relevant Call Option Redemption Date.

See further the section entitled "*Certain Transaction Documents– Call Option Deed*" and Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*).

SERVICING ARRANGEMENTS

Servicing of the Purchased Receivables ..... The Servicer will be appointed by the Issuer to service the Portfolio on a day-to-day basis.

The Servicer, on behalf of the Issuer, will:

(a) carry out the administration, the recovery and the collection of the Purchased Receivables and related Underlying Agreement;

(b) preserve and, where applicable, to exercise the Related Collateral;

(c) provide the Issuer, the Trustee and the Cash Administrator with the information and data administration services referred to in the Servicing Agreement in relation to the Purchased Receivables;

(d) keep Purchased Receivable Records, books of account and documents for the Issuer in relation to the Purchased Receivables;

(e) subject to the provisions of the Servicing Agreement, take all reasonable steps (in relation to Receivables, in accordance with the procedures for enforcement for the time being set out in the Servicing and Collection Procedures) to recover all sums due to the Issuer (including, for the avoidance of doubt, the ability to grant forbearance to Customers in accordance with the Servicing and Collection Procedures);

(f) assist the auditors of the Issuer (at the cost of the Issuer) and provide information to them upon reasonable request;

(g) take all other action and do all other things which it would be reasonable to expect a prudent and informed servicer of loans similar to the Purchased Receivables to do in administering assets similar to the Purchased Receivables beneficially owned by the Servicer with a view to maximising recoveries; and

(h) perform those other functions which are specifically provided for in the Servicing Agreement.

Collection Accounts ..... The Servicer will:

(a) use reasonable endeavours to direct the Customers to make payments in respect of the Purchased Receivables into either the Collection Accounts or procure that such payments are collected by a Collection Agent and transferred by the Collection Agent into a Collection Account; and

(b) procure that an amount equal to all Customer Collections to which the Issuer is beneficially entitled standing to the credit of the Collection Accounts on any Business Day (less the aggregate amount of any Direct Debit Reversals occurring during the period

since the immediately preceding transfer to the Issuer Transaction Account) is transferred into the Issuer Transaction Account within two Business Days of receipt of such amounts into the relevant Collection Account and identification of such amounts.

Servicing Fees ..... Calculation of Servicing Fees

The Servicing Fee will accrue from the Cut-Off Date and will be calculated:

(a) in respect of the first Collection Period, on the first Determination Date as the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio as of the Cut-Off Date, *multiplied by* 0.30% per annum, *multiplied by* the actual number of days in such Collection Period, and *divided by* 365; and

(b) in respect of each Collection Period thereafter, monthly on each Determination Date in respect of the immediately preceding Collection Period as the product of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio, as of the first day of such Collection Period, *multiplied by* 0.30% per annum., *multiplied by* the actual number of days in such Collection Period, and *divided by* 365.

Servicer Termination Events ..... The appointment of the Servicer may be terminated upon the occurrence of any of the following events (each a "**Servicer Termination Event**"):

(a) the occurrence of an Insolvency Event in relation to the Servicer;

(b) any representation or warranty expressed to be made in this Agreement by the Servicer is or proves to have been incorrect or misleading when made where such incorrect or misleading representation or warranty has a Material Adverse Effect and is not remedied within fifteen (15) Business Days after the earlier of the Servicer becoming aware of such representation or warranty being incorrect or misleading and of receipt by the Servicer of written notice from the Issuer, acting on the instructions of the Noteholder(s) (prior to the service of an Enforcement Notice) or the Trustee (following the delivery of an Enforcement Notice), requiring the same to be remedied;

(c) default is made by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing Agreement or any other Transaction Document to which it is a party, where such default has a Material Adverse Effect in relation to the Portfolio and is not remedied within 10 Business Days after the earlier of the Servicer becoming aware of such default and of receipt by the Servicer of written notice from the Issuer, acting on the instructions of the Noteholder(s) (prior to the service of an Enforcement Notice) or the Trustee

(following the delivery of an Enforcement Notice), requiring the same to be remedied;

(d) it becomes unlawful for the Servicer to perform any of its obligations as Servicer under the Servicing Agreement;

(e) the Servicer ceasing to be an authorised person under the FSMA or the revocation of or the failure to maintain any applicable licence, registration or regulatory permission required to be held by it to perform the services under the Servicing Agreement;

(f) default is made by the Servicer in the payment on the due date of any payment due to be paid by it under the Servicing Agreement or any other Transaction Document and such failure remains unremedied for 15 Business Days after such failure;

(g) the Servicer fails to provide the Servicer Report or a SR Report on each Servicer Reporting Date and such failure remains unremedied for 30 calendar days after (i) prior to the delivery of an Enforcement Notice, the earlier of (A) the Servicer becoming aware of such default or (B) the receipt of written notice by the Servicer from the Issuer; or (ii) following the delivery of an Enforcement Notice, the Trustee requiring the default to be remedied;

(h) the Servicer or any Affiliate of the Servicer is found by a court of competent jurisdiction to have committed fraud or wilful default in carrying out, or omitting to carry out, its obligations under the Transaction Documents;

(i) any penalty, fine, sanction, order, direction or restriction which is imposed upon the Servicer by a competent court or Regulatory Authority and which would have a Material Adverse Effect in respect of the Servicer and/or the rights and interests of the Issuer or any Noteholder under the Transaction Documents; or

(j) the Servicer ceases to carry on the whole of its business of origination of unsecured personal loans or ceases to carry on the whole or substantially the whole of its servicing business as it relates to unsecured personal loans.

Following the occurrence of a Servicer Termination Event (if then continuing) the Issuer will give notice in writing to the Trustee (with a copy to the Rating Agencies) of the occurrence of a Servicer Termination Event and will (if so directed by the Trustee), or following the delivery of an Enforcement Notice, the Trustee will, by notice in writing to the Servicer (the "**Servicer Termination Notice**") specifying the date of such termination in such notice ("**Servicer Termination Date**"), terminate the appointment of the Servicer under the Servicing Agreement and the Back-Up Servicer Facilitator shall use reasonable efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable successor servicer

which meets the Servicer and LTH Replacement Conditions to be appointed by the Issuer in accordance with the terms of the Servicing Agreement *provided that* such termination will not take effect until a successor Servicer which meets the Servicer and LTH Replacement Conditions has been appointed in accordance with the provisions of a new servicing agreement and has assumed responsibility (a "**Successor Servicer**").

If a Successor Servicer has not been appointed by the Servicer Termination Date referred to in the Servicer Termination Notice, the Servicing Agreement will terminate on the date of the later appointment of the Successor Servicer. If a Successor Servicer is appointed prior to the Servicer Termination Date referred to in the relevant Servicer Termination Notice, the Servicing Agreement will terminate on the date of such appointment and the Servicer Termination Date will occur on this date.

In the absence of a Servicer Termination Event, Noteholders and Certificateholders have no right to instruct the Trustee to terminate the appointment of the Servicer (including, for the avoidance of doubt, at any time (x) following the delivery of written notice to the Servicer that an Event of Default has occurred and is continuing unremedied and unwaived, or (y) following the delivery of an Enforcement Notice).

Resignation of the Servicer ..... The Servicer may, upon giving 12 months' notice to the Issuer and the Trustee, voluntarily terminate its obligation to perform its duties as the Servicer under the Servicing Agreement in any circumstance, except that the notice period shall be 30 calendar days where the Servicer is unable to continue providing the Services due to (i) a change in law, (ii) the loss of any authorisation, licence or registration required for it to provide the Services or (iii) any other circumstance beyond its reasonable control. In all cases, such resignation shall not occur until a Successor Servicer which meets the Servicer and LTH Replacement Conditions has been appointed and the Back-Up Servicer Facilitator shall use reasonable efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable successor servicer which meets the Servicer and LTH Replacement Conditions to be appointed by the Issuer in accordance with the Servicing Agreement.

Subcontracting and Delegation..... The Servicer may appoint a third party in order to carry out any or all of its obligations under the Servicing Agreement, *provided that*:

(a) the Servicer shall use reasonable skill and care in the selection of any third party;

(b) each appointed third party has, and shall maintain, all requisite licences, approvals, authorisations and consents in England and Wales (including, without limitation, any necessary notifications under Data Protection Laws (if any) and FSMA) to enable it to fulfil its obligations under or in connection with such arrangements;

(c) save in respect of existing collections and debt management system arrangements in place as at the

Closing Date or the appointment of a Collection Agent, where the arrangements involve the custody or control of any Purchased Receivable Records (if any) relating to the Purchased Receivables for the purpose of performing any delegated Services, the third party has executed an acknowledgement in form and substance acceptable to the Issuer (or is otherwise party to an outsourcing agreement) and, following the delivery of an Enforcement Notice, the Trustee, to the effect that any such Purchased Receivable Records (if any) are and will be held to the order of the Issuer and the Trustee or such other parties as the Trustee shall direct, unless such Purchased Receivable Records (if any) are also retained by the Seller or the Servicer in duplicate;

(d) where the arrangements involve or may involve the receipt by the third party of monies belonging to the Issuer and/or the Trustee which, in accordance with the Servicing Agreement, are to be paid into a Collection Account, the third party will execute a declaration in form and substance acceptable to the Issuer and, following the delivery of an Enforcement Notice, the Trustee that any such monies held by it or to its order will be held on trust for the Issuer and will be paid forthwith into the relevant Collection Account in accordance with the terms of the Servicing Agreement and any other applicable Transaction Document unless such third party meets the definition of a Collection Agent;

(e) save in respect of existing collections and debt management system arrangements in place as at the Closing Date or the appointment of a Collection Agent, any such third party has executed a written waiver of any Security arising in connection with such delegated Services (to the extent that such Security relates to the Purchased Receivables or any amount referred to in paragraph (d) above);

(f) appointments of the third party will not result in any requirements on the Issuer to withhold on account of Taxes in respect of any amounts payable to the Issuer;

(g) Issuer and the Trustee shall have no liability to the appointed third party whatsoever in relation to any liabilities, fees, costs, claims, charges, damages or expenses suffered or incurred by said third party, which shall at all times remain the sole responsibility of the Servicer; and

(h) such appointment does not lead to any additional taxation liability of the Issuer which would not have arisen but for such subcontracting or delegation (including any VAT).

The above restrictions will not apply in respect of sub-contracting or delegation or engagement by the Servicer of (i) any receiver, solicitor, accountant, insolvency practitioner, auctioneer, debt collection agency or any other professional

adviser, in each case being a person or persons whom the Servicer would be willing to appoint in respect of its own Receivables in connection with the performance by the Servicer of any of its obligations or functions or in connection with the exercise of its powers under the Servicing Agreement, provided that the Servicer has used reasonable skill and care in the selection of the same; or (ii) any other person or persons whom a prudent servicer would engage to provide similar services on its behalf in the ordinary course of business.

Notwithstanding any such subcontracting or delegation, the Servicer shall not be released or discharged from any liability under the Servicing Agreement and shall remain responsible for the performance of all of its obligations under the Servicing Agreement, and the performance or non-performance or the manner of performance of any third party of any of the Services shall not affect the Servicer's obligations under the Servicing Agreement and any breach in the performance of the Services by such third party shall be treated as a breach of the Servicing Agreement by the Servicer.

OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES AND CERTIFICATES

FULL CAPITAL STRUCTURE OF THE NOTES AND CERTIFICATES

	Notes								**Certificates**
	Class A	**Class B**	**Class C**	**Class D**	**Class E**	**Class F**	**Class Z**	**Class X**	**Certificates**
Currency	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP
Initial Principal Amount	£338,227,000	£29,549,000	£26,140,000	£25,003,000	£15,911,000	£12,502,000	£7,274,000	£13,500,000	N/A
Note Credit Enhancement	Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class Z Notes and excess Available Revenue Receipts applied to cure the Class A Principal Deficiency Ledger	Subordination of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class Z Notes and excess Available Revenue Receipts applied to cure the Class B Principal Deficiency Ledger	Subordination of the Class D Notes, the Class E Notes, the Class F Notes and the Class Z Notes and excess Available Revenue Receipts applied to cure the Class C Principal Deficiency Ledger	Subordination of the Class E Notes, the Class F Notes and the Class Z Notes and excess Available Revenue Receipts applied to cure the Class D Principal Deficiency Ledger	Subordination of the Class F Notes and the Class Z Notes and excess Available Revenue Receipts applied to cure the Class E Principal Deficiency Ledger	Subordination of the Class Z Notes and excess Available Revenue Receipts applied to cure the Class F Principal Deficiency Ledger	Excess Available Revenue Receipts applied to cure the Class Z Principal Deficiency Ledger	Subordination in payment of the Certificates	N/A
Liquidity Support	Amounts standing to the credit of the Liquidity Reserve Fund Ledger meet any Revenue Shortfall and application of Principal Addition	Amounts standing to the credit of the Liquidity Reserve Fund Ledger to meet any Revenue Shortfall and application of Principal Addition	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	Notes								Certificates
	Class A	**Class B**	**Class C**	**Class D**	**Class E**	**Class F**	**Class Z**	**Class X**	**Certificates**
	Amounts to pay Class A Interest Amounts	Amounts to pay Class B Interest Amounts							
Issue Price	99.9292%	99.4126%	99.3366%	99.4038%	99.2514%	101.2885%	87.3469%	100.4015%	N/A
Interest Reference Rate	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	N/A	Compounded Daily SONIA	N/A
Relevant Margin/ Payment	0.84% p.a.	1.10% p.a.	1.35% p.a.	1.70% p.a.	3.00% p.a.	4.50% p.a.	N/A	4.00% p.a.	Certificate Payment
Interest Accrual Method	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	N/A	Actual/365	N/A
Interest Determination Date	The fifth Banking Day before the Interest Payment Date for which the SONIA Rate of Interest to be determined on such date will apply.								N/A
Interest Payment Dates	Interest will be payable monthly in arrears on the First Interest Payment Date and, thereafter, the 23rd day of each calendar month provided that if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day, unless such day would thereby fall into the next calendar month, in which case the Interest Payment Date shall be the immediately preceding Business Day in the same calendar month.								
Business Day Convention	Modified Following	Modified Following	Modified Following	Modified Following	Modified Following	Modified Following	Modified Following	Modified Following	Modified Following
First Interest Payment Date	The Interest Payment Date falling in November 2026	The Interest Payment Date falling in November 2026	The Interest Payment Date falling in November 2026	The Interest Payment Date falling in November 2026	The Interest Payment Date falling in November 2026	The Interest Payment Date falling in November 2026	The Interest Payment Date falling in November 2026	The Interest Payment Date falling in November 2026	The Interest Payment Date falling in November 2026
First Interest Period	The interest period commencing on the Closing Date and ending on (but excluding) the First Interest Payment Date.								
Pre-Enforcement Redemption Profile	Sequential pass through redemption. Subject to and in accordance with the Revenue Priority of Payments, if there is a shortfall in any Principal Deficiency Ledger, Available Revenue Receipts may be applied as Available Principal Receipts in order to cure such shortfall.						Sequential pass through redemption (prior to the delivery of an Enforcement Notice, from Available	Redeemed from Available Revenue Receipts in accordance with the Revenue Priority of Payments.	N/A

							Revenue Receipts).		
Post-Enforcement Redemption Profile	Sequential pass-through redemption by seniority of Notes on each Interest Payment Date to the extent of applicable proceeds from the enforcement of the Security or otherwise recovered by the Trustee subject to and in accordance with the Post-Enforcement Priority of Payments.								N/A
Clean-Up Call Option	The Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio is less than 10% of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio as at the Cut-Off Date.								N/A
Final Maturity Date	The Interest Payment Date falling in August 2034	The Interest Payment Date falling in August 2034	The Interest Payment Date falling in August 2034	The Interest Payment Date falling in August 2034	The Interest Payment Date falling in August 2034	The Interest Payment Date falling in August 2034	The Interest Payment Date falling in August 2034	The Interest Payment Date falling in August 2034	N/A
Form of the Notes or Certificates	Global, registered	Global, registered	Global, registered	Global, registered	Global, registered	Global, registered	Global, registered	Global, registered	Global, registered
Application for 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
ISIN	XS3531953100	XS3531953365	XS3531953449	XS3531953522	XS3531953795	XS3531953951	XS3531954256	XS3531954330	XS3531956384
Common Code	353195310	353195336	353195344	353195352	353195379	353195395	353195425	353195433	353195638
Clearance/Settlement	Euroclear/ Clearstream	Euroclear/ Clearstream	Euroclear/ Clearstream	Euroclear/ Clearstream	Euroclear/ Clearstream	Euroclear/ Clearstream	Euroclear/ Clearstream	Euroclear/ Clearstream	Euroclear/ Clearstream
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

Ranking ..... The Notes and Certificates will constitute direct, secured, limited recourse obligations of the Issuer.

Subject to and in accordance with the Conditions, the Certificate Conditions, the Trust Deed, the Notes and Certificates within each Class will rank *pari passu* and rateably without any preference or priority among themselves as to payments of interest and principal at all times, *provided that*:

(a) prior to delivery of an Enforcement Notice, the Issuer's obligation to make payments of interest and principal on each Class of Notes and Certificates will rank as set out in the Revenue Priority of Payments and the Principal Priority of Payments, as applicable; and

(b) on or following the delivery of an Enforcement Notice, the Issuer's obligation to make payments of interest and principal on each Class of Notes and Certificates will rank as set out in the Post-Enforcement Priority of Payments.

Form of Notes and Certificates..... The Notes and Certificates of each Class will be represented on issue by beneficial interest in one or more Global Notes or Global Certificates, as applicable, in fully registered form, The Notes and Certificates will be deposited on or about the Closing Date with and registered in the name of a nominee of a common safekeeper for Euroclear and Clearstream, Luxembourg.

Ownership interests in the Global Notes or Global Certificates, as applicable, will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear, Clearstream and their respective participants.

Security..... The Notes and Certificates are secured and will share the Security with the other Secured Obligations of the Issuer as set out in the Deed of Charge and as described in the Conditions and the Certificate Conditions. The Security granted by the Issuer includes:

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

(b) an assignment by way of security of (and, to the extent not assigned, a charge by way of first fixed charge over) the Issuer's rights, title, interest and benefit, present and future in, to and under the Purchased Receivables and their Related Collateral and other related rights comprising the Portfolio and any sums derived therefrom;

(c) a charge by way of first fixed charge over the Issuer's rights, title, interest and benefit, present and future, in

and to monies now or at any time hereafter standing to the credit of the Relevant Issuer Accounts (other than the Hedge Collateral Accounts) and each other account (if any) (including any securities accounts and any securities standing to the credit thereof) maintained with the Account Bank and all interest accruing from time to time thereon and the debt represented thereby;

(d) an assignment by way of first fixed security of (and to the extent not assigned, a charge by way of first fixed charge over) (but subject to the right of reassignment) all of its rights, title, interest and benefit, present and future, under or in respect of each and every trust constituted by the Receivables Sale Agreement and the Servicing Agreement; and

(e) a floating charge over all assets of the Issuer, including any fixed charges which may take effect as floating charges, not otherwise subject to the charges referred to above or otherwise effectively assigned by way of security.

Some of the other Secured Obligations rank senior to the Issuer's obligations under the Notes and Certificates in respect of the allocation of proceeds as set out in the Post-Enforcement Priority of Payments.

All security created in respect of the Interest Rate Hedge Agreement is made without prejudice to and after giving effect to, any payment netting, close out netting and set-off provisions in the Interest Rate Hedge Agreement.

Interest Provisions ..... Each of the Notes shall bear interest on its Principal Amount Outstanding.

Interest on the Notes is payable in arrears and by reference to an Interest Period, and shall be payable on each Interest Payment Date. Interest on the Notes for the First Interest Period shall be based on a rate determined by reference to Compounded Daily SONIA, as at 11am (London time) on the Interest Determination Date in question.

Each successive Interest Period will commence on (and include) an Interest Payment Date and end on (but exclude) the next following Interest Payment Date, except for the First Interest Period which will commence on (and include) the Closing Date and end on (but exclude) the First Interest Payment Date.

Interest on the Notes will be calculated on the basis of the actual number of days elapsed in an Interest Period and a year of 365 days (or 366 days in the case of any calendar year that is a leap year).

Interest Deferral..... Interest due and payable on the Most Senior Class of Notes will not be deferred. Interest due and payable on a Class of Notes (other than the Most Senior Class of Notes then outstanding)

may be deferred in accordance with Condition 6.3 (*Deferral of Interest*).

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

Gross-up ..... All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any Taxes (as defined in Condition 12 (*Taxes*)), unless the withholding or deduction of the Taxes is required by applicable law. In that event, subject to Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*), the Issuer or the Paying Agent (as the case may be) shall make such payments after such withholding or deduction has been made and shall account to the relevant authorities for the amount so withheld or deducted.

Neither the Issuer or the Paying Agent will be obliged to pay any additional amounts to the Noteholders as a result of any such withholding or deduction. Payments in respect of the Notes are also subject in all cases to any withholding or deduction required pursuant to FATCA (see Condition 4.5 (*Laws and regulations*)).

Redemption of the Notes ..... Principal payments on the Notes (and, where applicable, cancellation of the Certificates) may or shall, in certain circumstances, be made in the following circumstances:

(a) mandatory redemption on any Interest Payment Date from Available Principal Receipts in accordance with the Principal Priority of Payments (in respect of each Class of Notes) (see Condition 8.1 (*Mandatory Repayment*));

(b) (subject to the satisfaction or waiver of the New Issue Conditions Precedent prior to the relevant Condition being exercised) mandatory redemption in respect of the Notes in whole and cancellation of the Certificates exercisable by (or at the direction of) the Seller, as the Clean-Up Call Option Holder, or by the Majority Certificateholders, in their backstop capacity as the Clean-Up Call Option Holder during the Certificateholder Backstop Exercise Period, following exercise of the Clean-Up Call Option (see Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*));

(c) (subject to the satisfaction or waiver of the New Issue Conditions Precedent prior to the relevant Condition being exercised) mandatory redemption in respect of the Notes in whole and cancellation of the Certificates exercisable by the applicable Regulatory Call Option Holder (being the Seller in respect of a Regulatory Change Event and the Retention Holder in respect of a Risk Retention Regulatory Change Event) following exercise of the Regulatory Call Option. In respect of a Risk Retention Regulatory Change Event or a Regulatory Change Event, the relevant Regulatory

Call Option Holder shall have a period of 30 Business Days from receipt of written notification from the Issuer of the occurrence of that event within which to deliver an Exercise Notice (see Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*));

(d) (subject to the satisfaction or waiver of the New Issue Conditions Precedent prior to the relevant Condition being exercised) optional redemption in respect of the Notes in whole and cancellation of the Certificates exercisable by the Issuer upon the occurrence of the tax-related events set out in Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*);

(e) (subject to the satisfaction or waiver of the New Issue Conditions Precedent prior to the relevant Condition being exercised) optional redemption in respect of the Notes in whole and cancellation of the Certificates exercisable by the Issuer upon the occurrence of an Illegality Event (see Condition 8.4 (*Optional Redemption in whole upon the occurrence of an Illegality Event*)) (together with paragraph (d) above, the **Tax/Illegality Option**); and

(f) (subject to the satisfaction or waiver of the New Issue Conditions Precedent prior to the relevant Condition being exercised) mandatory redemption in whole, but not in part, on the Final Maturity Date (see Condition 8.5 (*Final Maturity Date*)).

Any Note redeemed pursuant to paragraphs (b) to (f) 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 up to (but excluding) the date of redemption.

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

Call Option ..... Following a Call Option Event and the receipt by the Cash Administrator of the aggregate Call Option Purchase Price in the Issuer Transaction Account, the Issuer will apply (and its obligation to so apply will be deemed to be satisfied by any application of the amounts by the Cash Administrator as contemplated by, and provided for in, the Cash Administration Agreement) the amount required to be applied in accordance with the Post-Enforcement Priority of Payments in prepayment of the Notes.

A "**Call Option Event**" for these purposes means a Clean-Up Call Event, a Regulatory Change Event or a Risk Retention Regulatory Change Event.

Clean-Up Call Option..... Pursuant to the Call Option Deed, on any Business Day following a Clean-Up Call Event, the Seller as the Clean-Up Call Option Holder may, during the Clean-Up Call Exercise Period, or the Majority Certificateholders, in their backstop capacity as the Clean-Up Call Option Holder, may during the Certificateholder Backstop Exercise Period, give an Exercise Notice to the Issuer with a copy to the Trustee, the Seller, the Cash Administrator and the Interest Rate Hedge Counterparty requiring the Issuer to sell all (but not some) of the Purchased Receivables and Related Collateral at the aggregate Call Option Purchase Price on the Call Option Redemption Date, subject to the New Issue Conditions Precedent and the Counter Notice and Acceptance Notice procedure. "**Clean-Up Call Event**" means, at any time after the Closing Date, the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio is less than 10% of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio at the Cut-Off Date.

Regulatory Call Option..... Pursuant to the Call Option Deed, on any Business Day following a Regulatory Change Event or a Risk Retention Regulatory Change Event, the applicable Regulatory Call Option Holder (being the Seller in respect of a Regulatory Change Event and the Retention Holder in respect of a Risk Retention Regulatory Change Event) may give an Exercise Notice to the Issuer with a copy to the Trustee, the Seller, the Cash Administrator and the Interest Rate Hedge Counterparty requiring the Issuer to sell all (but not some) of the Purchased Receivables and Related Collateral at the aggregate Call Option Purchase Price on the Call Option Redemption Date, subject to the Counter Notice and Acceptance Notice procedure. In respect of a Risk Retention Regulatory Change Event or a Regulatory Change Event, the relevant Regulatory Call Option Holder shall have a period of 30 Business Days from receipt of written notification from the Issuer of the occurrence of that event within which to deliver an Exercise Notice.

"**Regulatory Change Event**" means a determination by the Seller, acting in a commercially reasonable manner that as a result of either:

(a) 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 and / or prudential or capital regulations (including any regulatory guidance or regulatory directions) which regulate the capital treatment of the Seller's interest in the Purchased Receivables or any Classes of the Notes held by the Seller on the Closing Date, 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 the Seller and the UK Regulators), of any relevant regulations, which has a

material adverse effect on the position of the Seller or its accounting consolidation group in relation to: (i) past or future de-recognition of the Portfolio under IFRS 9 or deconsolidation and de-recognition of the Issuer under IFRS 10 (or any other rules, guidance or regulatory direction which the Seller relies on to achieve deconsolidation and de-recognition) or (ii) the capital treatment of the Seller's interest in the Portfolio or any Classes of Notes held by the Seller on the Closing Date; or

(b) the outcome of the initial supervisory significant risk transfer or capital relief assessment for the Transaction (as defined below), 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 Purchased Receivables over the full term of the Transaction contemplated by the Transaction Documents (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 Purchased Receivables, 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.

"**Risk Retention Regulatory Change Event**" means any change in, or the adoption of any new, law, rule or regulation or any determination of a relevant regulator as determined by the Retention Holder in its sole discretion which as a matter of law or regulation:

(a) has a binding effect on the Retention Holder after the Closing Date which would impose a positive obligation on it to subscribe for Notes or Certificates or hold further assets on its balance sheet over and above those required to be maintained by it under the Risk Retention Letter or otherwise imposes additional material obligations on the Retention Holder or the Seller in order to maintain compliance with the Risk Retention Requirements; or

(b) 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; or

(c) by virtue of the Retention Holder's obligation to comply with the Retention Undertaking, would, in respect of the Retention Holder, have an analogous effect or result to those specified in paragraphs (a) and/or (b) above.

Consideration for purchase following Call Option Event ..... The "**Call Option Purchase Price**" shall be determined as follows. In respect of a 10% Clean-Up Call Option, it shall be an amount equal to the higher of:

(a) the "**Clean-Up Call Option Base Amount**" for the 10% Clean-Up Call Option, being an amount equal to (without double-counting):

(i) the aggregate Principal Amount Outstanding of the Rated Notes and the Class Z Notes plus accrued and unpaid interest thereon as at the Call Option Redemption Date; *plus*

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

(iii) any fees, costs, amounts and expenses of the Issuer payable senior to the Certificates in the Post-Enforcement Priority of Payments as at the Call Option Redemption Date and the estimate of any fees, costs, amounts and expenses relating to the termination of the Transaction Documents and liquidation of the Issuer; *less*

(iv) any amounts standing to the credit of the Issuer Transaction Account (but disregarding any amounts standing to the credit of the Issuer Profit Ledger) as at the end of the previous calendar month; *less*

(v) any amounts standing to the credit of the Class Z Principal Deficiency Ledger; and

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

(b) the fair market value of all (but not some only) of the Purchased Receivables in the Portfolio (the "**Current Value Amount**").

The Current Value Amount, which applies only to a 10% Clean-Up Call Option, will be determined by the Seller as the fair market value of the outstanding Purchased Receivables in the Portfolio and notified to the Option Holder in accordance with the Call Option Deed. If the Majority Certificateholders (as the Clean-Up Call Option Holder) disagree with the Current Value Amount, the Majority Certificateholders (as the Clean-Up Call Option Holder) and the Seller shall use reasonable endeavours to agree it. If they cannot agree it by 5 Business Days prior to the Determination Date immediately preceding the proposed Call Option Redemption Date, they shall jointly appoint an independent third party valuer (at the joint cost of the Clean-Up Call Option Holder and the Seller) who, following consultation with the Clean-Up Call Option Holder and the Seller, shall propose an alternative Current Value Amount which shall be binding on the parties and be deemed to be the Current Value Amount.

For all other Call Options, including a Regulatory Call Option, a call option following a Risk Retention Regulatory Change Event or a call option exercised before an optional redemption for taxation or illegality reasons, the Call Option Purchase Price shall be the "**Regulatory Call Option Base Amount**" only, being an amount equal to (without double-counting):

(a) the aggregate Principal Amount Outstanding of the Notes (including the Class Z Notes) plus accrued and unpaid interest thereon as at the Call Option Redemption Date; *plus*

(b) the amount (if any) required to be paid by the Issuer to the Interest Rate Hedge Counterparty in respect of the termination of the Interest Rate Hedge Agreement as a result of the exercise of the relevant Call Option Event determined in accordance with the Interest Rate Hedge Agreement; *plus*

(c) any fees, costs, amounts and expenses of the Issuer payable senior to the Certificates in the Post-Enforcement Priority of Payments as at the Call Option Redemption Date and the estimate of any fees, costs, amounts and expenses relating to the termination of the Transaction Documents and liquidation of the Issuer; *less*

(d) any amounts standing to the credit of the Issuer Transaction Account (but disregarding any amounts standing to the credit of the Issuer Profit Ledger) as at the end of the previous calendar month; *less*

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

No Current Value Amount shall apply to any Call Option other than the Clean-Up Call Option.

Events of Default..... Each of the following events, where relevant, subject to the applicable grace period shall be treated as an "**Event of Default**" in relation to the Notes:

(a) the Issuer fails to pay any amount of interest and/or principal (where there are sufficient Available Principal Receipts in the Issuer Transaction Account to make such payment of principal on an Interest Payment Date) due in respect of the Most Senior Class, other than in respect of interest which arose prior to the relevant Class of Notes (other than Class A Notes) becoming the Most Senior Class of Notes and payment of interest has been deferred pursuant to Condition 6.3 (*Deferral of Interest*), and such failure to pay continues for a period of 10 calendar days following the due date for payment of such interest and/or principal (*provided that*, for the avoidance of doubt, a deferral of interest in respect of a Class of Notes (other than the Most Senior Class of Notes then outstanding) in accordance with Condition 6.3 (*Deferral of Interest*) shall not constitute a default in the payment of such interest); or

(b) the Issuer does not comply with any of its contractual obligations under any of the Transaction Documents and such non-compliance is, in the opinion of the Trustee, materially prejudicial to the interests of the holders of the Most Senior Class, *provided that* no Event of Default under this paragraph (b) will occur if the failure to comply is capable of remedy and is remedied within 30 calendar days of the Issuer becoming aware of the failure to comply;

(c) any representation or warranty made by the Issuer in or pursuant to any Transaction Document is incorrect when made or deemed to be made which has or is, in the opinion of the Trustee, materially prejudicial to the interests of the holders of the Most Senior Class, *provided that* no Event of Default under this paragraph (c) will occur if such failure is capable of remedy and is remedied within 30 calendar days of the Issuer becoming aware of such failure;

(d) the occurrence of an Insolvency Event in respect of the Issuer;

(e) it is or becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents; and

(f) the Issuer fails to pay any amounts of principal due under the Notes or any amounts payable (if any) in respect of the Certificates on the Final Maturity Date.

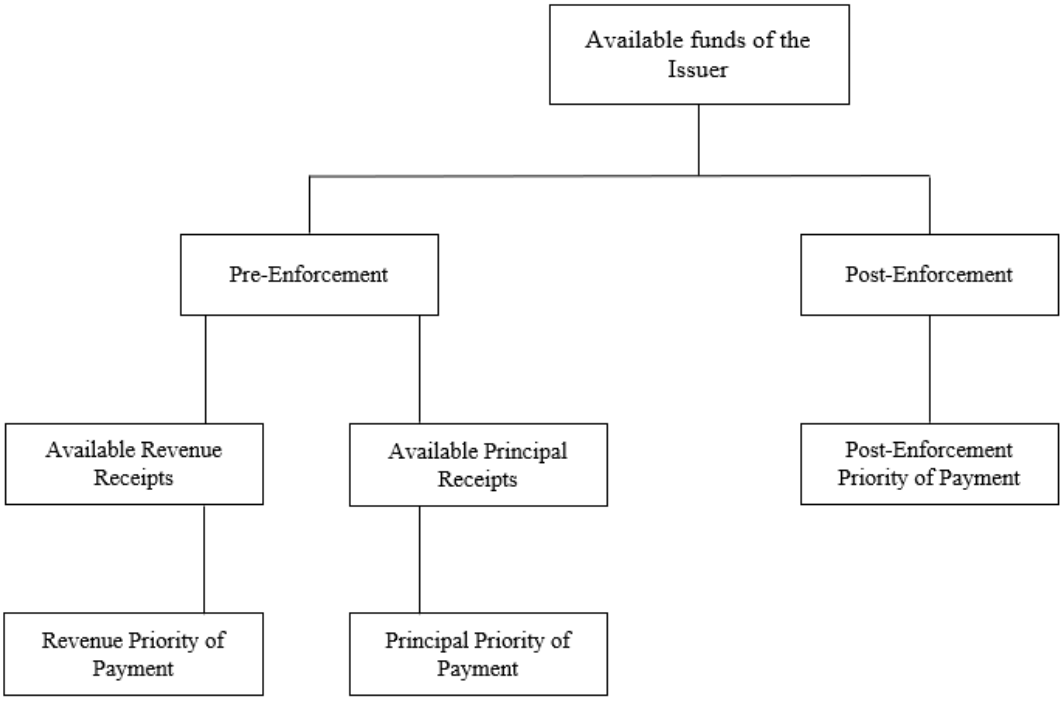
Enforcement ..... If an Event of Default occurs and is continuing, the Trustee may at its discretion, and shall: (a) if so requested in writing by the holders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class; or (b) if so directed by an Extraordinary Resolution of the Most Senior Class, (subject, in each case, to the Trustee being indemnified and/or prefunded

	and/or secured to its satisfaction), deliver an Enforcement Notice to the Issuer, with a copy to each Agent (other than the Corporate Services Provider), the Seller, the Retention Holder, the Interest Rate Hedge Counterparty and the Rating Agencies, and institute such proceedings or take any other steps as may be required in order to enforce the Security. See Condition 14 (*Enforcement*).
Listing and Admission to Trading.....	Application has been made to admit the Notes issued to the Official List and to admit the Notes to trading on the Regulated Market of the LSE.
Limited Recourse	The Notes and the Certificates are limited recourse obligations of the Issuer, and, if not repaid in full, amounts outstanding are subject to a final write-off, which is described in more detail in Condition 4.1 (*Limited recourse*) and Certificate Condition 4.1 (*Limited recourse*).
Non petition.....	As described in more detail in Condition 4.2 (*Non-petition*) and Certificate Condition 4.2 (*Non-petition*), no Noteholder or Certificateholder may proceed directly against the Issuer unless (in accordance with Condition 14.1 (*Proceedings*) and Certificate Condition 13.1 (*Proceedings*)) the Trustee, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.
Eurosystem eligibility.....	The Notes and Certificates are intended upon issue to be held in a manner which will allow the European System of Central Banks (as the term is used in the Governing Council of the European Central Bank) ("**Eurosystem**") eligibility. This means that the Notes are intended to 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, and does not necessarily mean that any of the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank (the "**ECB**") being satisfied that all Eurosystem eligibility has been met. No assurance is given that any Notes or Certificates will be eligible for any specific central bank liquidity schemes and as at the Closing Date the Notes and Certificates are not expected to be eligible securities for the purpose of the Eurosystem facilities.
ERISA Considerations.....	Each purchaser and transferee of a 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 any interest therein) will not be, and will not be acting on behalf of), (a) 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, (b) 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 (c) any person or entity whose underlying assets include "plan assets" under the U.S. Department of Labor regulation at 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset**

	Regulation"), or otherwise for the purposes of Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code by reason of such employee benefit plan's or plan's investment in the person or entity (each of paragraphs (a) to (c), 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 any 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 any 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 federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"); and (B) its acquisition, holding and disposition of such Note (or any interest therein) do not and will not constitute or result in a violation of any such Similar Law. See the section entitled "*ERISA Considerations for Investors*". Each purchaser and transferee of a 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 any 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 any 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 interest therein) by virtue of its interest and thereby subject the Issuer (or any other persons responsible for the investment and operation of the Issuer's assets) to any Similar Law; and (B) its acquisition, holding and disposition of such Note (or any interest therein) do not and will not constitute or result in a violation of any such Similar Law. See the section entitled "*ERISA Considerations for Investors*".
Governing Law.....	English law.

OVERVIEW OF CREDIT STRUCTURE AND CASHFLOW

Please refer to the sections entitled "*Key Structural Features*" and "*Cashflows and Cash Management*" for further detail in respect of the credit structure and cashflows of the Transaction.



Available Funds of the Issuer ..... The Issuer expects to have Available Revenue Receipts and Available Principal Receipts for the purposes of making interest and principal payments under the Notes and payments in respect of the Certificates and other payments due under the other Transaction Documents.

Available Revenue Receipts ..... On any Interest Payment Date, the following amounts, each calculated as of the immediately preceding Determination Date received by or held by the Issuer during the immediately preceding Collection Period (without double counting):

(a) all Revenue Receipts received by the Issuer;

(b) interest payable to the Issuer on the Issuer Transaction Account and any Further Account (if any);

(c) any amounts standing to the credit of the Liquidity Reserve Fund Ledger to the extent necessary after applying all other Available Revenue Receipts (other than Principal Addition Amounts referred to in item (f) below) to reduce any Senior Interest Deficiency then outstanding to zero on such Interest Payment Date;

(d) any amounts received by the Issuer pursuant to the Interest Rate Hedge Agreement (other than Hedge Excluded Receivable Amounts);

(e) any Reconciliation Amounts deemed to be Available Revenue Receipts;

(f) any Principal Addition Amounts to be applied as Available Revenue Receipts (after all amounts in relation to item (c) above have been exhausted) in accordance with item (a) of the Principal Priority of Payments to meet any Revenue Shortfall;

(g) excess Available Principal Receipts to be applied as Available Revenue Receipts pursuant to item (d) of the Principal Priority of Payments; and

(h) any other net income of the Issuer received, excluding any Available Principal Receipts; less

(i) Third Party Amounts.

Available Principal Receipts ..... On any Interest Payment Date, the following amounts, each calculated as of the immediately preceding Determination Date received by or held by the Issuer during the immediately preceding Collection Period (without double counting):

(a) all Principal Receipts received by the Issuer in respect of the Purchased Receivables;

(b) the amounts (if any) to be recorded as a credit against the Principal Deficiency Ledger pursuant to the relevant Priority of Payments on such Interest Payment Date;

(c) any Reconciliation Amounts deemed to be Available Principal Receipts;

(d) all amounts standing to the credit of the Liquidity Reserve Fund Ledger in excess of the Liquidity Reserve Required Amount on such Interest Payment Date;

(e) following the service of an Enforcement Notice, all amounts standing to the credit of the Liquidity Reserve Fund;

(f) all other principal amounts standing to the credit of the Principal Ledger on the Issuer Account including any Available Principal Receipts previously credited to the Principal Ledger on an Interest Payment Date in accordance with the applicable Principal Priority of Payments; and

(g) on the First Interest Payment Date only, any over issuance proceeds from the issuance of the Notes.

Revenue Priority of Payments ..... In advance of the application of Available Principal Receipts in accordance with the Principal Priority of Payments, on each Interest Payment Date, all Available Revenue Receipts shall be paid (including, if payable, any VAT thereon) in the following order of priority (the "**Revenue Priority of Payments**") (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) *first*, to the payment of, pari passu and pro rata, according to the respective amounts thereof, (i) the

Senior Expenses then due and payable by the Issuer in the priority set out in the definition of Senior Expenses and (ii) to the extent not satisfied on the Closing Date, any Transaction Costs;

(b) *second*, to the payment of the Issuer Profit Amount (which may be used by the Issuer to pay or discharge any liability of the Issuer for corporation tax thereon);

(c) *third*, in or towards satisfaction of any amounts due and payable to the Interest Rate Hedge Counterparty under the Interest Rate Hedge Agreement, other than Hedge Subordinated Amounts and Hedge Excluded Payable Amounts;

(d) *fourth*, to the payment on a *pro rata* and *pari passu* basis to each Class A Noteholder their respective Class A Interest Amount;

(e) *fifth*, to credit the Class A Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(f) *sixth*, to the payment on a *pro rata* and *pari passu* basis to each Class B Noteholder their respective Class B Interest Amount;

(g) *seventh,* to credit the Liquidity Reserve Fund Ledger so that the positive balance thereon is equal to the Liquidity Reserve Required Amount;

(h) *eighth*, to credit the Class B Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(i) *ninth*, to the payment on a *pro rata* and *pari passu* basis to each Class C Noteholder their respective Class C Interest Amount;

(j) *tenth*, to credit the Class C Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(k) *eleventh*, to the payment on a *pro rata* and *pari passu* basis to each Class D Noteholder their respective Class D Interest Amount;

(l) *twelfth*, to credit the Class D Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(m) *thirteenth*, to the payment on a *pro rata* and *pari passu* basis to each Class E Noteholder their respective Class E Interest Amount;

(n) *fourteenth*, to credit the Class E Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(o) *fifteenth*, to the payment on a *pro rata* and *pari passu* basis to each Class F Noteholder their respective Class F Interest Amount;

(p) *sixteenth*, to credit the Class F Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(q) *seventeenth*, to credit the Class Z Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(r) *eighteenth,* to the payment on a pro rata and pari passu basis to each Class X Noteholder their respective Class X Interest Amount*;*

(s) *nineteenth*, to the redemption of the Class X Notes, *pro rata* and *pari passu* until the Class X Notes are redeemed in full;

(t) *twentieth*, in or towards payment by the Issuer to the Interest Rate Hedge Counterparty of any Hedge Subordinated Amounts then due and payable by the Issuer to the Interest Rate Hedge Counterparty (other than Hedge Excluded Payable Amounts); and

(u) *twenty-first*, the remainder, to the payment on a *pro rata* and *pari* passu basis of the Certificate Payment due on the Certificate.

Principal Priority of Payments..... Following the application of Available Revenue Receipts in accordance with the Revenue Priority of Payments, on each Interest Payment Date, all Available Principal Receipts shall be paid (including, if payable, any VAT thereon) in the following order of priority (the "**Principal Priority of Payments**") (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) *first*, if following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts there is a Revenue Shortfall, any Principal Addition Amounts to be applied as Available Revenue Receipts in accordance with the Revenue Priority of Payments to

the extent necessary to pay any such Revenue Shortfall in full;

(b) *second*, if the Pro-Rata Payment Conditions are satisfied, to the redemption 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 Z Notes, *pro rata* and *pari passu*, in an amount equal to the lesser of:

(i) the Principal Amount Outstanding of such Class of Notes (prior to the application of Available Principal Receipts on such Interest Payment Date); and

(ii) the Pro-Rata Principal Payment Amount for such Class of Notes on such Interest Payment Date,

until each such Class of Notes is redeemed in full;

(c) *third*, if the Pro-Rata Payment Conditions are not satisfied:

(i) *first*, to the redemption of the Class A Notes, *pro rata* and *pari passu* until the Class A Notes are redeemed in full;

(ii) *second*, to the redemption of the Class B Notes, *pro rata* and *pari passu* until the Class B Notes are redeemed in full;

(iii) *third*, to the redemption of the Class C Notes, *pro rata* and *pari passu* until the Class C Notes are redeemed in full;

(iv) *fourth*, to the redemption of the Class D Notes, *pro rata* and *pari passu* until the Class D Notes are redeemed in full;

(v) *fifth*, to the redemption of the Class E Notes, *pro rata* and *pari passu* until the Class E Notes are redeemed in full;

(vi) *sixth*, to the redemption of the Class F Notes, *pro rata* and *pari passu* until the Class F Notes are redeemed in full; and

(vii) *seventh*, to the redemption of the Class Z Notes, *pro rata* and *pari passu* until the Class Z Notes are redeemed in full; and

(d) *fourth*, the remainder, to form part of Available Revenue Receipts.

Post-Enforcement Priority of Payments ..... On each Interest Payment Date (or on such other date as the Trustee instructs in writing in accordance with the Transaction Documents) on or following the delivery of an Enforcement Notice or on a Call Option Redemption Date, the Cash Administrator shall cause all amounts standing to the credit of

the Issuer Transaction Account and all proceeds (other than Hedge Excluded Receivable Amounts and any amount standing to the credit of the Issuer Profit Ledger (which shall be applied by the Issuer in or towards satisfaction of any liability of the Issuer for corporation tax of the Issuer)) from the enforcement of the Security or otherwise recovered by the Trustee (which shall be held by the Trustee on trust) to be applied in payment, in the amounts required (including, if payable, any VAT thereon) in the following order of priority (the "**Post-Enforcement Priority of Payments**") (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) *first*, to the payment of the Senior Expenses then due and payable by the Issuer in the priority set out in the definition of Senior Expenses;

(b) *second,* to the payment of the Issuer Profit Amount;

(c) *third,* in or towards satisfaction of any amounts due and payable to the Interest Rate Hedge Counterparty under the Interest Rate Hedge Agreement, other than Hedge Subordinated Amounts and Hedge Excluded Payable Amounts;

(d) *fourth*, to the payment on a *pro rata* and *pari passu* basis to each Class A Noteholder their respective Class A Interest Amount;

(e) *fifth*, to the redemption of the Class A Notes, *pro rata* and *pari passu* until the Class A Notes are redeemed in full;

(f) *sixth,* to the payment on a *pro rata* and *pari passu* basis to each Class B Noteholder their respective Class B Interest Amount;

(g) *seventh*, to the redemption of the Class B Notes, *pro rata* and *pari passu* until the Class B Notes are redeemed in full;

(h) *eighth,* to the payment on a *pro rata* and *pari passu* basis to each Class C Noteholder their respective Class C Interest Amount;

(i) *ninth*, to the redemption of the Class C Notes, *pro rata* and *pari passu* until the Class C Notes are redeemed in full;

(j) *tenth,* to the payment on a *pro rata* and *pari passu* basis to each Class D Noteholder their respective Class D Interest Amount;

(k) *eleventh*, to the redemption of the Class D Notes, *pro rata* and *pari passu* until the Class D Notes are redeemed in full;

(l) *twelfth,* to the payment on a *pro rata* and *pari passu* basis to each Class E Noteholder their respective Class E Interest Amount;

(m) *thirteenth*, to the redemption of the Class E Notes, *pro rata* and *pari passu* until the Class E Notes are redeemed in full;

(n) *fourteenth,* to the payment on a *pro rata* and *pari passu* basis to each Class F Noteholder their respective Class F Interest Amount;

(o) *fifteenth*, to the redemption of the Class F Notes, *pro rata* and *pari passu* until the Class F Notes are redeemed in full;

(p) *sixteenth*, to the redemption of the Class Z Notes, *pro rata* and *pari passu* until the Class Z Notes are redeemed in full;

(q) *seventeenth*, to the payment on a *pro rata* and *pari passu* basis to each Class X Noteholder their respective Class X Interest Amount;

(r) *eighteenth*, to the redemption of the Class X Notes, *pro rata* and *pari passu* until the Class X Notes are redeemed in full;

(s) *nineteenth,* in or towards payment by the Issuer to the Interest Rate Hedge Counterparty of any Hedge Subordinated Amounts then due and payable by the Issuer to the Interest Rate Hedge Counterparty (other than Hedge Excluded Amounts);

(t) *twentieth,* any corporation tax of the Issuer not otherwise able to be paid from amounts standing to the credit of the Issuer Profit Ledger and

(u) *twenty-first*, the remainder, to the payment on a *pro rata* and *pari passu* basis of the Certificate Payment due on the Certificate.

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

(a) Credit Support:

(i) repayments of principal in respect of junior Classes of Notes will be subordinated to repayment of principal in respect of more senior Classes of Notes, thereby ensuring that available funds are applied to repayment of principal in respect of the Most Senior Class of Notes in priority to repayment of principal in respect of more junior Classes of Notes;

(ii) Principal Deficiency Ledgers will be established for each Class of Notes (other than the Class X Notes) to record the Losses and Principal Addition Amounts

corresponding to each Class of Notes (other than the Class X Notes) in reverse sequential order;

(iii) Available Revenue Receipts will be applied in accordance with the relevant Priority of Payments to make up the relevant Principal Deficiency Ledger;

(b) Liquidity Support:

(i) in respect of the Class A Notes and the Class B Notes only, availability of the Liquidity Reserve Fund, which will initially be funded on the Closing Date in an amount equal to the Liquidity Reserve Required Amount and will, prior to the delivery of an Enforcement Notice, be replenished from and to the extent of Available Revenue Receipts (subject to the Revenue Priority of Payments) up to the Liquidity Reserve Required Amount;

(ii) if, on any Interest Payment Date, as a result of shortfalls in Available Revenue Receipts relative to interest due on the Class A Notes and the Class B Notes and amounts ranking in priority to the payment of interest on the Class A Notes, there is a Senior Interest Deficiency, then the Issuer may apply amounts credited to the Liquidity Reserve Fund Ledger as Available Revenue Receipts to cover such Senior Interest Deficiency;

(iii) the subordination in payment of those Classes of Notes and Certificates ranking junior in the Priority of Payments;

(iv) if following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts, there is a Revenue Shortfall, then the Issuer may apply amounts otherwise constituting Available Principal Receipts as Available Revenue Receipts to cover such Revenue Shortfall; and

(c) Hedging:

(i) an interest rate swap provided by the Interest Rate Hedge Counterparty in order to hedge against the possible variance between the fixed rate of interest received by the Issuer on the Purchased Receivables and the SONIA-based interest payable in respect of the Rated Notes.

Application of Principal Addition Amounts to pay Revenue Shortfall ..... Prior to the delivery of an Enforcement Notice, if on any Interest Payment Date following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts, there is a Revenue Shortfall, then

Principal Addition Amounts shall be applied on such Interest Payment Date to make payments under the Revenue Priority of Payments in an amount equal to any Revenue Shortfall.

If Principal Addition Amounts are applied to pay or provide for a Revenue Shortfall on any Interest Payment Date, the Issuer (or the Cash Administrator on its behalf) will make a corresponding entry in the relevant Principal Deficiency Ledger (see further the section entitled "*Credit Enhancement and Liquidity Support – Credit Support for the Notes and the Certificates provided by Available Revenue Receipts – Key Structural Features – Use of Available Principal Receipts to fund a Revenue Shortfall*").

For these purposes, "**Revenue Shortfall**" means, on any Interest Payment Date, the amount by which Available Revenue Receipts and amounts credited to the Liquidity Reserve Fund available for such purpose are insufficient to pay items (a) to (d) of the Revenue Priority of Payments and: (a) prior to the redemption in full of the Class A Notes and the Class B Notes, items (d) and (f) of the Revenue Priority of Payments; and (b) where the Most Senior Class of Notes then outstanding is the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, the Interest Amount payable in respect of that Class under item (i), (k), (m) or (o), respectively, of the Revenue Priority of Payments.

Principal Deficiency Ledgers ..... A Principal Deficiency Ledger will be established for each Class of Notes to record Losses arising in the immediately preceding Collection Period in respect of the Purchased Receivables and any Principal Addition Amounts.

The application of Losses in respect of the Purchased Receivables to the Notes and any Principal Addition Amounts will be recorded as a debit on the Principal Deficiency Ledger for the relevant Class of Notes in reverse sequential order as follows:

(a) *first*, to the Class Z Principal Deficiency Ledger up to a maximum of the Class Z Principal Deficiency Limit;

(b) *second*, to the Class F Principal Deficiency Ledger up to a maximum of the Class F Principal Deficiency Limit;

(c) *third*, to the Class E Principal Deficiency Ledger up to a maximum of the Class E Principal Deficiency Limit;

(d) *fourth,* to the Class D Principal Deficiency Ledger up to a maximum of the Class D Principal Deficiency Limit;

(e) *fifth*, to the Class C Principal Deficiency Ledger up to a maximum of the Class C Principal Deficiency Limit;

(f) *sixth*, to the Class B Principal Deficiency Ledger up to a maximum of the Class B Principal Deficiency Limit; and

(g) *seventh*, to the Class A Principal Deficiency Ledger up to a maximum of the Class A Principal Deficiency Limit.

"**Losses**" for these purposes means the aggregate of (without double counting) the Outstanding Receivables Balance of any Purchased Receivable that becomes a Defaulted Receivable at the time it first becomes a Defaulted Receivable.

"**Principal Addition Amounts**" means any Available Principal Receipts applied as Available Revenue Receipts in accordance with item (a) of the Principal Priority of Payments to meet any Revenue Shortfall.

Bank Accounts and Cash Management ..... Customer Collections are either (i) collected by a Collection Agent and transferred by the Collection Agent into a Collection Account or (ii) received into the Interim Collection Account directly and the Initial Collection Account, with amounts received into the Initial Collection Account regularly swept to the Interim Collection Account, both such accounts are held in the name of the Legal Title Holder. All Customer Collections to which the Issuer is beneficially entitled standing to the credit of a Collection Account on any Business Day (less the aggregate amount of any Direct Debit Reversals occurring during the period since the immediately preceding transfer to the Issuer Transaction Account) are transferred into the Issuer Transaction Account within two Business Days of receipt into the relevant Collection Account and identification of such amounts. The Legal Title Holder has declared a trust over the Customer Collections received in favour of the Issuer. Where the Collection Agent collects Customer Collections, such monies are held by the Collection Agent in accordance with Regulation 23 (Safeguarding requirements) of the Payment Services Regulations 2017.

Overview of key Interest Rate Hedge Agreement terms ..... The Swap Transaction has the following key commercial terms:

Notional schedule:

Interest Payment Date	Notional Balance	Fixed Rate
Closing	519,397,101.64	4.25%
23/11/2026	494,007,433.24	4.25%
23/12/2026	469,541,691.26	4.25%
23/01/2027	445,969,237.81	4.25%
23/02/2027	423,305,860.43	4.25%
23/03/2027	401,582,255.26	4.25%
23/04/2027	380,754,084.44	4.25%
23/05/2027	360,818,915.08	4.25%
23/06/2027	341,730,052.57	4.25%
23/07/2027	323,500,848.96	4.25%
23/08/2027	306,034,882.74	4.25%
23/09/2027	289,256,663.30	4.25%
23/10/2027	273,124,478.99	4.25%
23/11/2027	257,619,315.54	4.25%
23/12/2027	242,723,813.12	4.25%
23/01/2028	228,423,424.21	4.25%
23/02/2028	214,778,705.30	4.25%
23/03/2028	201,820,005.87	4.25%
23/04/2028	189,530,397.38	4.25%

23/05/2028	177,894,727.56	4.25%
23/06/2028	166,877,791.06	4.25%
23/07/2028	156,499,025.50	4.25%
23/08/2028	146,644,028.15	4.25%
23/09/2028	137,210,276.61	4.25%
23/10/2028	128,157,698.36	4.25%
23/11/2028	119,474,634.62	4.25%
23/12/2028	111,147,310.81	4.25%
23/01/2029	103,168,067.79	4.25%
23/02/2029	95,602,194.87	4.25%
23/03/2029	88,475,475.86	4.25%
23/04/2029	81,768,692.83	4.25%
23/05/2029	75,465,973.32	4.25%
23/06/2029	69,541,148.72	4.25%
23/07/2029	64,005,429.40	4.25%
23/08/2029	58,778,044.58	4.25%
23/09/2029	53,781,883.88	4.25%
23/10/2029	48,993,560.62	4.25%
23/11/2029	44,407,434.52	4.25%
23/12/2029	40,013,976.12	4.25%
23/01/2030	35,809,240.69	4.25%
23/02/2030	31,917,424.19	4.25%
23/03/2030	28,414,802.88	4.25%
23/04/2030	25,285,017.46	4.25%
23/05/2030	22,534,662.64	4.25%
23/06/2030	20,146,085.32	4.25%
23/07/2030	18,148,507.03	4.25%
23/08/2030	16,377,662.24	4.25%
23/09/2030	14,709,569.34	4.25%
23/10/2030	13,115,522.64	4.25%
23/11/2030	11,592,442.27	4.25%
23/12/2030	10,137,271.74	4.25%
23/01/2031	8,748,839.19	4.25%
23/02/2031	7,504,333.13	4.25%
23/03/2031	6,433,943.91	4.25%
23/04/2031	5,531,804.83	4.25%
23/05/2031	4,802,372.51	4.25%
23/06/2031	4,224,961.49	4.25%
23/07/2031	3,811,484.22	4.25%
23/08/2031	3,484,714.51	4.25%
23/09/2031	3,187,049.18	4.25%
23/10/2031	2,902,360.34	4.25%
23/11/2031	2,630,244.37	4.25%
23/12/2031	2,370,161.24	4.25%
23/01/2032	2,121,674.12	4.25%
23/02/2032	1,890,698.87	4.25%
23/03/2032	1,678,757.22	4.25%
23/04/2032	1,483,869.20	4.25%
23/05/2032	1,307,121.76	4.25%
23/06/2032	1,145,986.35	4.25%
23/07/2032	1,001,087.26	4.25%
23/08/2032	868,458.77	4.25%
23/09/2032	742,929.57	4.25%
23/10/2032	623,186.32	4.25%
23/11/2032	508,995.97	4.25%
23/12/2032	400,245.84	4.25%
23/01/2033	296,684.29	4.25%
23/02/2033	206,265.58	4.25%
23/03/2033	133,781.48	4.25%
23/04/2033	77,294.85	4.25%

23/05/2033	37,018.87	4.25%
23/06/2033	11,435.18	4.25%
23/07/2033	1,991.81	4.25%
23/08/2033	-	4.25%

Issuer payments under the Swap Transaction: Periodic Sterling amounts calculated by reference to an agreed fixed rate multiplied by the relevant day count fraction and notional amount in respect of such period.

Interest Rate Hedge Counterparty payments under the Swap Transaction: Periodic Sterling amounts calculated by reference to a compounded SONIA-based rate multiplied by the relevant day count fraction and notional amount in respect of such period.

Business Day Convention: Modified Following

OVERVIEW OF RIGHTS OF NOTEHOLDERS AND CERTIFICATEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS

Please refer to the sections entitled "Description of the Notes in Global Form", "Description of the Global Certificates", "Terms and Conditions of the Certificates" and "Terms and Conditions of the Notes" for further details in respect of the rights of Noteholders, Certificateholders, conditions for exercising such rights and relationship with other Secured Creditors.

Convening a Meeting: ..... Noteholders or Certificateholders holding not less than 10% of the Principal Amount Outstanding of a particular Class of Notes and/or Certificates may, by written request, require the Issuer and/or Trustee to convene a meeting of Noteholders and/or Certificateholders, subject to (i) certain conditions including minimum notice periods and (ii) the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which may be incurred by it in connection therewith, and all Noteholders and/or Certificateholders are entitled to attend and speak at such meeting.

Following an Event of Default: ..... If an Event of Default occurs and is continuing, the Trustee may at its discretion, and shall:

(a) if so requested in writing by the holders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class; or

(b) if so directed by an Extraordinary Resolution of the Most Senior Class,

(subject in each case to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction) deliver an Enforcement Notice to the Issuer, with a copy to each Agent (other than the Corporate Services Provider), the Seller, the Retention Holder, the Interest Rate Hedge Counterparty and the Rating Agencies, and institute such proceedings and take any other steps as may be required in order to enforce the Security.

Following receipt of such Enforcement Notice, the Issuer shall give notice, or shall procure that such notice is given, to all Noteholders without undue delay in compliance with Condition 10 (*Notifications*).

Upon the delivery of an Enforcement Notice, the Notes of each Class shall become immediately due and payable, without further action or formality, at their Principal Amount Outstanding together with any accrued (and unpaid) interest.

Noteholders' and/or Certificateholders' Meeting Provisions: .....

	Any meeting other than a meeting adjourned for want of quorum	**Meeting previously adjourned for want of quorum**
Notice Period:	At least 21 clear days' notice and no more than 90 clear days' notice.	No less than 10 clear days' notice and no more than 42 clear days' notice of a meeting adjourned through want of quorum.

Location	A venue in the United Kingdom as notified to Noteholders and/or Certificateholders (as applicable)	A venue in the United Kingdom as notified to Noteholders and/or Certificateholders (as applicable)
Quorum:	Subject to the more detailed provisions of the Trust Deed:	Subject to the more detailed provisions of the Trust Deed:
	One or more persons holding or representing more than 25% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates, other than in respect of an Extraordinary Resolution.	For an Ordinary Resolution one or more persons holding or representing more than 10% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates.
	An Extraordinary Resolution requires one or more persons holding or representing not less than 50% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates other than in respect of a Basic Terms Modification which requires one or more persons holding or representing not less than 75% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates.	For an Extraordinary Resolution (other than in respect of a Basic Terms Modification or an Ordinary Resolution) one or more persons holding or representing more than 25% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates. For a Basic Terms Modification, one or more persons holding or representing more than 50% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates.
Required majority for Resolutions:	In respect of an Ordinary Resolution, a simple majority of votes cast and in respect of an Extraordinary Resolution, not less than 75% of votes cast.	

Written Resolution:	Not less than 75%, in aggregate of the Principal Amount Outstanding of the relevant Class or Classes of Notes and/or Certificates then outstanding or in issue, as applicable,. A written resolution has the same effect as an Extraordinary Resolution.
Electronic Resolution:	Not less than 75%, in aggregate of the Principal Amount Outstanding of the relevant Class or Classes of Notes and/or Certificates then outstanding or in issue, as applicable.

Relationship between Classes of Noteholders and Certificateholders: .....

Subject to the provisions governing a Basic Terms Modification and the Retained Interest Entrenched Rights, an Extraordinary Resolution of a relevant Class of Notes or Certificates shall be binding on all other Classes of Notes or Certificates which are subordinate to such Class of Notes or Certificates in the Revenue Priority of Payments, irrespective of the effect upon them. No Extraordinary Resolution of any other Class of Noteholders or of any Class of Certificateholders 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 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 the affected Class of Notes and/or Certificates then outstanding or in issue, as applicable.

Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document, 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 otherwise affects (i) a Retained Interest Entrenched Right, or (ii) an Interest Rate Hedge Counterparty Entrenched Right, unless the Retention Holder or Interest Rate Hedge Counterparty (as applicable) has confirmed in writing to the Trustee that it consents to such modification or waiver provided that for the avoidance of doubt it shall be the Issuer's responsibility to request such confirmation in writing.

Relationship between Noteholders and/or Certificateholders and other Secured Creditors: .....

So long as any of the Notes and/or Certificates of any Class remains Outstanding, the Trustee shall (unless expressly provided otherwise) have no regard to the interests of any other Secured Creditor and no Secured Creditor shall have any claim against the Trustee for so doing.

Principal Amount Outstanding of the Certificates .....

The Certificates will not have a Principal Amount Outstanding. However, for the purposes of the voting and quorum provisions set out in the Conditions, the Certificate Conditions and the Trust Deed, any reference to the Certificates shall each be deemed to be a reference at all times to £100,000 (and where there is more than one holder of Certificates, any reference to the Principal Amount Outstanding of the Certificates held by that person shall be a reference to their pro rata proportion of such amount).

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) a breach of the Seller Asset Warranties given by the Seller pursuant to the Receivables 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 (provided such Successor Servicer meets the Servicer and LTH Replacement Conditions).

Modifications: ..... The Trustee may (in relation to sub-paragraphs (a) and (b)) and shall (in relation to sub-paragraphs (c) to (e)) be obliged, at any time and from time to time, but without the consent or sanction of the Noteholders, the Certificateholders or any other Secured Creditors (subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified) agree with the Issuer and any other parties in making or sanctioning any modification:

(a) to the Trust Deed, the Conditions, the Certificate Conditions or any other Transaction Document (other than (i) in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right or (ii) a modification in relation to the Call Option Deed unless the Seller, Retention Holder and Majority Certificateholders have provided their consent in writing), save where the holder of such right has provided their consent in writing), which in the opinion of the Trustee will not be materially prejudicial to the interests of the holders of the Most Senior Class then Outstanding;

(b) to the Trust Deed, the Conditions, the Certificate Conditions or any other Transaction Document (including a Basic Terms Modification) which, in the opinion of the Trustee, is to correct a manifest error or is of a formal, minor or technical nature; or

(c) that (other than (i) in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right, save where the holder of such right has provided their consent in writing or (ii) a modification in relation to the Call Option Deed unless the Seller, Retention Holder and Majority Certificateholders have provided their consent in writing) would result in the Issuer entering into any new and/or amended bank account agreement or collection account agreement or declaration of trust (including where the unsecured, unsubordinated and unguaranteed debt obligations of the Account Bank or a 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 in order to enable Hedge Collateral to be posted); or

(d) that (other than in respect of a Basic Terms Modification or a Retained Interest Entrenched Right, save where the holder of such right has provided their consent in writing) 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; 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 Hedge 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),

provided that any such modification shall be notified by or on behalf of the Issuer as soon as reasonably practicable to, so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency and provided that in the case of amendments pursuant to any of paragraphs (c) to (e) above, that the Trustee shall not 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 Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the protections, of the Trustee, Agent Bank, the Registrar, the Principal Paying Agent, the Account Bank and/or the Cash Administrator under the Transaction Documents and/or the Conditions and/or the Certificate Conditions.

Subject to Condition 15.4 (*Additional Right of Modification*) and Certificate Condition 14 (*Meetings of Noteholders and Certificateholders, Modification, Waiver and Substitution*), the Trustee shall be obliged, without any consent or sanction of the Noteholders and/or Certificateholders, or (subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified) any of the other Secured Creditors, to concur with the Issuer in making any modification (other than in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right) to the Trust Deed, the Conditions, the Certificate Conditions or any other Transaction Document to which it is a party or in relation to which it holds security or enter into any new, supplemental or additional documents that the Issuer (acting in its own discretion or at the direction of any transaction party) certifies to the Trustee (upon which certificate the Trustee shall rely absolutely and without enquiry or liability) as being necessary

for the purpose of the Issuer (or, where applicable, any other transaction parties):

(a) complying with, implementing or reflecting any changes in the requirements of the UK Securitisation Framework including as a result of the adoption of regulatory technical standards in relation to the UK Securitisation Framework or any other risk retention legislation or regulations or official guidance in relation thereto;

(b) complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time;

(c) in order to enable the Issuer and/or the Interest Rate Hedge Counterparty to comply (or continue to comply) with their respective obligations under EU EMIR or UK EMIR;

(d) enabling the Notes to be (or to remain) listed on the LSE;

(e) enable the Issuer or any of the other transaction parties to comply with FATCA;

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

(g) the screen rate or the base rate that then applies in respect of the Notes, as further detailed in Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*); and

(h) in the case of any modification to a Transaction Document proposed by any of the Cash Administrator, the Seller, the Servicer, the Account Bank, any Custodian, and/or the Interest Rate Hedge Counterparty (for the purposes of this paragraph (h) only, each a **Relevant Party**) in order (x) to enable the Relevant Party to be eligible or to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds),

provided that (amongst other things and save in the case of paragraph (c) above):

(i) at least 30 calendar days' prior written notice of any such proposed modification; has been given to the Trustee;

(ii) the certificate to be provided by the relevant Transaction Party, pursuant to paragraphs (a) to (h)

above in relation to such modification shall be provided to the Trustee both at the time the Trustee is notified of the proposed modification and on the date that such modification takes effect;

(iii) the Trustee is satisfied that it has or has been or will be reimbursed for all costs, fees and expenses (including properly incurred legal fees) incurred by it in connection with such modification;

(iv) the Issuer either (A) obtains from each of the Rating Agencies written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency or (y) such Rating Agency placing the Rated Notes on rating watch negative (or equivalent) or (B) certifies that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency or (y) such Rating Agency placing the Rated Notes on rating watch negative (or equivalent); and

(v) the Issuer certifies in writing to the Trustee that (A) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class and the Certificateholders of the proposed modification in accordance with Condition 10 (*Notifications*) and Certificate Condition 9 (*Notifications*) and by publication on Bloomberg on the "Company News" screen relating to the Notes and (B) the Trustee has not been contacted in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) by Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding within such notification period notifying the Trustee that such Noteholders or Certificateholders do not consent to the modification.

Basic Terms Modifications: ..... Each of the following shall constitute a Basic Terms Modification and be required to be passed by an Extraordinary Resolution of each affected Class or Classes of Noteholders and/or Certificateholders (subject to the Retained Interest Entrenched Rights and Interest Rate Hedge Counterparty Entrenched Rights):

(a) the exchange or substitution for the Notes and/or Certificates of a Class, or the conversion of the Notes and/or Certificates of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity;

(b) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes and/or Certificates of a Class at maturity or otherwise (including the circumstances

in which the maturity of such Notes and/or Certificates may be accelerated) other than any Benchmark Rate Modification;

(c) the modification of any of the provisions of the Trust Deed, the Conditions or the Certificate Conditions which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note and/or Certificates;

(d) the adjustment of the outstanding Principal Amount Outstanding of a Class of Notes;

(e) a change in the currency of payment of the Notes and/or Certificates of a Class;

(f) any change in the Priority of Payments or of any payment items in the Priority of Payments which, in each case, is materially prejudicial to the Noteholders and/or Certificateholders;

(g) the modification of the provisions concerning the quorum required at any meeting of Noteholders and/or Certificateholders or the minimum percentage required to pass a Resolution or any other provision of the Trust Deed, the Conditions or the Certificate Conditions which requires the written consent of the holders of a requisite Principal Amount Outstanding of the Notes and/or Certificates of any Class Outstanding;

(h) any modification of any Transaction Document having a material adverse effect on the security over the Charged Property constituted by or pursuant to the Deed of Charge;

(i) any item requiring approval by Extraordinary Resolution pursuant to the Conditions, the Certificate Conditions or any Transaction Document; and

(j) any modification that amends or has the effect of amending the definition of "**Basic Terms Modification**".

Retained Interest Entrenched Rights: ..... Notwithstanding any other provision of the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document, 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 may (i) sanction a modification or waiver of any rights or obligations arising under the Call Option Deed; (ii) authorise or sanction any modification or waiver to the definition of Retained Interest Entrenched Rights; and (iii) sanction any modification or waiver in respect of the Regulatory Call Option or the Clean-up Call Option or the Tax/Illegality Option (including, without limitation, in respect of the Retention Holder's or Seller's rights in respect of each such option and any definitions used therein) (the "**Retained Interest Entrenched Rights**"), unless the

Retention Holder has consented to such modification or waiver in writing.

Interest Rate Hedge Counterparty Entrenched Rights .....

No provision of the Transaction Documents, the Conditions or the Certificate Conditions, may be modified, amended, waived and/or supplemented without the Interest Rate Hedge Counterparty giving its prior written consent (such consent not to be unreasonably withheld) where such amendment, waiver and/or supplement would in the Interest Rate Hedge Counterparty's reasonable opinion have a material adverse effect on any of the following matters: (A) the amount, timing or priority of any payment or delivery to the Interest Rate Hedge Counterparty (including where the Issuer's obligations become further contractually subordinated, as compared to the level of subordination of such obligations as at the Closing Date, to the Issuer's obligations to any other Secured Creditor) or the Issuer's ability to make such payments or deliveries; (B) the Interest Rate Hedge Counterparty's rights in relation to any security (howsoever described, and including as a result of changing the nature or the scope of, or releasing such security) granted by the Issuer in favour of the Trustee on behalf of the Secured Creditors; (C) the Interest Rate Hedge Counterparty's position under the Interest Rate Hedge Agreement resulting in (I) the Interest Rate Hedge Counterparty being required to pay more or receive less than it would otherwise have been required to pay or entitled to receive before such modification was made and/or (II) a decrease in the value of any Swap Transaction (from the Interest Rate Hedge Counterparty's perspective); (D) amend clause 19 (*Waiver and Modification*) of the Trust Deed, Condition 15.3 (*Modification*) or any provision of the Trust Deed or the Conditions that governs the Interest Rate Hedge Counterparty Entrenched Rights; (E) alter the amount it would have to pay or receive to replace itself under the Interest Rate Hedge Agreement, in connection with such replacement, as compared to what it would have been required to pay or would have received had such modification, amendment, waiver or consent not been made or granted; (F) alter the maturity of any Rated Notes; and/or (G) the definition of Interest Rate Hedge Counterparty Entrenched Rights (the "**Interest Rate Hedge Counterparty Entrenched Rights**").

Provision of information .....

The Issuer has been appointed as the designated reporting entity (the "**Reporting Entity**") under SECN 6.3.1R(1) and Article 7(2) of Chapter 2 of the PRASR and Article 7(2) of the EU Securitisation Regulation, (in respect of the EU Securitisation Regulation, as if it were applicable to the Issuer and as in force, interpreted and applied as at the Closing Date).

The Issuer will either fulfil its obligations under SECN 6, Article 7 of Chapter 2 of the PRASR and Article 7 of the EU Securitisation Regulation, (in respect of the EU Securitisation Regulation, as if it were applicable to the Issuer and as in force, interpreted and applied as at the Closing Date), itself or shall procure that such requirements are complied with on its behalf. As to the information made available to prospective investors by the Seller, reference is made to the information set out herein and forming part of this Prospectus and to the UK SR Investor Report and the EU SR Investor Report to investors that are prepared pursuant to the Cash Administration Agreement.

Notwithstanding such designation of the Issuer as the reporting entity, the Seller and the Issuer are not relieved of their regulatory obligations under SECN 6.3.1R(1) and Article 7(2) of Chapter 2 of the PRASR.

For so long as any Notes remain outstanding, the Reporting Entity will:

(a) procure that the Cash Administrator will prepare and deliver, assuming delivery of the Servicer Report from the Servicer, a monthly investor report substantially in the form set out in the Cash Administration Agreement (the "**Investor Report**");

(b) procure that the Cash Administrator will prepare and deliver as required by and in accordance with the UK Transparency Rules (the "**UK SR Investor Report**");

(c) procure that the Cash Administrator will prepare and deliver a report containing the information specified under Article 7(1)(e) of the EU Securitisation Regulation and the EU Article 7 Technical Standards, as if such requirement was applicable to the Reporting Entity (as such regulation and technical standards are in force, interpreted and applied as at the Closing Date including as to the form of such information) (the "**EU SR Investor Report**" and together with the relevant UK SR Investor Report on any given Investor Reporting Date, the "**SR Investor Report**");

(d) procure that the Servicer will prepare and deliver a report containing certain loan-by-loan information in relation to the Purchased Receivables as required by and in accordance with the UK Transparency Rules (the "**UK SR Report**");

(e) procure that the Servicer will prepare and deliver a report containing certain loan-by-loan information in relation to the Purchased Receivables for the purposes of Article 7(1)(a) of the EU Securitisation Regulation and the EU Article 7 Technical Standards, as if such requirement was applicable to the Reporting Entity (as such regulation and technical standards is in force, interpreted and applied as at the Closing Date) (the "**EU SR Report**"); and

(f) procure that each UK SR Investor Report and UK SR Report is published on the UK SR Reporting Website and each EU SR Investor Report and EU SR Report is published on the EU SR Reporting Website no later than one calendar month following the related Interest Payment Date.

Subject to receipt or knowledge of the relevant information, the Issuer will also prepare:

(i) and procure the publication on the UK SR Reporting Website without delay, any inside information required to be made available pursuant to Article 7(1)(f) of Chapter 2 of the PRASR, SECN

6.2.1(6) and the UK Transparency Rules ("**UK SR Inside Information**"), and information on any significant event required to be made available pursuant to Article 7(1)(g) of Chapter 2 of the PRASR, SECN 6.2.1(7) and the UK Transparency Rules ("**UK SR Significant Event Information**");

(ii) and procure the publication on the EU SR Reporting Website 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 as if such requirement was applicable to the Reporting Entity (as such regulation and technical standards are in force, interpreted and applied as at the Closing Date) ("**EU SR Inside Information**") and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and the EU Article 7 Technical Standards as if such requirement was applicable to the Reporting Entity (as such regulation and technical standards are in force, interpreted and applied as at the Closing Date including as to the form of such information) ("**EU SR Significant Event Information**"); and

(iii) and procure the publication on the UK SR Reporting Website without delay, any information required to be reported in accordance with SECN 2.2.23(3) of the UK STS Requirements.

In addition to the above, the Issuer will procure that:

(i) within 15 calendar days of the issuance of the Notes, make available via the Reporting Agent at https://www.euroabs.com/IH.aspx?d=33768 final form copies of the UK STS Notification;

(ii) within 15 calendar days of the issuance of the Notes, make available via the UK SR Reporting Website and the EU SR Reporting Website final form copies of the Transaction Documents and this Prospectus; and

(iii) make available the information set out above to the relevant competent authorities referred to in the UK Securitisation Framework and the EU Securitisation Regulation (with respect to the EU Securitisation Regulation as if it were applicable to the Issuer and as in force, interpreted and applied as at the Closing Date (as applicable)) and investors in the Notes as required pursuant to SECN 6.2.1, Article 7(1) of Chapter 2 of the PRASR and Article 7(1) of the EU Securitisation Regulation (with respect to the EU Securitisation Regulation as if it were applicable to the Issuer and as in force, interpreted and applied as at the Closing Date (as applicable)).

To the extent that, after the Closing Date, there is any further divergence between the UK Securitisation Framework and the EU Securitisation Regulation, the Issuer will only continue to comply with the EU Securitisation Regulation (as if such

provisions were applicable to it) as such articles and technical standards are interpreted and applied on the Closing Date. For the avoidance of doubt the Retention Holder may at its absolute discretion opt to continue to comply with the EU Securitisation Regulation following any further divergence.

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

TRIGGERS TABLES

RATINGS TRIGGERS TABLE

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
Account Bank:	"**Minimum Required Ratings**" means, in the case of the Account Bank: (a) where the Account Bank has a resolution counterparty rating from S&P, a long-term issuer credit rating of at least "BBB" by S&P or where the Account Bank does not have a resolution counterparty rating from S&P, a long-term issuer credit rating of at least "A" from S&P; and (b) a long-term senior unsecured debt rating or credit assessment of at least "A" or "F1" (or "BBB" or "F2" for an OCB)" by Fitch, or such other ratings that are consistent with the then current rating methodology of the Rating Agencies as being the minimum ratings that are required to support the then current ratings of the Rated Notes.	If the Account Bank no longer satisfies the Minimum Required Ratings, the Issuer shall use all reasonable endeavours to, within 60 calendar days (but no sooner than 35 calendar days) following the first day on which the downgrade occurred, either: (a) open replacement accounts with a financial institution that: (i) satisfies the Minimum Required Ratings; (ii) has entered into an agreement with the Cash Administrator, the Trustee and the Issuer on substantially similar terms to those set out in the Account Bank Agreement, provided that where the Issuer determines that it is not practicable, taking into account the then prevailing market conditions (notwithstanding that the fee payable to the replacement account bank may be higher), to agree terms substantially similar to those set out in the Account Bank Agreement with such replacement account bank, the Issuer shall certify in writing to the Trustee, that such terms are reasonable commercial terms taking into account the then prevailing current market conditions, which certificate may be relied upon by the Trustee without any liability and without further enquiry and shall be conclusive and binding on all parties and the Secured Creditors; and (iii) is a bank as defined in Section 991 of the Income Tax Act 2007, which entered into the relevant agreement referred to in the paragraph above in the ordinary course

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
		of its business and which will bring into account payments (other than deposits) made under such agreement in computing its income for United Kingdom tax purposes, and following the opening of such replacement accounts, promptly close the Issuer Account(s) held with the Account Bank. (b) obtain a guarantee of the obligations of the Account Bank under the Account Bank Agreement from a financial institution having the Minimum Required Ratings; or (c) take such other remedial action as may be acceptable to the Rating Agencies in order to maintain the rating of the Most Senior Class of Notes.
Collection Account Banks:	"**Collection Account Banks Minimum Required Ratings**" means, in the case of the Collection Account Banks: (a) where the Collection Account Bank has a resolution counterparty rating from S&P, a long-term issuer credit rating of at least "BBB" by S&P or where the Collection Account Bank does not have a resolution counterparty rating from S&P, a long-term issuer credit rating of at least "A" from S&P; and (b) a long-term senior unsecured debt rating or credit assessment of at least "A" or "F1" (or "BBB" or "F2" for an OCB) by Fitch, or such other ratings that are consistent with the then current rating methodology of the Rating Agencies as being the minimum ratings that are required to support the then current ratings of the Rated Notes.	If a Collection Account Bank no longer satisfies the Collection Account Banks Minimum Required Ratings, the Legal Title Holder shall use all reasonable endeavours to, either: (a) within 60 calendar days following the first day on which the downgrade occurred, open replacement accounts with a financial institution that: (i) satisfies the Collection Account Banks Minimum Required Ratings; and (ii) enters into a deed on terms substantially similar to those set out in the Collection Accounts Declaration of Trust with respect to the replacement accounts; and (iii) is a bank as defined in Section 991 of the Income Tax Act 2007, which entered into the relevant agreement referred to in the paragraph above in the ordinary course of its business and which will bring into account payments (other than deposits) made under such

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
		agreement in computing its income for United Kingdom tax purposes. and shall use all reasonable endeavours to procure that all amounts held on trust for the Issuer standing to the credit of the relevant Collection Account are transferred to the replacement account at such replacement institution as soon as practicable transfer all Direct Debit mandates to such replacement collection accounts and the Servicer (on the Issuer's behalf) will instruct Customers to make all monthly instalments made by a Customer under a payment arrangement other than the Direct Debiting Scheme to such replacement collection accounts from the date on which the replacement collection accounts are opened; or (b) within 60 calendar days following the first day on which the downgrade occurred, obtain a guarantee of the obligations of the relevant Collection Account Bank under the Collection Accounts Declaration of Trust from a financial institution having the Collection Account Banks Minimum Required Ratings; or (c) within 60 calendar days following the first day on which the downgrade occurred, direct the Customers to make payments in respect of the Purchased Receivables to the Issuer Transaction Account; or (d) within 60 calendar days following the first day on which the downgrade occurred, take any other action (if required) as agreed with the Rating Agencies in order to maintain the ratings of the Rated Notes.
Interest Rate Hedge Counterparty (or any credit support provider from time to time in respect of the Interest Rate	**Fitch:**	

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
Hedge Counterparty)	(a) Neither the Interest Rate Hedge Counterparty nor any applicable credit support provider has the Unsupported Minimum Counterparty Rating (as defined below) (the "**Initial Fitch Rating Event**").	(a) Upon the occurrence of an Initial Fitch Rating Event and for so long as such Initial Fitch Rating Event is continuing, the Interest Rate Hedge Counterparty is required to provide collateral (to the extent required, depending on the value of the Swap Transaction): (i) for so long as it is designated as a Fitch OCB, within 60 calendar days of the occurrence of such Initial Fitch Rating Event; and (ii) where the Interest Rate Hedge Counterparty is not an OCB, within 14 calendar days of the occurrence of such Initial Fitch Rating Event, and then may within 60 calendar days of the occurrence of such Initial Fitch Rating Event: (i) transfer its rights and obligations under the Interest Rate Hedge Agreement to an appropriately rated replacement third party (or a replacement third party with an eligible and appropriately rated guarantor); (ii) procure a guarantee of such Interest Rate Hedge Counterparty's obligations from an appropriately rated third party; or (iii) take such other action as is required to maintain, or restore, the rating of the Most Senior Class of Notes rated by Fitch corresponding to the Interest Rate Hedge Agreement.
	(b) Neither the Interest Rate Hedge Counterparty nor any applicable credit support provider has the Supported Minimum Counterparty Rating or Supported Minimum Counterparty Rating (adjusted) (as applicable and each as defined below) (the "**Subsequent Fitch Rating Event**").	(b) Upon the occurrence of a Subsequent Fitch Rating Event and for so long as such Subsequent Fitch Rating Event is continuing, the Interest Rate Hedge Counterparty is required to provide collateral (to the extent required, depending on the value of the Swap Transaction) within 14 calendar days of the occurrence of such Subsequent Fitch Rating Event and is required within 60 calendar days of the occurrence of such Subsequent Fitch Rating Event to: (i) transfer all of its rights and obligations under the Interest Rate Hedge Agreement to an appropriately rated replacement third party (or a replacement third party with an eligible and appropriately rated guarantor); (ii) procure a guarantee of such Interest Rate Hedge Counterparty's obligations from an appropriately rated third party; or (iii) take such other action as is required to maintain, or restore, the rating of the

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
		Most Senior Class of Notes rated by Fitch corresponding to the Interest Rate Hedge Agreement. A failure by an Interest Rate Hedge Counterparty or any credit support provider of the Interest Rate Hedge Counterparty to take such steps will, in certain circumstances, allow the Issuer to terminate the Interest Rate Hedge Agreement. In circumstances where an Interest Rate Hedge Agreement is terminated as a result of the failure of the Interest Rate Hedge Counterparty or any credit support provider of the Interest Rate Hedge Counterparty to take such steps, the Issuer will endeavour to enter into a replacement Interest Rate Hedge Agreement.
	S&P The relevant S&P required ratings depend on which S&P framework is elected by the Interest Rate Hedge Counterparty from time to time (the "**S&P framework**") and the rating of the highest rated notes by S&P at such time. There are four S&P frameworks: Strong, Medium, Low and No Collateral. On the date of the Interest Rate Hedge Agreement, the provisions relating to S&P framework Low are elected.	

Collateral S&P Rating Event Neither the Interest Rate Hedge Counterparty (or its successor) nor any applicable guarantor from time to time in respect of the Interest Rate Hedge Counterparty has the relevant Initial S&P Required Rating where S&P Strong, S&P Medium or S&P Low applies (each a "**Collateral S&P Rating Event**").	Where S&P Strong, S&P Medium or S&P Low applies: The Interest Rate Hedge Counterparty must provide collateral within 10 consecutive Local Business Days (to the extent required, depending on the value of the Swap Transaction) unless, at any time after it fails to have the relevant Initial S&P Required Rating, it (i) novates all its rights and obligations to an entity that is eligible to be a swap provider under the S&P Ratings Criteria (or whose obligations are irrevocably guaranteed by an entity with the relevant S&P Required Ratings), (ii) obtains a guarantee from an entity with the relevant S&P Required Ratings, or (iii) takes such other action (which may include taking no action) as is required to maintain, or restore, the rating of the Most Senior Class of Notes to the level at which they were immediately prior to such event. If both replacement and collateral are applicable remedies, the Collateral S&P Rating Event should be no lower than the Replacement S&P Rating Event. If the S&P No Collateral applies at the relevant time, then there will be no Collateral S&P Rating Event.
Replacement S&P Rating Event Neither the Interest Rate Hedge Counterparty (or its successor) nor any applicable guarantor from time to time in respect of the Interest Rate Hedge Counterparty has the relevant Subsequent S&P Required Rating where S&P Strong, S&P Medium, S&P Low or S&P No Collateral applies (each a "**Replacement S&P Rating Event**").	The Interest Rate Hedge Counterparty must, at its own costs, use commercially reasonable efforts to, within 90 calendar days, either (at its discretion) (i) novate all of its rights and obligations to an entity that is eligible to be a swap provider under the S&P ratings criteria (or whose obligations are irrevocably guaranteed by an entity with the relevant S&P Required Ratings), (ii) obtain a guarantee from an entity with at least the S&P Required Ratings, or (iii) takes such other action (which may include taking no action) as is required to maintain, or restore, the rating of the Most Senior Class of Notes to the level at which they were immediately prior to such Replacement S&P Rating Event. Whilst this process is on-going, the Interest Rate Hedge Counterparty must also provide

collateral within 10 consecutive Local Business Days (to the extent required, depending on the value of the Swap Transaction), provided that where S&P No Collateral applies, there is no requirement to provide collateral whilst the process is on-going.

S&P Required Ratings: The S&P Required Ratings are set out in the tables below.

Current rating of the Relevant Notes	**"S&P Strong"**		**"S&P Medium"**		**"S&P Low"**		**"S&P No Collateral"**	
	"Initial S&P Required Rating"	**"Subsequent S&P Required Rating"**	**"Initial S&P Required Rating"**	**"Subsequent S&P Required Rating"**	**"Initial S&P Required Rating"**	**"Subsequent S&P Required Rating"**	**"Initial S&P Required Rating"**	**"Subsequent S&P Required Rating"**
AAA	A-	BBB-	A-	BBB	A-	BBB+	NA	A
AA+	A-	BBB-	A-	BBB	A-	BBB+	NA	A
AA	BBB+	BB+	BBB+	BBB-	BBB+	BBB	NA	A-
AA-	BBB+	BB+	BBB+	BBB-	BBB+	BBB	NA	A-
A+	BBB	BB	BBB	BB+	BBB	BBB-	NA	BBB+
A	BBB	BB	BBB	BB+	BBB	BBB-	NA	BBB
A-	BBB-	BB-	BBB-	BB	BBB-	BB+	NA	BBB-
BBB+	BBB-	BB-	BBB-	BB	BBB-	BB+	NA	BBB-
BBB	BBB-	BB-	BBB-	BB	BBB-	BB+	NA	BBB-
BBB-	BB+	B+	BB+	BB-	BB+	BB	NA	BB+
BB+	BB+	B+	BB+	BB-	BB+	BB	NA	BB+
BB	BB	B	BB	B+	BB	BB-	NA	BB
BB-	BB-	B-	BB-	B	BB-	B+	NA	BB-
B+	B+	B-	B+	B-	B+	B	NA	B+
B	B	B-	B	B-	B	B-	NA	B

The Interest Rate Hedge Counterparty (or its successor) or any applicable guarantor will have the relevant S&P required rating if the higher of the resolution counterparty rating and the issuer credit rating (or if S&P No Collateral has been elected, the issuer credit rating) assigned to it by S&P is at least as high as the applicable S&P required rating corresponding to the then current rating of the highest rated Notes by S&P and the applicable S&P framework as specified in the above table.

Fitch Minimum Counterparty Ratings:

Relevant Notes Fitch Rating	**Unsupported Minimum Counterparty Rating**	**Supported Minimum Counterparty Rating**	**Supported Minimum Counterparty**

			Rating (adjusted)[8]
AAAsf	A or F1	BBB- or F3	BBB+ or F2
AA+sf, AAsf, AA-sf	A- or F1	BBB- or F3	BBB+ or F2
A+sf, Asf, A-sf	BBB or F2	BB+	BBB or F2
BBB+sf, BBBsf, BBB-sf	BBB- or F3	BB-	BBB- or F3
BB+sf, BBsf, BB-sf	At least as high as the Relevant Notes Fitch Rating	B+	BB-
B+sf, Bsf, B-sf		B-	B-

Fitch OCB means a Fitch Operational-Continuity Bank.

Fitch Operational-Continuity Bank means:

(a) an entity which:

(i) has been assigned a Long-term IDR of 'B-' or higher by Fitch;

(ii) has been identified as a global-systemically important bank (G-SIB) by the Financial Stability Board, or a domestic-systemically important bank (D-SIB) or other-systemically important institution (O-SII) by the relevant national authority; and

(iii) is domiciled in a Developed Resolution Regime; or

(b) a subsidiary of the entity identified in paragraph (i) above, provided that such subsidiary operates in a Developed Resolution Regime and has a Long-term IDR equal to or higher than that of the entity identified in paragraph (i) above; or

(c) a branch of the entity identified in paragraph (i) above, provided that such branch operates in a Developed Resolution Regime.

For the purposes of the foregoing:

(A) "**Financial Stability Board**" means the international body established in 2009 to monitor and make recommendations about the global financial system, including any successor or replacement body; and

(B) "**Developed Resolution Regime**" means each of Australia; Canada; the European Union; Hong Kong; Iceland; Japan; New Zealand; Norway; Switzerland; the U.K.; or the U.S.

[8] If the Interest Rate Hedge Counterparty (or its successor, assignee or any relevant guarantor) is not incorporated in the same jurisdiction as the Issuer and, following a request from Fitch, has not provided Fitch with a legal opinion, in a form acceptable to Fitch, confirming the enforceability of the subordination provisions against it in its jurisdiction, the "Supported Minimum Counterparty Rating (adjusted)" shall be applicable.

"**Relevant Notes Fitch Rating**" means at any time the then-current rating of the highest rated Notes by Fitch provided that, for the purposes of the above table, if such highest rated Notes are downgraded by Fitch as a result of the Interest Rate Hedge Counterparty's failure to perform any obligation under the Interest Rate Hedge Agreement, then the then-current rating of such highest rated Notes will be deemed to be the rating such highest rated Notes would have had but for such failure.

"**Unsupported Minimum Counterparty Rating**" shall mean the long-term derivative counterparty rating (if assigned or applicable) or long-term issuer default rating (if the derivative counterparty rating is not assigned or applicable) or, if applicable, the short-term issuer default rating, from Fitch corresponding to the Relevant Notes Fitch Rating in respect of the relevant entity indicated in the "Unsupported Minimum Counterparty Rating" column of the above table.

"**Supported Minimum Counterparty Rating**" shall mean the long-term derivative counterparty rating (if assigned or applicable) or long-term issuer default rating (if the derivative counterparty rating is not assigned or applicable) or, if applicable, the short-term issuer default rating, from Fitch corresponding to the Relevant Notes Fitch Rating in respect of the relevant entity indicated in the "Supported Minimum Counterparty Rating" column of the above table.

NON-RATINGS TRIGGERS TABLE

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)	Possible effects of Non-Ratings Trigger being breached include the following
Servicer Termination Event	The occurrence of any of the following events shall constitute a "**Servicer Termination Event**": (a) the occurrence of an Insolvency Event in relation to the Servicer; (b) any representation or warranty expressed to be made in this Agreement by the Servicer is or proves to have been incorrect or misleading when made where such incorrect or misleading representation or warranty has a Material Adverse Effect and is not remedied within fifteen (15) Business Days after the earlier of the Servicer becoming aware of such representation or warranty being incorrect or misleading and of receipt by the Servicer of written notice from the Issuer, acting on the instructions of the Noteholder(s) (prior to the service of an Enforcement Notice) or the Trustee (following the delivery of an Enforcement Notice), requiring the same to be remedied; (c) default is made by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing Agreement or any other Transaction Document to which it is a party, where such default has a Material Adverse Effect in relation to the Portfolio and is not remedied within 10 Business Days after the earlier of the Servicer becoming aware of such default and of receipt by the Servicer of written notice from the Issuer, acting on the instructions of the Noteholder(s) (prior to the service of an Enforcement Notice) or the Trustee (following the delivery of an Enforcement Notice), requiring the same to be remedied;	The Issuer will, at any time after the occurrence of a Servicer Termination Event which is then continuing, give notice in writing to the Trustee (with a copy to the Rating Agencies) of the occurrence of a Servicer Termination Event and will (if so directed by the Trustee), or following the delivery of an Enforcement Notice, the Trustee will, by notice in writing to the Servicer (the "**Servicer Termination Notice**") specifying the date of such termination in such notice ("**Servicer Termination Date**"), terminate the appointment of the Servicer under the Servicing Agreement and the Back-Up Servicer Facilitator shall use reasonable efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable successor servicer which meets the Servicer and LTH Replacement Conditions to be appointed by the Issuer in accordance with the terms of the Servicing Agreement *provided that* such termination will not take effect until a successor Servicer which meets the Servicer and LTH Replacement Conditions has been appointed in accordance with the provisions of a new servicing agreement (and, among other things, has acceded to the terms of the Deed of Charge) and has assumed responsibility (a "**Successor Servicer**"). The Successor Servicer, as applicable, is required to have experience of administering consumer loans in the United Kingdom and to enter into a servicing agreement with the Issuer and the Trustee substantially on the same terms as the relevant provisions of the Servicing Agreement. If a Successor Servicer has not been appointed by the Servicer Termination Date referred to in the relevant Servicer Termination Notice, the Servicing Agreement will terminate on the date of the later appointment of the Successor Servicer. If a Successor Servicer is appointed prior to the Servicer Termination Date referred to in the relevant Servicer Termination Notice, the Servicing Agreement will terminate on the date of such appointment and the Servicer Termination Date will occur on this date.

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)	Possible effects of Non-Ratings Trigger being breached include the following
	(d) it becomes unlawful for the Servicer to perform any of its obligations as Servicer under the Servicing Agreement; (e) the Servicer ceasing to be an authorised person under the FSMA or the revocation of or the failure to maintain any applicable licence, registration or regulatory permission required to be held by it to perform the services under the Servicing Agreement; (f) default is made by the Servicer in the payment on the due date of any payment due to be paid by it under the Servicing Agreement or any other Transaction Document and such failure remains unremedied for 15 Business Days after such failure; (g) the Servicer fails to provide the Servicer Report or a SR Report on each Servicer Reporting Date and such failure remains unremedied for 30 calendar days after (i) prior to the delivery of an Enforcement Notice, the earlier of (A) the Servicer becoming aware of such default or (B) the receipt of written notice by the Servicer from the Issuer; or (ii) following the delivery of an Enforcement Notice, the Trustee requiring the default to be remedied; (h) the Servicer or any Affiliate of the Servicer is found by a court of competent jurisdiction to have committed fraud or wilful default in carrying out, or omitting to carry out, its obligations under the Transaction Documents; (i) any penalty, fine, sanction, order, direction or restriction which is imposed upon the Servicer by a competent court or Regulatory Authority and which would have a Material Adverse Effect in respect of the	

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)	Possible effects of Non-Ratings Trigger being breached include the following
	Servicer and/or the rights and interests of the Issuer or any Noteholder under the Transaction Documents; or (j) the Servicer ceases to carry on the whole of its business of origination of unsecured personal loans or ceases to carry on the whole or substantially the whole of its servicing business as it relates to unsecured personal loans.	
Cash Administrator Termination Event	A "**Cash Administrator Termination Event**" means any of: (a) the occurrence of any Insolvency Event in respect of the Cash Administrator; (b) the Cash Administrator fails to make a deposit or a payment when required to be made, or fails to give any payment instruction required to be given, by the Cash Administrator under the Cash Administration Agreement (subject to there being sufficient funds in the Issuer Transaction Account for such purpose and the Cash Administrator having received all information that is to be provided by any other party which is required for the Cash Administrator to be able to perform its payment duties under the Cash Administration Agreement) and such failure remains unremedied for three Business Days upon being notified or aware of such failure; (c) default is made by the Cash Administrator in the performance or observance of any of its other covenants and obligations under the Cash Administration Agreement or any of the Cash Administrator warranties in the Cash Administration Agreement proves to be untrue, incomplete, or inaccurate, or any certification or statement made	If a Cash Administrator Termination Event occurs and is continuing, the Issuer (with the prior written consent of the Trustee), or (following the service of an Enforcement Notice) the Trustee, may by notice in writing (a "**Cash Administrator Termination Event Notice**") terminate the appointment of the Cash Administrator with immediate effect. If a Cash Administrator Termination Event Notice is given to the Cash Administrator, the Issuer (with the prior written consent of the Trustee), or (following the service of an Enforcement Notice) the Trustee shall appoint a Successor Cash Administrator as soon as reasonably possible. If, on the date that is 30 calendar days following the relevant Cash Administrator Termination Event Notice, the Issuer (or, following service of an Enforcement Notice, the Trustee) has failed to appoint a Successor Cash Administrator, the Cash Administrator shall be entitled on behalf of the Issuer to appoint a Successor Cash Administrator in its place, and the Issuer and, following the delivery of an Enforcement Notice, the Trustee, shall be deemed to have approved such appointment if the Successor Cash Administrator satisfies the conditions set out in the Cash Administration Agreement.

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)		Possible effects of Non-Ratings Trigger being breached include the following	
		by the Cash Administrator in any certificate or other document delivered pursuant to the Cash Administration Agreement proves to be untrue, which in the opinion of the Note Trustee as notified to the Security Trustee is materially prejudicial to the interests of the Noteholders or the Certificateholders, and such default continues unremedied for a period of 30 calendar days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Administrator of written notice from the Issuer or (following the service of an Enforcement Notice) the Security Trustee, as the case may be, requiring the same to be remedied;		
	(d)	it is or will become unlawful for the Cash Administrator to perform any of its obligations under the Cash Administration Agreement.		
Principal Paying Agent, Agent Bank and Registrar Termination	(a)	The Issuer may at any time, with the prior written approval of the Trustee, appoint additional paying agents or registrars and/or terminate the appointment of the Principal Paying Agent, the Agent Bank or the Registrar by giving to the Principal Paying Agent, the Agent Bank or the Registrar not less than 60 calendar days' prior written notice to that effect, provided that it will maintain at all times a Registrar (for so long as the Notes of any Class are listed on the Regulated Market of the LSE), an Agent Bank and a Principal Paying Agent, and provided always, that no such notice to terminate such appointment shall take effect until a new Principal Paying Agent, Agent Bank or Registrar (as applicable) (approved in advance in writing by the Trustee), which agrees to exercise the powers and	(a)	Upon the Principal Paying Agent's, the Agent Bank's or the Registrar's resignation or termination becoming effective, the Principal Paying Agent and/or the Agent Bank (as applicable) shall forthwith transfer all moneys held by it to the successor Principal Paying Agent or Agent Bank(as applicable) or to the Trustee's order, but shall have no other duties or responsibilities thereunder, and shall be entitled to the payment by the Issuer of its remuneration for the services previously rendered under the Principal Paying Agency Agreement and to the reimbursement of all expenses (including legal fees) properly incurred in connection therewith.
			(b)	Upon termination of the Principal Paying Agent's, the Agent Bank's or the Registrar's appointment in accordance with the Principal Paying Agency Agreement, the Issuer shall use its reasonable endeavours to

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)	Possible effects of Non-Ratings Trigger being breached include the following
	undertake the duties thereby conferred and imposed upon the Principal Paying Agent, the Agent Bank or the Registrar (as applicable), has been appointed, as approved by the Trustee. Notice of any change in the Principal Paying Agent, the Agent Bank or the Registrar or their specified offices will promptly be given to the Noteholders and Certificateholders by the Issuer in accordance with Condition 10 (*Notifications*) and Certificate Condition 9 (*Notifications*).	procure the appointment of a replacement Principal Paying Agent, Agent Bank and/or Registrar, as applicable. The appointment of any replacement or additional Principal Paying Agent, Agent Bank or Registrar shall: (i) be subject to the prior written consent of the Trustee; (ii) be on substantially the same terms as the Principal Paying Agency Agreement; and (iii) be notified to the Rating Agencies by the Issuer.
	(b) If at any time the Principal Paying Agent, the Agent Bank or the Registrar shall be adjudged bankrupt or insolvent, or shall file a voluntary petition in bankruptcy or make an assignment for the benefit of its parties or consent to the appointment of a receiver or similar official of all or any substantial part of its property, or if a receiver of it or of all or any substantial part of its property shall be appointed, or if any public officer shall take charge or control of the Principal Paying Agent, the Agent Bank or the Registrar or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, or a resolution is passed or an order made for the winding up of the Principal Paying Agent or the Registrar, the Issuer may, with the prior written approval of the Trustee, terminate the appointment of the Principal Paying Agent, the Agent Bank or the Registrar (as applicable) forthwith upon giving written notice and without regard to the amount of days' notice as set out in paragraph (a) above. Such termination shall not take effect until a new Principal Paying Agent, Agent Bank or Registrar (as applicable) has been appointed. The termination of	

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)	Possible effects of Non-Ratings Trigger being breached include the following
	the appointment of the Principal Paying Agent, the Agent Bank or the Registrar thereunder shall not entitle the Principal Paying Agent, the Agent Bank or the Registrar to any amount by way of compensation but shall be without prejudice to any amount then accrued due.	
Account Bank Termination Events	An "**Account Bank Termination Event**" means any of the following events: (a) if a deduction or withholding for or on account of any Tax is imposed, or it appears likely that such a deduction or withholding will be imposed, in respect of the interest payable on any Relevant Issuer Account (held with the Account Bank); (b) if the Account Bank fails to maintain ratings of at least the Minimum Required Rating and the Issuer does not, within 60 calendar days of such occurrence, carry out the actions referenced in the Ratings Trigger Table above; (c) if the Account Bank, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in paragraph (d) below, ceases or, through an authorised action of the board of directors of the Account Bank, threatens to cease to carry on all or substantially all of its business or the Account Bank is deemed unable to pay its debts as and when they fall due within the meaning of Section 123(1)(a) of the Insolvency Act 1986 (on the basis that the reference in such section to £750 was read as a reference to £10 million), Section 123(1)(b), (d) and (e), 123(1)(c) (on the basis that the words "for a sum exceeding £10 million" were inserted after the words "extract registered bond" and "extract registered protest") and 123(2) of the Insolvency Act 1986 (as	If an Account Bank Termination Event occurs, the Issuer (with the prior written consent of the Trustee and a copy of such consent provided to the Account Bank by the Issuer) or (following delivery of an Enforcement Notice) the Trustee on its behalf may terminate the Account Bank Agreement and close any Relevant Issuer Account, in each case by giving at least 30 calendar days' written notice of termination to the Account Bank (with a copy to, as applicable, the Cash Administrator, the Issuer and the Trustee) (the "**Account Bank Termination Notice**"), provided that such termination shall not take effect until a replacement financial institution or institutions (x) fulfilling the Minimum Required Ratings and (y) meeting the requirements under the Account Bank Agreement with regards to tax status, shall have entered into an agreement on terms commercially acceptable in the market, pursuant to which the replacement financial institution agrees to assume and perform all the material duties and obligations of the Account Bank under the Account Bank Agreement, subject to the prior approval of the Trustee (acting upon the instructions of an Extraordinary Resolution of the Most Senior Class confirming that the conditions to the termination or replacement of the Account Bank set out in the Account Bank Agreement have been met). If, by the day falling 60 calendar days following the expiry of any such notice, such a replacement financial institution has not been selected by the Issuer, the Account Bank shall be entitled, on behalf of the Issuer, to appoint in its place (or assist in the appointment of) a successor complying with the requirements set out in the Account Bank Agreement with the prior approval of the Issuer and Trustee.

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)	Possible effects of Non-Ratings Trigger being breached include the following
	that Section may be amended) or ceases to be an authorised institution under FSMA 2000; (d) if an order is made or an effective resolution is passed for the winding-up of the Account Bank except a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction the terms of which have previously been approved in writing by the Issuer and the Trustee; or (e) if proceedings are initiated against the Account Bank under any applicable liquidation, insolvency, bankruptcy, sequestration, composition, reorganisation (other than a reorganisation where the Account Bank is solvent) or other similar laws (including, but not limited to, presentation of a petition for an administration order) unless (except in the case of presentation of petition for an administration order) such proceedings are, in the reasonable opinion of the Issuer, being disputed in good faith with a reasonable prospect of success or an administration order is granted or an administrative receiver or other receiver, liquidator, trustee in sequestration or other similar official is appointed in relation to the Account Bank or in relation to the whole or any substantial part of the undertaking or assets of the Account Bank, or an encumbrancer takes possession of the whole or any substantial part of the undertaking or assets of the Account Bank, or a distress, execution or diligence or other process is levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Account Bank and such	

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)	Possible effects of Non-Ratings Trigger being breached include the following
	possession or process (as the case may be) is not discharged or otherwise ceases to apply within 14 days of its commencement, or the Account Bank initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally or takes steps with a view to obtaining a moratorium in respect of any indebtedness; or (f) if the Account Bank materially breaches its obligations under this Agreement, the Deed of Charge or any other Transaction Document to which the Account Bank is a party; or (g) it becomes unlawful for the Account Bank to perform its obligations under this Agreement or under any other Transaction Document; (h) default by the Account Bank in the performance of its obligations under this Agreement which, if capable of remedy, continues unremedied for a period of ten Business Days after receiving notice or becoming aware of such default; or (i) default is made by the Account Bank in the payment on the due date of any payment due and payable by it under this Agreement (provided that there are cleared, immediately available funds standing to the credit of the Relevant Issuer Account in accordance with the terms of the Transaction Documents) and such default continues unremedied for a period of five (5) Business Days after receipt by the Account Bank of written notice from the Issuer, the Cash Administrator	

Transaction Party	Description of Trigger (subject in each case to applicable qualifiers)	Possible effects of Non-Ratings Trigger being breached include the following
	or, as the case may be, the Trustee, requiring the same to be remedied.	

FEES

The following table sets out the ongoing annual fees to be paid by the Issuer to the specified Transaction Parties.

Type of fee	Amount of fee	Priority in cashflows	Frequency
Servicing Fee	An amount accruing from the Closing Date and calculated: (a) in respect of the first Collection Period, on the first Determination Date as the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio as of the Cut-Off Date, *multiplied by* 0.30% per annum, *multiplied by* the actual number of days in such Collection Period, and *divided by* 365; and (b) in respect of each Collection Period thereafter, monthly on each Determination Date in respect of the immediately preceding Collection Period as the product of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio, as of the first day of such Collection Period, *multiplied by* 0.30% per annum., *multiplied by* the actual number of days in such Collection Period, and *divided by* 365. The Servicing Fee will be VAT exclusive (albeit the Servicer has confirmed that as at the Closing Date, it does not intend to charge VAT on the Servicing Fee).	In priority to any amounts of principal or interest payable in respect of all outstanding Notes and Certificates in accordance with the applicable Priority of Payments.	Monthly in arrears on each Interest Payment Date
Other fees and expenses of the Issuer	Estimated at £200,000 (exclusive of VAT) per annum	In priority to any amounts of principal or interest payable in respect of all outstanding Notes and Certificates in accordance	Monthly in arrears on each Interest Payment Date

Type of fee	Amount of fee	Priority in cashflows	Frequency
		with the applicable Priority of Payments.	
Expenses related to the listing and admission to trading of the Notes	Estimated at £24,700 (exclusive of VAT)	In priority to any amounts of principal or interest payable in respect of all outstanding Notes and Certificates in accordance with the applicable Priority of Payments.	On or about the Closing Date

As at the date of this Prospectus, the standard rate of UK value added tax ("**VAT**") is 20%.

CERTAIN REGULATORY DISCLOSURES

UK Securitisation Framework and EU Securitisation Regulation

Risk Retention

Pursuant to a risk retention letter entered into by, among others, the Issuer, the Trustee and the Retention Holder on or around the Closing Date (the "**Risk Retention Letter**"), Zopa Bank Limited as originator (the "**Retention Holder**") has covenanted that it will, while any of the Notes remain outstanding:

(a) retain as originator, on an ongoing basis, a material net economic interest of not less than 5% in the securitisation as required by (i) the PRA Risk Retention Rules; and (ii) in accordance with Article 6(1) of the EU Securitisation Regulation (as if it were applicable to the Retention Holder and as in force, interpreted and applied as at the Closing Date only), such interest being comprised of the Retained Interest;

(b) not change the manner in which it retains such Retained Interest, except to the extent permitted by or required under (i) the PRASR; and (ii) the EU Securitisation Regulation (as if it were applicable to the Retention Holder and as in force, interpreted and applied as at the Closing Date only);

(c) not sell, transfer or otherwise enter into any credit risk mitigation, short position or any other credit risk hedge with respect to such Retained Interest except, to the extent permitted by (i) the PRASR; and (ii) the EU Securitisation Regulation (as if it were applicable to the Retention Holder and as in force, interpreted and applied as at the Closing Date only); and

(d) confirm its Retained Interest may be disclosed in the UK SR Investor Reports and the EU SR Investor Report,

subject to any requirement of law and **provided that** the Retention Holder will not be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond the control of the Retention Holder.

Any change to the manner in which the Retained Interest is held will be notified to the Noteholders in accordance with the Conditions and the requirements of the UK Securitisation Framework and / or the EU Securitisation Regulation (as in force, interpreted and applied as at the Closing Date only) as applicable.

As at the Closing Date, such interest will be comprised of certain randomly selected exposures held on the balance sheet of the Retention Holder, in accordance with Article 6(3)(c) of Chapter 2 of the PRASR and Article 6(3)(c) of the EU Securitisation Regulation (as if it were applicable to the Retention Holder and solely as it is in force, interpreted and applied on the Closing Date) (the "**Retained Interest**").

Please refer to the section entitled "*The Seller, Retention Holder, Legal Title Holder and Servicer*" for further information regarding the Retention Holder.

Transparency and reporting

For the purposes of Article 7(2) of Chapter 2 of the PRASR, SECN 6.3.1R(1) and Article 7(2) of the EU Securitisation Regulation (as in force, interpreted and applied as at the Closing Date) (as applicable) remain in effect, the Issuer (as securitisation special purpose entity) has been designated as the entity responsible for compliance with the UK Transparency Rules and the EU Article 7 Technical Standards (as in force, interpreted and applied as at the Closing Date) and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf, subject always to any requirement of law, and provided that: (i) 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 (ii) the Issuer is only required to do so to the extent that the disclosure requirements under Article 7 of Chapter 2 of the PRASR, SECN 6 and/or Article 7 of the EU Securitisation Regulation (as in force, interpreted and applied as at the Closing Date) (as applicable) remain in effect.

The obligation of the Issuer to comply with the Article 7(2) of the EU Securitisation Regulation is strictly contractual. If, after the Closing Date, there are any amendments or changes to the EU Article 7 Technical Standards the Issuer will be under no obligation to comply with such amendments. Consequently, investors should note that, in the event that there are any amendments or changes to the EU Article 7 Technical Standards after the Closing Date and the Issuer elects not to comply with such amendments, the Cash Administrator shall (on behalf of the Issuer), without delay prepare and procure the publication of an inside information and/or significant information report pursuant to Article 7 of the EU Securitisation Regulation and/or the UK Transparency Rules notifying that, as from the date the new requirements take effect, the Issuer shall no longer comply with the EU Article 7 Technical Standards.

Affected EU investors may therefore no longer be able to satisfy their obligations under Article 5 of the EU Securitisation Regulation and any corresponding national measures. Each EU investor is required to independently assess and determine the sufficiency of the information described above and in the Prospectus generally for the purposes of complying with Article 5 of the EU Securitisation Regulation and any corresponding national measures which may be relevant to investors and none of the Issuer, the Arranger, the Lead Manager, the Risk Retention Letter or any of the other Transaction Parties makes any representation that any such information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

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

STS

The Seller has procured (or will procure) that on or about the date of this Prospectus a UK STS Notification shall be submitted to the FCA, in accordance with SECN 2.5, confirming that the UK STS Requirements have been satisfied with respect to the Notes. It is expected that the UK STS Notification, once notified to the FCA, will be available for download on the FCA STS Register Website. For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus. A draft version of the UK STS Notification was made available prior to pricing to potential investors in the Notes via EuroABS at https://www.euroabs.com/IH.aspx?d=33768.

The Seller and the Issuer have used the services of PCS UK as a verification agent authorised under SECN 2.5.2R in connection with the UK STS Verification and the UK STS Additional Assessments. It is expected that the UK STS Verification prepared by PCS UK will be available on the PCS UK website (https://www.pcsmarket.org/sts-verification-transactions/) together with detailed explanations of its scope at https://pcsmarket.org/disclaimer/ on and from the Closing Date. For the avoidance of doubt, the PCS UK website and the contents thereof do not form part of this Prospectus. No assurance can be provided that the securitisation transaction described in this Prospectus does or will continue to qualify as a UK STS securitisation under the UK Securitisation Framework as at the date of this Prospectus or at any point in time in the future.

It is not intended that the issue of the Notes complies with the requirements of Articles 19 to 22 of the EU Securitisation Regulation.

Confirmations

The Retention Holder, as originator, confirms that it has made available (or procured that there has been made available) to potential investors, prior to pricing:

(a) a liability cashflow model required to be made available under SECN 2.2.27R;

(b) data on static and dynamic historical default and loss performance required to be made available under SECN 2.2.25R; and

(c) a draft of the UK STS Notification as required to be made available under SECN 6.2.1R(4),

via the Reporting Agent at https://www.euroabs.com/IH.aspx?d=33768.

The Issuer, as Reporting Entity, confirms that it has made available (or procured that there has been made available) to potential investors, prior to pricing:

(a) if requested, the information required to be made available under Article 7(1)(a) of Chapter 2 of the PRASR and SECN 2.2.29R and Article 7(1)(a) of the EU Securitisation Regulation (in the case of the EU Securitisation Regulation, as if such requirement was applicable to it and the Retention Holder as originator and as in force, interpreted and applied as at on the Closing Date); and

(b) the Prospectus (that serves as a transaction summary or overview of the main features of the transaction in accordance with Article 7(1)(c) of Chapter 2 of the PRASR) and the Transaction Documents (in draft form) as required to be made available under Article 7(1)(b) of Chapter 2 of the PRASR and SECN 2.2.29R and Article 7(1)(b) of the EU Securitisation Regulation (in the case of the EU Securitisation Regulation, as if such requirement was applicable to it and the Retention Holder as originator and as in force on the Closing Date),

via the UK SR Reporting Website.

The Seller shall procure that the UK STS Notification is made available within 15 calendar days of the Closing Date to the FCA via the Connect Portal to the FCA STS register website at https://data.fca.org.uk/#/sts/stssecuritisations (or its successor website).

Adverse selection – Information on credit risk profile of the Portfolio

The Receivables sold to the Issuer pursuant to the Transaction Documents have not been selected with the aim of rendering losses on such Receivables over the greater of (i) the life of the Transaction, and (ii) the period of four years from the date of their sale, higher than the losses over the same period on comparable Receivables held on the Retention Holder's balance sheet.

Notes are not part of a re-securitisation

The Notes are not part of a securitisation of one or more exposures where at least one of the underlying exposures is a securitisation position.

Investors to assess compliance

Each of Article 5 of the EU Securitisation Regulation and the UK Due Diligence Rules requires an institutional investor to, amongst other things, be able to demonstrate that it has undertaken certain due diligence prior to holding each of its individual securitisation positions and that it has a comprehensive and thorough understanding of, and has implemented written policies and procedures appropriate to, its trading book and non-trading book which are commensurate with the risk profile of its investment in a securitised position.

The Trustee shall have the benefit of certain protections contained in the Risk Retention Letter in relation to the compliance of the Retention Holder with such undertaking. For further information, please refer to the section entitled "*Certain Regulatory Disclosures – UK Securitisation Framework and EU Securitisation Regulation – Risk Retention*".

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 EU Securitisation Regulation and the UK Due Diligence Rules. None of the Issuer, the Seller, the Retention Holder, the Trustee, the Arranger, the Lead Manager or any of the transaction parties makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the EU Securitisation Regulation and the UK Due Diligence Rules in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

Prospective investors should also note that each of the EU Securitisation Regulation and the UK Due Diligence Rules are required to be reviewed under the applicable legislation. See the section entitled "*Regulatory, taxation and legal risk – UK Securitisation Framework and EU Securitisation Regulation – Non-compliance with*

the UK Securitisation Framework and/or EU Securitisation Regulation regimes, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes".

Liability Cashflow model

The Retention Holder (as originator) has prior to pricing, as required by SECN 2.2.27R, made available to potential investors (via the Reporting Agent at https://www.euroabs.com/IH.aspx?d=33768) a liability cashflow model, either directly or indirectly through one or more entities which provide such cashflow models to investors generally. The Retention Holder (in its capacity as originator) shall procure that such cashflow model: (a) precisely represents the contractual relationship between the Purchased Receivables and the payments flowing between the Seller, the Noteholders, other third parties and the Issuer; and (b) is made available to investors in the Notes on an ongoing basis and to potential investors upon request.

Volcker Rule

The Issuer has been structured with the intent that it does not constitute a "covered fund" for purposes of the Volcker Rule. Investors that are "banking entities" should carefully review the Volcker Rule and conduct their own analysis, in consultation with their legal advisers, to determine whether the Issuer is a "covered fund" and whether the Notes constitute "ownership interests" for the purposes of the Volcker Rule. Each investor is responsible for analysing its own regulatory position as to the potential impact of the Volcker Rule, and none of the Issuer, the Arranger or the Lead Manager makes any representation to any prospective investor or purchaser of the Notes regarding the treatment of the Issuer or the Notes under the Volcker Rule, or to such investor's investment in the Notes at any time in the future.

UK CRA Regulation

Each Rating Agency is a credit rating agency established and operating in the United Kingdom and registered under the UK CRA Regulation.

As at the date of this Prospectus, none of S&P and Fitch are established in the European Union and have not applied for registration under Regulation (EU) No. 1060/2009 (as amended) (the "**EU CRA Regulation**"). The ratings issued by S&P have been endorsed by S&P Global Ratings Europe Limited and the ratings issued by Fitch have been endorsed by Fitch Ratings Ireland Limited, in each case in accordance with the EU CRA Regulation.

Consumer Credit Regulatory Framework

The following sets out further detail on the consumer credit regulatory framework applicable to the Purchased Receivables.

Certain lending in the United Kingdom is regulated by the Consumer Credit Act 1974 (as amended, extended or re-enacted from time to time) (the "**CCA**").) The Purchased Receivables comprise agreements entered into after 1 April 2014 and are subject to the FSMA authorisation regime and to additional rules made pursuant to FSMA contained in the Consumer Credit sourcebook of the FCA Handbook ("**CONC**"). CONC sets out certain conduct of business standards applicable to Authorised Persons carrying on regulated consumer credit related activities, including rules on treating customers fairly, financial promotions and total charge for credit in relation to regulated credit agreements.

Firms carrying out consumer credit activities must be Authorised Persons. Failure to hold the relevant authorisation is a criminal offence. In addition, where the person which fails to hold such authorisation is the creditor under a regulated agreement, this renders the credit agreement unenforceable and may require any payments made by the borrower under such agreement to be repaid unless an application is made to the FCA for relief. Authorised Persons must comply with the relevant provisions of FSMA and related secondary legislation, the FCA's rules in CONC, the provisions of the CCA and related secondary legislation which have been retained following the transfer of consumer credit regulatory functions from the OFT to the FCA, and (for regulated credit agreements entered into from 1 October 2015) the Consumer Rights Act 2015 ("**CRA**") (see the section entitled "*Consumer Rights Act 2015*").

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 a rule made under FSMA, and may set off the amount of the claim

against the amount owing by the borrower under a loan or any other loan that the borrower has taken with that Authorised Person. Any such set-off in relation to the Purchased Receivables may adversely affect the Issuer's ability to make payments on the Notes and Certificates.

A credit agreement made on or after 1 April 2014 is regulated by the CCA, where it is a regulated credit agreement for the purposes of Chapter 14A of Part 2 of the FSMA (Regulated Activities) Order 2001, i.e. if it involves the provision of credit of any amount by a lender to an individual or "relevant recipient of credit" (which includes certain small partnerships and certain unincorporated associations) and does not fall within any of the exemptions set out in articles 60C to 60H of the FSMA (Regulated Activities) Order 2001.

The main consequences of a credit agreement being regulated by the CCA are described in paragraphs (a) to (k) below.

(a) The lender has to comply with authorisation and permission or licensing requirements (as described above).

(b) If the lender or any broker did not hold the required licence or authorisation and permission(s) at the relevant time, a regulated credit agreement will be unenforceable against the customer without a validation order of the FCA or the court (depending on the facts).

(c) The customer has a right to withdraw from any regulated credit agreement (subject to certain exceptions). The customer may give notice to withdraw at any time during the 14 days starting with the day after the relevant day. The relevant day is the latest date determined in accordance with section 66A(3) of the CCA and depends on how the credit agreement was executed. If the customer withdraws, then: (i) the customer is liable to repay to the lender any credit provided and the interest accrued on it; (ii) the customer is not liable to pay to the lender any compensation, fees or charges except any non-returnable charges paid by the lender to a public administrative body.

(d) The credit agreement is unenforceable against the customer for any period when the lender fails to comply with CCA requirements as to periodic/annual statements, arrears notices, notice of default sums or default notices (although any such unenforceability may be cured by the lender remedying the breach). Further, the customer is not liable to pay interest or default fees for any period when the lender fails to comply with requirements as to periodic/annual statements or arrears notices and interest on default fees is restricted to nil until the 29th day after the day on which a compliant notice of default fees is given and then to simple interest (i.e. interest may only be calculated on the principal amount of the default fee). To the extent that the borrower had already made interest payments during such a period of non-compliance, the lender is required to repay those interest payments to the borrower.

(e) Any default charges and related administration costs must be a genuine pre-estimate of loss, and reflect the Seller's costs. If this is not the case, then the available remedies for the customer include the charge being unrecoverable in full (on the basis that it constitutes a penalty and should therefore be void) and/or reduced to a level that reflects the relevant costs.

(f) The court has power to give relief to the customer. For example, the court may: (i) make a time order, giving the customer time to pay arrears or to remedy any other breach; (ii) impose conditions on, or suspend, any order made by the court in relation to the credit agreement; and (iii) amend the credit agreement in consequence of a term of an order made by the court under the CCA.

(g) The court has power under section 140B of the CCA to determine that the relationship between the lender and the customer arising out of the credit agreement (whether alone or with any related agreement) is unfair to the customer. If the court makes the determination, then it may make an order, among other things, requiring the originator, or any assignee such as the Issuer, to repay any sum paid by the customer. In deciding whether to make the determination, the court is required to have regard to all matters it thinks relevant, including the lender's conduct before and after making the credit agreement, and may make the determination even after the relationship has ended. Once the borrower or customer alleges that an unfair relationship exists, then the burden of proof is on the lender to prove the contrary. Sections 140A to C of the CCA

give the court extensive powers if it finds that the relationship between a creditor and a debtor is unfair which could include the repayment of any sums paid under the relevant contract.

(h) In *Plevin v Paragon Personal Finance Limited [2014] UKSC 61*, the UK Supreme Court 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. The determination of a court that a relationship is unfair in relation to an underlying credit agreement may result in unrecoverable losses.

(i) Pursuant to CONC 5.2A.4 R(1), a lender must undertake a reasonable assessment of the creditworthiness of a customer before entering into a regulated credit agreement. Any failure of the lender to satisfy the CONC requirements does not go automatically and directly to the validity and enforceability of the regulated credit agreement but instead could be used: (i) as a basis of an unfair relationship claim made under sections 140A to C of the CCA; (ii) as the basis of a claim for breach of statutory duty; or (iii) as the basis of a claim by a customer under section 138D of FSMA (see paragraph (j) below). The FCA may also take enforcement action against the Seller as a result of any contravention of a rule in CONC.

(j) A customer 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 a rule under the FSMA. From 1 April 2014, such rules include rules in CONC, which transposes certain requirements previously made under the CCA and in OFT guidance. The customer may set off the amount of the claim for contravention of CONC against the amount owing by the customer under the credit agreement or any other credit agreement he has taken with the Authorised Person. Any such set-off may adversely affect the Issuer's ability to make payments in full on the Notes when due.

(k) The CCA imposes strict requirements in relation to the form and content of agreements which it regulates and other origination requirements, for example in relation to pre-contractual disclosures. The requirements on the form and content of agreements must be followed exactly as any failure to comply will render the agreement concerned "improperly executed" and, thus, unenforceable in court unless, provided the agreement was entered into on or after 6 April 2007, the court grants an order permitting it to be enforced. Similarly, failure to comply with other origination requirements such as pre-contractual disclosures will render the agreement unenforceable against the customer without a court order. In exercising its discretion whether to make the order, the court has regard to any prejudice suffered by the customer and any culpability by the lender. A customer has no such claim in damages where the FCA finds that an Authorised Person is in breach of one of its Principles for Business. The Principles for Business are a general statement of the fundamental obligations of Authorised Persons, and they derive their authority from the FCA's rule making powers in FSMA (see the section entitled "*Consumer Credit Regulatory Framework*").

The Seller has interpreted certain technical rules under the CCA in line with the market. If such market-wide interpretation were held to be incorrect by a court or any dispute resolution authority, then a Purchased Receivable, to the extent that it is regulated under the CCA or treated as such, would be unenforceable as described above. If such interpretation were challenged by a significant number of customers, then this could lead to significant disruption and shortfall in the income of the Issuer. Court decisions have been made on technical rules under the CCA against certain lenders, but such decisions are generally county court decisions which are not binding on other courts. If, however, a court or the FCA were to take a view that lenders are required to notify borrowers of such defects before pursuing enforcement, this would represent a significant compliance cost. It should thus be borne in mind that enforcement may be a lengthier and costlier process in future.

In a written statement to Parliament on 9 December 2022, the Chancellor set out a collection of announcements taking forward the government's ambition for the UK to be the world's most innovative and competitive global financial centre.

The full list of measures announced included consulting on reform of the CCA. A consultation on the modernisation of consumer credit legislation closed in March 2023 and a consultation response was published in July 2023, with His Majesty's Treasury (the "**HM Treasury**") confirming that the reform will aim to be proportionate, aligned with current and future regulatory frameworks, forward-looking, deliverable and

simplified, and that HM Treasury would consult further on the detail of the reforms in 2024. As consultees identified, due to its scale and complexity, CCA reform will take a number of years to deliver. It will likely require primary legislation, a detailed rulemaking process by the FCA and appropriate transitional periods to allow industry to prepare and adapt to new rules. In May 2025, HM Treasury published a Phase 1 consultation, seeking views on the proposals in relation to information requirements, sanctions and criminal offences. The consultation closed in July 2025. A second consultation was expected to cover the CCA's scope, key definitions and core consumer protections, such as unfair relationships and connected lender liability however, on 18 May 2026 the Government published its Policy statement on reform of the CCA stating that it considered that it had sufficient evidence to take forward changes in some areas without the need for further consultation. Specifically, the Government proposed that certain provisions should be repealed and either fall away or be recast into FCA rules. The proposed amendments to the CCA are set out in the Financial Services and Markets Bill. The bill is currently at Report stage. The nature of such developments and the ultimate impact on the Purchased Receivables is difficult to predict. Any changes which have an adverse impact on the performance of the Portfolio may ultimately have an adverse impact on the Issuer's ability to make timely payments on the Notes.

WEIGHTED AVERAGE LIFE OF THE NOTES

The average lives of the Notes cannot be stated, as the actual rate of repayment of the Purchased Receivables 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) the Purchased Receivables are subject to a constant annual rate of prepayment (excluding scheduled principal redemptions) of between 0 and 30% per annum as shown in the tables below;

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

(c) no mandatory or optional redemption has occurred in respect of the Notes (other than a mandatory redemption following exercise of the Clean-Up Call Option in the second table below);

(d) all Pro-Rata Payment Conditions remain satisfied until the Outstanding Receivables Balance of all Purchased Receivables falls below 10% of the Outstanding Receivables Balance of all Purchased Receivables in the Portfolio as the Cut-Off Date;

(e) the Seller does not elect to and is not required to repurchase any Purchased Receivable in accordance with the Receivables Sale Agreement (including pursuant to the Defaulted Receivables Call Option);

(f) the Security is not enforced;

(g) the payment frequency of the Purchased Receivables is on a monthly basis;

(h) the Purchased Receivables are fully performing;

(i) the ratio of the Principal Amount Outstanding of:

  (i) the Class A Notes to the Outstanding Receivables Balance of the Portfolio as of the Cut-Off Date is 74.40%;

  (ii) the Class B Notes to the Outstanding Receivables Balance of the Portfolio as of the Cut-Off Date is 6.50%;

  (iii) the Class C Notes to the Outstanding Receivables Balance of the Portfolio as of the Cut-Off Date is 5.75%;

  (iv) the Class D Notes to the Outstanding Receivables Balance of the Portfolio as of the Cut-Off Date is 5.50%;

  (v) the Class E Notes to the Outstanding Receivables Balance of the Portfolio as of the Cut-Off Date is 3.50%;

  (vi) the Class F Notes to the Outstanding Receivables Balance of the Portfolio as of the Cut-Off Date is 2.75%;

  (vii) the Class Z Notes to the Outstanding Receivables Balance of the Portfolio as of the Cut-Off Date is 1.60%; and

  (viii) the Class X Notes to the Outstanding Receivables Balance of the Portfolio as of the Cut-Off Date is 3.00%;

(j) the Relevant Margin of:

  (i) the Class A Notes is 0.84%;

(ii) the Class B Notes is 1.10%;

(iii) the Class C Notes is 1.35%;

(iv) the Class D Notes is 1.70%;

(v) the Class E Notes is 3.00%;

(vi) the Class F Notes is 4.50%; and

(vii) the Class X Notes is 4.00%;

(k) the Notes are issued on or about 29 October 2026. The first Interest Payment Date occurs on or about 23 November 2026. The weighted average life on the Notes is calculated using Actual/365- day count convention;

(l) amounts credited to the Issuer Transaction Account have a yield of SONIA – 0.30;

(m) the principal proceeds of the Portfolio are calculated based on the individual amortisation schedule of each Receivable, which takes into account the loan's repayment type, the Outstanding Receivables Balance, interest rate on the Cut-Off Date and remaining term, and by using Actual/365-day count convention;

(n) no interest or expense shortfalls occur that would result in the use of the Liquidity Reserve Fund or the application of any Available Principal Receipts or any Principal Addition Amounts to cover said shortfalls; and

(o) amounts standing to the credit of the Liquidity Reserve Fund Ledger in excess of the Liquidity Reserve Required Amount on the Interest Payment Date is excluded.

Assuming Exercise of Clean-Up Call Option

Weighted Average Life (years)	**0.0% CPR**	**5.0% CPR**	**10.0% CPR**	**15.0% CPR**	**20.0% CPR**	**25.0% CPR**	**30.0% CPR**
Class A Notes	2.11	1.93	1.78	1.63	1.50	1.37	1.26
Class B Notes	2.11	1.93	1.78	1.63	1.50	1.37	1.26
Class C Notes	2.11	1.93	1.78	1.63	1.50	1.37	1.26
Class D Notes	2.11	1.93	1.78	1.63	1.50	1.37	1.26
Class E Notes	2.11	1.93	1.78	1.63	1.50	1.37	1.26
Class F Notes	2.11	1.93	1.78	1.63	1.50	1.37	1.26
Class Z Notes	2.11	1.93	1.78	1.63	1.50	1.37	1.26

Assuming No Exercise of Clean-Up Call Option

Weighted Average Life (years)	**0.0% CPR**	**5.0% CPR**	**10.0% CPR**	**15.0% CPR**	**20.0% CPR**	**25.0% CPR**	**30.0% CPR**
Class A Notes	2.14	1.97	1.82	1.67	1.54	1.41	1.30
Class B Notes	2.23	2.06	1.89	1.74	1.60	1.48	1.36
Class C Notes	2.25	2.08	1.92	1.77	1.62	1.50	1.38
Class D Notes	2.28	2.12	1.95	1.81	1.66	1.53	1.40
Class E Notes	2.30	2.15	1.99	1.85	1.71	1.57	1.44
Class F Notes	2.32	2.17	2.01	1.89	1.76	1.62	1.50
Class Z Notes	2.33	2.19	2.04	1.92	1.80	1.68	1.56

The average lives of the Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic. They must therefore be viewed with considerable caution. For more information in relation to the risks involved in the use of the average lives estimated above, see the section entitled "*Risk Factors – Risks Related to the Notes – Yield and prepayment considerations*".

USE OF PROCEEDS

The Issuer will issue the Notes on the Closing Date. The Issuer will apply the net proceeds from the issue of the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, the Class Z Notes and the Class X Notes in an amount of £466,546,284.94 to (i) pay the Purchase Price to the Seller in respect of the Portfolio pursuant to the Receivables Sale Agreement; (ii) make a deposit in an amount equal to the Liquidity Reserve Required Amount into the Issuer Transaction Account to be credited to the Liquidity Reserve Fund Ledger; (iii) if applicable, pay any upfront swap payment to the Interest Rate Hedge Counterparty and (iv) make payments in respect of certain fees, costs and expenses in connection with the issuance of the Notes and Certificates (see further the section entitled "*Certain Transaction Documents – Receivables Sale Agreement – Sale of the Portfolio*").

THE ISSUER

General

The Issuer was incorporated and registered in England and Wales (under company registration number 17345416) as a public limited company on 17 July 2026. The registered office of the Issuer is at 10th Floor, 5 Churchill Place, London, E14 5HU. The Issuer's telephone number is +44 (0) 203 855 0285.

The Issuer's Articles of Association are dated 17 July 2026. The Issuer has been established as a special purpose company for the purpose of acquiring the Portfolio and issuing the Notes. The Articles of Association permit the Issuer, amongst other things, to acquire, hold, manage and to undertake financing of contracts and/or receivables and ancillary rights under the Receivables Sale Agreement. In addition to the Receivables Sale Agreement, the Issuer is authorised to issue the Notes, to purchase the Portfolio, to enter into the other Transaction Documents, and carry out any and all other activities related to the transactions described in this Prospectus.

The Issuer may not carry out any commercial, financial or other activities which do not directly or indirectly serve the purpose of the Transaction. If not foreseen by the Transaction Documents, the Issuer may not sell and transfer any contracts or receivables to third parties.

The Issuer is prohibited from holding or purchasing real estate property. Other than in accordance with the Transaction Documents, the Issuer may not purchase shares or invest in other companies. The Issuer may not, for its own account or for the account of third parties, provide security, nor may it enter into guarantees, sureties or the like in favour of third parties.

The Issuer has no subsidiaries or employees.

CSC Capital Markets UK Limited (the "**Corporate Services Provider**"), acts as the corporate services provider for the Issuer. The office of the Corporate Services Provider serves as the registered office of the Issuer. Through the office and pursuant to the terms of the corporate services agreement entered into on or around the Closing Date between the Issuer and the Corporate Services Provider (the "**Corporate Services Agreement**"), the Corporate Services Provider provides certain corporate administration services to the Issuer 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. The terms of the Corporate Services Agreement provide that either party 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 which is either incapable of remedy or which is not remedied within 30 calendar days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time by giving at least 90 calendar days written notice to the other party. The Corporate Services Provider's registered office is at 10th Floor, 5 Churchill Place, London, E14 5HU.

Since its incorporation, the Issuer has not commenced operations and has not engaged and will not engage in any material activities other than those incidental to its incorporation under the Companies Act 2006, authorisation and issue of the Notes, the matters referred to or contemplated in this Prospectus and the authorisation, execution, delivery and performance of the other documents referred to in this Prospectus to which it is a party and matters which are incidental or ancillary to the foregoing.

Share Capital

The authorised share capital of the Issuer is £50,000 divided into 50,000 ordinary shares of £1.00 each (each a "**Share**"). The Issuer has issued one Share which is fully paid and 49,999 Shares which are quarter paid. The issued share capital is held directly by Morton Funding 2026-1 Holdings Limited incorporated under the laws of England and Wales as a private limited company on 16 July 2026, with company registration number 17344408 ("**HoldCo**"), which is wholly owned by CSC Corporate Services (UK) Limited which holds the entire issued capital of HoldCo on trust for discretionary purposes for the benefit of certain beneficiaries.

Directors

The directors of the Issuer have, collectively, the appropriate expertise and experience for the management of the Issuer. Their respective business addresses and principal activities are:

Name	Business Address	Business Occupation
Fouzia Mushtaq Ahmed	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Director
CSC Directors (No.1) Limited	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Director
CSC Directors (No.2) Limited	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Director

The company secretary of the Issuer is CSC Corporate Services (UK) Limited.

Activities

On the Closing Date, the Issuer will acquire from the Seller the Portfolio. All Purchased Receivables acquired by the Issuer on such date will be financed by the net proceeds of the issue of the Notes. The activities of the Issuer will be restricted by the Conditions, the Certificate Conditions, the Deed of Charge, and the Trust Deed and will be limited to the issue of the Notes, the ownership of the Portfolio 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 the Customers in respect of Purchased Receivables and the operation of arrears procedures.

Financial Statements and Independent Auditors

As at the date of this Prospectus, the Issuer has prepared no financial statements. It intends to publish its first financial statements in respect of the period ending on 31 December 2027. The Issuer will not prepare interim financial statements. The independent auditors of the Issuer are PricewaterhouseCoopers LLP, who are chartered accountants and are members of the Institute of Chartered Accountants in England and Wales (ICAEW) and are qualified to practice as auditors in England and Wales.

HOLDINGS

INTRODUCTION

Holdings was incorporated in England and Wales on 16 July 2026 (registered number 17344408) as a private limited company under the Companies Act 2006 (as amended). The registered office of Holdings is 10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU. The issued share capital of Holdings comprises one ordinary share of £1. CSC Corporate Services (UK) Limited (the "**Share Trustee**") holds the entire legal and beneficial interest in the issued share under a discretionary trust for discretionary charitable purposes. Holdings holds the legal and the beneficial interest in the issued share capital of the Issuer.

Neither the Seller nor any company connected with the Seller can direct the Share Trustee and none of such companies has any control, direct or indirect, over Holdings or the Issuer.

Pursuant to the terms of its articles of association, Holdings is permitted, inter alia, to hold shares in the Issuer.

Holdings has not engaged since its incorporation in any material activities other than those activities incidental to the authorisation and implementation of the Transaction Documents referred to in this Prospectus to which it is or will be a party and other matters which are incidental or ancillary to the foregoing.

DIRECTORS

The directors of Holdings and their respective business addresses and occupations are:

Name	Business Address	Business Occupation
Fouzia Mushtaq Ahmed	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Director
CSC Directors (No.1) Limited	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Director
CSC Directors (No.2) Limited	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Director

The company secretary of Holdings is CSC Corporate Services (UK) Limited, whose principal office is at 10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU.

The accounting reference date of Holdings is 31 December.

Holdings has no employees.

INTEREST RATE HEDGE COUNTERPARTY

Lloyds Bank Corporate Markets plc ("**LBCM**") is a public limited company registered in England and Wales under number 10399850. LBCM's registered head office is at 25 Gresham Street, London, EC2V 7HN, United Kingdom. LBCM is authorised by the PRA and regulated by the FCA and the PRA. LBCM is a wholly owned subsidiary of Lloyds Banking Group plc.

THE SELLER, RETENTION HOLDER, LEGAL TITLE HOLDER AND SERVICER

Zopa Bank Limited ("**Zopa**") was incorporated on 20 February 2017 under the laws of England and Wales (company number 10627575). Zopa's registered office is at Level 12, 20 Water Street, Canary Wharf, London, E14 5GX. Zopa Bank is a public interest entity, authorised by the PRA and regulated by the FCA and the PRA.

Zopa is a subsidiary of Zopa Group PLC ("**Zopa Group**").

Zopa's balance sheet is primarily funded by retail customer deposits, providing diversified low-cost funding, supplemented with wholesale funding. As at 30 June 2026, Zopa has approximately 1.9 million customers with total assets of £6.6 billion.

Funds are advanced primarily to borrowers for unsecured personal loans, but also used to advance to borrowers where loans are secured against vehicles, issue credit cards and buy-now-pay-later loans.

Zopa interacts primarily with its customers through mobile app and originates customers via aggregators and merchants (including price comparison websites), its online platform and mobile app.

Expertise, Policies and Procedures

The Board of Directors sets the strategy for Zopa and Zopa Group and is responsible for ensuring that it delivers against its financial and business objectives in a way that promotes the desired culture at Zopa and Zopa Group and with regard to the risk appetite and interests of all stakeholders. The Board of Directors also holds responsibility for the oversight and control of the management of risk and setting the risk appetite on the recommendation of the Zopa Board Risk Committee.

The Board of Directors ensures that Zopa, Zopa Group and the Board itself comply with the Articles of Association and all relevant legal, regulatory and governance requirements.

Zopa Group's Board Audit Committee together with Zopa's Board Audit Committee is responsible for the oversight of accounting policies and judgements, control environment (systems and procedures), financial reporting, whistleblowing and external audit plan for Zopa Group.

Members of the Board of Directors and other senior staff who are responsible for managing Zopa's servicing of exposures have expertise in servicing exposures of a similar nature to the Purchased Receivables. Zopa has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of the Purchased Receivables.

Zopa has over six years of experience originating and servicing similar assets to those being securitised.

THE CASH ADMINISTRATOR, THE ACCOUNT BANK, THE PRINCIPAL PAYING AGENT, THE AGENT BANK AND THE REGISTRAR

Citibank, N.A., London Branch is a national association formed through its Articles of Association, obtained its charter, 1461, July 17, 1865, and governed by the laws of the United States and having its principal business office at 388 Greenwich Street, New York, NY 10013, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

THE TRUSTEE

Citicorp Trustee Company Limited was incorporated on 24 December 1928 under the laws of England and Wales and has its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, with a company number 235914.

Citicorp Trustee Company Limited is an indirect wholly-owned subsidiary of Citigroup Inc., a diversified global financial services holding company incorporated in Delaware.

Citicorp Trustee Company Limited is regulated by the Financial Conduct Authority.

THE CORPORATE SERVICES PROVIDER AND BACK-UP SERVICER FACILITATOR

CSC Capital Markets UK Limited (registered number 10780001), having its principal address at 10th Floor, 5 Churchill Place, London E14 5HU will be appointed to provide corporate services to the Issuer and HoldCo pursuant to the Corporate Services Agreement.

CSC Capital Markets UK Limited has served and is currently serving as corporate service provider for numerous securitisation transactions and programmes involving pools of loans.

THE PORTFOLIO

The information contained in this Prospectus has been extracted from the systems of the Seller as at 31 August 2026 (the "**Portfolio Reference Date**") and is based on the Provisional Portfolio. The pool of Receivables from which the Portfolio will be selected as at the Portfolio Reference Date (the "**Provisional Portfolio**") comprises 76,941 Receivables with an Aggregate Outstanding Receivables Balance of £573.08m.

The statistical and other information contained in this Prospectus will further change between the Portfolio Reference Date and the Closing Date due to repayments on the Receivables prior to the Closing Date and the removal of any Receivables from the Portfolio that do not comply with the Seller Asset Warranties as at the Closing Date. Only Receivables included in the Provisional Portfolio will be included in the Portfolio at the Closing Date.

The Purchased Receivables which comprise the Portfolio will be purchased by the Issuer from the Seller pursuant to the terms of the Receivables Sale Agreement to be entered into on or about the Closing Date.

The Portfolio comprises Purchased Receivables originated by the Seller and sold to the Issuer on the Closing Date pursuant to the Receivables Sale Agreement, as further described below in the section entitled "*Certain Transaction Documents – Receivables Sale Agreement – Sale of the Portfolio*".

The Receivables

The Receivables comprise amounts due under the Underlying Agreements. The Underlying Agreements are entered into by individual Customers (and in some circumstances, retail customers) who are 18 years or older and who are resident in England and Wales in each case at the time of entering into the Underlying Agreement. The Underlying Agreements are classified under the CCA as "Fixed Sum Loan Agreements" and carry a fixed rate of interest, typically amortised in equal monthly instalments over the contractual term, which varies between 12 and 84 months. These agreements require the Customer to make an initial payment followed by equal monthly payments of interest and principal, together with a final payment. The amount of the initial payment and subsequent monthly payments of interest and principal will depend on the terms and conditions established in each loan.

The Underlying Agreements "unsecured personal loans" (Unsecured Personal Loans) which are unrestricted use credit agreements allowing the Customer to use the credit as they wish. In these circumstances the credit will be provided directly to the Customer, typically by transfer into their bank account.

Unsecured Personal Loans

Unsecured Personal Loans are simple fixed term fixed rate loans where Monthly Payments commence the month after the loan is advanced. The borrower will repay the loan (including accruing interest) in equal monthly instalments such that the cost of finance to the borrower over the life of the loan is equal to the stated APR.

A borrower can settle the balance at any time by paying the outstanding amount without penalty. Early settlement is calculated in accordance with early settlement regulations.

In the event that payments are missed, Zopa is allowed to charge fees if it decides to take action against the customer to enforce the agreement. This includes the costs of tracing the borrower and collecting the debt. These fees are typically not charged to Customers, as bad debts are sold on to third parties in accordance with the Collections and Recoveries Policy and standard collections process.

Unsecured Personal Loans are originated both via intermediaries and by way of direct applications (predominantly through price comparison websites).

Characteristics of the Receivables

The general characteristics of each Receivable are set out below.

Currency

All the loans are made in Sterling.

Repayments

All payments are made in Sterling and most payments are made by a monthly direct debit instruction through the UK direct debit system from another bank or building society account. A Customer must provide notice to Zopa that a payment to Zopa in excess of the instalment due and owing is intended to constitute an early repayment.

Early repayment

Consumers have 14 days, beginning on the day after the day loan is advanced, to exercise their statutory right of withdrawal under s66A of the Consumer Credit Act 1974. However, all Unsecured Personal Loans in the Portfolio will have made at least one monthly payment and therefore this right of withdrawal will have passed. Outside of this period, early settlement is calculated in accordance with the early settlement regulations.

Interest

The interest rate is fixed for the entire duration of the loan period and will not change after the loan has been granted.

Zopa charges interest daily on the outstanding balance on loans (not including any overdue repayments). Each month Zopa calculates the amount of daily interest charged in that month and applies it to that month's repayment on the borrower's monthly repayment date.

In the event of early settlement, Zopa calculates the early settlement fees in accordance with the early settlement regulations.

Loan Values

The following table sets out details of the minimum and maximum principal balance at origination.

Product	**Minimum principal balance**	**Maximum principal balance**
Unsecured Personal Loans	£1,000	£50,000

Maturity

The minimum and maximum Terms of each product are detailed below

Product	**Minimum term**	**Maximum term**
Unsecured Personal Loans	12 months	84 months

Extensions and Further Advances

The application for credit is based on the cost of the item being purchased or the loan amount requested and as such is a contained amount and cannot be extended. Further advances on the loan are not possible.

Fees and Costs

No fees are charged for the granting of any of the above loans.

Governing Law

The Underlying Agreements in the Portfolio are all governed by and construed in accordance with English Law.

Origination

Portfolio Selection

The Portfolio as at the Closing Date will have been selected by the Seller.

The Receivables comprised in the Portfolio were selected by applying the Eligibility Criteria, as detailed below, and other asset warranties.

Under the Receivables Sale Agreement, the Seller will assign and transfer to the Issuer all of the Seller's beneficial rights, title and interest in and to the Purchased Receivables and Related Collateral comprising the Portfolio, which have an Aggregate Outstanding Receivables Balance of £450,008,197.61 at the Cut-off Date which excludes the Receivables which shall form part of the Retained Interest, which have been randomly selected and retained on the balance sheet of the Retention Holder.

Pursuant to the Receivables Sale Agreement, all Purchased Receivables are required to have satisfied the Seller Asset Warranties as at the Cut-Off Date. See further the section entitled "*Certain Transaction Documents – Receivables Sale Agreement*".

Representations and warranties in respect of the Portfolio

None of the Issuer or the Trustee has undertaken or will undertake any investigation to verify the details of the Purchased Receivables and each will rely solely on the representations and warranties given by the Seller to the Issuer pursuant to the Receivables Sale Agreement.

Pursuant to the Receivables Sale Agreement, the Seller will make certain representations and warranties to the Issuer regarding, among other things, its status and the validity of the Purchased Receivables and the related Underlying Agreements. Such representations and warranties will be given to the Issuer on the Closing Date, as at the Cut-Off Date.

For more detailed information on the representations and warranties in respect of the Portfolio please refer to the section entitled "*Certain Transaction Documents – Receivables Sale Agreement*".

Eligibility Criteria

In order for a Receivable to meet the Eligibility Criteria in relation to the Closing Date, the Receivable or, as the case may be, the related Underlying Agreement from which it is derived must have satisfied the following criteria:

(a) the Receivable has been underwritten by the Seller in accordance with, and it complies in all material respects with the then applicable Underlying Policies subject to exceptions made on a case by case basis as would be acceptable to a reasonable prudent consumer loan lender;

(b) the Receivable has been originated and underwritten by the Seller in the ordinary course of its business and on the terms of the Standard Documentation in all material respects;

(c) the Receivable is governed by the laws of England and Wales except that a Customer may elect to have different courts of Scotland and Northern Ireland resolve any dispute;

(d) the Receivable has been marketed and originated in all respects in accordance with all Applicable Laws in all material respects;

(e) the Underlying Agreements in relation to the Receivables constitute, subject to the Legal Reservations, legal, valid and binding obligations of the Customer, enforceable in accordance with its terms with full recourse to the relevant Customer (save that an Underlying Agreement will only be determined not to be enforceable by a reason of a breach of the CCA or FSMA at such time as a court delivers a judgment with respect to such specific agreement confirming non-enforceability), and is non-cancellable (except in accordance with Consumer Credit Laws);

(f) the particulars of each Receivable are true, complete and accurate in all material respects as at the Cut-Off Date;

(g) as far as the Seller is aware, the Customer is not in material breach of the terms of the Underlying Agreement;

(h) the Receivable is an unsecured consumer loan receivable;

(i) the Receivable is drawn down in full upon the initial advance and there is no obligation of the Seller to provide any additional advances at any time with respect to that Receivable and no Customer has the right to require any additional advance of funds with respect to that Receivable;

(j) the administration of the Receivable complies with all Applicable Law, including the Consumer Credit Laws, in all material respects;

(k) the terms of the Receivable require it to be fully repaid upon its maturity date;

(l) the Receivable is required to be repaid in equal instalments that are no less frequent than monthly, unless otherwise permitted in accordance with any of the Seller's arrears management policies, practices and underwriting criteria;

(m) the Receivable is repaid by direct debit, unless otherwise permitted in accordance with the Underlying Agreement or any of the Seller's arrears management policies or where an overpayment is being made;

(n) the Customer is an individual;

(o) the Customer is an Eligible Customer;

(p) as of the date of origination for an applicable product, the Customer is resident in England or Wales;

(q) the original term of the Receivable does not exceed 96 months;

(r) the Original Balance under the Receivable is no greater than £50,000;

(s) the Receivable has a minimum annual percentage rate ("APR") of 5%;

(t) the Receivable has a maximum APR of 39.9%;

(u) so far as the Seller is aware (having made all due and reasonable enquiries of a Prudent Lender), no fraud or misrepresentation occurred in relation to the origination of the Receivable, and the Customer is not a person with whom transactions are prohibited under any Sanctions, nor are they located in a Sanctioned Country or any territory which was the subject of any Sanctions;

(v) the Customer is at least 18 years of age;

(w) as of the date of origination for an applicable product, the Customer is not subject to any insolvency proceeding and is not bankrupt or sequestrated (as applicable);

(x) the Receivable has not been subject to any variation, amendment, modification, waiver or exclusion of time of any kind since its origination;

(y) the Seller has not received any material complaint in writing in relation to the Receivable from any regulatory body (including the Financial Ombudsman Service) or the Customer to the Receivable that the Seller has acted unfairly in relation to the setting of the interest rate in respect of that Receivable, which, if adversely determined, could reasonably be expected to have a material adverse effect or to adversely affect the enforceability of a material portion of the

Receivable, and in each case such complaint is not released or terminated within 120 days of the commencement of such complaint;

(z) as of the date of origination for an applicable product, the Customer does not have any unsatisfied County Court Judgments within three (3) years prior to the Cut-Off Date;

(aa) prior to the Receivable being advanced, all required 'know your customer' and anti-money laundering checks required under any Applicable Law have been undertaken;

(bb) as at the Cut-Off Date, no withholding taxes would apply to any payments to be made by the Customer under that Underlying Agreement and, to the best of the Seller's knowledge, no withholding taxes would apply to any payments to be made by the Customer under that Underlying Agreement after the Cut-Off Date for that Receivable;

(cc) as at the Cut-Off Date, the Customer has a minimum Equifax Score of at least 200;

(dd) the Customer has not (based on information obtained by the Seller from the relevant Customer at the time of origination of the relevant Receivable, in the course of the servicing of the relevant Receivable or the Seller's risk management procedures, or from a third party):

(i) (A) applied for an individual voluntary arrangement or had a bankruptcy order made against such Customer; or

(B) had a non-appealable county court judgment or decree (as applicable) or a court grant material damages against such Customer as a result of a missed payment within three (3) years of the date of origination of the relevant Receivable by the Seller; or

(ii) undergone a debt-restructuring process with regard to such Customer's non-performing exposures within three (3) years of the Cut-Off Date, except if:

(A) a restructured underlying exposure has not presented new arrears since the date of the restructuring, which must have taken place at least one year prior to the Cut-Off Date; and

(B) the information provided by the Servicer in accordance with Article 7(1)(a) and the first subparagraph of Article 7(1)(e)(i) of the EU Securitisation Regulation and SECN 6.2.1R(1) and SECN 6.2.1R(5)(a) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

(ee) in so far as the Seller is aware, the Customer does not have a credit assessment or credit score indicating: (i) based on the Underlying Policies, a significant risk that contractually agreed payments will not be made; or (ii) that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures retained by the Seller;

(ff) the Customer has made at least one instalment in full in respect of the Receivable under the relevant Underlying Agreement;

(gg) the Customer was not, to the best of the Seller's knowledge, at the time of origination of the relevant Receivable on a register available to the Seller of persons with adverse credit history;

(hh) the Receivable is not more than 90 days in arrears nor a Defaulted Receivable and there is no active forbearance granted in relation to the Receivable; and

(ii) the Receivable was originated by the Seller in the year 2026.

together, the "**Eligibility Criteria**".

Portfolio Management

The Seller's rights and obligations in relation to the Purchased Receivables under the Receivables Sale Agreement do not constitute active portfolio management for the purposes of SECN 2.2.8R.

STS requirements relating to the Purchased Receivables

Pursuant to the UK Securitisation Framework, the Purchased Receivables must satisfy certain conditions in order for this transaction to be designated as a UK STS securitisation.

As at the Cut-Off Date, the Purchased Receivables are homogenous for the purposes of SECN 2.2.9R(1), SECN 2.2.9(2) and SECN 2.4 on the basis that all such Purchased Receivables:

(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 loans entered into substantially on the terms of similar standard documentation for consumer loans;

(c) are serviced by the Servicer in accordance with the same Servicing and Collection Procedures; and

(d) form one asset type, namely "credit facilities to individuals for personal, family or household consumption purposes" pursuant to SECN 2.4R(1)(a)(iii).

Verification of data

The Issuer has caused the data set out in the section entitled "*Portfolio Stratification Tables*" to be externally verified by an appropriate and independent third party, which has performed agreed upon procedures to verify the accuracy of the stratification tables disclosed in respect of the underlying exposures.

The Portfolio has also been subject to an agreed upon procedures review, to review, amongst other things, a sample of Receivables selected from the Portfolio conducted by a third-party and completed on or about 13 August 2026 with respect to the Portfolio in existence as of 30 July 2026.

No significant adverse findings arose from such review. The third party undertaking the review only has obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein.

Underwriting Criteria

Prior to providing a loan, the applicant must apply for the loan and comply with Zopa's underwriting criteria. The criteria are summarised in the below table:

	Criteria
Minimum Age	20 years
Maximum Age at end of Term	No limit
Minimum Income	£12,000 gross personal annual income
Breathe Value/Credit capacity	All loans are subject to an affordability assessment
DTI/Indebtedness Index used?	A customers debt servicing costs, calculated from existing debt commitments captured at the bureaux, are included in the affordability assessment Zopa also applies a cap of 100% unsecured debt to income

	Criteria
Maximum Consolidated Lend at customer level	Zopa's 'Credit and responsible lending policy' caps maximum exposure at a customer level to £100k. This is subject to a credit and affordability assessment that takes account of all of the customers borrowing.
Maximum Contracts	No restriction
Employment Types Excluded	Unemployed (except retirees are not automatically excluded)
Fraud Tools	CIFAS national fraud database, internal fraud scorecard, bank validation, device & mobile risk tooling, KYC checks
Bureau Data used?	Yes, Experian and Equifax.
Type of Scorecard	Internal

Underwriting Procedures

Credit and Responsible Lending Policy

The Credit and Responsible lending policy determines the minimum requirements for all lending. This includes:

(a) requirements to undertake responsible lending according to CONC1, 2, 5, 6 and the CCMS remedies;

(b) requirements to grant credit on sound and well-defined criteria; and

(c) requirements for the process for approving credit decisions.

Automated Underwriting Process

Credit models and policy rules are applied to decline customers based on indicators of risk of default, and to comply with the Credit and Responsible Lending Policy. Decline rules are primarily used to ensure compliance with the policy, or to mitigate against populations where the models used to determine the risk score may be less effective or have blind spots. Referral rules are used to identify customers flagged as potential fraud risk or to provide further validation of income. Zopa does not use manual underwriting to form a judgmental assessment of an applicant's default risk.

The risk score is developed using a range of data sources, including:

(a) information captured from the customer at point of quotation or application (e.g. income, loan purpose, etc); and

(b) trade-line credit bureau data (credit servicing performance history, electoral roll, public data, credit search, etc.) associated with the customer at the address history provided and/or linked addresses; and

(c) generic credit bureau scores and/or metrics (e.g. Equifax risk navigator, Equifax indebtedness score, etc.); and

(d) open banking data provided by the customer (e.g. balance or transaction data from linked bank accounts); and

(e) internal Zopa data (e.g. previous loan status);

(f) the finance product (e.g. loan type, term, amount); and

(g) the asset to be financed.

Risk score cut-offs are set separately according to product terms (e.g. loan amount) and customer origination channel. Cut-offs are set to acceptance, credit resilience and total returns. This optimisation recognises the differing product and customer usage profile by risk score (e.g. APR, average revolving balance, average spend, etc.) and associated impact on risk-return performance dynamics.

Oversight of Underwriting Process

A number of internal policies and control procedures are in situ within the business that detail the underlying risk rules utilised by automated systems and manual underwriting to ensure the creditworthiness assessment delivers positive customer outcomes. The risk is monitored on an ongoing basis and if any adverse trends are identified then the risk criteria are subject to review. Where a risk rule needs to be changed as a result of a review, the reasons and the recommendation are presented to and reviewed by the appropriate Credit Governance Authority given the materiality of the change.

Changes to the underwriting criteria, including changes to policy rules, underwriting models and score cut-offs are governed through the Credit Change Proposal (CCP) process. All CCPs are assessed for their level of materiality, according to exposure affected, and incremental exposure, credit loss and capital requirements. The materiality rating determines the appropriate Credit Governance Authority. The Credit Governance Authority accreditation is determined by the Chief Risk Officer.

Detailed management information is presented to the Credit and Model Risk Sub Committee, showing key trends on arrears, credit losses, model performance and portfolio concentration. Oversight of automated decisioning is also undertaken through off-line replication of key underwriting logic and statistical monitoring of data inputs.

Each scorecard used by is monitored on a regular basis by model stability and rank-ordering statistics are stable over time when compared to the development sample. Models are also tested through Residual Modelling (ReMo) to identify populations that are statistically more likely to have outcomes not predicted by the model. If scorecards deteriorate this will trigger either a recalibration or rebuild.

Collections and Recoveries

Zopa and its employees have extensive collections training, along with some automated strategies and processes, to ensure that collections are managed appropriately and efficiently across both in-house staff and (dedicated) outsourcer staff. Vulnerable customers and those in financial difficulties are afforded forbearance, and Zopa is committed to ensuring the fair treatment of customers. Zopa actively engages with debt management companies, where they are instructed by customers.

Zopa's Collections strategy pays specific regard to FCA guidance and rules, including Principle 6 and Section 7 of the FCA's Consumer Credit Sourcebook (**CONC**). The below reflects Zopa's approach to collections:

(a) There are clear standards governing the management of arrears;

(b) Zopa acts as a responsible lender and the customer is always treated fairly throughout the lifetime of the relationship;

(c) Regulatory and industry principles are adhered to;

(d) Zopa communicates with customers in a fair, timely, clear and courteous manner and does not put undue pressure on the customer being consistent with the principles of Consumer Duty;

(e) Collection strategies and processes are both automated and manual to ensure collections are managed appropriately and efficiently;

(f) Vulnerable customers and those in financial difficulties are afforded forbearance within the scope of the Arrears Management Policy;

(g) Customer information is protected in line with the Data Protection Laws;

(h) Losses are minimised by effectively handling past due accounts, using the most cost-effective methods available without compromising customer interest;

(i) Zopa reviews strategy to deliver the best results based on customer needs, business needs and within the regulatory guidelines; and

(j) All communications with customers including letters are reviewed on a regular basis or as required when necessary.

Overview of the Collections Function

Zopa aims to treat customers with respect, in a calm and professional manner, demonstrating an empathetic flexible approach and ensuring that customers in arrears or those who have indicated that they are struggling to make payments are treated fairly, responsibly and reasonably as well as meeting its commitments as a responsible credit provider.

The collections & recovery process is intended to help settle accounts in arrears within the shortest period possible, allowing sufficient forbearance and sustainability of agreed remedies for the customer and encapsulating all elements of FCA rules and guidance, specifically (but not limited to) CONC, under CONC 6 and 7, Consumer Duty and the Finance and Leasing Association's lending code (**FLA Lending Code**).

A requirement for all Underlying Agreements is the setting up of a monthly Direct Debit payment on the due date specified in the relevant contract. If a payment is not received it is usual for an automatic re-presentment of the Direct Debit request to the customer's bank account. If payment fails for a second time, Zopa will contact the relevant customer by multiple contact channels such as telephone, letter, email and SMS.

In the event of a failed or missed payment, all activities relating to arrears management are managed by the Zopa and outsourcer collections teams; however, the customer services teams are also trained to be aware of and act appropriately where there are indications of financial difficulties identified within the customer services environment.

Zopa works towards ensuring losses are minimised through effectively handling of accounts in arrears, using the most cost effective methods and sustaining its commitment to treating customers fairly. The primary aim is to seek to resolve missed payments and work towards the customer clearing arrears on their account, continuing with contractual monthly payments and protecting the customer's credit file from unnecessary impairment.

Zopa does this by seeking to understand the customer's financial circumstances and tailor the appropriate forbearance accordingly. Zopa provides solutions to customers in a non-advisory capacity. However, there are times where customer circumstances mean it is appropriate to direct them to free debt advice charities.

Zopa will never refuse to negotiate directly with a customer, except in the event of fraud or where the customer has appointed another party to represent them (for example, but not limited to, the event of individual voluntary arrangements, bankruptcy, debt advice charities or another third party nominated by the customer).

Customer accounts will be updated with the outcome of every interaction and the systems will reflect where forbearance solutions have been provided.

Collections teams are empowered through an authority matrix to seek to find appropriate solutions for customers. This includes clarity of escalation processes where needed.

The Collections and Recoveries Strategy will be reviewed by Zopa at minimum on an annual basis, but sooner if material changes are necessary for the effective implementation of the policy. Material changes could be required for, but not limited to, the following: market or industry practice or as may be required by applicable laws, regulations, judgments and other directions or orders to which it may be subject such as thematic reviews by the FCA; new regulation, audits, compliance monitoring reviews or complaints and / or amendments to the FLA Lending Code.

Collections standards

Zopa promotes a professional service at all times, which must meet the following conduct standards:

(a) Zopa will not act in any way that could adversely impact on the customer's confidence that its customers are treated fairly and ensures that this is central to its corporate culture;

(b) Zopa will accept token payments for a reasonable period of time as a sign of forbearance to support customers recovering from a specific income shock. As long as it is deemed that this is in the best longer-term interest of the customer and doesn't make future repayments unaffordable for the customer;

(c) As appropriate, Zopa will make customers aware that free and independent debt advice is available;

(d) Zopa will listen to proposals and maintain communication with customers who are developing a payment plan;

(e) Zopa will not put any undue pressure on its customers to:

(i) pay a debt in one single payment, very few repayments or in unreasonably large amounts when to do so would have an adverse impact on the customer's financial circumstances;

(ii) pay a debt within an unreasonably short period of time; or

(iii) raise funds to repay the debt by selling their property, borrowing money or increasing existing borrowing.

(f) Zopa will build in an appropriate communication pause of up to 30 days where a customer indicates that they are seeking to develop a payment plan through third party support and to give time for notification from the third party of a regulatory Breathing Space.

(g) Zopa will not seek to enforce a debt if it is aware that the customer is subject to a bankruptcy order or debt relief order.

(h) Zopa will provide information to the customer, or any person acting on behalf of the customer (subject to appropriate consent from the customer), the arrears or balance owing.

(i) Where Zopa engages with third parties, or sells debt, customers will be given notice that the account has been assigned to a third party to ensure transparency to customers. Zopa will present the information in a clear manner that the customer will understand.

(j) Zopa will take reasonable steps to demonstrate that it and its outsourced partners comply with the requirements of Data Protection Laws and the FCA Handbook, specifically, but not limited to CONC.

(k) Zopa will not threaten to commence court action, including an application for a charging order or an order for sale, in order to pressurise a customer in default of financial difficulties to pay more than they can reasonably afford.

(l) Zopa will also ensure that colleagues have adequate and appropriate training in place to meet Zopa's policies and guidelines.

(m) Zopa will never misrepresent its legal position or the legal position of the customer's liability.

(n) The Zopa Collections department complies with the Zopa policy on vulnerable customers which includes financial, physical and mental health.

Performing Accounts and Pre Arrears Accounts

All Underlying Agreements are advanced on the understanding that regular monthly payments will be made on the stated date via Direct Debit.

Customers are encouraged to engage with Zopa if they foresee difficulty in making and / or maintaining their monthly payment.

Arrears Accounts

Where a customer finds themselves in arrears, the Zopa and outsourcer collections team:

(a) understand the reason for arrears;

(b) check affordability;

(c) explain the consequences on non-payment;

(d) explain the different payment methods; and

(e) review and confirm the next payment due date.

Where a customer who is in arrears offers to pay the balance, or payment in full, the agent will check that the payment is affordable.

Solutions

Zopa has the following range of solutions for customers in arrears:

UPL/Credit Cards

Full payment: If a customer simply forgot to pay, but there are no affordability issues, then payment in full will be taken.

Promise to Pay: If the customer has a temporary cashflow problem, then Zopa will set up a "Promise to Pay" for the customer to clear their arrears when they expect this to be affordable.

Reduced Payment Plan: If the customer cannot afford to pay their contractual amount but can afford to make some level of repayment then they can be set up on a reduced payment plan for up to six months. Arrears will continue to accrue during this time.

'Above contractual' Payment Plan: After a period of being in arrears, if the customer can afford to pay more than their contractual minimum payment then a payment plan can be set up for this situation, which will (over a period of time) allow the customer to 'cure' and become up to date.

Communications pause and signpost to free and independent financial advice: A communications pause is a pause on all non-statutory communications applied when a customer is experiencing financial difficulty. This gives the customer time to contact free debt advice companies and get support in managing their finances. Zopa signposts free and independent financial advice throughout the Collections process.

Breathing Space: A standard breathing space gives customers with problem debt the right to legal protection from their creditors for up to 60 days. Protections include pausing most enforcement action, contact from creditors and freezing interest and charging on their debts.

A mental health crisis breathing space is only available to someone who is receiving mental health crisis treatment. It lasts as long as the mental health crisis treatment plus 30 days.

Breathing spaces are applied at a member level so will impact all products a customer may have.

If Zopa receives a notification from the insolvency service to begin a breathing space, the following will happen:

(a) Customer will be excluded from non-statutory communications (with the exception of an initial email to confirm the breathing space);

(b) Interest will be stopped on principal;

(c) Default notices and defaults will be paused;

(d) The Insolvency service will be informed of any additional debts (and breathing space will be applied to these as well);

(e) Third parties such as debt collection agencies (DCAs) or debt purchasers will be informed of the breathing space if applicable;

(f) Debt will not be sold; and

(g) Debt will not be sent to DCAs.

Arrears will continue to accrue during this time.

Vulnerable Customers

The FCA's definition of a vulnerable consumer is someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care.

Zopa recognises that vulnerability can impact its customers at any time whether temporary or permanent. The situations and circumstances of vulnerable individuals are diverse, complex and dynamic: the experience of vulnerability is unpredictable, and it can change over time.

Most customers identified as vulnerable are integrated into our core Collections & Recoveries strategies, with individualised adjustments made as necessary, since the core Collections strategy is designed to be suitable for all customers including those with vulnerabilities.

In cases where it is deemed appropriate, some vulnerable customers are excluded from the core strategies and are instead managed manually by a specialist Complex Case Team within Operations.

Settlement, Disputes and statutory barred debt

If a customer disputes a debt, Zopa will temporarily cease to pursue recovery of the amount under dispute while an investigation is undertaken into the claims made by the customer. Outcomes of the investigation and details of the debt will be shared with the customer in a timely manner.

Zopa will take reasonable steps to ensure that the data it holds on its customers is accurate and adequate to ensure that, amongst other things, it pursues the correct individual for repayment of the debt, that the amount is correct and that this is correctly reflected to third parties including credit reference agencies.

If the customer offers to settle the debt and Zopa agree to the settlement amount, it will write off the remaining debt amount. Agents can agree a 25% discount post-default, while the Head of Collections can agree up to 50%.

Zopa takes note of statute-barred claims and will not pursue debt outside of these parameters.

3rd Party Suppliers

Zopa appoints outsourced partners to support the collection and recovery of outstanding debt.

The Head of Partner Operations is accountable for the relationships management of the debt sale panel and operational execution of debt sale. They recommend to the Collections Intent team which suppliers should/should not sit on the panel based on their operational execution and other due diligence factors (operational testing for debt purchasers on the panel is undertaken by the Partner Operations team)

The Head of Collections Operations signs off the onboarding of any new additions to the panel based on their debt collections practices and whether they align with expectations and Zopa values.

Collections Strategy are accountable for what we sell, to whom and at what price.

The compliance team ensure the panel are fit and proper business with appropriate licences and regulatory permissions.

Selection, management and oversight of the dialler provider is undertaken by the Collections Strategy team.

Zopa actions forward flow debt sales on a quarterly basis as a standard collections process, this includes accounts that default, IVA's and bankruptcy.

Zopa ensures contracts are in place between all parties to ensure the outsourced partner is aligned with the Zopa culture for management of arrears and the FCA, CONC and Consumer Duty.

Compliance, Controls and Audits

Zopa's Level 0 Process Owners are responsible for identifying, assessing and ensuring controls are in place to mitigate all risks arising in their process. They document and maintain this within the Process, Risk and Control register and regularly update risk assessments based on monitoring of control effectiveness and changes in the relevant risk profile.

First Line Operational Risk supports Level 0 Process Owners and carries out first line control testing. Second Line Risk Oversight Owners review and challenge first line reporting, including RCSA reviews, and conduct periodic assurance reviews of first line operational risk management.

Third Line conducts periodic internal audit reviews of Zopa Bank's operational risk management.

Portfolio Stratification Tables

Certain characteristics of the Portfolio set forth below refer to the composition of the Provisional Portfolio as at the Portfolio Reference Date and not the Closing Date (unless otherwise specified in respect of the relevant information). Following the Closing Date, the composition of the Portfolio will vary over time due to, among other things, repayments, prepayments, repurchase of Purchased Receivables.

Overall statistics for the Portfolio

Table 1: Summary Statistics

Portfolio Reference Date	31/08/2026
Number of Receivables	76,941
Original Balance	616,728,854.00
Outstanding Receivables Balance	573,075,817.41
Average Outstanding Receivables Balance	7,448.25
Minimum Outstanding Receivables Balance	1,000.00
Maximum Outstanding Receivables Balance	50,000.00
Weighted Average Contractual APR	15.07%
Weighted Average Remaining Term (months)	48.73
Weighted Average Original Term (months)	52.69
Weighted average Seasoning (months)	3.96
Direct Debit	100.00%
Receivables which are 1m+ Payments Down	0.00%
Receivables which are 3m+ Payments Down	0.00%

Table 1: Summary Statistics

Weighted Average Equifax Navigator Score[9]	457.40

The largest Customer by Outstanding Receivables Balance of all Purchased Receivables in the Portfolio does not exceed 2.0% of the aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio.

Table 2: Distribution of Receivables by Original Balance

Original Balance	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
£0 to £2,500	9,565	12.43%	15,452,060.02	2.70%
£2,500 to £5,000	17,780	23.11%	54,079,080.08	9.44%
£5,000 to £7,500	21,017	27.32%	111,525,786.98	19.46%
£7,500 to £10,000	5,380	6.99%	41,088,336.26	7.17%
£10,000 to £15,000	11,191	14.54%	114,908,950.54	20.05%
£15,000 to £20,000	5,937	7.72%	87,246,591.72	15.22%
£20,000 to £25,000	2,697	3.51%	53,422,556.19	9.32%
£25,000 to £30,000	2,086	2.71%	49,773,196.24	8.69%
£30,000 to £35,000	500	0.65%	14,557,653.46	2.54%
£35,000 to £40,000	300	0.39%	10,078,292.46	1.76%
£40,000 to £45,000	198	0.26%	7,532,723.62	1.31%
£45,000 to £50,000	74	0.10%	3,254,587.17	0.57%
≥ £50,000	216	0.28%	10,156,002.67	1.77%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	1,000.00			
Maximum	50,000.00			
Weighted Average	14,041.81			

Table 3: Distribution of Receivables by Outstanding Receivables Balance

Outstanding Receivables Balance	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
£0 to £2,500	13,530	17.58%	24,118,076.83	4.21%
£2,500 to £5,000	25,063	32.57%	97,009,517.03	16.93%
£5,000 to £7,500	12,378	16.09%	77,584,294.61	13.54%
£7,500 to £10,000	9,664	12.56%	87,247,183.13	15.22%
£10,000 to £15,000	8,781	11.41%	113,892,264.85	19.87%
£15,000 to £20,000	3,150	4.09%	55,953,329.02	9.76%
£20,000 to £25,000	2,861	3.72%	65,591,225.10	11.45%
£25,000 to £30,000	616	0.80%	16,988,081.49	2.96%
£30,000 to £35,000	360	0.47%	11,768,439.47	2.05%
£35,000 to £40,000	232	0.30%	8,745,700.49	1.53%
£40,000 to £45,000	79	0.10%	3,379,041.69	0.59%
£45,000 to £50,000	221	0.29%	10,498,663.70	1.83%
≥£50,000	6	0.01%	300,000	0.05%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	1,000.00			
Maximum	50,000.00			
Weighted Average	13,211.77			

Table 4: Distribution of Receivables by Remaining Time to Maturity

Remaining Time to Maturity (months)	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
0 to 5	0	0.00%	0	0.00%
5 to 15	3,652	4.75%	8,785,908.79	1.53%
15 to 25	11,225	14.59%	39,264,782.47	6.85%
25 to 35	11,128	14.46%	59,906,816.97	10.45%
35 to 45	16,021	20.82%	114,691,565.72	20.01%
45 to 55	15,894	20.66%	133,660,732.20	23.32%
55 to 65	14,056	18.27%	139,841,390.60	24.40%
65 to 75	1,521	1.98%	22,519,555.80	3.93%
75 to 85	3,444	4.48%	54,405,064.86	9.49%
≥85	0	0.00%	-	0.00%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	5			
Maximum	83.00			
Weighted Average	48.73			

Table 5: Distribution of Receivables by Seasoning

Seasoning (months)	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
0 to 1	0	0.00%	0	0.00%
1 to 2	5,982	7.77%	45,401,093.36	7.92%
2 to 3	15,346	19.95%	113,235,849.53	19.76%
3 to 4	12,182	15.83%	90,497,993.70	15.79%
4 to 5	12,966	16.85%	95,444,540.96	16.65%
5 to 6	12,246	15.92%	88,830,358.36	15.50%
6 to 7	10,483	13.62%	77,732,606.78	13.56%
7 to 8	7,736	10.05%	61,933,374.72	10.81%
≥8	0	0.00%	0	0.00%
0 to >8	0	0.00%	0	0.00%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	1			
Maximum	7			
Weighted Average	3.96			

Table 6: Distribution of Receivables by Original Term

Original Term (Months)	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
0 to 5	0	0.00%	0	0.00%
5 to 15	3,118	4.05%	7,437,414.53	1.30%
15 to 25	11,493	14.94%	39,477,773.89	6.89%
25 to 35	1,047	1.36%	4,773,869.13	0.83%
35 to 45	11,556	15.02%	63,602,309.70	11.10%
45 to 55	26,144	33.98%	193,672,333.65	33.80%
55 to 65	18,603	24.18%	186,908,915.37	32.62%
65 to 75	1,532	1.99%	22,719,021.17	3.96%
75 to 85	3,448	4.48%	54,484,179.97	9.51%
≥85	0	0.00%	0	0.00%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	12			
Maximum	84			
Weighted Average	52.69			

Table 7: Distribution of Receivables by APR

APR	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
0% to 5%	0	0.00%	0	0.00%
5% to 10%	25,282	32.86%	257,900,135.43	45.00%
10% to 15%	11,217	14.58%	95,429,416.53	16.65%
15% to 20%	10,457	13.59%	79,138,557.08	13.81%
20% to 25%	8,907	11.58%	47,539,940.37	8.30%
25% to 30%	8,484	11.03%	39,875,428.16	6.96%
30% to 35%	9,161	11.91%	44,563,091.52	7.78%
35% to 40%	3,433	4.46%	8,629,248.32	1.51%
≥40%	0	0.00%	0	0.00%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	5.07%			
Maximum	39.80%			
Weighted Average	15.07%			

Table 8: Distribution of Receivables by Nominal Rate

Nominal Rate	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
0% to 5%	1	0.00%	13,050.01	0.00%
5% to 10%	26,824	34.86%	268,486,627.41	46.85%
10% to 15%	11,862	15.42%	104,259,601.34	18.19%
15% to 20%	11,861	15.42%	81,124,464.63	14.16%
20% to 25%	10,255	13.33%	48,888,330.45	8.53%
25% to 30%	10,901	14.17%	49,988,102.46	8.72%
30% to 35%	5,237	6.81%	20,315,641.11	3.55%
35% to 40%	0	0.00%	0	0.00%
≥40%	0	0.00%	0	0.00%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	4.96%			
Maximum	33.98%			
Weighted Average	13.88%			

Table 9: Distribution of Receivables by Primary Employment Type

Primary Employment Type	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
Employed - Full time	70,151	91.18%	529,019,524.52	92.31%
Self-employed	4,579	5.95%	32,453,896.10	5.66%
Pensioner	2,211	2.87%	11,602,396.79	2.02%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**

Table 10: Distribution of Receivables at origination by Region

Region	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
North West	11,147	14.49%	82,278,900.35	14.36%
South East	11,972	15.56%	93,743,751.67	16.36%
West Midlands	7,600	9.88%	55,290,995.46	9.65%
East of England	8,382	10.89%	63,647,922.80	11.11%
North East	4,726	6.14%	33,687,647.85	5.88%
Yorkshire and the Humber	7,799	10.14%	55,813,416.70	9.74%
Scotland	0	0.00%	0	0.00%
East Midlands	7,205	9.36%	53,930,077.30	9.41%
South West	6,822	8.87%	50,812,046.73	8.87%

Table 10: Distribution of Receivables at origination by Region

Region	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
Wales	4,448	5.78%	32,353,589.14	5.65%
Northern Ireland	0	0.00%	0	0.00%
London	6,840	8.89%	51,517,469.41	8.99%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**

Table 11: Distribution of Receivables by Purpose

Purpose	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
Appliance or Furniture	1	0.00%	1,924.89	0.00%
Debt Consolidation	22,562	29.32%	217,178,608.09	37.90%
House Improvements	8,373	10.88%	55,554,251.87	9.69%
Travel	1,170	1.52%	4,132,542.76	0.72%
Used Car	5,643	7.33%	41,910,112.60	7.31%
Other Vehicle	31	0.04%	244,824.97	0.04%
Property	11	0.01%	83,552.13	0.01%
Living Expenses	19	0.02%	131,418.64	0.02%
Tuition Fees	4	0.01%	9,269.50	0.00%
Other	39,127	50.85%	253,829,311.96	44.29%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**

Table 12: Distribution of Receivables by Credit Score*

Credit Score	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
< 200	0	0.00%	0	0.00%
200 to 250	1,354	1.76%	6,738,173.31	1.18%
250 to 300	3,493	4.54%	17,381,341.92	3.03%
300 to 350	6,958	9.04%	37,534,891.34	6.55%
350 to 400	10,844	14.09%	65,006,472.43	11.34%
400 to 450	14,721	19.13%	101,966,881.30	17.79%
450 to 500	18,706	24.31%	149,462,308.44	26.08%
500 to 550	15,999	20.79%	146,044,620.32	25.48%
550 to 600	4,217	5.48%	42,773,546.56	7.46%
600 to 650	531	0.69%	5,032,105.43	0.88%
650 to 700	94	0.12%	751,026.43	0.13%
700 to 750	21	0.03%	347,085.32	0.06%
750 to 800	2	0.00%	27,481.72	0.00%
≥ 800	1	0.00%	9,882.89	0.00%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	200			
Maximum	829			
Weighted Average	457			

**Equifax Navigator Scores (Risk Navigator Evolution 4 (RN4) - RVILF04)*

Table 13: Distribution of Receivables by Internal Grade

Internal Grade	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
A*	28,235	36.70%	261,701,123.67	45.67%
A1	4,368	5.68%	41,238,341.22	7.20%
A2	9,070	11.79%	75,156,611.63	13.11%
B	12,660	16.45%	88,102,491.40	15.37%
C1	19,852	25.80%	92,996,215.80	16.23%
D	2,756	3.58%	13,881,033.69	2.42%
E	0	0.00%	0	0.00%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**

Table 14: Distribution of Receivables by Payments Down

Payments Down	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
0 >= Payments Down > 1	76,941	100.00%	573,075,817.41	100.00%
1 >= Payments Down > 2	0	0.00%	0	0.00%
2>= Payments Down > 3	0	0.00%	0	0.00%
Payments Down >= 3	0	0.00%	0	0.00%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	0.00%			
Maximum	0.00%			
Weighted Average	0.00%			

Table 15: Distribution of Receivables by Primary Income

Primary Income	No. of Receivables	% of Receivables	Outstanding Receivables Balance	% of Outstanding Receivables Balance
£0 to £20,000	2,598	3.38%	10,815,543.64	1.89%
£20,000 to £40,000	28,269	36.74%	157,302,065.37	27.45%
£40,000 to £60,000	23,477	30.51%	174,927,880.94	30.52%
£60,000 to £80,000	10,871	14.13%	100,320,128.56	17.51%
£80,000 to £100,000	5,146	6.69%	53,287,883.73	9.30%
£100,000 to £120,000	2,349	3.05%	26,997,774.03	4.71%
£120,000 to £140,000	1,534	1.99%	17,178,697.83	3.00%
≥ £140,000	2,697	3.51%	32,245,843.31	5.63%
Total	**76,941**	**100.00%**	**573,075,817.41**	**100.00%**
Minimum	12,000.00			
Maximum	6,569,617.00			
Weighted Average	64,946.76			

HISTORICAL PERFORMANCE

The following tables have been prepared based on the internal records of the Seller, which are based on the historical performance data of the wider portfolio of the Seller's unsecured consumer loan book ("**Total Portfolio**").

Actual performance may be influenced by a variety of economic, social, geographic and other factors beyond the control of the Seller. It may also be influenced by changes in the Servicing and Collection Procedures.

There can be no assurance that the future performance of the Purchased Receivables will be similar to the historical performance set out in the tables below.

Unless otherwise stated, the Seller has extracted data on the historical performance of its entire unsecured consumer loans portfolio. Characteristics of the securitised portfolio at closing and over the term of the Notes may differ from the entire unsecured consumer loans portfolio.

Section 1 Annualised Constant Prepayment Rate ("CPR")

Annualised CPR[10]

Reporting Month	Monthly Origination
Jan-2018	17.76%
Feb-2018	22.18%
Mar-2018	18.47%
Apr-2018	21.17%
May-2018	21.84%
Jun-2018	21.70%
Jul-2018	21.33%
Aug-2018	21.89%
Sep-2018	22.11%
Oct-2018	21.47%
Nov-2018	23.65%
Dec-2018	20.74%
Jan-2019	18.40%
Feb-2019	22.49%
Mar-2019	20.43%
Apr-2019	22.97%
May-2019	21.18%

[10] For a given month, the constant prepayment rate (CPR) is calculated from the monthly prepayment rate (MPPR) according to the following formula: CPR = 1 – (1 – MPPR)^12.
The monthly prepayment rate (MPPR) is calculated as the ratio of:
a) the unscheduled principal amounts prepaid during the month, to
b) the outstanding principal balance of all receivables at the end of the previous month.

Annualised CPR[10]

Reporting Month	Monthly Origination
Jun-2019	22.44%
Jul-2019	22.63%
Aug-2019	22.06%
Sep-2019	22.22%
Oct-2019	21.93%
Nov-2019	21.03%
Dec-2019	19.86%
Jan-2020	19.90%
Feb-2020	22.39%
Mar-2020	21.28%
Apr-2020	16.84%
May-2020	14.94%
Jun-2020	20.63%
Jul-2020	22.01%
Aug-2020	20.33%
Sep-2020	21.61%
Oct-2020	22.97%
Nov-2020	22.63%
Dec-2020	21.33%
Jan-2021	21.88%
Feb-2021	26.00%
Mar-2021	25.09%
Apr-2021	28.42%
May-2021	28.02%
Jun-2021	28.69%
Jul-2021	28.65%
Aug-2021	29.33%
Sep-2021	29.46%
Oct-2021	30.96%
Nov-2021	32.75%
Dec-2021	28.51%
Jan-2022	27.62%
Feb-2022	33.15%
Mar-2022	28.99%
Apr-2022	31.84%
May-2022	29.99%
Jun-2022	30.64%

Annualised CPR[10]

Reporting Month	Monthly Origination
Jul-2022	30.77%
Aug-2022	30.88%
Sep-2022	29.91%
Oct-2022	27.77%
Nov-2022	26.05%
Dec-2022	22.76%
Jan-2023	22.28%
Feb-2023	24.54%
Mar-2023	23.99%
Apr-2023	23.70%
May-2023	24.43%
Jun-2023	27.73%
Jul-2023	25.76%
Aug-2023	26.23%
Sep-2023	24.43%
Oct-2023	23.49%
Nov-2023	24.25%
Dec-2023	23.13%
Jan-2024	22.48%
Feb-2024	26.10%
Mar-2024	25.85%
Apr-2024	27.62%
May-2024	26.82%
Jun-2024	26.96%
Jul-2024	25.19%
Aug-2024	26.72%
Sep-2024	27.50%
Oct-2024	27.58%
Nov-2024	29.47%
Dec-2024	27.31%
Jan-2025	25.71%
Feb-2025	29.82%
Mar-2025	28.23%
Apr-2025	31.60%
May-2025	29.43%
Jun-2025	31.22%
Jul-2025	32.17%

Annualised CPR[10]

Reporting Month	Monthly Origination
Aug-2025	32.67%
Sep-2025	31.19%
Oct-2025	31.51%
Nov-2025	32.66%
Dec-2025	30.52%
Jan-2026	30.36%
Feb-2026	34.21%
Mar-2026	32.68%
Apr-2026	33.79%
May-2026	31.90%
Jun-2026	30.52%
Jul-2026	29.88%
Aug-2026	32.74%

Section 2 Payments Down (Delinquencies)

Reporting Month	1<= Payments Down < 2	2<= Payments Down < 3
Jan-2017	0.00%	0.00%
Feb-2017	0.00%	0.00%
Mar-2017	0.09%	0.00%
Apr-2017	0.16%	0.06%
May-2017	0.27%	0.11%
Jun-2017	0.28%	0.19%
Jul-2017	0.35%	0.20%
Aug-2017	0.38%	0.23%
Sep-2017	0.43%	0.29%
Oct-2017	0.49%	0.33%
Nov-2017	0.45%	0.36%
Dec-2017	0.50%	0.37%
Jan-2018	0.51%	0.39%
Feb-2018	0.50%	0.40%
Mar-2018	0.54%	0.38%
Apr-2018	0.52%	0.41%
May-2018	0.54%	0.40%
Jun-2018	0.59%	0.42%
Jul-2018	0.58%	0.46%
Aug-2018	0.56%	0.48%

Reporting Month	1<= Payments Down < 2	2<= Payments Down < 3
Sep-2018	0.60%	0.47%
Oct-2018	0.59%	0.49%
Nov-2018	0.61%	0.48%
Dec-2018	0.64%	0.49%
Jan-2019	0.70%	0.51%
Feb-2019	0.72%	0.56%
Mar-2019	0.73%	0.61%
Apr-2019	0.73%	0.60%
May-2019	0.80%	0.58%
Jun-2019	0.82%	0.64%
Jul-2019	0.84%	0.65%
Aug-2019	0.89%	0.70%
Sep-2019	0.88%	0.71%
Oct-2019	0.90%	0.71%
Nov-2019	0.99%	0.74%
Dec-2019	1.05%	0.82%
Jan-2020	1.01%	0.87%
Feb-2020	1.04%	0.83%
Mar-2020	1.09%	0.88%
Apr-2020	1.12%	0.92%
May-2020	1.11%	0.92%
Jun-2020	0.96%	0.87%
Jul-2020	1.00%	0.82%
Aug-2020	1.08%	0.86%
Sep-2020	1.04%	0.93%
Oct-2020	1.31%	0.91%
Nov-2020	2.15%	1.13%
Dec-2020	1.70%	1.83%
Jan-2021	1.47%	1.62%
Feb-2021	1.31%	1.38%
Mar-2021	1.24%	1.21%
Apr-2021	1.04%	1.02%
May-2021	1.07%	0.96%
Jun-2021	1.10%	0.96%
Jul-2021	1.07%	0.97%
Aug-2021	1.03%	0.88%
Sep-2021	1.02%	0.87%
Oct-2021	0.97%	0.86%

Reporting Month	1<= Payments Down < 2	2<= Payments Down < 3
Nov-2021	0.93%	0.79%
Dec-2021	0.95%	0.81%
Jan-2022	0.93%	0.82%
Feb-2022	0.90%	0.77%
Mar-2022	0.90%	0.70%
Apr-2022	0.85%	0.75%
May-2022	0.91%	0.73%
Jun-2022	0.93%	0.77%
Jul-2022	1.03%	0.80%
Aug-2022	1.04%	0.86%
Sep-2022	1.11%	0.87%
Oct-2022	1.15%	0.91%
Nov-2022	1.16%	0.93%
Dec-2022	1.10%	0.90%
Jan-2023	1.18%	0.95%
Feb-2023	1.17%	1.01%
Mar-2023	1.21%	1.04%
Apr-2023	1.20%	1.07%
May-2023	1.22%	1.06%
Jun-2023	1.26%	1.04%
Jul-2023	1.24%	1.01%
Aug-2023	1.26%	1.05%
Sep-2023	1.28%	1.09%
Oct-2023	1.34%	1.13%
Nov-2023	1.33%	1.18%
Dec-2023	1.30%	1.06%
Jan-2024	1.26%	1.05%
Feb-2024	1.24%	1.03%
Mar-2024	1.24%	0.99%
Apr-2024	1.14%	1.02%
May-2024	1.06%	0.93%
Jun-2024	1.00%	0.89%
Jul-2024	0.99%	0.88%
Aug-2024	0.97%	0.84%
Sep-2024	1.04%	0.81%
Oct-2024	1.04%	0.86%
Nov-2024	1.00%	0.86%
Dec-2024	1.00%	0.85%

Reporting Month	1<= Payments Down < 2	2<= Payments Down < 3
Jan-2025	1.03%	0.88%
Feb-2025	1.00%	0.90%
Mar-2025	1.03%	0.86%
Apr-2025	0.99%	0.90%
May-2025	1.02%	0.83%
Jun-2025	0.97%	0.82%
Jul-2025	1.03%	0.83%
Aug-2025	1.01%	0.85%
Sep-2025	0.98%	0.77%
Oct-2025	1.01%	0.77%
Nov-2025	1.00%	0.77%
Dec-2025	1.02%	0.78%
Jan-2026	1.01%	0.80%
Feb-2026	1.00%	0.81%
Mar-2026	1.01%	0.80%
Apr-2026	0.90%	0.83%
May-2026	0.92%	0.73%
Jun-2026	0.90%	0.71%
Jul-2026	0.88%	0.74%
Aug-2026	0.90%	0.70%

Section 3 Defaults

For each quarterly vintage of origination, the cumulative gross default rate is calculated, for each calendar month falling after the said calendar month of origination (inclusive), as the ratio of:

(i) the outstanding principal amount of the loans which became defaulted since the quarter of origination (each outstanding principal amount being as at the point at which the relevant loan became defaulted); to

(ii) the total aggregate amount originated during such vintage of origination.

	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.02%	0.04%	0.04%	0.06%	0.00%	0.01%	0.01%	0.02%	0.01%	0.01%	0.03%	0.02%	0.00%	0.03%	0.06%	0.11%	0.06%	0.02%	0.01%	0.01%	0.04%	0.04%	0.06%	0.04%	0.03%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
2	0.01%	0.01%	0.00%	0.01%	0.01%	0.00%	0.02%	0.05%	0.08%	0.07%	0.11%	0.04%	0.02%	0.02%	0.05%	0.05%	0.04%	0.08%	0.05%	0.04%	0.06%	0.12%	0.18%	0.09%	0.04%	0.02%	0.03%	0.10%	0.08%	0.09%	0.08%	0.05%	0.02%	0.02%	0.02%	0.03%	0.02%	0.03%
3	0.02%	0.03%	0.02%	0.01%	0.01%	0.02%	0.05%	0.07%	0.12%	0.11%	0.16%	0.11%	0.03%	0.06%	0.10%	0.07%	0.09%	0.12%	0.09%	0.08%	0.11%	0.21%	0.27%	0.13%	0.09%	0.06%	0.07%	0.16%	0.11%	0.14%	0.14%	0.08%	0.04%	0.05%	0.04%	0.06%	0.06%	
4	0.30%	0.31%	0.29%	0.25%	0.22%	0.26%	0.33%	0.40%	0.48%	0.51%	0.60%	0.36%	0.21%	0.32%	0.46%	0.38%	0.35%	0.61%	0.55%	0.56%	0.71%	0.79%	0.70%	0.59%	0.50%	0.44%	0.44%	0.42%	0.38%	0.37%	0.49%	0.37%	0.35%	0.29%	0.36%	0.40%	0.33%	
5	0.63%	0.72%	0.54%	0.49%	0.44%	0.59%	0.57%	0.77%	0.85%	0.85%	1.10%	0.69%	0.34%	0.67%	0.65%	0.67%	0.61%	1.03%	0.91%	1.03%	1.22%	1.30%	1.09%	1.00%	0.88%	0.79%	0.84%	0.80%	0.72%	0.73%	0.86%	0.71%	0.62%	0.56%	0.67%	0.77%	0.68%	
6	0.98%	1.22%	0.82%	0.66%	0.63%	0.87%	0.84%	1.10%	1.15%	1.28%	1.58%	0.98%	0.46%	0.79%	0.85%	0.84%	0.81%	1.33%	1.31%	1.49%	1.65%	1.73%	1.44%	1.35%	1.21%	1.16%	1.17%	1.17%	1.05%	1.09%	1.23%	1.08%	1.01%	0.87%	1.00%	1.11%		
7	1.31%	1.61%	1.08%	0.86%	0.79%	1.13%	1.16%	1.43%	1.54%	1.61%	2.04%	1.23%	0.60%	0.98%	1.02%	0.97%	1.05%	1.68%	1.69%	1.85%	2.09%	2.20%	1.83%	1.73%	1.54%	1.48%	1.58%	1.51%	1.44%	1.41%	1.63%	1.47%	1.40%	1.26%	1.33%	1.43%		
8	1.70%	2.06%	1.37%	1.04%	1.00%	1.40%	1.48%	1.80%	1.92%	1.97%	2.42%	1.48%	0.79%	1.16%	1.20%	1.11%	1.29%	2.00%	2.08%	2.22%	2.63%	2.56%	2.19%	2.10%	1.93%	1.93%	1.95%	1.83%	1.84%	1.77%	2.03%	1.89%	1.76%	1.63%	1.64%	1.74%		
9	2.07%	2.44%	1.61%	1.23%	1.20%	1.64%	1.74%	2.13%	2.18%	2.40%	2.73%	1.59%	0.97%	1.34%	1.37%	1.29%	1.47%	2.39%	2.46%	2.61%	3.08%	3.00%	2.56%	2.50%	2.31%	2.28%	2.36%	2.26%	2.28%	2.19%	2.43%	2.31%	2.13%	1.97%	2.01%			
10	2.43%	2.77%	1.92%	1.46%	1.40%	1.86%	2.00%	2.43%	2.53%	2.74%	2.97%	1.80%	1.26%	1.58%	1.51%	1.50%	1.77%	2.70%	2.80%	3.06%	3.46%	3.43%	2.88%	2.94%	2.75%	2.66%	2.75%	2.56%	2.64%	2.59%	2.80%	2.76%	2.49%	2.33%	2.36%			
11	2.78%	3.14%	2.17%	1.67%	1.56%	2.13%	2.30%	2.77%	2.78%	3.09%	3.18%	1.99%	1.72%	1.78%	1.69%	1.82%	1.96%	3.02%	3.20%	3.48%	3.88%	3.85%	3.21%	3.38%	3.14%	3.12%	3.13%	2.92%	3.04%	2.97%	3.19%	3.18%	2.83%	2.70%	2.70%			
12	3.16%	3.48%	2.42%	1.83%	1.72%	2.32%	2.55%	3.07%	3.12%	3.39%	3.36%	2.17%	2.20%	2.08%	1.89%	2.05%	2.23%	3.32%	3.55%	3.83%	4.36%	4.24%	3.56%	3.76%	3.50%	3.49%	3.47%	3.28%	3.48%	3.34%	3.51%	3.63%	3.16%	3.04%				
13	3.52%	3.87%	2.71%	2.04%	1.90%	2.57%	2.78%	3.33%	3.42%	3.63%	3.50%	2.54%	2.47%	2.36%	2.21%	2.32%	2.45%	3.68%	3.96%	4.14%	4.79%	4.63%	3.91%	4.11%	3.83%	3.81%	3.77%	3.64%	3.84%	3.70%	3.85%	3.98%	3.54%	3.37%				
14	3.85%	4.31%	2.99%	2.25%	2.11%	2.77%	2.99%	3.64%	3.72%	3.80%	3.69%	3.03%	2.70%	2.58%	2.50%	2.51%	2.62%	3.98%	4.32%	4.54%	5.24%	4.99%	4.16%	4.52%	4.22%	4.17%	4.10%	3.95%	4.20%	4.02%	4.25%	4.39%	3.96%	3.69%				
15	4.22%	4.66%	3.29%	2.39%	2.25%	2.97%	3.16%	4.04%	3.94%	3.99%	3.93%	3.45%	2.91%	3.01%	2.77%	2.68%	2.80%	4.25%	4.66%	4.91%	5.61%	5.32%	4.52%	4.88%	4.53%	4.50%	4.44%	4.29%	4.57%	4.38%	4.52%	4.78%	4.32%					
16	4.53%	4.94%	3.53%	2.56%	2.41%	3.19%	3.29%	4.33%	4.12%	4.14%	4.27%	3.71%	3.08%	3.24%	2.97%	2.86%	3.02%	4.50%	4.96%	5.27%	5.96%	5.65%	4.84%	5.19%	4.84%	4.82%	4.76%	4.58%	4.91%	4.74%	4.85%	5.11%	4.64%					
17	4.90%	5.24%	3.75%	2.72%	2.54%	3.37%	3.51%	4.54%	4.26%	4.29%	4.70%	3.94%	3.27%	3.59%	3.14%	3.00%	3.31%	4.72%	5.23%	5.59%	6.24%	5.94%	5.17%	5.58%	5.12%	5.18%	5.02%	4.87%	5.15%	5.06%	5.16%	5.44%	4.98%					
18	5.16%	5.48%	3.94%	2.96%	2.71%	3.55%	3.71%	4.71%	4.40%	4.51%	5.10%	4.15%	3.48%	3.85%	3.32%	3.23%	3.51%	4.98%	5.47%	5.96%	6.56%	6.26%	5.46%	5.82%	5.40%	5.46%	5.28%	5.16%	5.42%	5.31%	5.43%	5.79%						
19	5.44%	5.75%	4.14%	3.12%	2.87%	3.70%	3.90%	4.86%	4.56%	4.84%	5.44%	4.34%	3.67%	4.10%	3.54%	3.38%	3.70%	5.23%	5.76%	6.29%	6.82%	6.56%	5.73%	6.10%	5.66%	5.75%	5.52%	5.41%	5.69%	5.58%	5.70%	6.07%						
20	5.69%	6.02%	4.34%	3.24%	3.01%	3.85%	4.10%	4.97%	4.70%	5.23%	5.73%	4.56%	3.86%	4.34%	3.68%	3.53%	3.87%	5.40%	6.08%	6.58%	7.12%	6.78%	5.98%	6.33%	5.93%	6.00%	5.74%	5.66%	5.96%	5.81%	5.97%	6.34%						
21	5.89%	6.32%	4.52%	3.41%	3.15%	4.03%	4.24%	5.06%	4.89%	5.59%	5.94%	4.73%	4.01%	4.49%	3.83%	3.71%	4.07%	5.65%	6.33%	6.83%	7.38%	7.06%	6.19%	6.50%	6.17%	6.22%	5.96%	5.90%	6.18%	6.04%	6.20%							
22	6.13%	6.49%	4.73%	3.53%	3.24%	4.16%	4.38%	5.18%	5.21%	5.82%	6.09%	4.90%	4.25%	4.70%	3.92%	3.86%	4.20%	5.83%	6.56%	7.05%	7.60%	7.32%	6.39%	6.73%	6.36%	6.45%	6.15%	6.11%	6.41%	6.27%	6.40%							
23	6.34%	6.69%	4.86%	3.63%	3.34%	4.29%	4.46%	5.26%	5.52%	5.98%	6.27%	5.04%	4.37%	4.79%	4.09%	4.01%	4.37%	6.01%	6.78%	7.28%	7.83%	7.54%	6.57%	6.91%	6.53%	6.64%	6.32%	6.32%	6.62%	6.50%	6.58%							
24	6.51%	6.92%	4.98%	3.76%	3.46%	4.40%	4.51%	5.39%	5.91%	6.12%	6.47%	5.23%	4.47%	4.87%	4.26%	4.13%	4.50%	6.15%	6.97%	7.50%	8.04%	7.73%	6.74%	7.09%	6.69%	6.80%	6.52%	6.51%	6.84%	6.69%								
25	6.70%	7.10%	5.15%	3.83%	3.57%	4.46%	4.57%	5.63%	6.13%	6.26%	6.61%	5.36%	4.58%	4.91%	4.36%	4.21%	4.61%	6.33%	7.12%	7.69%	8.24%	7.92%	6.89%	7.25%	6.86%	6.99%	6.74%	6.69%	7.06%	6.88%								
26	6.84%	7.27%	5.26%	3.92%	3.64%	4.54%	4.65%	5.89%	6.26%	6.39%	6.78%	5.44%	4.66%	5.03%	4.46%	4.37%	4.75%	6.50%	7.31%	7.89%	8.41%	8.08%	7.04%	7.38%	7.03%	7.15%	6.90%	6.88%	7.22%	7.06%								

2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2
6.98%	7.41%	5.37%	4.03%	3.71%	4.58%	4.73%	6.17%	6.43%	6.53%	6.89%	5.57%	4.75%	5.18%	4.53%	4.51%	4.87%	6.64%	7.47%	8.04%	8.55%	8.26%	7.21%	7.52%	7.20%	7.31%	7.02%	7.04%	7.38%									
7.13%	7.55%	5.46%	4.12%	3.76%	4.64%	4.88%	6.36%	6.54%	6.62%	6.99%	5.63%	4.83%	5.28%	4.61%	4.64%	4.99%	6.75%	7.60%	8.18%	8.70%	8.36%	7.33%	7.65%	7.36%	7.44%	7.16%	7.14%	7.54%									
7.30%	7.69%	5.54%	4.19%	3.80%	4.69%	5.05%	6.49%	6.65%	6.72%	7.09%	5.71%	4.92%	5.37%	4.67%	4.77%	5.08%	6.90%	7.73%	8.30%	8.81%	8.46%	7.49%	7.80%	7.49%	7.58%	7.29%	7.26%	7.68%									
7.40%	7.80%	5.66%	4.24%	3.85%	4.79%	5.23%	6.56%	6.75%	6.82%	7.17%	5.76%	4.99%	5.47%	4.77%	4.86%	5.18%	7.01%	7.84%	8.43%	8.93%	8.59%	7.59%	7.90%	7.65%	7.68%	7.39%	7.39%										
7.51%	7.90%	5.76%	4.29%	3.87%	4.96%	5.35%	6.64%	6.84%	6.86%	7.23%	5.80%	5.04%	5.54%	4.84%	4.96%	5.26%	7.13%	7.93%	8.52%	9.03%	8.69%	7.70%	8.01%	7.73%	7.79%	7.49%	7.51%										
7.61%	8.00%	5.82%	4.32%	3.91%	5.13%	5.43%	6.71%	6.93%	6.91%	7.28%	5.86%	5.12%	5.62%	4.93%	5.05%	5.32%	7.23%	8.01%	8.59%	9.11%	8.78%	7.79%	8.09%	7.86%	7.90%	7.59%	7.59%										
7.70%	8.07%	5.89%	4.35%	3.97%	5.27%	5.48%	6.76%	6.98%	6.97%	7.32%	5.91%	5.19%	5.66%	4.97%	5.11%	5.40%	7.32%	8.10%	8.65%	9.19%	8.85%	7.87%	8.18%	7.95%	7.97%	7.69%											
7.75%	8.16%	5.95%	4.38%	4.04%	5.34%	5.55%	6.80%	7.04%	7.02%	7.36%	5.97%	5.23%	5.72%	5.01%	5.14%	5.47%	7.41%	8.19%	8.73%	9.26%	8.92%	7.94%	8.25%	8.03%	8.07%	7.76%											
7.84%	8.21%	6.00%	4.42%	4.12%	5.42%	5.60%	6.86%	7.08%	7.07%	7.39%	6.03%	5.29%	5.79%	5.09%	5.19%	5.52%	7.50%	8.25%	8.78%	9.33%	9.00%	8.01%	8.34%	8.14%	8.16%	7.80%											
7.91%	8.28%	6.05%	4.47%	4.20%	5.48%	5.64%	6.91%	7.13%	7.12%	7.44%	6.07%	5.34%	5.84%	5.12%	5.25%	5.58%	7.57%	8.30%	8.84%	9.39%	9.07%	8.07%	8.41%	8.23%	8.22%												
7.99%	8.31%	6.09%	4.52%	4.24%	5.54%	5.71%	6.95%	7.19%	7.16%	7.47%	6.11%	5.39%	5.88%	5.17%	5.31%	5.60%	7.63%	8.34%	8.89%	9.45%	9.14%	8.12%	8.47%	8.28%	8.31%												
8.03%	8.36%	6.11%	4.60%	4.28%	5.61%	5.75%	6.99%	7.22%	7.19%	7.52%	6.15%	5.43%	5.95%	5.21%	5.36%	5.64%	7.67%	8.39%	8.93%	9.50%	9.19%	8.19%	8.52%	8.36%	8.38%												
8.08%	8.40%	6.14%	4.70%	4.32%	5.63%	5.78%	7.01%	7.26%	7.22%	7.56%	6.19%	5.47%	5.97%	5.24%	5.38%	5.67%	7.71%	8.43%	8.99%	9.55%	9.24%	8.24%	8.58%	8.42%													
8.12%	8.42%	6.20%	4.75%	4.36%	5.66%	5.80%	7.04%	7.29%	7.26%	7.60%	6.24%	5.51%	5.99%	5.28%	5.40%	5.71%	7.74%	8.46%	9.05%	9.58%	9.28%	8.30%	8.63%	8.47%													
8.14%	8.46%	6.28%	4.77%	4.39%	5.69%	5.83%	7.06%	7.31%	7.29%	7.62%	6.27%	5.53%	6.01%	5.29%	5.42%	5.74%	7.78%	8.51%	9.08%	9.62%	9.34%	8.34%	8.68%	8.52%													
8.17%	8.51%	6.38%	4.80%	4.42%	5.71%	5.85%	7.08%	7.35%	7.32%	7.66%	6.30%	5.55%	6.02%	5.31%	5.46%	5.77%	7.79%	8.54%	9.11%	9.65%	9.37%	8.38%	8.72%														
8.20%	8.60%	6.41%	4.84%	4.43%	5.73%	5.86%	7.11%	7.37%	7.36%	7.68%	6.33%	5.59%	6.06%	5.35%	5.49%	5.80%	7.82%	8.56%	9.13%	9.69%	9.40%	8.42%	8.75%														
8.23%	8.66%	6.44%	4.87%	4.46%	5.75%	5.88%	7.15%	7.41%	7.38%	7.71%	6.35%	5.61%	6.09%	5.36%	5.51%	5.83%	7.83%	8.58%	9.16%	9.72%	9.43%	8.45%	8.79%														
8.25%	8.72%	6.47%	4.89%	4.48%	5.76%	5.90%	7.16%	7.44%	7.40%	7.74%	6.36%	5.62%	6.10%	5.39%	5.54%	5.85%	7.85%	8.60%	9.19%	9.74%	9.47%	8.47%															
8.31%	8.78%	6.49%	4.91%	4.49%	5.78%	5.92%	7.18%	7.47%	7.42%	7.76%	6.38%	5.64%	6.11%	5.42%	5.56%	5.87%	7.87%	8.63%	9.22%	9.76%	9.49%	8.51%															
8.37%	8.82%	6.51%	4.92%	4.51%	5.78%	5.93%	7.20%	7.50%	7.44%	7.78%	6.39%	5.65%	6.11%	5.43%	5.57%	5.89%	7.87%	8.65%	9.22%	9.78%	9.52%	8.53%															
8.41%	8.84%	6.53%	4.93%	4.52%	5.79%	5.95%	7.22%	7.51%	7.46%	7.79%	6.39%	5.68%	6.14%	5.44%	5.58%	5.90%	7.89%	8.67%	9.24%	9.80%	9.54%																
8.44%	8.87%	6.54%	4.93%	4.53%	5.80%	5.97%	7.23%	7.52%	7.48%	7.80%	6.42%	5.68%	6.16%	5.45%	5.58%	5.92%	7.90%	8.68%	9.24%	9.81%	9.56%																
8.45%	8.88%	6.56%	4.94%	4.54%	5.81%	5.98%	7.25%	7.53%	7.49%	7.80%	6.43%	5.69%	6.16%	5.46%	5.59%	5.93%	7.91%	8.69%	9.25%	9.82%	9.56%																
8.47%	8.90%	6.57%	4.94%	4.54%	5.82%	5.99%	7.26%	7.55%	7.50%	7.81%	6.45%	5.70%	6.17%	5.47%	5.59%	5.94%	7.92%	8.70%	9.26%	9.83%																	
8.48%	8.93%	6.57%	4.95%	4.55%	5.83%	5.99%	7.27%	7.56%	7.51%	7.83%	6.46%	5.71%	6.17%	5.47%	5.60%	5.95%	7.93%	8.71%	9.27%	9.84%																	
8.49%	8.94%	6.58%	4.96%	4.55%	5.84%	6.00%	7.28%	7.57%	7.53%	7.83%	6.47%	5.71%	6.17%	5.49%	5.61%	5.95%	7.93%	8.72%	9.28%	9.85%																	
8.50%	8.94%	6.59%	4.97%	4.56%	5.85%	6.01%	7.28%	7.58%	7.54%	7.84%	6.47%	5.72%	6.18%	5.49%	5.61%	5.95%	7.93%	8.73%	9.29%																		
8.51%	8.94%	6.60%	4.97%	4.57%	5.85%	6.01%	7.29%	7.59%	7.54%	7.84%	6.48%	5.72%	6.18%	5.49%	5.62%	5.96%	7.94%	8.73%	9.29%																		
8.52%	8.95%	6.60%	4.98%	4.57%	5.85%	6.01%	7.30%	7.59%	7.55%	7.85%	6.49%	5.73%	6.18%	5.49%	5.62%	5.96%	7.95%	8.73%	9.29%																		
8.52%	8.95%	6.60%	4.98%	4.57%	5.86%	6.01%	7.30%	7.60%	7.55%	7.85%	6.49%	5.73%	6.19%	5.50%	5.63%	5.96%	7.95%	8.74%																			
8.52%	8.96%	6.61%	4.99%	4.57%	5.86%	6.02%	7.30%	7.60%	7.55%	7.86%	6.49%	5.73%	6.19%	5.50%	5.63%	5.96%	7.95%	8.74%																			
8.53%	8.96%	6.61%	4.99%	4.58%	5.86%	6.02%	7.31%	7.60%	7.56%	7.86%	6.49%	5.73%	6.20%	5.50%	5.63%	5.96%	7.95%	8.74%																			
8.53%	8.96%	6.61%	4.99%	4.58%	5.87%	6.02%	7.31%	7.60%	7.56%	7.86%	6.50%	5.73%	6.20%	5.50%	5.64%	5.97%	7.95%																				

Section 4 Recoveries

For each quarterly vintage of defaults the cumulative recovery rate is calculated for each monthly period following the said quarter period of default (inclusive), as the ratio of:

(i) the cumulative amount of recoveries collected on loans that became defaulted during the quarterly period of default in question, up to the end of the month period considered; to

(ii) the aggregate outstanding principal balances of the loans that became defaulted during the quarterly period of default in question.

Months Since Default	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2
0	0.14%	0.13%	0.20%	0.27%	0.78%	1.33%	2.23%	2.71%	2.51%	3.35%	2.00%	0.88%	0.96%	0.90%	1.21%	1.22%	2.03%	1.10%	2.19%	2.70%	4.93%	3.10%	1.92%	1.44%	1.28%	1.91%	2.08%	2.36%	1.70%	1.56%	1.37%	0.99%	1.08%	0.82%	1.06%	0.95%
1	1.24%	0.50%	0.92%	1.09%	1.75%	2.36%	3.12%	3.84%	3.82%	4.95%	3.30%	1.99%	2.19%	3.12%	3.01%	3.02%	4.70%	3.55%	4.42%	3.88%	7.32%	5.37%	3.64%	2.77%	2.79%	3.31%	3.95%	4.46%	3.40%	3.67%	3.27%	3.25%	3.02%	2.39%	3.27%	2.63%
2	1.45%	0.92%	2.04%	2.34%	2.90%	3.06%	3.93%	5.18%	5.22%	7.39%	5.01%	3.04%	2.90%	4.77%	5.02%	5.54%	6.63%	6.76%	7.27%	5.11%	10.57%	8.29%	5.17%	4.03%	4.14%	5.95%	6.37%	8.02%	6.79%	6.36%	6.18%	6.64%	5.87%	5.22%	7.86%	
3	1.79%	1.27%	3.12%	3.97%	5.01%	3.71%	6.00%	5.90%	7.46%	9.30%	6.92%	4.59%	3.52%	6.27%	7.62%	8.60%	7.78%	10.40%	9.39%	6.84%	13.96%	11.19%	6.67%	4.96%	5.98%	9.86%	10.23%	12.92%	11.00%	10.43%	9.68%	11.55%	10.53%	9.23%	13.24%	
4	2.01%	1.63%	4.40%	6.10%	6.76%	4.13%	7.89%	7.87%	8.87%	11.11%	8.36%	6.51%	4.39%	7.59%	10.42%	11.08%	11.36%	12.77%	10.22%	9.93%	17.98%	12.07%	8.79%	6.13%	9.95%	14.24%	15.85%	17.00%	15.97%	15.30%	14.36%	16.78%	16.11%	14.57%	18.46%	
5	2.32%	3.82%	5.90%	7.94%	7.59%	5.05%	9.43%	9.94%	11.10%	11.80%	9.21%	7.60%	5.20%	10.50%	12.86%	12.52%	14.16%	14.27%	10.99%	13.44%	19.94%	13.47%	11.16%	8.67%	16.50%	17.59%	20.14%	20.93%	20.15%	19.44%	19.23%	21.22%	19.27%	20.09%		
6	2.86%	6.10%	7.35%	9.79%	8.00%	7.65%	10.09%	11.86%	12.24%	12.50%	9.97%	8.12%	5.88%	13.39%	14.92%	13.46%	16.39%	15.64%	13.17%	15.99%	21.52%	15.76%	11.96%	12.74%	21.39%	19.91%	23.13%	23.44%	23.13%	22.29%	23.10%	24.67%	21.43%	23.72%		
7	3.17%	8.29%	9.32%	11.36%	8.47%	10.01%	11.08%	12.79%	12.90%	13.53%	11.01%	9.20%	6.66%	15.90%	17.44%	15.11%	17.96%	16.30%	15.14%	18.86%	22.06%	17.84%	12.79%	18.39%	24.25%	22.50%	24.76%	24.97%	24.79%	23.73%	25.14%	26.36%	23.43%	25.94%		
8	6.09%	9.81%	11.13%	12.31%	9.24%	11.76%	12.25%	13.75%	13.53%	14.29%	11.84%	10.67%	8.23%	17.96%	19.21%	17.41%	19.02%	16.89%	17.52%	20.78%	22.98%	19.39%	16.61%	23.81%	25.69%	24.47%	25.78%	25.91%	25.65%	25.72%	26.59%	27.19%	25.88%			
9	7.92%	11.04%	12.97%	12.63%	11.33%	12.02%	13.19%	14.64%	14.09%	15.24%	12.45%	12.05%	9.75%	19.79%	20.78%	19.46%	19.83%	18.06%	19.99%	22.04%	24.84%	20.01%	22.23%	26.27%	27.02%	26.61%	26.82%	26.62%	26.31%	27.11%	27.53%	27.82%	27.39%			
10	9.72%	13.04%	13.97%	12.90%	13.08%	12.62%	13.96%	15.24%	14.62%	16.03%	13.68%	12.70%	11.18%	21.49%	22.31%	20.65%	20.42%	19.85%	21.90%	22.55%	26.52%	20.54%	27.23%	27.53%	27.87%	27.58%	27.46%	27.24%	27.03%	28.46%	28.48%	28.39%	28.01%			
11	11.19%	14.15%	14.27%	13.44%	14.17%	13.57%	14.42%	15.81%	15.12%	16.55%	14.87%	13.43%	12.86%	22.60%	24.11%	21.31%	21.05%	21.36%	23.14%	23.30%	27.43%	23.29%	29.86%	28.41%	28.41%	28.15%	28.03%	27.77%	28.39%	29.35%	28.80%	28.98%				
12	12.63%	15.24%	14.46%	14.45%	14.65%	14.43%	14.93%	16.18%	15.49%	17.04%	15.81%	14.57%	14.11%	23.46%	25.67%	21.97%	21.94%	22.71%	24.00%	24.60%	27.69%	26.27%	30.82%	29.68%	28.93%	28.53%	28.43%	28.21%	29.49%	29.88%	29.07%	29.38%				
13	14.12%	15.76%	14.66%	15.16%	15.19%	15.01%	15.25%	16.51%	15.87%	18.11%	16.38%	15.95%	15.58%	24.61%	26.94%	22.63%	22.65%	23.93%	24.54%	25.53%	28.00%	28.31%	31.83%	30.22%	29.19%	28.93%	28.90%	28.65%	30.48%	30.41%	29.34%	29.60%				
14	15.15%	15.95%	15.39%	15.64%	15.75%	15.32%	15.53%	16.82%	16.36%	18.99%	17.11%	17.36%	16.28%	25.91%	27.80%	23.25%	23.59%	24.68%	25.02%	26.33%	29.08%	29.73%	32.34%	30.60%	29.61%	29.28%	29.35%	29.95%	30.91%	30.66%	29.62%					
15	15.76%	16.11%	15.88%	15.91%	16.32%	15.53%	15.97%	17.08%	16.77%	19.89%	17.93%	18.96%	16.84%	26.88%	28.73%	23.91%	24.64%	25.13%	25.96%	26.61%	30.35%	30.53%	32.93%	30.84%	29.89%	29.66%	29.69%	31.22%	31.27%	30.89%	29.83%					
16	16.89%	16.25%	16.49%	16.23%	16.57%	15.74%	16.28%	17.34%	17.88%	20.29%	18.96%	20.75%	17.50%	27.89%	29.67%	24.78%	25.66%	25.44%	26.80%	26.78%	31.21%	31.04%	33.32%	31.09%	30.10%	29.98%	30.31%	32.14%	31.51%	31.18%	29.99%					
17	16.98%	16.55%	16.82%	16.71%	16.81%	15.93%	16.71%	17.60%	18.98%	20.71%	20.06%	21.81%	18.83%	28.47%	30.43%	25.55%	26.26%	25.87%	27.45%	27.29%	32.02%	31.63%	33.73%	31.24%	30.45%	30.51%	31.45%	32.35%	31.69%	31.42%						
18	17.05%	17.16%	17.01%	17.15%	17.02%	16.16%	16.98%	17.88%	19.94%	21.11%	21.74%	22.51%	19.92%	29.00%	31.37%	26.38%	26.74%	26.53%	27.65%	28.05%	32.32%	32.35%	33.92%	31.41%	30.56%	30.81%	32.52%	32.57%	31.92%	31.60%						
19	17.18%	17.52%	17.23%	17.39%	17.30%	16.35%	17.16%	18.89%	20.22%	22.09%	23.12%	22.91%	20.63%	29.57%	32.02%	27.14%	27.11%	27.21%	27.83%	28.75%	32.73%	32.79%	34.11%	31.65%	30.88%	31.34%	33.34%	32.74%	32.06%	31.70%						
20	17.24%	17.86%	17.54%	17.56%	17.47%	16.59%	17.44%	19.84%	20.54%	23.36%	23.91%	23.68%	20.87%	30.14%	32.80%	27.58%	27.60%	27.87%	28.27%	29.65%	32.94%	33.10%	34.35%	31.85%	31.01%	31.90%	33.55%	32.83%	32.20%							
21	17.93%	17.96%	18.17%	17.69%	17.69%	16.82%	17.70%	20.87%	20.78%	24.75%	24.48%	24.57%	20.99%	30.62%	33.53%	28.01%	28.30%	28.06%	28.74%	29.89%	33.27%	33.33%	34.52%	32.03%	31.13%	32.46%	33.74%	32.94%	32.40%							
22	18.27%	18.06%	18.38%	18.26%	17.85%	17.04%	18.59%	21.12%	21.49%	26.04%	24.90%	25.30%	21.14%	31.10%	34.12%	28.53%	29.05%	28.44%	29.29%	30.02%	33.66%	33.51%	34.65%	32.15%	31.39%	32.89%	33.91%	33.01%	32.51%							
23	18.45%	18.30%	18.52%	18.44%	18.06%	17.28%	19.64%	21.52%	22.76%	26.73%	25.68%	25.45%	21.26%	31.54%	34.59%	28.96%	29.59%	28.80%	29.56%	30.29%	34.00%	33.68%	34.83%	32.26%	31.71%	33.12%	34.04%	33.07%								
24	18.52%	18.43%	18.62%	18.63%	18.31%	17.50%	20.28%	21.73%	24.17%	27.08%	26.38%	25.72%	21.50%	31.92%	35.16%	29.89%	29.96%	29.13%	29.75%	30.71%	34.10%	33.82%	34.95%	32.37%	32.03%	33.27%	34.14%	33.17%								
25	18.58%	18.52%	18.76%	18.75%	18.73%	18.23%	20.51%	22.46%	25.46%	27.51%	26.91%	25.83%	21.62%	32.34%	35.55%	30.59%	30.20%	29.57%	29.92%	31.06%	34.18%	34.05%	35.07%	32.54%	32.34%	33.39%	34.26%	33.24%								
26	18.64%	18.60%	18.92%	18.91%	19.13%	19.00%	20.74%	23.87%	25.94%	28.04%	27.06%	25.97%	21.77%	32.61%	36.08%	31.22%	30.51%	29.87%	30.05%	31.36%	34.29%	34.13%	35.21%	32.71%	32.49%	33.47%	34.35%									
27	18.72%	18.68%	19.05%	19.11%	19.45%	19.62%	20.89%	25.39%	26.16%	28.50%	27.27%	26.09%	21.91%	32.94%	36.71%	31.59%	30.89%	30.05%	30.42%	31.46%	34.41%	34.20%	35.26%	32.86%	32.57%	33.52%	34.44%									
28	18.63%	18.78%	19.28%	19.23%	20.20%	19.77%	21.65%	26.40%	26.30%	29.06%	27.34%	26.20%	22.03%	33.19%	37.21%	31.81%	31.18%	30.26%	30.91%	31.52%	34.48%	34.26%	35.33%	32.93%	32.66%	33.61%	34.53%									
29	18.65%	18.86%	19.39%	19.39%	21.03%	19.89%	23.28%	26.54%	26.71%	29.22%	27.45%	26.31%	22.15%	33.62%	37.81%	32.05%	31.44%	30.42%	31.33%	31.60%	34.61%	34.37%	35.43%	32.97%	32.84%	33.69%										
30	18.69%	18.98%	19.56%	19.53%	21.53%	20.18%	24.76%	26.60%	26.86%	29.45%	27.53%	26.44%	22.27%	34.20%	38.06%	32.25%	31.62%	31.01%	31.48%	31.66%	34.67%	34.42%	35.53%	33.01%	32.89%	33.74%										
31	18.72%	19.15%	19.76%	20.09%	21.71%	20.89%	25.43%	26.67%	27.08%	29.51%	27.65%	26.59%	22.35%	34.53%	38.35%	32.60%	32.01%	31.64%	31.62%	31.73%	34.73%	34.51%	35.58%	33.08%	32.97%	33.80%										
32	18.83%	19.23%	19.88%	20.64%	21.93%	22.29%	25.49%	26.79%	27.20%	29.57%	27.74%	26.69%	22.47%	34.76%	38.58%	32.80%	32.28%	32.16%	31.74%	31.79%	34.75%	34.71%	35.68%	33.12%	33.04%											
33	18.86%	19.37%	20.04%	21.10%	22.09%	23.85%	25.55%	26.85%	27.29%	29.65%	27.83%	26.78%	22.81%	35.05%	38.82%	33.04%	33.11%	32.24%	31.80%	31.84%	34.78%	34.77%	35.73%	33.17%	33.09%											
34	18.90%	19.46%	20.52%	21.18%	22.93%	24.65%	25.67%	26.93%	27.39%	29.69%	27.93%	26.91%	22.97%	35.21%	39.10%	33.19%	34.05%	32.39%	31.99%	31.75%	34.83%	34.89%	35.76%	33.19%	33.17%											
35	19.03%	19.56%	20.95%	21.30%	24.39%	24.67%	25.74%	27.06%	27.46%	29.78%	27.99%	27.02%	23.15%	35.44%	39.38%	33.51%	34.87%	32.56%	32.06%	31.73%	34.90%	34.91%	35.76%	33.22%												
36	19.06%	19.65%	21.40%	21.39%	26.20%	24.72%	25.85%	27.18%	27.50%	29.85%	28.06%	27.16%	23.21%	35.59%	39.54%	34.49%	34.93%	32.59%	32.11%	31.55%	34.96%	34.93%	35.78%	33.25%												

Section 5 Roll Rates

The below data shows, in a given reporting period, the percentage of Customers that: transition from Up to Date to 1 Payments Down; transition from 1 Payments Down to 2 Payments Down; and transition from 2 Payments Down to becoming defaulted.

Reporting Month	Roll UTD to 1Down Rate	Roll 1Down to 2Down Rate	Roll 2Down to Default Rate
Jan-23	1.18%	44.08%	54.11%
Feb-23	1.15%	35.11%	49.33%
Mar-23	1.08%	39.84%	50.06%
Apr-23	1.17%	39.29%	52.25%
May-23	1.18%	38.00%	50.10%
Jun-23	1.25%	36.93%	46.79%
Jul-23	1.18%	35.23%	47.57%
Aug-23	1.09%	36.21%	49.14%
Sep-23	1.31%	36.54%	47.00%
Oct-23	1.21%	36.64%	48.23%
Nov-23	1.23%	36.48%	46.70%
Dec-23	1.16%	38.81%	48.89%
Jan-24	1.45%	40.57%	49.42%
Feb-24	1.18%	33.69%	45.28%
Mar-24	1.15%	37.30%	45.88%
Apr-24	1.13%	35.39%	45.50%
May-24	1.09%	35.64%	45.99%
Jun-24	1.23%	35.46%	45.18%
Jul-24	1.06%	35.05%	43.94%
Aug-24	1.16%	34.93%	45.26%
Sep-24	1.31%	37.56%	44.19%
Oct-24	1.09%	36.36%	44.47%
Nov-24	1.19%	34.16%	44.59%
Dec-24	1.01%	35.22%	44.40%
Jan-25	1.51%	39.43%	47.26%
Feb-25	1.22%	33.58%	44.57%
Mar-25	1.11%	37.79%	46.65%
Apr-25	1.07%	35.12%	45.04%
May-25	1.13%	37.60%	45.51%
Jun-25	1.27%	34.97%	43.77%
Jul-25	1.12%	37.20%	45.39%
Aug-25	1.29%	36.98%	48.07%
Sep-25	1.20%	35.44%	45.81%
Oct-25	1.15%	35.68%	46.27%
Nov-25	1.26%	35.17%	45.59%
Dec-25	1.02%	37.62%	47.45%
Jan-26	1.48%	38.76%	49.35%
Feb-26	1.42%	33.86%	45.64%
Mar-26	1.04%	36.16%	47.91%
Apr-26	1.15%	33.55%	47.19%
May-26	1.15%	37.36%	47.62%
Jun-26	1.26%	37.76%	46.62%
Jul-26	1.23%	35.98%	47.88%
Aug-26	1.41%	37.06%	48.75%

Section 6 Total Portfolio Originations

The below data shows, the total original balance of all new unsecured consumer loan originations within each reporting month for the Total Portfolio.

Reporting Month	Monthly Origination
Jan-2017	£81,257,820
Feb-2017	£81,146,760
Mar-2017	£84,077,820
Apr-2017	£74,614,380
May-2017	£78,717,510
Jun-2017	£83,405,340
Jul-2017	£86,572,430
Aug-2017	£83,498,285
Sep-2017	£77,498,092
Oct-2017	£93,200,256
Nov-2017	£100,172,732
Dec-2017	£60,649,914
Jan-2018	£91,630,360
Feb-2018	£75,592,203
Mar-2018	£84,984,129
Apr-2018	£87,736,805
May-2018	£86,485,378
Jun-2018	£77,593,872
Jul-2018	£85,547,861
Aug-2018	£80,554,027
Sep-2018	£76,655,076
Oct-2018	£102,704,280
Nov-2018	£96,148,465
Dec-2018	£67,867,571
Jan-2019	£98,783,427
Feb-2019	£92,591,345
Mar-2019	£94,638,344
Apr-2019	£102,065,675
May-2019	£97,711,075
Jun-2019	£87,219,458
Jul-2019	£83,966,283
Aug-2019	£87,069,154
Sep-2019	£84,705,438
Oct-2019	£84,824,330
Nov-2019	£90,876,510
Dec-2019	£48,002,090
Jan-2020	£97,470,760
Feb-2020	£87,213,930
Mar-2020	£66,752,420
Apr-2020	£10,514,100
May-2020	£21,908,820
Jun-2020	£39,812,550
Jul-2020	£42,311,030
Aug-2020	£46,483,420
Sep-2020	£51,793,800
Oct-2020	£52,461,060
Nov-2020	£49,612,410
Dec-2020	£44,197,950
Jan-2021	£60,006,540
Feb-2021	£63,982,160
Mar-2021	£76,725,650
Apr-2021	£75,278,410
May-2021	£80,771,790
Jun-2021	£86,965,880

Reporting Month	Monthly Origination
Jul-2021	£94,298,110
Aug-2021	£95,761,900
Sep-2021	£88,137,250
Oct-2021	£85,477,170
Nov-2021	£121,415,350
Dec-2021	£97,534,960
Jan-2022	£120,942,300
Feb-2022	£111,583,950
Mar-2022	£130,045,000
Apr-2022	£133,746,820
May-2022	£128,054,060
Jun-2022	£124,369,450
Jul-2022	£118,744,220
Aug-2022	£115,183,000
Sep-2022	£112,014,930
Oct-2022	£111,049,790
Nov-2022	£92,916,280
Dec-2022	£78,884,380
Jan-2023	£106,728,210
Feb-2023	£90,835,200
Mar-2023	£99,549,530
Apr-2023	£102,182,530
May-2023	£121,647,310
Jun-2023	£114,518,710
Jul-2023	£110,690,480
Aug-2023	£111,624,390
Sep-2023	£108,848,100
Oct-2023	£120,841,600
Nov-2023	£119,255,190
Dec-2023	£81,939,070
Jan-2024	£156,375,080
Feb-2024	£126,643,190
Mar-2024	£143,386,130
Apr-2024	£158,409,960
May-2024	£155,464,500
Jun-2024	£117,286,767
Jul-2024	£115,526,395
Aug-2024	£113,406,174
Sep-2024	£118,719,601
Oct-2024	£153,268,652
Nov-2024	£139,005,268
Dec-2024	£118,432,715
Jan-2025	£168,077,791
Feb-2025	£131,946,577
Mar-2025	£145,607,983
Apr-2025	£158,706,510
May-2025	£162,379,189
Jun-2025	£179,787,674
Jul-2025	£205,911,399
Aug-2025	£179,293,503
Sep-2025	£165,398,237
Oct-2025	£181,242,265
Nov-2025	£172,288,269
Dec-2025	£154,511,610
Jan-2026	£206,751,113
Feb-2026	£197,454,763
Mar-2026	£240,067,435
Apr-2026	£232,481,869
May-2026	£229,199,493

Reporting Month	Monthly Origination
Jun-2026	£260,516,076
Jul-2026	£263,030,816
Aug-2026	£274,848,931

KEY STRUCTURAL FEATURES

Credit Enhancement and Liquidity Support

The Notes and the Certificates are obligations of the Issuer only and will not be the obligations of, or the responsibility of, or guaranteed by, any other party. However, there are a number of features of the Transaction which enhance the likelihood of timely receipt of payments by the Noteholders and the Certificateholders as follows:

- The Portfolio has characteristics that demonstrate the capacity to produce funds to service any payments due and payable on the Notes and the Certificates. Available Revenue Receipts are expected to exceed interest due and payable on the Notes and Senior Expenses of the Issuer.

- Payments of interest on each Class of Notes are made on a *pro rata* and *pari passu* basis between the Notes of each Class up to their respective Interest Amount and may (other than the Most Senior Class of Notes then outstanding) be deferred where the Issuer has insufficient proceeds.

- Prior to the delivery of an Enforcement Notice, for so long as the Pro-Rata Payment Conditions are satisfied, repayments of principal in respect of each Class of Notes will (subject to and in accordance with the Principal Priority of Payments) be paid *pro rata* and *pari passu* in an amount equal to the lesser of: (i) the Principal Amount Outstanding of such Class of Notes on such Interest Payment Date (prior to the application of Available Principal Receipts); and (ii) the Pro-Rata Principal Payment Amount allocated to such Class of Notes on such Interest Payment Date, as determined on the immediately preceding Determination Date.

- Repayments of principal in respect of junior Classes of Notes will be subordinated to repayment of principal in respect of more senior Classes of Notes, thereby ensuring that available funds are applied to repayment of principal in respect of the Most Senior Class of Notes in priority to repayment of principal in respect of more junior Classes of Notes.

- Availability of amounts credited to the Liquidity Reserve Fund Ledger, initially funded by the proceeds of the Notes on the Closing Date up to the Liquidity Reserve Required Amount and replenished on each Interest Payment Date up to the Liquidity Reserve Required Amount from Available Revenue Receipts in accordance with the Revenue Priority of Payments. Amounts standing to the credit of the Liquidity Reserve Fund Ledger will be applied to make up any Senior Interest Deficiency. Any amounts standing to the credit of the Liquidity Reserve Fund Ledger in excess of the Liquidity Reserve Required Amount on any Interest Payment Date, after being applied to clear any Senior Interest Deficiency, shall form part of Available Principal Receipts.

- If following application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts, there is a Revenue Shortfall, losses in respect of the Purchased Receivables in the Portfolio together with payments of Principal Addition Amounts to cover any such Revenue Shortfall are allocated to the in the applicable Principal Deficiency Ledger, *first*, to the Class Z Principal Deficiency Ledger, *second*, to the Class F Principal Deficiency Ledger *third*, to the Class E Principal Deficiency Ledger, *fourth*, to the Class D Principal Deficiency Ledger, *fifth*, to the Class C Principal Deficiency Ledger, *sixth* to the Class B Principal Deficiency Ledger; and *seventh*, to the Class A Principal Deficiency Ledger.

- If at any time the Notes are redeemed in accordance with Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*), any amounts standing to the credit of the Liquidity Reserve Fund Ledger on the Call Option Redemption Date that form part of Available Principal Receipts shall be applied in the order set out in the Post-Enforcement Priority of Payments. On the date on which the Principal Amount Outstanding of all of the Class A Notes and all of the Class B Notes has reduced to zero or upon the delivery of an Enforcement Notice, the Liquidity Reserve Required Amount shall be reduced to zero and all amounts credited to the Liquidity Reserve Fund Ledger shall be released and applied as Available Principal Receipts in the order set out in the applicable Priority of Payments.

- The Relevant Issuer Accounts (other than any Hedge Collateral Account) earn or charge interest at a rate set by the Account Bank and as notified to the Issuer in accordance with the Account Bank Agreement.

- The Issuer will apply the net proceeds from the issue of the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class Z Notes and Class X Notes to (i) pay the Purchase Price to the Seller in respect of the Portfolio pursuant to the Receivables Sale Agreement; (ii) make a deposit in an amount equal to the Liquidity Reserve Required Amount into the Issuer Transaction Account to be credited to the Liquidity Reserve Fund Ledger; (iii) if applicable, pay any upfront swap payment to the Interest Rate Hedge Counterparty and (iv) make payments in respect of certain fees, costs and expenses in connection with the issuance of the Notes and Certificates (see further the section entitled "*Use of Proceeds*").

- The Issuer will enter into the Swap Transaction with the Interest Rate Hedge Counterparty in order to hedge against the possible variance between the fixed rate of interest received by the Issuer on the Purchased Receivables and the SONIA-based interest payable in respect of the Notes.

Each of these factors is considered in more detail below.

Credit Support for the Notes and the Certificates provided by Available Revenue Receipts

It is expected that, during the life of the Notes and the Certificates, the Customer Collections payable on the Purchased Receivables will, assuming that all of the Purchased Receivables are fully performing, be sufficient such that the Available Revenue Receipts will be available to pay the amounts payable under items (a) to (c)(inclusive) of the Revenue Priority of Payments. The actual amount of any excess payable to the Certificateholders will vary during the life of the Notes and the Certificates. One of the key factors determining such variation is the performance of the Portfolio.

Available Revenue Receipts may be applied (after making payments or provisions ranking higher in the Priority of Payments) on each Interest Payment Date towards reducing any Principal Deficiency Ledger entries (which may arise from, among other things, Losses arising on the Portfolio and Principal Addition Amounts).

Use of Liquidity Reserve Fund Ledger

On the Closing Date, the Issuer will credit an amount equal to the Liquidity Reserve Required Amount into the Issuer Transaction Account to be credited to the Liquidity Reserve Fund Ledger for the purpose of establishing a liquidity reserve in respect of the Class A Notes and the Class B Notes only (the "**Liquidity Reserve Fund**"). Prior to the delivery of an Enforcement Notice, if on any Interest Payment Date, as a result of shortfalls in Available Revenue Receipts relative to interest due on the Class A Notes and the Class B Notes and amounts ranking in priority to the payment of interest on the Class A Notes, there is a Senior Interest Deficiency, then the Issuer may apply amounts credited to the Liquidity Reserve Fund Ledger on such Interest Payment Date as Available Revenue Receipts in accordance with the Revenue Priority of Payments, to cover such Senior Interest Deficiency. If on any Interest Payment Date, following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts, there is a Revenue Shortfall, then the Issuer may apply amounts otherwise constituting Available Principal Receipts as Available Revenue Receipts to cover such Revenue Shortfall.

To the extent that the amount of Available Revenue Receipts on each Interest Payment Date exceeds the aggregate of the payments and provisions required to be met in priority to item (g) of the Revenue Priority of Payments, such excess is available to replenish the Liquidity Reserve Fund Ledger up to and including an amount equal to the Liquidity Reserve Required Amount. On any Interest Payment Date, an amount equal to any amounts standing to the credit of the Liquidity Reserve Fund Ledger in excess of the Liquidity Reserve Required Amount shall be available to be applied as Available Principal Receipts in accordance with the Principal Priority of Payments.

"**Liquidity Reserve Fund Ledger**" means the liquidity reserve fund ledger established on behalf of the Issuer by the Cash Administrator in accordance with the Cash Administration Agreement.

"**Liquidity Reserve Required Amount**" means:

(a) on the Closing Date, the amount equal to 1.25% of the outstanding balance of the Class A Notes and the Class B Notes;

(b) following the Closing Date, if any Class A Notes and/or Class B Notes remain outstanding, the amount equal to 1.25% of the outstanding balance of the Class A Notes and/or Class B Notes (before taking into account any repayment of the Class A Notes and/or Class B Notes on that Interest Payment Date), subject to a floor of the higher of:

(i) the amount equal to 1.25% of the outstanding balance of the Class A Notes and/or Class B Notes on the first date that the Cumulative Default Ratio is greater than 10%;

(ii) the amount equal to 1.25% of the outstanding balance of the Class A Notes and/or Class B Notes on the first date that the Clean-Up Call Option becomes exercisable; and

(iii) £800,000; and

(c) on and following the date on which the Principal Amount Outstanding of all of the Class A Notes and the Class B Notes has reduced to zero or upon the delivery of an Enforcement Notice, zero.

Use of Available Principal Receipts to fund a Revenue Shortfall

On or before each Determination Date occurring prior to the occurrence of an Enforcement Event, the Cash Administrator will determine, based on the Servicer Report, whether following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts there will be a Revenue Shortfall on the next Interest Payment Date and, if so, then the Issuer shall pay or provide for that Revenue Shortfall on that Interest Payment Date by the application of Available Principal Receipts as Available Revenue Receipts, in accordance with item (a) of the Principal Priority of Payments.

Principal Deficiency Ledgers will be established to debit the Losses and/or the application of Available Principal Receipts to pay any Revenue Shortfall on an Interest Payment Date. Such debits will be recorded in reverse sequential order to the Class Z Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class Z Notes then outstanding, the Class F Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class F Notes then outstanding, the Class E Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class E Notes then outstanding, the Class D Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class D Notes then outstanding, the Class C Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class C Notes then outstanding, the Class B Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class B Notes then outstanding and the Class A Principal Deficiency Ledger up to an amount equal to the Principal Amount Outstanding of the Class A Notes then outstanding.

Available Revenue Receipts will be applied, after meeting prior ranking obligations as set out under the Revenue Priority of Payments, to credit first the Class A Principal Deficiency Ledger, second the Class B Principal Deficiency Ledger, third the Class C Principal Deficiency Ledger, fourth the Class D Principal Deficiency Ledger, fifth the Class E Principal Deficiency Ledger, sixth the Class F Principal Deficiency Ledger, and seventh the Class Z Principal Deficiency Ledger.

Payment of interest on the Notes and payments on the Certificates in sequential order and deferral of payments on the Notes and Certificates

Payments of interest and other amounts due on the Classes of Notes and the Certificates will be paid in sequential order such that credit enhancement for:

(a) the Class A Notes will be provided by the subordination of payments due in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class

Z Notes and (in respect of interest only) the Class X Notes in the applicable Priority of Payments;

(b) the Class B Notes will be provided by the subordination of payments due in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class Z Notes and the (in respect of interest only) Class X Notes in the applicable Priority of Payments;

(c) the Class C Notes will be provided by the subordination of payments due in respect of the Class D Notes, the Class E Notes, the Class F Notes, the Class Z Notes and the (in respect of interest only) Class X Notes in the applicable Priority of Payments;

(d) the Class D Notes will be provided by the subordination of payments due in respect of the Class E Notes, the Class F Notes, the Class Z Notes and (in respect of interest only) the Class X Notes in the applicable Priority of Payments;

(e) the Class E Notes will be provided by the subordination of payments due in respect of the Class F Notes, the Class Z Notes and (in respect of interest only) the Class X Notes in the applicable Priority of Payments;

(f) the Class F Notes will be provided by the subordination of payments due in respect of the Class Z Notes and (in respect of interest only) the Class X Notes in the applicable Priority of Payments; and

(g) the Class Z Notes will be provided by the subordination of payments due in respect of interest only the Class X Notes in the applicable Priority of Payments.

The Issuer shall only be obliged to pay any Interest Amount payable in respect of the Class of Notes which is not the Most Senior Class of Notes in full on any Interest Payment Date or to pay the Certificate Payment, in each case to the extent that there are Available Revenue Receipts or Available Principal Receipts available for payment thereof in accordance with the Priority of Payments. The Issuer may not defer payments of any Interest Amount to the Most Senior Class of Notes (but, as set out in more detail below, any Interest Amounts deferred prior to such Notes becoming the Most Senior Class of Notes shall continue to be deferred).

In accordance with Condition 6.3 (*Deferral of Interest*), an amount of interest equal to any shortfall in payment of any Interest Amount which would, but for Condition 6.3(a) (*Deferral of Interest*) otherwise be due and payable in respect of the each Class of Notes (other than the Most Senior Class of Notes then outstanding) on any Interest Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Interest Payment Date, but will instead be deferred until the first Interest Payment Date thereafter on which funds are available to the Issuer (subject to and in accordance with the Conditions) to fund the payment of Deferred Interest to the extent funds are available in accordance with the relevant Priority of Payments.

Such Deferred Interest will accrue Additional Interest at the rate of interest applicable to that Class in accordance with Condition 6.5 (*Interest on the Notes*), and payment of any Additional Interest will also be deferred until the first Interest Payment Date thereafter on which funds are available (subject to and in accordance with the Conditions) to the Issuer to pay such Additional Interest to the extent funds are available in accordance with the relevant Priority of Payments.

Failure to pay any Deferred Interest or Additional Interest to holders of each Class of Notes, will not be an Event of Default until the Final Maturity Date or any earlier date of redemption in full of such Class of Notes and any such amount which has not then been paid in respect of the relevant Class of Notes will thereupon become due and payable in full.

It is not intended that any surplus will be accumulated by the Issuer, other than, for the avoidance of doubt, the Issuer Profit Amount.

Repayment of principal on the Notes

The obligations of the Issuer to repay principal on the Notes will be subject to the applicable Priority of Payments.

Prior to the delivery of an Enforcement Notice: for so long as the Pro-Rata Payment Conditions are satisfied, principal on each Class of Notes will be payable in accordance with the Principal Priority of Payments in an amount equal to the lesser of:

(a) the Principal Amount Outstanding of such Class of Notes on such Interest Payment Date (prior to the application of Available Principal Receipts); and

(b) the Pro-Rata Principal Payment Amount allocated to such Class of Notes on such Interest Payment Date (as determined on the immediately preceding Determination Date),

to the extent that the Issuer has (in respect of each Class of Notes sufficient Available Principal Receipts after making payments in accordance with the applicable Priority of Payments); and

Following the delivery of an Enforcement Notice, principal on each Class of Notes will be payable to the extent the Issuer has sufficient funds after making payment of all amounts required to be paid in priority to such payments in accordance with the Post-Enforcement Priority of Payments. On an enforcement of the Security, the Class A Noteholders will have priority over the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class Z Notes and the Class X Notes that rank below them in respect of the Charged Property and the proceeds of enforcement.

The Principal Deficiency Ledgers

Seven Principal Deficiency Ledgers (one relating to each Class of Notes) will be established on the Closing Date. On or before each Determination Date, the Cash Administrator will determine, among other things, the following amounts (based on information provided by the Servicer with respect to the Portfolio) and record them as debit entries on the Principal Deficiency Ledgers:

(a) any Losses on the Purchased Receivables in the Portfolio in the immediately preceding Collection Period; and

(b) if on any Interest Payment Date following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts, there is a Revenue Shortfall, any Principal Addition Amounts on such Interest Payment Date.

Without double counting, any Losses on the Purchased Receivables in the Portfolio and Principal Addition Amounts recorded on the:

(a) Class A Principal Deficiency Ledger, shall be recorded in respect of the Class A Notes;

(b) Class B Principal Deficiency Ledger, shall be recorded in respect of the Class B Notes;

(c) Class C Principal Deficiency Ledger, shall be recorded in respect of the Class C Notes;

(d) Class D Principal Deficiency Ledger, shall be recorded in respect of the Class D Notes;

(e) Class E Principal Deficiency Ledger, shall be recorded in respect of the Class E Notes;

(f) Class F Principal Deficiency Ledger, shall be recorded in respect of the Class F Notes; and

(g) Class Z Principal Deficiency Ledger, shall be recorded in respect of the Class Z Notes.

Losses on the Purchased Receivables in the Portfolio and any Principal Addition Amounts will be recorded as a debit to the relevant Principal Deficiency Ledger as follows:

(a) *first*, on the Class Z Principal Deficiency Ledger up to a maximum of the Class Z Principal Deficiency Limit;

(b) *second*, on the Class F Principal Deficiency Ledger up to a maximum of the Class F Principal Deficiency Limit;

(c) *third*, to the Class E Principal Deficiency Ledger up to a maximum of the Class E Principal Deficiency Limit;

(d) *fourth*, to the Class D Principal Deficiency Ledger up to a maximum of the Class D Principal Deficiency Limit;

(e) *fifth*, to the Class C Principal Deficiency Ledger up to a maximum of the Class C Principal Deficiency Limit;

(f) *sixth*, to the Class B Principal Deficiency Ledger up to a maximum of the Class B Principal Deficiency Limit; and

(g) *seventh*, to the Class A Principal Deficiency Ledger up to a maximum of the Class A Principal Deficiency Limit.

Amounts debited to a Principal Deficiency Ledger shall be reduced to the extent of Available Revenue Receipts available for such purpose on each Interest Payment Date in accordance with the Revenue Priority of Payments, as follows:

(a) *first*, to the Class A Principal Deficiency Ledger to reduce the debit balance to zero;

(b) *second*, to the Class B Principal Deficiency Ledger to reduce the debit balance to zero;

(c) *third*, to the Class C Principal Deficiency Ledger to reduce the debit balance to zero;

(d) *fourth*, to the Class D Principal Deficiency Ledger to reduce the debit balance to zero;

(e) *fifth*, to the Class E Principal Deficiency Ledger to reduce the debit balance to zero;

(f) *sixth*, to the Class F Principal Deficiency Ledger to reduce the debit balance to zero; and

(g) *seventh*, to the Class Z Principal Deficiency Ledger to reduce the debit balance to zero.

On or before each Determination Date, the Cash Administrator will calculate the then current balance of each Principal Deficiency Ledger and will apply Available Revenue Receipts (to the extent available) to cure any debit entries on the immediately following Interest Payment Date in accordance with the Revenue Priority of Payments.

Interest Rate Hedge Agreement

Availability of the Swap Transaction provided by the Interest Rate Hedge Counterparty to hedge against the possible variance between the fixed rate of interest received by the Issuer on the Purchased Receivables and the SONIA-based interest payable in respect of the Notes. Payments made by the Interest Rate Hedge Counterparty under the Swap Transaction will constitute Available Revenue Receipts (other than as provided under paragraph (d) of the definition thereof) and be distributed by the Issuer in accordance with the applicable Priority of Payments.

Pursuant to the Swap Transaction under the Interest Rate Hedge Agreement, the Issuer is expected to make an upfront payment to the Interest Rate Hedge Counterparty on the Closing Date. For each Interest Payment Date falling prior to the termination date of such Interest Rate Hedge Agreement, the following amounts will be calculated:

(a) the amount equal to the product of the swap notional amount in respect of the applicable Interest Period and the applicable day count fraction specified in the Interest Rate Hedge Agreement and multiplying the resulting amount by the floating rate specified in the Interest Rate Hedge Agreement (the "**Interest Period Hedge Counterparty Amount**"); and

(b) the amount equal to the product of the swap notional amount in respect of the applicable Interest Period and the applicable day count fraction specified in the Interest Rate Hedge Agreement

and multiplying the resulting amount by the fixed rate specified in the Interest Rate Hedge Agreement (the "**Interest Period Issuer Amount**").

After these two amounts are calculated in relation to an Interest Period, a payment will be made as follows on the relevant Interest Payment Date:

(a) if the Interest Period Hedge Counterparty Amount for that Interest Payment Date is greater than the Interest Period Issuer Amount for that Interest Payment Date, then the amounts will be netted against each other and the Interest Rate Hedge Counterparty will pay the difference to the Issuer;

(b) if the Interest Period Issuer Amount is greater than the Interest Period Hedge Counterparty Amount for that Interest Payment Date, then the amounts will be netted against each other and the Issuer will pay the difference to the Interest Rate Hedge Counterparty; and

(c) if the two amounts are equal, then the amounts will be netted against each other and neither party will make a payment to the other.

If a payment is to be made by the Interest Rate Hedge Counterparty pursuant to the terms of the Swap Transaction, that payment will be included in the Available Revenue Receipts (other than as provided under paragraph (d) of the definition thereof) and will be applied on or about the relevant Interest Payment Date according to the applicable Priority of Payments. If a payment is to be made by the Issuer pursuant to the terms of the Swap Transaction, that payment will be made according to the applicable Priority of Payments, unless such payment is a payment of Hedge Tax Credits in which case that payment shall be applied directly to the Interest Rate Hedge Counterparty in accordance with the Cash Administration Agreement.

The Interest Rate Hedge Agreement may be terminated in certain circumstances, including, among others, the following, each as more specifically defined in the Interest Rate Hedge Agreement (an "**Early Termination Event**"):

(a) if there is a failure by a party to pay amounts due under an Interest Rate Hedge Agreement and any applicable grace period has expired;

(b) if certain insolvency events occur with respect to a party;

(c) if a breach of a provision of the Interest Rate Hedge Agreement by the Interest Rate Hedge Counterparty is not remedied within the applicable grace period;

(d) if a change of law results in the obligations of one of the parties becoming illegal or a force majeure event results in the performance by either party of its obligations becoming impossible;

(e) in certain circumstances, if a deduction or withholding for or on account of tax ("**Tax Deduction**") is imposed on payments under the Swap Transaction due to a change in law;

(f) if the Interest Rate Hedge Counterparty is downgraded and fails to comply with the requirements of the downgrade provisions contained in the Interest Rate Hedge Agreement and described above within the relevant remedial timeframes;

(g) service of an Enforcement Notice on the Issuer pursuant to Condition 13.2 (*Delivery of an Enforcement Notice*) of the Notes following an Event of Default as set out in Condition 13.1 (*Events of Default*);

(h) if there is a redemption of the Notes pursuant to Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*), Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*), Condition 8.4 (*Optional Redemption in whole upon the occurrence of an Illegality Event*);

(i) if any of the Transaction Documents, Conditions or Certificate Conditions is amended, modified or supplemented or a waiver is given in breach of the Interest Rate Hedge Counterparty Entrenched Rights;

(j) where the beneficial title to and interest in the entire Portfolio is sold by the Issuer, including, for the avoidance of doubt, following the exercise of the Call Option by the Option Holder; or

(k) if 10 Local Business Days have passed since the Issuer served a benchmark adjustment dispute notice in accordance with the Interest Rate Hedge Agreement disputing a Benchmark Event Adjustment (as defined below).

Upon termination following the designation of an Early Termination Date (as defined in the Interest Rate Hedge Agreement), depending on the circumstances prevailing at the time of termination, the Issuer or the Interest Rate Hedge Counterparty may be liable to make a termination payment to the other. This termination payment will be calculated and made in Sterling. The amount of any termination payment will in certain circumstances (including following an Interest Rate Hedge Counterparty downgrade) be based on the market value of the terminated swaps as determined on the basis of firm offers sought from leading dealers as to the costs of entering into a transaction that would have the effect of preserving the economic equivalent of the respective full payment obligations of the parties. In other circumstances (including where no firm offers can be obtained, or following early termination due to a default by the Issuer), the amount of any termination payment may reflect, among other things, the cost of entering into a replacement transaction at the time, third party market data such as rates, prices, yields and yield curves, or similar information derived from internal sources of the party making the determination. In either case, the early termination amount will include any unpaid amounts that became due and payable on or prior to the date of termination, taking account of any collateral transferred by the Interest Rate Hedge Counterparty to the Issuer.

Depending on the terms of the Swap Transaction and the circumstances prevailing at the time of termination, any such termination payment could be substantial and may affect the funds available to pay amounts due to the Noteholders.

The Interest Rate Hedge Counterparty may, subject to certain conditions specified in the Interest Rate Hedge Agreement including (without limitation) the satisfaction of certain requirements of the Rating Agencies, transfer its obligations under the Interest Rate Hedge Agreement to another entity with the ratings as specified in the Interest Rate Hedge Agreement.

Under the terms of the Interest Rate Hedge Agreement, the Calculation Agent is required to make such adjustments (each, a "**Benchmark Event Adjustment**") to the Interest Rate Hedge Agreement as necessary or advisable in its commercially reasonable judgment to align, to the extent reasonably practicable, the floating rate option for a relevant transaction to the Alternative Benchmark Rate upon the service of notice by either party (in the case of sub-paragraphs (a) to (f) below), or by the Interest Rate Hedge Counterparty (in the case of sub-paragraph (g) below) to the other party, notifying the relevant party of the occurrence of any of the following events in the following circumstances (in relation to the definition of Compounded Daily SONIA):

(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 for 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 for 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 Interest Rate Hedge Counterparty that any of the events specified in the sub-paragraphs above will occur or exist.

The Issuer is not obliged under the Interest Rate Hedge Agreement to gross up payments made by it if a Tax Deduction is imposed on payments made under the Swap Transaction. However, if the Interest Rate Hedge Counterparty is required to receive a payment subject to Tax Deduction under the Swap Transaction due to a change in law, the Interest Rate Hedge Counterparty may terminate the Swap Transaction.

The Interest Rate Hedge Counterparty will generally be obliged to gross up payments (save for any gross up related to FATCA) made by it to the Issuer if a Tax Deduction is imposed on payments made by it under the Swap Transaction. However, if the Interest Rate Hedge Counterparty is required to gross up a payment under the Swap Transaction due to a change in the law, the Interest Rate Hedge Counterparty may terminate the Swap Transaction.

Issuer Transaction Account and Collection Accounts

All monies held by the Issuer will be deposited in the Issuer Transaction Account in the first instance other than any Hedge Collateral delivered pursuant to the Interest Rate Hedge Agreement.

Customer Collections are either (i) collected by a Collection Agent and transferred by the Collection Agent into a Collection Account or (ii) received into the Interim Collection Account directly or into the Initial Collection Account and subsequently swept to the Interim Collection Account, both Collection Accounts are held in the name of the Legal Title Holder. All Customer Collections to which the Issuer is beneficially entitled standing to the credit of the Collection Accounts on any Business Day (less the aggregate amount of any Direct Debit Reversals occurring during the period since the immediately preceding transfer to the Issuer Transaction Account) are transferred to the Issuer Transaction Account within two Business Days of receipt into the relevant Collection Account and identification of such amounts. Amounts credited to the Collection Accounts are held on trust for the benefit of, among others, the Issuer in accordance with the Collection Accounts Declaration of Trust. Where the Collection Agent collects Customer Collections, such monies are held by the Collection Agent in accordance with Regulation 23 (Safeguarding requirements) of the Payment Services Regulations 2017. Under Regulation 23 of the Payment Services Regulations 2017, a Collection Agent is required, among other things, to either hold relevant funds (such as any Collections that it receives) segregated from any other funds that it holds which are not subject to the safeguarding requirements or ensure that such relevant funds are covered by an insurance policy or comparable guarantee.

CASHFLOWS AND CASH MANAGEMENT

Application of Available Revenue Receipts prior to the delivery of an Enforcement Notice

On each Interest Payment Date, the Cash Administrator (on behalf of the Issuer) shall cause all Available Revenue Receipts for such Interest Payment Date to be distributed pursuant to the Revenue Priority of Payments.

"**Available Revenue Receipts**" means, on any Interest Payment Date, the following amounts each calculated as of the immediately preceding Determination Date received by or held by the Issuer during the immediately preceding Collection Period (without double counting):

(a) all Revenue Receipts received by the Issuer;

(b) interest payable to the Issuer on the Issuer Transaction Account and any Further Account (if any);

(c) any amounts standing to the credit of the Liquidity Reserve Fund Ledger to the extent necessary after applying all other Available Revenue Receipts (other than Principal Addition Amounts referred to in item (f) below) to reduce any Senior Interest Deficiency then outstanding to zero on such Interest Payment Date;

(d) any amounts received by the Issuer pursuant to the Interest Rate Hedge Agreement (other than Hedge Excluded Receivable Amounts);

(e) any Reconciliation Amounts deemed to be Available Revenue Receipts;

(f) any Principal Addition Amounts to be applied as Available Revenue Receipts (after all amounts in relation to item (c) above have been exhausted) in accordance with item (a) of the Principal Priority of Payments to meet any Revenue Shortfall;

(g) excess Available Principal Receipts to be applied as Available Revenue Receipts pursuant to item (d) of the Principal Priority of Payments; and

(h) any other net income of the Issuer received, excluding any Available Principal Receipts; less

(i) amounts applied from time to time during the immediately preceding Collection Period in making payment of certain monies which properly belong to third parties ((including the Seller and the Servicer), being collectively referred to herein as "**Third Party Amounts**").

"**Revenue Receipts**" means, as at any Determination Date calculated in respect of the Collection Period ending on the immediately preceding Monthly Cut-Off Date, amounts received by or on behalf of the Issuer during the immediately preceding Collection Period representing:

(a) any Customer Collections which are not Principal Receipts;

(b) any Recovery Collections;

(c) the proceeds of indemnity payments or Repurchase Price, made from the Seller to the Issuer pursuant to the Receivables Sale Agreement to the extent that such proceeds do not constitute or are not attributable to principal nor represent action in respect of principal; and

(d) any other amounts received in respect of the Purchased Receivables that are not Principal Receipts.

Application of Available Principal Receipts prior to the delivery of an Enforcement Notice

On each Interest Payment Date, the Cash Administrator (on behalf of the Issuer) shall cause all Available Principal Receipts for such Interest Payment Date to be distributed pursuant to the Principal Priority of Payments.

"**Available Principal Receipts**" means, on any Interest Payment Date, the following amounts, each calculated as of the immediately preceding Determination Date received by or held by the Issuer during the immediately preceding Collection Period (without double counting):

(a) all Principal Receipts received by the Issuer in respect of the Purchased Receivables;

(b) the amounts (if any) to be recorded as a credit against the Principal Deficiency Ledger pursuant to the relevant Priority of Payments on such Interest Payment Date;

(c) any Reconciliation Amounts deemed to be Available Principal Receipts;

(d) all amounts standing to the credit of the Liquidity Reserve Fund Ledger in excess of the Liquidity Reserve Required Amount on such Interest Payment Date;

(e) following the service of an Enforcement Notice, all amounts standing to the credit of the Liquidity Reserve Fund;

(f) all other principal amounts standing to the credit of the Principal Ledger on the Issuer Account including any Available Principal Receipts previously credited to the Principal Ledger on an Interest Payment Date in accordance with the applicable Principal Priority of Payments; and

(g) on the First Interest Payment Date only, any over issuance proceeds from the issuance of the Notes.

"**Principal Receipts**" means, as at any Determination Date calculated in respect of the Collection Period ending on the immediately preceding Monthly Cut-Off Date, amounts received by or on behalf of the Issuer during the immediately preceding Collection Period representing:

(a) any Customer Collections insofar as they relate to payments of principal;

(b) the proceeds of indemnity payments or Repurchase Price, made from the Seller to the Issuer pursuant to the Receivables Sale Agreement to the extent that such proceeds constitute or are attributable to principal or represent action in respect of principal; and

(c) any other payment received by the Issuer in the nature of principal.

Application of Available Revenue Receipts, Available Principal, Proceeds and other moneys of the Issuer following the delivery of an Enforcement Notice

On each Interest Payment Date (or on such other date as the Trustee instructs in writing in accordance with the Transaction Documents) on or following the delivery of an Enforcement Notice or on a Call Option Redemption Date, the Cash Administrator shall cause all amounts standing to the credit of the Issuer Transaction Account and all proceeds (other than Hedge Excluded Receivable Amounts) from the enforcement of the Security or otherwise recovered by the Trustee (which shall be held by the Trustee on trust) to be applied in payment, in the amounts required, in accordance with the Post-Enforcement Priority of Payments.

In this section:

"**Customer Collections**" means, in respect of a Purchased Receivable other than a Purchased Receivable in respect of which a Loss has been incurred and a corresponding debit recorded on the Principal Deficiency Ledger(s), and during any specified period:

(a) all amounts received from a Customer in respect of such Purchased Receivable (except for any payments in respect of interest accrued prior to the Cut-Off Date); and

(b) all cash proceeds of Related Collateral with respect to such Purchased Receivable.

"**Reconciliation Amount**" means, in respect of a relevant Collection Period, an amount equal to:

(a) the actual Principal Receipts as determined in accordance with the available Servicer Reports; *less*

(b) the calculated Principal Receipts in respect of such relevant Collection Period; *plus*

(c) any Reconciliation Amount not applied in previous Collection Periods, as determined in accordance with the Cash Administration Agreement.

"**Recovery Collections**" means, only in respect of or in connection with a Purchased Receivable in respect of which a Loss has been incurred and a corresponding debit recorded on the Principal Deficiency Ledger(s):

(a) in respect of sale a Defaulted Receivable sold to the Seller pursuant to the Defaulted Receivables Call Option, the Sale Recoveries; and

(b) in respect of any Defaulted Receivable not sold to the Seller pursuant to the Defaulted Receivables Call Option:

(i) all amounts including principal, interest, damages, reminder fees, past due interest and any other payment by or for the account of a Customer in respect of such Defaulted Receivable (except for any payments in respect of interest accrued prior to the Cut-Off Date); and

(ii) all cash proceeds of Related Collateral with respect to such Defaulted Receivable.

in each case, *minus* all reasonable out of pocket expenses paid to third parties and properly incurred by the Servicer in connection with the collection and enforcement of the Defaulted Receivable in line with the Servicing and Collection Procedures of the Servicer (for the avoidance of doubt without deducting any third party fees or expenses incurred by the Servicer and charged to the Issuer in the Servicing Fee).

CERTAIN TRANSACTION DOCUMENTS

The following section contains an overview of the material terms of the principal Transaction Documents. The overview does not purport to be complete and is subject to the provisions of the applicable Transaction Documents.

The structure of the Transaction as described in this Prospectus and, among other things, the issue of the Notes and the ratings which are to be assigned to the Rated Notes are based on the law and administrative practice in effect as at the date of this Prospectus as it affects the parties to the Transaction and the Portfolio, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to such law (including any change in regulation which may occur without a change in primary legislation) and practice or tax treatment after the date of this Prospectus nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes.

Master Framework Agreement

The Transaction Parties will enter into a Master Framework Agreement on or before the Closing Date, pursuant to which they will agree that certain defined terms and other provisions will apply to and be incorporated into all or some of the Transaction Documents as set out therein.

Limited Recourse

Notwithstanding any of the provisions of the Conditions, the Certificate Conditions or any other Transaction Document, each Noteholder and Certificateholder acknowledges and each of the Transaction Parties (other than the Issuer) agrees that if the net proceeds of realisation of the security constituted by or pursuant to the Deed of Charge are less than the aggregate amount payable by the Issuer to the Noteholders, the Certificateholders and any other Secured Creditors in respect of its obligations under the Transaction Documents (such negative amount being referred to as a "**shortfall**"), the amount payable by the Issuer to the Noteholders, the Certificateholders and each other Secured Creditor in respect of the Issuer's obligations under such Transaction Documents shall be reduced to such amount of the net proceeds as shall be applied in accordance with the Deed of Charge and the Priority of Payments, and such parties shall not (directly or indirectly) be entitled to take any further steps against the Issuer to recover such shortfall, which shall be deemed to be automatically extinguished.

Non-Petition

Each Noteholder and Certificateholder acknowledges and each of the Transaction Parties (other than the Issuer and the Trustee) agrees that they (or any other party acting on their behalf) shall not be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency or liquidation proceedings, or other analogous proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer under the Notes or the Transaction Documents, save for lodging a claim in the liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer in relation to such Transaction Documents. For the avoidance of doubt, nothing in Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*) or Certificate Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*) shall prevent the Trustee enforcing the security constituted by or pursuant to the Deed of Charge in accordance with its terms, **provided that** in connection with any such enforcement neither the Trustee nor any Receiver appointed thereunder shall take any steps or proceedings to procure the winding up or liquidation of the Issuer.

Corporate Obligations

Each Noteholder and Certificateholder acknowledges and each of the Transaction Parties (other than the Issuer) agrees that no recourse under any obligation, covenant, or agreement of the Issuer contained in any Transaction Document may be sought by it against any shareholder, officer, agent, employee or director of the Issuer, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise, it being expressly agreed and understood that the Transaction Documents are corporate obligations of the Issuer only. Each Noteholder and Certificateholder acknowledges and each of the Transaction Parties (other than the Issuer) agrees that no personal liability shall attach to or be incurred by the shareholders, officers, agents, employees or directors of the Issuer, or any of them, under or by reason of any of the obligations, covenants or agreements of

the Issuer contained in any Transaction Document, or implied therefrom, and any and all personal liability of every such shareholder, officer, agent, employee or director for breaches by the Issuer of any such obligations, covenants or agreements, either at law or by statute or constitution, of every such shareholder, officer, agent, employee or director is hereby deemed expressly waived by the Noteholders, the Certificateholders and the Transaction Parties.

Secured Obligations

Each Secured Creditor (other than the 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, and the Trust Deed, 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, and the Trust Deed, as applicable, shall be received and held by it as trustee (except in the case of the Cash Administrator, the Principal Paying Agent, the Agent Bank, the Registrar and the Account Bank which will hold such funds as banker and to the order of the Trustee) for the Trustee and shall be paid over to, or to the order of, the Trustee immediately upon receipt so that such amount can be applied in accordance with the provisions of the Deed of Charge, and the Trust Deed.

Governing Law

The Master Framework Agreement and any non-contractual obligations arising out of or in connection with the Master Framework Agreement, will be governed by and construed in accordance with English law.

Receivables Sale Agreement

Sale of the Portfolio

Pursuant to the terms of the Receivables Sale Agreement, the Seller will sell and transfer all by equitable assignment its right, title, interest and benefit in, to and under the Portfolio to the Issuer on the Closing Date. The sale and assignment or, as applicable, transfer of the Portfolio to be sold on the Closing Date will put the Seller and the Issuer in the same economic position as if such sale and assignment or, as applicable, transfer had taken place as at the close of business on the Cut-Off Date. Consequently, to the extent that the Seller has received any Customer Collections from such Purchased Receivables from (and excluding) the Cut-Off Date to (and excluding) the Closing Date, the Seller will transfer such Customer Collections to the Issuer within two (2) Business Days of the Closing Date.

Seller Asset Warranties

Pursuant to the Receivables Sale Agreement, on the Closing Date, the Seller will represent and warrant to the Issuer that, in respect of the Receivables to be sold by the Seller to the Issuer on the Closing Date, as of the Cut-Off Date:

(a) immediately prior to each sale and transfer of the Seller's right, title, benefit and interest to, in and under the relevant Purchased Receivable and Related Collateral, the Seller is the legal and beneficial owner of the relevant Purchased Receivable and Related Collateral, and such Purchased Receivable is freely assignable to the Issuer, does not contain any restrictions on assignment and is free and clear of any Underlying Security or Encumbrance and the relevant Purchased Receivable is not otherwise in a condition that could be foreseen to adversely affect the enforceability of the sale to the Issuer and, having made due and careful enquiry, each Purchased Receivable has not been assigned, pledged or otherwise transferred to any Person or, so far as the Seller is aware and having made due and careful enquiry, such Purchased Receivable has not been subject to any third party claims, claims, liens, charges, security interest, trust or other encumbrance, including in respect of any financing facility;

(b) each Purchased Receivable and Related Collateral represent a legal, valid, binding and enforceable obligation of the Eligible Customer, except as such enforcement may be limited by bankruptcy, insolvency or administration proceedings;

(c) the Seller has not selected each relevant Purchased Receivable to be transferred to the Issuer pursuant to the Receivables Sale Agreement with the aim of rendering losses on each relevant

Purchased Receivable, measured from the Cut-Off Date to the Final Maturity Date, higher than the losses over the same period on comparable loans held on the balance sheet of the Seller;

(d) so far as the Seller is aware, the Seller has the capability to separately identify the relevant Purchased Receivables which are to be sold, transferred, held in trust and assigned under or pursuant to the Receivables Sale Agreement and included in the relevant Servicer Report or SR Report;

(e) each Purchased Receivable complies with the Eligibility Criteria;

(f) so far as the Seller is aware, the Seller has:

(i) as at the date of origination of the relevant Purchased Receivable which is sold to the Issuer pursuant to the Receivables Sale Agreement, held a valid Consumer Credit Authorisation issued by the appropriate Regulatory Authority necessary to originate the relevant Purchased Receivable; and

(ii) on each date thereafter until the Closing Date, held a valid Consumer Credit Authorisation issued by the appropriate Regulatory Authority necessary to service the relevant Purchased Receivable;

(g) so far as the Seller is aware, each Purchased Receivable was originated in the ordinary course of business of the Seller;

(h) so far as the Seller is aware (having made all due and reasonable enquiries of a Prudent Lender), any broker involved in the origination of the relevant Purchased Receivable had obtained and maintained, at the time of their involvement, all necessary Consumer Credit Authorisations and complied with all applicable Consumer Credit Laws in relation to the intermediation activities;

(i) the relevant Underlying Agreement has been originated in accordance with all Applicable Laws including, for the avoidance of doubt, all applicable Consumer Credit Laws, including that the form, terms and related formalities and procedures (including without limitation any pre- and post-contractual information requirements) of such Underlying Agreement comply in all material respects with any applicable requirements of the Consumer Credit Laws;

(j) each relevant Underlying Agreement is a Regulated Credit Agreement;

(k) so far as the Seller is aware, no Underlying Agreement, whether alone or with any related agreement, gives rise to any unfair relationship between the creditor and the debtor for the purposes of sections 140A to 140C of the CCA;

(l) in the event that an Underlying Agreement qualifies as a "distance contract", as defined in the Financial Services (Distance Marketing) Regulations 2004, the provisions of such regulations have been complied with in respect of such Purchased Receivable;

(m) each Underlying Agreement contained, at the time of origination, all of the terms agreed between the parties and was duly executed by the parties thereto;

(n) no lien, right of set-off, counterclaim, defence, claim for rescission or other right of deduction exists that would require or entitle any Customer to reduce any amount payable under each relevant Purchased Receivable;

(o) the Seller has not, in writing or otherwise, waived or acquiesced in any breach of any of its rights in respect of the relevant Purchased Receivable, except as required by Applicable Law nor has it waived or agreed to waive any of its rights against any broker, intermediary or other professional who has provided information, carried out work or given advice in connection with the relevant Purchased Receivable;

(p) so far as the Seller is aware, other than payments made to price comparison websites and non-price comparison website brokers (including referral partners) by the Seller in respect of the

Purchased Receivable, no commission or introduction fees have been paid or have been agreed to be paid by the Seller in respect of the Purchased Receivables. So far as the Seller is aware, in respect of any payments made to price comparison websites or non-price comparison website brokers (including referral partners) by the Seller in respect of the Purchased Receivables, to the extent the Seller was required to make disclosure to, or obtain consent from, the relevant Customer in accordance with Applicable Laws, the Seller has made such disclosure to, and obtained such consent from, the relevant Customers in accordance with Applicable Laws;

(q) there is no litigation, claim or action (in each case, subsisting, threatened or pending) (excluding any vexatious or frivolous litigation or claim) in respect of any relevant Purchased Receivable that calls into question the legal and/or beneficial title to any relevant Purchased Receivable or the ability to fully, effectively and promptly enforce against the Customer to such relevant Purchased Receivable, which if adversely determined might have a material adverse effect on the value of any relevant Purchased Receivable;

(r) so far as the Seller is aware, no event has occurred or is pending in respect of each relevant Purchased Receivable that would have a Material Adverse Effect on the repayment of each relevant Purchased Receivable by the relevant Customer;

(s) the relevant Purchased Receivable was originated in accordance with underwriting standards that are no less stringent than those that the Seller applied at the time of origination to those applied in respect of similar Purchased Receivables originated by the Seller;

(t) so far as the Seller is aware, it:

(i) entered into each Underlying Agreement on the basis of sound and well-defined criteria for credit-granting, and has clearly established processes for approving, amending, renewing and financing that Underlying Agreement and has effective systems in place to apply those criteria and processes to ensure that any such credit-granting was based on a thorough assessment of the relevant Customer's creditworthiness, taking appropriate account of factors relevant to verifying the prospect of the Customer meeting its obligations under the relevant Underlying Agreement;

(ii) applied to the Purchased Receivables to be sold to the Issuer the same sound and well-defined criteria for credit-granting which it applies to non-securitised loans and has applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing credits in relation to the Purchased Receivables to be sold to the Issuer under the Underlying Agreement which it applies to other loans to its other customers that are originated by it but are not to be sold under the Underlying Agreement; and

(iii) effective systems in place to apply the criteria and processes referred to in sub-paragraphs (i) and (ii) above in order to ensure that credit-granting is based on a thorough assessment of the relevant Customer's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Customer meeting its obligations under each Underlying Agreement;

(u) the relevant Purchased Receivable is a "financial asset" as that term is defined in the Securitisation Taxation Regulations (as amended);

(v) the relevant Purchased Receivable or any other property which is assigned under the Receivables Sale Agreement (including, for the avoidance of doubt, the Related Collateral) does not consist of (or comprise an interest in) stock or a marketable security (as such terms are defined for the purposes of section 122 of the Stamp Act 1891 or section 125 of the Finance Act 2003), a chargeable security (as such term is defined for the purposes of section 99 of the Finance Act 1986) or a chargeable interest (as such term is defined for the purposes of section 48 of the Finance Act 2003 or section 4 of the Land Transaction Tax and Anti-Avoidance of Devolved Taxes (Wales) Act 2017);

(w) the relevant Purchased Receivable was originated by the Seller and is denominated in Sterling and is repayable in Sterling and the Sterling denomination of the Purchased Receivable may not be changed by the Customer;

(x) so far as the Seller is aware, as at the Purchase Date, the Purchased Receivables are classified as retail exposures, would meet the conditions for being assigned under the Standardised Approach and, taking into account any eligible credit risk mitigation, would have a risk weight equal to or smaller than 75% if the Seller were subject to the UK CRR (as such terms are described in Article 243 of the UK CRR); and

(y) the relevant Purchased Receivable is not: (i) a securitisation position; (ii) a transferable security (as defined in Article 4(1), (24) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 of the European Parliament and of the Council; or (iii) a derivative.

Seller Repurchase Obligation

Pursuant to the terms of the Receivables Sale Agreement, in the event of a breach of any of the Seller Asset Warranties given on the Closing Date (as of the Cut-Off Date) in respect of the Purchased Receivables sold on the Closing Date:

(a) if the breach is capable of remedy, the Seller agrees to use reasonable endeavours to remedy such breach within 30 Business Days from and including the date on which the Seller was notified of or, if earlier, first became aware of the breach; or

(b) if the breach is not capable of remedy, or is not remedied within 30 Business Days as set out in paragraph (a) above, the Seller will either (at its sole discretion, provided that it shall elect to decide between the remedies set out in sub-paragraphs (i) and (ii) as soon as reasonably practicable):

(i) repurchase (or procure the repurchase by a nominee of the Seller of) the relevant Purchased Receivable (and the Related Collateral relating thereto) within 10 Business Days of the delivery of the relevant Repurchase Notice (the "**Repurchase Date**") at a price equal to the Repurchase Price; or

(ii) in lieu of repurchasing (or procuring the purchase by a nominee of the Seller of) the relevant Purchased Receivable, indemnify and keep indemnified the Issuer against all actual losses suffered by the Issuer as a result of the breach of such Seller Asset Warranty,

provided that the aggregate amount payable under paragraph (ii) above shall not exceed the Repurchase Price of such Purchased Receivable, and that any amount payable by the Seller under this paragraph (b) shall be paid to the Issuer Transaction Account, and provided further that the Seller shall not be required to take any action in respect of any breach of a representation and warranty where in relation to a relevant Purchased Receivable, a breach of an Asset Warranty has resulted in a loss to the Issuer of less than or equal to £500.

Limitation of liability with respect to a breach of Seller Asset Warranty

The Seller shall have no liability to the Issuer for any breach of Seller Asset Warranty in respect of the Purchased Receivables unless (i) the Issuer has notified the Seller in writing of such breach on or before the date on which the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio is less than 10% of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio at the Cut-Off Date and (ii) the loss caused by the relevant breach of a Seller Asset Warranty exceeds £500 (the **Claim Threshold**).

To the extent that the application of the Claim Threshold in limb (ii) above would result in the Seller not repurchasing the relevant Purchased Receivable or indemnifying the Issuer and, as a consequence, the Transaction would no longer meet the UK STS Requirements, the Claim Threshold as provided for above shall be deemed not

to apply and the Seller shall be obliged to repurchase the relevant Purchased Receivable or indemnify the Issuer in as described above notwithstanding the Claim Threshold.

Non-Conforming Receivables

The Seller shall (unless it is indemnifying the Issuer for breach of Seller Asset Warranty), on the date on which the repurchase obligation with respect to a Purchased Receivable arises under the terms of the Receivables Sale Agreement (such Purchased Receivable, a "**Non-Conforming Receivable**"), deliver to the Issuer a notice specifying the details of the Non-Conforming Receivable to be repurchased (such notice, a "**Repurchase Notice**"). The Issuer will sell and re-transfer to the Seller or any nominee of the Seller (as applicable), the Non-Conforming Receivables identified in a Repurchase Notice within 10 Business Days after receipt by the Issuer of the Repurchase Notice, for an amount equal to the Repurchase Price. Any amounts received in respect of a Non-Conforming Receivable on or prior to the Determination Date immediately prior to the Repurchase Date will be retained by the Issuer. Any amounts received in respect of the Non-Conforming Receivable after the Determination Date immediately prior to the Repurchase Date will be retained by the Seller.

Under the terms of the Receivables Sale Agreement, the Issuer has agreed to notify the Seller and the Servicer promptly upon becoming aware of a breach of a Seller Asset Warranty affecting a Receivable which gives rise to an obligation on the Seller to repurchase a Purchased Receivable or indemnify in lieu of repurchase, provided that this will not constitute an obligation of the Issuer to investigate whether any such breach has occurred.

Remedied Receivables

The fulfilment of the Seller's obligation to pay (or procure the payment by a nominee of) the Repurchase Price, or to indemnify the Issuer, pursuant to the Receivables Sale Agreement in respect of a Non-Conforming Receivable (a "**Remedied Receivable**") will be in full satisfaction and discharge of any rights or remedies which the Issuer or any other party or person may otherwise have had with respect to such Remedied Receivable as a result of the relevant breach on the part of or affecting the Seller arising under the Receivables Sale Agreement in relation to such Remedied Receivable or (as the case may be) the Customer concerned. Accordingly, the Issuer acknowledges under the Receivables Sale Agreement that it will have no further or other rights or remedies with respect to such Remedied Receivable as a result of or in connection with that breach. Upon payment of the Repurchase Price or the relevant indemnity amount, as applicable, and, in the case of a repurchase, re-transfer of the assets in respect of any Remedied Receivable pursuant to the Receivables Sale Agreement, the Seller or the nominee of the Seller (as applicable) will, in the case of a repurchase, become the absolute owner of such Remedied Receivable.

If the Seller pays (or procures payment of) any Repurchase Price in full satisfaction of its obligations under the Receivables Sale Agreement in relation to any breach of any of the Seller Asset Warranties on the Closing Date (as of the Cut-Off Date), upon receipt of the Repurchase Price into the Issuer Transaction Account (i) the Security over the Remedied Receivable and their Related Collateral shall be automatically released without recourse, representation or warranty in accordance with the Deed of Charge, (ii) the Issuer shall automatically sell and transfer to the Seller or its nominee (as applicable) free from any security interests or encumbrances, all right, title, interest and benefit of the Issuer, present and future, actual and contingent in the Remedied Receivable and its Related Collateral and to the Customer Collections thereof free from any Security Interest attaching to the interest of the Issuer; and (iii) assign and release to the Seller or its nominee (as applicable), such rights as it has (if any) against any third party which relate to such breach of Seller Asset Warranty. The Issuer will, if so requested by the Seller and to the extent that it is permitted to do so, execute any documentation reasonably required to evidence the above at the cost of the Seller or relevant nominee.

If a Non-Conforming Receivable has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is due to be repurchased pursuant to the Receivables Sale Agreement, the Seller will not be required to repurchase (or procure the purchase by a nominee of the Seller of) the Non-Conforming Receivable but will instead indemnify the Issuer in respect of such Non-Conforming Receivable, provided that the amount payable by the Seller pursuant to such indemnity will be an amount equal to what would have been the Repurchase Price of such Non-Conforming Receivable as at the date of such indemnification, had such Non-Conforming Receivable existed.

Upon completion of any purchase, transfer, re-transfer or repurchase pursuant to the Receivables Sale Agreement, the Seller will cease to be under any further obligation to hold any Purchased Receivable Records or

other documents relating to such Purchased Receivable to the order of the Issuer and if the Issuer (or the Servicer, as the case may be) holds to its order or has under its control the Purchased Receivable Records and other documents relating to the Purchased Receivable it will return them (or direct their return) to the Seller (or as the Seller directs), subject to the Issuer's right to retain such copies of those Purchased Receivable Records as it is required to retain by Applicable Law.

Any such purchase, transfer, re-transfer or repurchase by the Seller of or in respect of a Purchased Receivable will, from the date of such purchase, transfer, retransfer or repurchase, constitutes a discharge and release of the Seller from any claims which the Issuer may have against the Seller arising from the relevant Seller Asset Warranties in relation to that Purchased Receivable but will not affect any rights arising from a breach of any other express provision of the Receivables Sale Agreement or any Seller Asset Warranty in relation to any other Purchased Receivable.

Defaulted Receivables Call Option

Pursuant to the Receivables Sale Agreement, the Issuer has granted to the Seller a call option in respect of Defaulted Receivables (the "**Defaulted Receivables Call Option**") which the Seller may exercise for the purposes of effecting an onward sale of the relevant Defaulted Receivables to a third party debt management company or debt purchaser in accordance with the Servicing and Collection Procedures and provided that such Defaulted Receivables are sold in accordance with the same policies, practices and procedures, as the Seller and Servicer applies to comparable defaulted receivables held on its own book from time to time.

The Seller may exercise the Defaulted Receivables Call Option by delivering a notice to the Issuer (a "**Defaulted Receivables Repurchase Notice**") identifying the Defaulted Receivables to be repurchased and the proposed repurchase date (the "**Defaulted Receivables Repurchase Date**"). On the Defaulted Receivables Repurchase Date the relevant Defaulted Receivable and its Related Collateral shall be automatically transferred to the Seller and the Security over such Defaulted Receivable and its Related Collateral shall be automatically released.

The consideration payable by the Seller for such repurchase shall be an amount equal to the any amounts received by the Seller from a third party debt purchaser in connection with the onward sale of such Defaulted Receivable to that third party debt purchaser (the "**Sale Recoveries**"), which shall be payable by the Seller to the Issuer within five Business Days of the Defaulted Receivables Repurchase Date.

For the avoidance of doubt, the Seller shall have no obligation to pay any amount in excess of the Sale Recoveries actually received by it from the relevant third party debt purchaser. The Seller's sole obligation is to pass on to the Issuer such amounts as it has actually received from the relevant third party debt purchaser in connection with the onward sale of the relevant Defaulted Receivable.

Upon repurchase by the Seller, the relevant Defaulted Receivable shall cease to form part of the Portfolio and shall no longer constitute a Purchased Receivable. Any Sale Recoveries received by the Issuer shall constitute Recovery Collections.

Governing Law

The Receivables Sale Agreement and any non-contractual obligations arising out of or in connection with the Receivables Sale Agreement, will be governed by and construed in accordance with English law.

Servicing Agreement

Powers

On the Closing Date, the appointment of the Servicer as servicer of the Purchased Receivables will be confirmed by the Issuer and, as applicable, the Legal Title Holder.

The Servicer will, at all times during the term of the Servicing Agreement, perform all of its obligations relating to the Purchased Receivables under the Servicing Agreement (or procure that the same are performed), with the due skill, care and diligence that would be exercised by a prudent and informed servicer of loans similar to the Purchased Receivables and, where the standard is higher, with the equivalent diligence and level of care and skill that it would exercise concerning loans similar to the Purchased Receivables and originated by Zopa. In

performing such obligations in relation to the administration, the recovery and the collection of the Purchased Receivables, the Servicer shall comply with:

(a) all Applicable Laws and regulations;

(b) the provisions of the Transaction Documents;

(c) the provisions of the Underlying Agreements; and

(d) the Servicing and Collection Procedures.

Representations and Warranties of the Servicer

Pursuant to the Servicing Agreement the following representations and warranties will be given by the Servicer as of the Closing Date:

(a) **Status**: The Servicer is a limited company duly incorporated under the laws of England and Wales and is validly existing under the laws of England and Wales with power and authority to carry on its business;

(b) **Legal, Valid and Binding Obligations**: The obligations expressed to be assumed by it under this Agreement and the Transaction Documents to which it is party are legal and valid obligations binding on it and enforceable against it in accordance with their terms, except:

(i) as such enforcement may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally;

(ii) as such enforceability may be limited by the effect of general principles of equity; and

(iii) obligations in relation to the Transaction Documents relating to stamp duties may be void by virtue of Section 117 of the Stamp Act 1891.

(c) **Powers and Authorisation**: This Agreement and the Transaction Documents to which it is a party have been duly executed by it and the Servicer has the requisite power and authority and all necessary corporate authority has been obtained and action taken, for it to enter into the Transaction Documents to which it is a party and to undertake and perform the obligations expressed to be assumed by it therein;

(d) **Non Violation/Ultra Vires**: The entry of the Servicer into and the execution and, where applicable, delivery of the Transaction Documents to which it is a party and the performance by the Servicer of its obligations under the Transaction Documents to which it is a party do not and will not in any material respect conflict with or constitute a breach or infringement of any of the terms or provisions of, or constitute a default by, the Servicer under or conflict or be inconsistent with or cause to be exceeded any limitation on it or the powers of its directors imposed by or contained in:

(i) its constitutive documents;

(ii) any law, statute, decree, rule, regulation or licence of a material nature to which it or any of its assets or revenues is subject or of any order, judgment, injunction, decree, resolution, determination or award of any court or any judicial, administrative, or governmental authority or organisation which applies to it or any of its assets or revenues; or

(iii) any agreement, indenture, contract, mortgage, deed, bond or other instrument to which the Servicer is a party or which is binding on it or any of its assets;

(e) **Litigation**: other than vexatious or frivolous proceedings, no litigation, arbitration, governmental regulatory or administrative or investigative proceedings or disputes have been commenced, or (to its knowledge) are pending against the Servicer or its assets which, if determined adversely to it, might reasonably be expected to have a Material Adverse Effect;

(f) **Licences**: with the exception of (i) the relevant permissions, interim permissions and/or authorisations required under the FSMA and the CCA and (ii) the DPA notification (each of paragraphs (i) and (ii) the Servicer confirms that it has obtained), no consent, licence, authorisation or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the performance by it of its obligations under (A) the Transaction Documents to which it is a party and all documents to be delivered pursuant to the Transaction Documents and the transactions contemplated in the Transaction Documents; or (B) any Underlying Agreement;

(g) **Solvency**: no step has been taken or is proposed to be taken that would constitute, and no Insolvency Event has occurred, in respect of it;

(h) **UK CRR and Taxes**: It:

(i) is a credit institution, as defined in Article 4(1) of the UK CRR, for the purposes of EU Council Directive 2001/24 (implemented in England and Wales by the Credit Institutions (Reorganisation and Winding Up) Regulations 2004, 2004/1045 (the Credit Institutions Winding Up Regulations)) and the Onshored EIR;

(ii) its home member state, as defined in Article 4(1) of the UK CRR, is the United Kingdom and, for the purposes of the Credit Institutions Winding Up Regulations, it is a UK credit institution;

(iii) is a company which is, and has since incorporation been, resident for tax purposes solely in the United Kingdom and is not treated as being resident outside the United Kingdom by virtue of the application of section 18 of the Corporation Tax Act 2009, its usual place of abode is in the United Kingdom and it does not have a branch, taxable agency or other permanent establishment in any jurisdiction other than the United Kingdom; and

(iv) belongs in the United Kingdom for the purposes of United Kingdom VAT.

(i) **Identification of Records**: it has the capability at any given time of identifying each individual Purchased Receivable and Ancillary Right and all Customer Collections in respect thereof;

(j) **No Servicer Termination Event**: no event or circumstance exists which would constitute a Servicer Termination Event;

(k) **Compliance**: All licences, permissions, authorisations, registrations and consents required under Applicable Laws for the providing the Services are in full force and effect and have been complied with and so far as it is aware, there is no reason why any of them should be suspended or revoked or not renewed when due, save where any failure would not have a Material Adverse Effect;

(l) **Anti-Corruption Laws**: the Servicer has conducted its business in compliance with all applicable Anti-Corruption Laws and has instituted and maintained policies, financial record-keeping, protocols and procedures designed to promote and achieve compliance with all such Laws;

(m) **Anti-Money Laundering Laws**: (i) neither the Servicer nor any Affiliates nor, as far as it is aware, any employee of it: (A) has breached any applicable Anti-Money Laundering Laws; or (B) is subject to or involved in any enquiry, investigation, claim, action, suit or proceeding against it with respect to Anti-Money Laundering Laws; and (ii) the Servicer has instituted and maintains policies and procedures designed to ensure compliance with applicable Anti-Money Laundering Laws; and

(n) **Sanctions**: neither the Servicer nor any of its respective directors or officers:

(i) is a Sanctioned Person; and/or

(ii) is a Person that has been subject to any claim, proceeding, formal notice or investigation with respect to applicable Sanctions,

in each case, save to the extent that such representation or warranty would breach the European Union blocking statute (Council Regulation (EC) No 2271/96).

Undertakings by the Servicer

Pursuant to the Servicing Agreement the Servicer will covenant until termination of the Servicing Agreement that it shall comply with the following covenants:

(a) **Underlying Agreements**: not to modify under any circumstance and for any reason whatsoever the terms and conditions of any existing Underlying Agreement after the Closing Date, save in accordance with and subject to the terms and conditions of the Servicing Agreement or if the Servicer is required to do so in order to comply with Applicable Laws or is in compliance with the Servicing and Collection Procedures or as may be required to be made by a Prudent Lender;

(b) **Maintenance of Systems and Procedures**: to maintain and implement (or procure the maintenance and implementation of) all necessary accounting, management and administrative systems and procedures, electronic or otherwise, to that are reasonably required for the provision of the Services;

(c) **Information on the Receivables**: to provide (at the cost of the Issuer) to the Issuer, the Cash Administrator and the Trustee any information as the Issuer, the Cash Administrator and the Trustee may from time to time reasonably request in respect of the Purchased Receivables to the extent the Servicer is capable of providing such information including, for the avoidance of doubt, information reasonably required by the Issuer or the Trustee for any enforcement of the Related Collateral and to the extent allowed by applicable Data Protection Laws and banking secrecy;

(d) **Location**: save as expressly agreed by the parties to the Servicing Agreement or as set out therein, not to act from a fixed establishment or business establishment outside the United Kingdom in providing the services pursuant to the Servicing Agreement;

(e) **Back-Up Servicer Facilitator**: use reasonable efforts to assist the Back-Up Servicer Facilitator to appoint a Successor Servicer in accordance with this Agreement;

(f) **Anti-Corruption Laws, Anti-Money Laundering Laws, Sanctions**: not to fail to comply with any Anti-Corruption Laws, Anti-Money Laundering Laws or Sanctions where applicable or otherwise; and

(g) **Breach Notice**: provide the Issuer and the Trustee with all reasonable assistance to take the actions required of it under the terms of the Receivables Sale Agreement in connection with any remedy, repurchase or indemnity by the Seller following the receipt of notice of a breach of Seller Asset Warranties.

Duties of the Servicer

The Servicer shall, with regard to the portfolio of Purchased Receivables:

(a) carry out the administration, the recovery and the collection of the Purchased Receivables and related Underlying Agreement;

(b) preserve and, where applicable, exercise the Related Collateral;

(c) provide the Issuer, the Trustee and the Cash Administrator with the information and data administration services referred to in the Servicing Agreement in relation to the Purchased Receivables;

(d) keep Purchased Receivable Records, books of account and documents for the Issuer in relation to the Purchased Receivables;

(e) subject to the provisions of the Servicing Agreement, take all reasonable steps (in relation to Receivables, in accordance with the procedures for enforcement for the time being set out in the Servicing and Collection Procedures) to recover all sums due to the Issuer;

(f) provide reasonable assistance to the auditors of the Issuer and provide information (at the cost of the Issuer) to them upon reasonable request in respect of the Purchased Receivables;

(g) take all other action and do all other things which it would be reasonable to expect a prudent and informed servicer of loans similar to the Purchased Receivables to do in administering assets similar to the Purchased Receivables beneficially owned by the Servicer with a view to maximising recoveries; and

(h) perform those other functions which are specifically provided for in the Servicing Agreement.

In the administration and servicing of the Portfolio, the Servicer will ensure that it has all required licences, approvals, authorisations and consents which are necessary for the performance of its duties under the Servicing Agreement.

Right of Delegation by the Servicer

The Servicer may appoint any third party in order to carry out all or any administrative part of the obligations to be provided by it under the Servicing Agreement, **provided that:**

(a) the Servicer uses reasonable skill and care in selecting such third party;

(b) such appointed third party has, and shall maintain, and only to the extent required, all requisite licenses, approvals, authorisations and consents in England and Wales, including without limitation any necessary notifications under the DPA and permissions under the FSMA to enable it to fulfil its obligations under or in connection with any such arrangements;

(c) save in respect of existing collections and debt management system arrangements in place as at the Closing Date and Collection Agents, where the arrangements involve the custody or control of any Purchased Receivable Records (if any) relating to the Purchased Receivables for the purpose of performing any delegated Services, the third party has executed an acknowledgement in form and substance acceptable to the Issuer and, following the delivery of an Enforcement Notice, the Trustee, to the effect that any such Purchased Receivable Records (if any) are and will be held to the order of the Issuer and the Trustee or such other parties as the Trustee shall direct;

(d) where the arrangements involve or may involve the receipt by the third party of monies belonging to the Issuer in a different account from a Collection Account which, in accordance with the Servicing Agreement, are to be paid into a Collection Account, the third party has executed a declaration in form and substance acceptable to the Issuer and, following the delivery of an Enforcement Notice, the Trustee, that any such monies held by it or to its order are held on trust for the Issuer and will be paid forthwith into the relevant Collection Account in accordance with the terms of the Servicing Agreement and any other applicable Transaction Document unless such third party meets the definition of a Collection Agent;

(e) save in respect of existing collections and debt management system arrangements in place as at the Closing Date and Collection Agents, any such third party has executed a written waiver of any Security arising in connection with such delegated Services (to the extent that such Security relates to the Purchased Receivables or any amount referred to in paragraph (d) above);

(f) the appointments of the third party will not result in any requirements on the Issuer to withhold on account of Taxes;

(g) the Issuer and the Trustee shall have no liability to the appointed third party whatsoever in relation to any liabilities, fees, costs, claims, charges, damages or expenses suffered or incurred by said third party, which shall at all times remain the sole responsibility of the Servicer; and

(h) such appointment does not lead to any additional taxation liability of the Issuer which would not have arisen but for such subcontracting or delegation (including any VAT).

The above restrictions will not apply in respect of sub-contracting or delegation or engagement by the Servicer of (i) any receiver, solicitor, accountant, insolvency practitioner, auctioneer, debt collection agency or any other professional adviser, in each case being a person or persons whom the Servicer would be willing to appoint in respect of its own Receivables in connection with the performance by the Servicer of any of its obligations or functions or in connection with the exercise of its powers under the Servicing Agreement, provided that the Servicer has used reasonable skill and care in the selection of the same; or (ii) any other person or persons whom a prudent servicer would engage to provide similar services on its behalf in the ordinary course of business.

Notwithstanding any such subcontracting or delegation, the Servicer shall not be released or discharged from any liability under the Servicing Agreement and shall remain responsible for the performance of all of its obligations under the Servicing Agreement, and the performance or non-performance or the manner of performance of any third party of any of the Services shall not affect the Servicer's obligations under the Servicing Agreement and any breach in the performance of the Services by such third party shall be treated as a breach of the Servicing Agreement by the Servicer.

Servicing Fee

As consideration for the administration, recovery and collection of the Purchased Receivables (other than the reporting duties) pursuant to the Servicing Agreement, the Issuer shall pay to the Servicer the Servicing Fee in accordance with the applicable Priority of Payments in monthly instalments in arrears on each Interest Payment Date with respect to the immediately preceding Collection Period.

Where the Servicer is not Zopa and a Successor Servicer has been appointed in accordance with the Servicing Agreement, the Successor Servicer shall be entitled to the Servicing Fee from the date on which its appointment becomes effective (unless a different remuneration arrangement is agreed by the Issuer).

Collection Accounts

The Servicer shall use all reasonable endeavours to:

(a) operate the Collection Accounts in accordance with the Collection Accounts Declaration of Trust;

(b) not vary the Collection Accounts Declaration of Trust without the prior written consent of the Issuer and the Trustee; and

(c) if it proposes to include one or more additional Collection Account then prior to the deposit of any Customer Collections into any new Collection Account, deliver a Notice of Declaration of Trust to the relevant Collection Account Bank and shall use reasonable endeavours to procure that the relevant Collection Account Bank acknowledges the Notice of Declaration of Trust in the form included in the Collection Accounts Declaration of Trust.

Customer Collections and on-payment to Issuer

Pursuant to the Servicing Agreement, the Servicer will:

(a) take all such steps as are reasonably necessary to monitor whether or not the Customers are making payments when they are due;

(b) use reasonable endeavours to direct the Customers to make payments in respect of the Purchased Receivables into either the Collection Accounts or procure that they are collected by a Collection Agent and transferred by the Collection Agent into a Collection Account;

(c) procure that an amount equal to all Customer Collections to which the Issuer is beneficially entitled standing to the credit of the Collection Accounts on any Business Day (less the aggregate amount of any Direct Debit Reversals occurring during the period since the immediately preceding transfer to the Issuer Transaction Account) is transferred into the Issuer Transaction Account within two Business Day of receipt of such and identification of such amounts;

(d) take all such steps as are reasonably necessary to collect all Customer Collections, and ensure payment of all sums, due under or in connection with the relevant Purchased Receivables and Related Collateral;

(e) calculate and determine the Cumulative Default Ratio for each Collection Period and the related Interest Payment Date and include such calculation and determination in the Servicer Report; and

(f) take all such steps as are reasonably necessary to enforce all obligations all obligations of the Customers and of the related guarantors, if any, under the related Receivables; only, if the Servicer considers appropriate in the circumstances but if the Servicer does not consider appropriate, it may write off such Defaulted Receivable in accordance with the Servicing and Collection Procedures; and

(g) take all such steps as are reasonably necessary to initiate and prosecute on behalf of the Issuer proceedings against a Customer or enforce any Related Collateral in respect of any Purchased Receivable which becomes a Defaulted Receivable (where such Defaulted Receivable is not otherwise to be sold pursuant the Defaulted Receivables Call Option) which the Servicer considers appropriate in the circumstances but, if the Servicer does not consider appropriate, it may write off such Defaulted Receivable in accordance with the Servicing and Collection Procedures,

in each case on behalf of the Issuer or the Trustee (as applicable) in accordance with Applicable Laws, the provisions of the Underlying Agreements and the Servicing and Collection Procedures and for the avoidance doubt the Servicer shall have no obligation to pay any amounts due from Customers into the Collection Accounts to the extent that these are not received from such Customers.

Loss of Collection Account Banks Minimum Required Rating

If a Collection Account Bank no longer satisfies the Collection Account Banks Minimum Required Ratings, the Legal Title Holder shall use all reasonable endeavours to, either:

(a) within 60 calendar days following the first day on which the downgrade occurred, open replacement accounts with a financial institution that:

(i) satisfies the Collection Account Banks Minimum Required Ratings;

(ii) enters into a deed on terms substantially similar to those set out in the Collection Accounts Declaration of Trust with respect to the replacement accounts; and

(iii) is a bank as defined in Section 991 of the Income Tax Act 2007, which entered into the relevant agreement referred to in the paragraph above in the ordinary course of its business and which will bring into account payments (other than deposits) made under such agreement in computing its income for United Kingdom tax purposes,

and shall use reasonable endeavours to procure that all amounts held on trust for the Issuer standing to the credit of the relevant Collection Account are transferred to the replacement account at such replacement institution as soon as practicable transfer all Direct Debit mandates to such replacement collection accounts and the Servicer will instruct Customers to make all

monthly instalments made by a Customer under a payment arrangement other than the Direct Debiting Scheme to such replacement collection accounts from the date on which the replacement collection accounts are opened; or

(b) within 60 calendar days following the first day on which the downgrade occurred, obtain a guarantee of the obligations of the relevant Collection Account Bank under the Collection Accounts Declaration of Trust from a financial institution having the Collection Account Banks Minimum Required Ratings; or

(c) within 60 calendar days following the first day on which the downgrade occurred, direct the Customers to make payments in respect of the Purchased Receivables to the Issuer Transaction Account; or

(d) within 60 calendar days following the first day on which the downgrade occurred, take any other action (if required) as agreed with the Rating Agencies in order to maintain the ratings of the Rated Notes.

Servicer Report

On each Servicer Reporting Date, the Servicer shall make available to the Cash Administrator (which may be by way of email) a Servicer Report in respect of the Collection Period that ended prior to the Servicer Reporting Date.

The Servicer shall, on or before each Servicer Reporting Date, calculate and determinate the Cumulative Default Ratio in respect of the immediately preceding Collection Period and include such calculation and determination in the related Servicer Report.

Regulatory Reporting

Under the Servicing Agreement, the Servicer will undertake to make available to the Reporting Agent and the Cash Administrator (which may be by way of email) the UK SR Report which shall be in the form of the standardised template set out in the UK Transparency Rules and the EU SR Report which shall be in the form of the standardised template set out in the EU Article 7 Technical Standards, (as such regulation is in force, interpreted and applied as at the Closing Date including as to the form of such information).

In addition, the Servicer shall make available to the Issuer, the Reporting Agent and the Cash Administrator (which may be by way of email) if and to the extent it becomes aware of the same without delay, any UK SR Inside Information and/or UK SR Significant Event Information.

The Issuer will be designated as the entity responsible for fulfilling the information requirements as required by (i) SECN 6.3.1R(1) and Article 7(2) of Chapter 2 of the PRASR; and (ii) Article 7(2) of the EU Securitisation Regulation (as if applicable to the Reporting Entity and as in force, interpreted and applied as at on the Closing Date).

Zopa Bank Limited and the Issuer remain responsible for their applicable responsibilities under SECN 6.2 and Article 7 of the EU Securitisation Regulation (as in force, interpreted and applied as at on the Closing Date).

For the avoidance of doubt, in agreeing to provide such services on behalf of the Issuer, the Servicer will not assume any responsibility for the Issuer's obligations, or any other person's obligations, as the entity responsible to fulfil the reporting requirements under the UK Securitisation Framework, the EU Securitisation Regulation or any other applicable regulation.

In addition, the Servicer shall procure that the loan level data shall be delivered to the Reporting Agent in a data tape in the form of the Bank of England reporting template no later than the date falling one month after the relevant Interest Payment Date.

Termination

The occurrence of any of the following events will constitute a "**Servicer Termination Event**":

(a) the occurrence of an Insolvency Event in relation to the Servicer;

(b) any representation or warranty expressed to be made in this Agreement by the Servicer is or proves to have been incorrect or misleading when made where such incorrect or misleading representation or warranty has a Material Adverse Effect and is not remedied within fifteen (15) Business Days after the earlier of the Servicer becoming aware of such representation or warranty being incorrect or misleading and of receipt by the Servicer of written notice from the Issuer, acting on the instructions of the Noteholder(s) (prior to the service of an Enforcement Notice) or the Trustee (following the delivery of an Enforcement Notice), requiring the same to be remedied;

(c) default is made by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing Agreement or any other Transaction Document to which it is a party, where such default has a Material Adverse Effect in relation to the Portfolio and is not remedied within 10 Business Days after the earlier of the Servicer becoming aware of such default and of receipt by the Servicer of written notice from the Issuer, acting on the instructions of the Noteholder(s) (prior to the service of an Enforcement Notice) or the Trustee (following the delivery of an Enforcement Notice), requiring the same to be remedied;

(d) it becomes unlawful for the Servicer to perform any of its obligations as Servicer under the Servicing Agreement;

(e) the Servicer ceasing to be an authorised person under the FSMA or the revocation of or the failure to maintain any applicable licence, registration or regulatory permission required to be held by it to perform the services under the Servicing Agreement;

(f) default is made by the Servicer in the payment on the due date of any payment due to be paid by the Servicer under the Servicing Agreement or any other Transaction Document and such failure remains unremedied for 15 Business Days after such failure;

(g) the Servicer fails to provide the Servicer Report or a SR Report on each Servicer Reporting Date and such failure remains unremedied for 30 calendar days after (i) prior to the delivery of an Enforcement Notice, the earlier of (A) the Servicer becoming aware of such default or (B) the receipt of written notice by the Servicer from the Issuer; or (ii) following the delivery of an Enforcement Notice, the Trustee requiring the default to be remedied;

(h) the Servicer or any Affiliate of the Servicer is found by a court of competent jurisdiction to have committed fraud or wilful default in carrying out, or omitting to carry out, its obligations under the Transaction Documents;

(i) any penalty, fine, sanction, order, direction or restriction which is imposed upon the Servicer by a competent court or Regulatory Authority and which would have a Material Adverse Effect in respect of the Servicer and/or the rights and interests of the Issuer or any Noteholder under the Transaction Documents; or

(j) the Servicer ceases to carry on the whole of its business of origination of unsecured personal loans or ceases to carry on the whole or substantially the whole of its servicing business as it relates to unsecured personal loans.

The Issuer will, at any time after the occurrence of a Servicer Termination Event that is continuing, give notice in writing to the Back-Up Servicer Facilitator and the Trustee (with a copy to the Rating Agencies) and will (if so directed by the Trustee acting on the instructions of an Extraordinary Resolution of the Most Senior Class outstanding), or following the delivery of an Enforcement Notice, the Trustee will, by notice in writing to the Servicer (the "**Servicer Termination Notice**") specifying the date of such termination in such notice ("**Servicer Termination Date**"), terminate the appointment of the Servicer under the Servicing Agreement and the Back-Up Servicer Facilitator shall use reasonable efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable successor servicer to be appointed by the Issuer in accordance with the terms of the Servicing Agreement *provided that* such termination will not take effect until, a successor Servicer which meets the Servicer and LTH Replacement Conditions has been appointed in accordance with the provisions of a new servicing agreement (and, among other things, has acceded to the terms of the Deed of Charge) and has

assumed responsibility (as "**Successor Servicer**"). The Successor Servicer is required to have experience of administering consumer loans in the United Kingdom and to enter into a servicing agreement with the Issuer and the Trustee substantially on the same terms as the relevant provisions of the Servicing Agreement.

If a Successor Servicer has not been appointed by the Servicer Termination Date referred to in the relevant Servicer Termination Notice, the Servicing Agreement will terminate on the date of the later appointment of the Successor Servicer. If a Successor Servicer is appointed prior to the Servicer Termination Date referred to in the relevant Servicer Termination Notice, the Servicing Agreement will terminate on the date of such appointment and the Servicer Termination Date will occur on this date.

Resignation by the Servicer

The Servicer may, upon giving 12 months' notice to the Issuer and the Trustee, voluntarily terminate its obligation to perform its duties as the Servicer under the Servicing Agreement in any circumstance, except that the notice period shall be 30 calendar days where the Servicer is unable to continue providing the Services due to (i) a change in law, (ii) the loss of any authorisation, licence or registration required for it to provide the Services or (iii) any other circumstance beyond its reasonable control. In all cases, such resignation shall not occur until a Successor Servicer which meets the Servicer and LTH Replacement Conditions has been appointed and the Back-Up Servicer Facilitator shall use reasonable efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable successor servicer which meets the Servicer and LTH Replacement Conditions to be appointed by the Issuer in accordance with the Servicing Agreement.

Liability of the Servicer and Indemnity

Without prejudice to the right of indemnity given by law to trustees, the Servicer and the Legal Title Holder will indemnify and keep indemnified the Issuer and the Trustee and their officers and employees (the "**Servicer Indemnified Parties**") on demand on an after-Tax basis for any losses, liabilities, claims, expenses and costs, proceedings and charges or damages suffered or incurred by any of the Servicer Indemnified Parties in respect of the gross negligence, fraud or wilful default of the Servicer or the Legal Title Holder (as applicable) or any of its sub-contractors or delegates, in carrying out its functions as Servicer or Legal Title Holder (as applicable) under the Servicing Agreement or the other Transaction Documents or as a result of a material breach by the Servicer or any of its sub-contractors or delegates of the terms and provisions of the Servicing Agreement or the other Transaction Documents to which it is party in relation to such functions, excluding however:

(a) the obligations of a Customer under or pursuant to any Underlying Agreement and nothing in the Servicing Agreement shall constitute a guarantee, or similar obligation, by the Servicer or the Legal Title Holder of the performance by a Customer;

(b) amounts to the extent that they are attributable to the gross negligence, wilful default or fraud of the Servicer Indemnified Party (or their respective officers, employees or agents); or

(c) save as otherwise provided in the Servicing Agreement, the obligations of the Issuer under any of the Transaction Documents or otherwise and nothing under the Servicing Agreement shall constitute a guarantee, or similar obligation, by the Servicer or the Legal Title Holder of the Issuer's obligations under any Transaction Document.

Governing Law

The Servicing Agreement and any non-contractual obligations arising out of or in connection with the Servicing Agreement are governed by and construed in accordance with English law.

Cash Administration Agreement

The Issuer will appoint Citibank, N.A., London Branch as the Cash Administrator pursuant to the Cash Administration Agreement. Pursuant to the Cash Administration Agreement, the Cash Administrator will agree to provide certain cash management and other services (the "**Cash Administration Services**") to the Issuer. The Cash Administrator's principal functions will be effecting payments to and from the Relevant Issuer Accounts and making corresponding calculations and determinations on behalf of the Issuer.

Accounts and Ledgers

Pursuant to the Cash Administration Agreement, the Cash Administrator will open and maintain in the books of the Issuer, the following ledgers:

(a) the Issuer Profit Ledger;

(b) the Revenue Ledger;

(c) the Principal Ledger;

(d) the Liquidity Reserve Fund Ledger;

(e) the Class A Principal Deficiency Ledger;

(f) the Class B Principal Deficiency Ledger;

(g) the Class C Principal Deficiency Ledger;

(h) the Class D Principal Deficiency Ledger;

(i) the Class E Principal Deficiency Ledger;

(j) the Class F Principal Deficiency Ledger;

(k) the Class Z Principal Deficiency Ledger; and

(l) the Hedge Collateral Ledger,

(together, the "**Ledgers**") and shall make credits and debits to the Ledgers in accordance with the provisions of the Cash Administration Agreement. All such Ledgers (other than the Principal Deficiency Ledger) shall together reflect the aggregate of all amounts of cash standing to the credit of the Issuer Transaction Account.

Determinations, Calculations and Records

Subject to the timely receipt of all relevant information in the relevant Servicer Report on the Servicer Reporting Date and based on certain information provided by third parties pursuant to the Cash Administration Agreement, the Cash Administrator shall on each Determination Date determine or calculate the following amounts, among others:

(a) the Available Principal Receipts and Available Revenue Receipts (including, for the avoidance of doubt, Principal Addition Amounts) in respect of the next succeeding Interest Payment Date;

(b) the amounts referred to in each item of the Revenue Priority of Payments in respect of the next succeeding Interest Payment Date;

(c) the amount of principal payable on the Notes in respect of the next succeeding Interest Payment Date;

(d) the amount of Certificate Payment payable on the Certificates in respect of the next succeeding Interest Payment Date;

(e) the amounts referred to in each item of the Principal Priority of Payments in respect of the next succeeding Interest Payment Date;

(f) following the service of an Enforcement Notice or on a Call Option Redemption Date, the amounts referred to in each item of the Post-Enforcement Priority of Payments;

(g) the Liquidity Reserve Required Amount;

(h) any Senior Interest Deficiency;

(i) any Revenue Shortfall;

(j) whether an Event of Default has occurred, provided that, for the avoidance of doubt, the Cash Administrator may assume that no such event has occurred or is continuing unless it has been notified of such event; and

(k) whether the Pro-Rata Payment Conditions have been satisfied in respect of the next succeeding Interest Payment Date.

SR Investor Reports

Subject to receipt of the Servicer Report, on each Investor Reporting Date, the Cash Administrator on behalf of the Issuer (as the Reporting Entity) shall prepare an Investor Report, the EU SR Investor Report and UK SR Investor Report. The Cash Administrator shall make available the Investor Report on the Cash Administrator Website. The Cash Administrator shall deliver the EU SR Investor Report and UK SR Investor Report to the Reporting Agent and the Reporting Agent shall make available the EU SR Investor Report and UK SR Investor Report on the UK SR Reporting Website within one month after the relevant Interest Payment Date.

Delayed delivery of a Servicer Report

If the relevant Servicer Report in respect of the relevant Investor Reporting Date is not prepared and delivered prior to the due date for such delivery, then the Cash Administrator shall use the Servicer Reports in respect of the three most recent Investor Reporting Dates (or, where there are not at least three previous Servicer Reports, all previous Servicer Reports) for the purposes of calculating the amounts available to the Issuer to make payments on the relevant Determination Date, as follows:

(a) determine the Interest Determination Ratio by reference to the three most recently received Servicer Reports (or, where there are not at least three previous Servicer Reports, all previous Servicer Reports);

(b) calculate the Revenue Receipts for the relevant Collection Period as the product of:

  (i) the Interest Determination Ratio; and

  (ii) all payments received by the Issuer which relate to the relevant Collection Period; and

(c) calculate the Principal Receipts for such relevant Collection Period as the product of:

  (i) one, minus the Interest Determination Ratio; and

  (ii) all payments received by the Issuer which relate to the relevant Collection Period.

If the Servicer Report relating to the relevant Investor Reporting Date is subsequently received, the Cash Administrator shall reconcile (on behalf of the Issuer) the calculations to made to the actual collections set out in the Servicer Report, in accordance with the Cash Administration Agreement as follows:

(a) if the Reconciliation Amount is a positive number, the Cash Administrator shall on the immediately following Interest Payment Date pay or provide for such amount by allocating amounts standing to the credit of the Revenue Ledger as Available Principal Receipts to be applied in accordance with the applicable Priority of Payments; and

(b) if the Reconciliation Amount is a negative number, the Cash Administrator shall on the immediately following Interest Payment Date pay or provide for such amount by allocating amounts standing to the credit of the Principal Ledger as Available Revenue Receipts to be applied in accordance with the applicable Priority of Payments.

If amounts standing to credit of the Revenue Ledger or Principal Ledger, as the case may be, are insufficient to pay or provide for the applicable Reconciliation Amount in full on the immediately following Interest Payment Date, the Cash Administrator shall reallocate amounts standing to the credit of the Revenue Ledger or Principal Ledger (as applicable) in accordance with the Cash Administration Agreement respectively in respect of each subsequent Collection Period (such Reconciliation Amounts to be applied accordingly on the immediately following Interest Payment Date in accordance with the applicable Priority of Payments) until such Reconciliation Amount is paid or provided for in full.

Any (i) calculations properly done on the basis of such previous Servicer Reports, (ii) payments made to the Noteholders and the Certificateholders pursuant to the relevant Priority of Payments, (iii) reconciliation calculations, and (iv) reconciliation payments made as a result of such reconciliation calculations, each in accordance with the Cash Administration Agreement, shall be deemed to be done in accordance with the provisions of the Transaction Documents and will not in themselves lead to an Event of Default and no liability will attach to the Cash Administrator in connection with the exercise by it of its powers, duties and discretion for such purposes.

The Cash Administrator shall not be liable to the Issuer, the Trustee or any other person for any liability whatsoever which may arise out of or in connection with publication of the SR Investor Reports after the Investor Reporting Date as a result of the late delivery of the Servicer Report.

UK Securitisation Framework reporting

The Issuer and the Seller (as securitisation special purpose entity and originator, respectively, within the meaning of the UK Securitisation Framework), have agreed that the Issuer is designated as the reporting entity (the "**Reporting Entity**") as required under SECN 6.3.1R(1) and Article 7(2) of Chapter 2 of the PRASR.

The Reporting Entity has covenanted in the Trust Deed that it will:

(a) fulfil the requirements of SECN 6, Article 7 of Chapter 2 of the PRASR and Article 7 of the EU Securitisation Regulation, (in respect of the EU Securitisation Regulation, as if it were applicable to the Issuer and as in force, interpreted and applied as at on the Closing Date) either itself or shall procure that such requirements are fulfilled on its behalf;

(b) procure that the UK STS Notification, the final Transaction Documents and the Prospectus will be made available at the latest no later than 15 days after the Closing Date on the UK SR Reporting Website or by such means as are required or as are permitted (as selected by the Reporting Entity) from time to time by the UK Transparency Rules; and

(c) procure that the final Transaction Documents and the Prospectus will be made available at the latest no later than 15 days after the Closing Date on the EU SR Reporting Website; and

(d) procure the publication of:

  (i) on a monthly basis (and no later than one month after the relevant Interest Payment Date), the UK SR Report and the UK SR Investor Report (simultaneously with each other) in respect of the relevant period in the form required by the UK Transparency Rules, through the UK SR Reporting Website;

  (ii) on a monthly basis (and no later than one month after the relevant Interest Payment Date), the EU SR Report and the EU SR Investor Report (simultaneously with each other) in respect of the relevant period in the form required by EU Article 7 Technical Standards (as in force, interpreted and applied as at the Closing Date only), through the EU SR Reporting Website; and

  (iii) without delay, any UK SR Inside Information and any UK SR Significant Event Information in the form required by the UK Transparency Rules through the UK SR Reporting Website; and

(iv) without delay, any EU SR Inside Information and any EU SR Significant Event Information in the form required by the EU Article 7 Technical Standards (as in force, interpreted and applied as at the Closing Date) through the EU SR Reporting Website,

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 the UK Transparency Rules remain in effect.

The Reporting Entity shall promptly disclose (or procure the disclosure) to a Noteholder via the UK SR Reporting Website any events which trigger changes in any Priority of Payments and any change in any Priority of Payment which will materially adversely affect the repayment of the Notes without undue delay to the extent required under SECN 2.2.23R(2) and (3) in the form required by the UK Transparency Rules.

Subject to receipt by the Cash Administrator of the Servicer Report, the UK SR Report and certain other information to be provided by third parties in accordance with the Cash Administration Agreement the Cash Administrator will undertake to provide to the Issuer the UK SR Investor Report with the information and in the form required by the UK Transparency Rules within 21 calendar days following each Interest Payment Date.

Subject to receipt by the Cash Administrator of the Servicer Report, the EU SR Report and certain other information to be provided by third parties in accordance with the Cash Administration Agreement the Cash Administrator will undertake to provide to the Issuer the EU SR Investor Report in the form required by the EU Article 7 Technical Standards (as in force, interpreted and applied as at the Closing Date) within 21 calendar days following each Interest Payment Date.

Cash Administrator's obligations

The Cash Administrator shall not be liable for the accuracy and completeness of the information or data that has been provided to it and the Cash Administrator will not be obliged to verify, recompute, reconcile or recalculate any such information or data unless the Cash Administrator is required to reconcile such information in order to produce the Investor Report, the UK SR Investor Report or the EU SR Investor Report.

When providing the services described above on behalf of the Issuer, the Cash Administrator will not assume any responsibility for the Issuer's obligations as the entity responsible to fulfil the reporting obligations under the EU Securitisation Regulation, the UK Securitisation Framework, the EU Article 7 Technical Standards or the UK Transparency Rules. In providing such services, the Cash Administrator also assumes no responsibility or liability to the Noteholders, the Certificateholders, any potential investor in the Notes or Certificates, or any other party including for their use or onward disclosure of the information or documentation on the relevant SR Reporting Website and shall have the benefit of the powers, protections and indemnities granted to it under the Cash Administration Agreement and the other Transaction Documents. Any such report or other additional reports may include disclaimers excluding liability of the Cash Administrator for the information provided therein.

The Cash Administrator shall not have any duty to monitor, enquire or satisfy itself as to the veracity, accuracy or completeness of any documentation provided to it pursuant to the Cash Administration Agreement or whether or not the provision of such information accords with the disclosure requirements under the EU Securitisation Regulation, the UK Securitisation Framework, the EU Article 7 Technical Standards or the UK Transparency Rules and shall be entitled to rely conclusively upon any instructions given by (and any determination by) the Issuer (or the Retention Holder on its behalf) regarding the same, provided that such instructions are given in accordance with the Transaction Documents, and shall have no obligation, responsibility or liability whatsoever for the provision of information and documentation on the relevant SR Reporting Website. The Cash Administrator shall not be responsible for monitoring the Issuer's compliance with the disclosure requirements under the EU Securitisation Regulation, the UK Securitisation Framework, the EU Article 7 Technical Standards or the UK Transparency Rules.

Interest rate hedge collateral

Pursuant to the terms of the Credit Support Annex of the Interest Rate Hedge Agreement the Issuer may make payments to and receive amounts from the Interest Rate Hedge Counterparty in respect of Hedge Collateral. Any (A) Hedge Collateral received from the relevant Counterparty (together with the interest and distributions

actually received thereon), (B) replacement swap premium received by the Issuer from a replacement swap provider, (C) termination payment received by the Issuer from an outgoing Interest Rate Hedge Counterparty, and (D) swap tax credits will be credited to the ledger established on behalf of the Issuer by the Cash Administrator to record transfers into and out of the relevant Hedge Collateral Account (the "**Hedge Collateral Ledger**"). Amounts and securities standing to the credit of the Hedge Collateral Accounts (including interest, distributions and redemption or sale proceeds thereon or thereof) and recorded on the relevant Hedge Collateral Ledger will be applied by the Cash Administrator in accordance with the Hedge Collateral Account Priority of Payments.

The Cash Administrator will, (a) credit to the Hedge Collateral Ledger any Hedge Collateral transferred to the Issuer by the Interest Rate Hedge Counterparty, together with any income, interest and/or distributions thereof in accordance with the terms of the Interest Rate Hedge Agreement and (b) debit to the Hedge Collateral Ledger any Hedge Collateral returned to the Interest Rate Hedge Counterparty or otherwise withdrawn in accordance with the terms of the Interest Rate Hedge Agreement, together with any income, interest and/or distributions on any Hedge Collateral transferred by the Interest Rate Hedge Counterparty which is required to be paid to the Interest Rate Hedge Counterparty in accordance with the terms of the Interest Rate Hedge Agreement.

Compensation of the Cash Administrator

The Issuer will pay to the Cash Administrator such fees in respect of the Cash Administration Services under the Cash Administration Agreement as shall be agreed between the Issuer and the Cash Administrator. In addition, on each Interest Payment Date, the Issuer shall also pay all out-of-pocket expenses properly incurred by the Cash Administrator in connection with the Cash Administration Services, together with any applicable Irrecoverable VAT thereon. Any such payments of fees and expenses will be paid in accordance with the applicable Priority of Payments.

Cash Administrator Termination Event

A "**Cash Administrator Termination Event**" means any of:

(a) the occurrence of any Insolvency Event in respect of the Cash Administrator;

(b) the Cash Administrator fails to make a deposit or a payment when required to be made, or fails to give any payment instruction required to be given, by the Cash Administrator under the Cash Administration Agreement (subject to there being sufficient funds in the Issuer Transaction Account for such purpose and the Cash Administrator having received all information that is to be provided by any other party which is required for the Cash Administrator to be able to perform its payment duties under the Cash Administration Agreement) and such failure remains unremedied for three Business Days upon being notified or aware of such failure;

(c) default is made by the Cash Administrator in the performance or observance of any of its other covenants and obligations under the Cash Administration Agreement or any of the Cash Administrator warranties in the Cash Administration Agreement proves to be untrue, incomplete, or inaccurate, or any certification or statement made by the Cash Administrator in any certificate or other document delivered pursuant to the Cash Administration Agreement proves to be untrue, which in the opinion of the Note Trustee as notified to the Security Trustee is materially prejudicial to the interests of the Noteholders or the Certificateholders, and such default continues unremedied for a period of 30 calendar days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Administrator of written notice from the Issuer or (following the service of an Enforcement Notice) the Security Trustee, as the case may be, requiring the same to be remedied;

(d) other than as described in paragraph (b) above, any breach of its material duties, obligations, covenants or services in the Cash Administration Agreement by the Cash Administrator and (where such default is remediable) such default continues unremedied for a period of 30 calendar days after the earlier of:

  (i) the Cash Administrator becoming aware of such breach; and

  (ii) receipt of notice of such breach by the Cash Administrator from the Issuer or the Trustee requiring such breach to be remedied; or

(e) it is or will become unlawful for the Cash Administrator to perform any of its obligations under the Cash Administration Agreement.

If a Cash Administrator Termination Event occurs and is continuing, the Issuer (acting on the prior written consent of the Trustee), or (following the service of an Enforcement Notice) the Trustee, may by notice in writing (a "**Cash Administrator Termination Event Notice**") terminate the appointment of the Cash Administrator with immediate effect. If a Cash Administrator Termination Event Notice is given to the Cash Administrator, the Issuer (acting on the prior written consent of the Trustee), or (following the service of an Enforcement Notice) the Trustee shall appoint a Successor Cash Administrator as soon as reasonably possible.

If, on the date that is 30 calendar days following the relevant Cash Administrator Termination Event Notice, the Issuer (or, following service of an Enforcement Notice, the Trustee) has failed to appoint a Successor Cash Administrator, the Cash Administrator shall be entitled on behalf of the Issuer to appoint a Successor Cash Administrator in its place, and the Issuer and, following the delivery of an Enforcement Notice, the Trustee, shall be deemed to have approved such appointment if the Successor Cash Administrator satisfies the conditions set out in the Cash Administration Agreement.

Governing Law

The Cash Administration Agreement and any non-contractual obligations arising out of or in connection with the Cash Administration Agreement will be governed by and construed in accordance with English law.

Trust Deed

On or before the Closing Date, the Issuer and the Trustee, among others, will enter into the Trust Deed pursuant to which the Issuer and the Trustee will agree that the Notes and the Certificates are subject to the provisions in the Trust Deed. The Issuer will appoint Citicorp Trustee Company Limited as the Trustee pursuant to the Trust Deed. The Conditions and the Certificate Conditions and the forms of each Class of Notes and each Class of Certificates will each be constituted by, and set out in, the Trust Deed.

The Trustee will agree to hold the benefit of, among other things, the Issuer's covenant to pay amounts due in respect of the Notes and the Certificates on trust for the Noteholders and the Certificateholders.

The Trust Deed contains the Issuer Covenants which limit the activities of the Issuer and restrict the Issuer from, among other things, engaging in any business other than (i) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Transaction Documents, (ii) issuing and performing its obligations under the Notes and the Certificates or any additional Notes and Certificates, (iii) acquiring and holding any property, assets or rights that are capable of being effectively secured in favour of the Trustee (on behalf of the Secured Creditors), and (iv) performing any act incidental to or necessary in connection with any of the foregoing.

The Notes

The Notes of any Class will be constituted by the Trust Deed and will be represented upon issue by Global Notes of each Class, in fully registered form without interest coupons or principal receipts, deposited with, and registered in the name of a nominee of, the Common Safekeeper of Euroclear and Clearstream, Luxembourg on or about the Closing Date.

The Certificates

The Certificates of any Class will be constituted by the Trust Deed and will be represented upon issue by Global Certificates of each Class, in fully registered form without interest coupons or principal receipts, deposited with, and registered in the name of a nominee of, the Common Safekeeper of Euroclear and Clearstream, Luxembourg on or about the Closing Date.

Fees, duties and taxes

In accordance with the terms of the Trust Deed, in addition to its fees, the Issuer shall also pay or discharge all Liabilities incurred by the Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under the Trust Deed, and in any other manner in relation to, the Trust Deed or any other Transaction Document, including but not limited to securities transaction charges and fees (including properly incurred legal fees), travelling expenses and any stamp duty, stamp duty reserve tax, issue, registration, documentary and other similar taxes or duties paid or payable by the Trustee in connection with any action taken or contemplated by or on behalf of the Trustee (save for any Excluded Taxes) for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, the Trust Deed or any other Transaction Document.

Appointment and Retirement of Trustee

A trustee of the Trust Deed may retire at any time on giving not less than 60 days' prior written notice to the Issuer (and the Issuer shall, for so long as any of the Notes rated by one or more Rating Agencies remain Outstanding, provide a copy of such notice on receipt of such to each such Rating Agency) without giving any reason and without being responsible for any Liabilities incurred by reason of such retirement. The Issuer shall, if so directed by an Extraordinary Resolution of the Most Senior Class, remove any trustee or trustees for the time being of the Trust Deed on not less than 60 days' prior written notice. The Issuer undertakes that in the event of the only trustee of the Trust Deed which is a Trust Corporation giving notice under the Trust Deed or being removed by Extraordinary Resolution (as aforesaid) it will use its best endeavours to procure that a new trustee of the Trust Deed, being a Trust Corporation, is appointed as soon as reasonably practicable thereafter subject to it notifying, so long as any of the Notes rated by one or more Rating Agencies remains Outstanding, each such Rating Agency of such appointment and receipt by it of a Rating Agency Confirmation in respect thereof. The retirement or removal of any such trustee shall not become effective until a successor trustee, being a Trust Corporation, is appointed. If in such circumstances, no appointment of such a new trustee has become effective within 60 days of the date of such notice or Extraordinary Resolution, the Trustee shall be entitled to appoint a Trust Corporation as trustee of the Trust Deed, but no such appointment shall take effect unless previously approved by an Extraordinary Resolution of the Most Senior Class and, for the avoidance of doubt, no Rating Agency Confirmation shall be required in such circumstances.

Governing Law

The Trust Deed and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

Deed of Charge

The parties to the Deed of Charge to be entered into on or before the Closing Date will be the Issuer and the Trustee (for itself and on behalf of each Secured Creditor).

Security

Under the terms of the Deed of Charge, the Issuer will provide the Trustee with the benefit of, inter alia, the following security (the "**Security**") as trustee for itself and for the benefit of the other Secured Creditors (including the Noteholders and the Certificateholders).

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

(b) an assignment by way of security of (and, to the extent not assigned, a charge by way of first fixed charge over) the Issuer's rights, title, interest and benefit, present and future in, to and under the Purchased Receivables and their Related Collateral and other related rights comprising the Portfolio and any sums derived therefrom;

(c) a charge by way of first fixed charge over the Issuer's rights, title, interest and benefit, present and future, in and to monies now or at any time hereafter standing to the credit of the Relevant Issuer Accounts (other than the Hedge Collateral Accounts) and each other account (if any) (including any securities accounts and any securities standing to the credit thereof) maintained with the Account Bank and all interest accruing from time to time thereon and the debt represented thereby;

(d) an assignment by way of first fixed security of (and to the extent not assigned, a charge by way of first fixed charge over) (but subject to the right of reassignment) all of its rights, title, interest and benefit, present and future, under or in respect of each and every trust constituted by the Receivables Sale Agreement and the Servicing Agreement; and

(e) a floating charge over all assets of the Issuer, including any fixed charges which may take effect as floating charges, not otherwise subject to the charges referred to above or otherwise effectively assigned by way of security.

The floating charge created by the Deed of Charge may "crystallise" and become a first specific fixed charge or first ranking fixed security over the relevant class of assets owned by the Issuer at the time of crystallisation. Crystallisation will occur automatically (although subject to applicable law) following the occurrence of specific events set out in the Deed of Charge, including, among other events, service of an Enforcement Notice. A crystallised floating charge will rank ahead of the claims of unsecured creditors which are in excess of the prescribed part but will rank behind the expenses of any administration or liquidator, the claims of preferential creditors and the beneficiaries of the prescribed part on enforcement of the Security.

Prior to the Trustee serving an Enforcement Notice on the Issuer pursuant to Condition 14 (*Enforcement*), declaring the Notes to be immediately due and payable, the Cash Administrator (on behalf of the Issuer) shall apply monies standing to the credit of the Issuer Transaction Account as described in Condition 9.3 (*Post-Enforcement Priority of Payments*).

For the purposes of SECN 2.2.18R(4), no provision of the Deed of Charge (or any of the other Transaction Documents) requires the automatic liquidation of the Portfolio on or following the service of an Enforcement Notice.

After the Trustee has served an Enforcement Notice on the Issuer pursuant to Condition 14 (*Enforcement*), declaring the Notes to be immediately due and payable, the Trustee (or the Cash Administrator on its behalf) or any Receiver appointed by it shall apply the monies standing to the credit of the Issuer Transaction Account in accordance with the Post-Enforcement Priority of Payments defined in the section entitled "*Terms and Conditions of the Notes*".

The Security will become enforceable after an Enforcement Notice has been served on the Issuer pursuant to Condition 13 (*Events of Default*) of the Notes provided that, if the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes or the Certificates, the Trustee will not be entitled to dispose of the assets comprised in the Security or any part thereof unless either a sufficient amount would be realised to allow discharge in full on a pro rata and pari passu basis of all amounts owing to the Noteholders and the Certificateholders (and all persons ranking in priority to the Certificateholders as set out in the Post-Enforcement Priority of Payments) or the Trustee is of the opinion that the cashflow expected to be received by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing: (i) to the Noteholders and the Certificateholders (and all persons ranking in priority to the Certificateholders 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 prior ranking persons) have been repaid, to the remaining Secured Creditors in the order of priority set out in the Post-Enforcement Priority of Payments which opinion shall be binding on the Secured Creditors and reached after considering at any time and from time to time the advice of any financial adviser (or such other professional adviser selected by the Trustee for the purpose of giving such advice).

The fees and expenses of the aforementioned financial adviser or other professional adviser selected by the Trustee shall be paid by the Issuer in accordance with the applicable Priority of Payments. The Trustee shall be entitled to rely upon any financial or other professional advice referred to above without enquiry and shall incur no liability to any person for so doing.

Governing Law

The Deed of Charge and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

Account Bank Agreement

On or before the Closing Date, the Issuer, the Account Bank, the Cash Administrator and the Trustee will enter into the Account Bank Agreement, pursuant to which the Issuer appoints Citibank N.A., London branch as the Account Bank. Pursuant to the Account Bank Agreement, Citibank N.A., London branch, in its capacity as Account Bank will agree to maintain the Relevant Issuer Accounts on behalf of the Issuer which will be operated in accordance with the Account Bank Agreement, the Cash Administration Agreement and the Deed of Charge, as applicable.

The Account Bank is required to have the Minimum Required Ratings. If the Account Bank fails to satisfy the Minimum Required Ratings, it shall notify the Issuer promptly.

The Account Bank Agreement including the Account Bank's obligations to carry out instructions thereunder, and accordingly the Trustee's ability to direct the Account Bank following service of an Enforcement Notice, are subject to bank mandates and terms and conditions which are subject to such changes from time to time as the Account Bank informs the other parties to the Account Bank Agreement.

Governing Law

The Account Bank Agreement and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

Collection Accounts Declaration of Trust

Pursuant to the Collection Accounts Declaration of Trust, the Legal Title Holder (in this capacity, the "**Collection Account Trustee**") has declared a trust (the "**Collection Account Trust**") over the Collection Trust Property, in favour of certain beneficiaries as beneficial tenants in common (together, the "**Beneficiaries**").

On or prior to the Closing Date, the Issuer will execute the Collection Accounts Declaration of Trust, pursuant to which the Issuer Proportion will be held on trust for the Issuer absolutely.

Collection Account Banks

Pursuant to the Collection Accounts Declaration of Trust, the Collection Accounts Trustee and the beneficiaries of the Collection Accounts Trust have appointed National Westminster Bank plc as the Initial Collection Account Bank and The Royal Bank of Scotland plc as the Interim Collection Account Bank to operate the Initial Collection Account and the Interim Collection Account respectively in accordance with the terms of the Collection Accounts Declaration of Trust.

At any time prior to the service of an Enforcement Notice, the Servicer (in accordance with the Servicing Agreement) shall, and following the service of an Enforcement Notice, the Trustee (in accordance with the Trust Deed) shall give such instructions to the Collection Account Banks as may be required to allow it to operate the Collection Accounts in relation to the Issuer Proportion in accordance with the Collection Accounts Declaration of Trust.

Retirement of the Collection Accounts Trustee

The Collection Accounts Trustee shall not, and shall not purport to, retire as trustee of the Collection Accounts Trust without the consent of the beneficiaries of the Collection Accounts Trust and the Trustee (acting in accordance with the Transaction Documents they are party to).

Governing Law

The Collection Accounts Declaration of Trust and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

Call Option Deed

On or about the Closing Date, the Issuer will grant an option to purchase the Purchased Receivables and their Related Collateral in favour of (i) the Seller as the Clean-Up Call Option Holder, (ii) the Seller as Regulatory Call Option Holder in respect of a Regulatory Change Event and (iii) the Retention Holder as the Regulatory Call Option Holder in respect of a Risk Retention Regulatory Change Event and (iv) the Majority Certificateholders in their backstop capacity as the Clean-Up Call Option Holder in respect of a Clean-Up Call Event during the Certificateholder Backstop Exercise Period (each an "**Option Holder**") that is exercisable in certain circumstances pursuant to a call option deed (the "**Call Option Deed**").

New Issue Conditions Precedent

Each of the following conditions (the "**New Issue Conditions Precedent**") must be satisfied (or otherwise waived by the Seller or not be required to be met as determined by the Seller) in order for the Clean-Up Call Option Holder to exercise the Clean-Up Call Option and for it or its nominee to purchase the Portfolio following such exercise and transfer all right, title, interest and benefit, present and future, actual and contingent, in the Portfolio to a new securitisation, any other financing arrangement, or via any other sale or disposal (each, a "**New Issue**"), subject to such variations as the Seller in its capacities as the Clean-Up Call Option Holder, Servicer, Seller and Legal Title Holder agrees:

(a) save where the Seller's role in its capacity as Servicer and/or Legal Title Holder has been terminated in accordance with the Transaction Documents:

(i) the purchaser shall appoint the Servicer to service the Purchased Receivables in its capacity as servicer on substantially similar terms to those set out in the Servicing Agreement subject to the servicing fees payable to the Seller as Servicer being on market terms for comparable transactions and 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 as agreed between the parties in good faith; and

(ii) provided that the Seller is appointed as Servicer pursuant to paragraph (i) above, legal title to the Purchased Receivables must be retained by the Seller as the Legal Title Holder on substantially similar terms to those set out in the Transaction Documents, except that if the Seller as the Legal Title Holder does not accept the appointment as Legal Title Holder on such terms the satisfaction of this condition shall not be required to be met;

(b) if the New Issue, or any future transaction which includes the Purchased Receivables is a securitisation, the New Issue Documents must:

(i) include a substantially similar Regulatory Change Event permitting the Seller as the original Legal Title Holder to elect to purchase the beneficial interest in the Purchased Receivables originated by it upon the occurrence of a Regulatory Change Event, where references therein to "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;

(ii) include:

(A) the right for the Seller as the original Legal Title Holder to elect to purchase the Purchased Receivables originated by the Seller from the New Issue on any payment date where the aggregate principal balance of such Purchased Receivables as of such date being less than or equal to 10% of the aggregate principal balance of such Purchased Receivables as at the Closing Date; and

(B) the purchase price in connection with such option which shall be equal to the current balance of such Purchased Receivables originated by the Seller 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 Clean-Up Call Option Base Amount;

(iii) include, if the Seller is the Relevant Option Holder that exercises the Clean-Up Call Option:

(A) a substantially similar right for the Seller to elect to purchase all of the Purchased Receivables at the Call Option Purchase Price on any date the new issuer redeems pursuant to an optional redemption for taxation or other reasons on terms substantially similar to Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*); and

(B) a substantially similar right for the Seller to elect to purchase all of the Purchased Receivables at the Call Option Purchase Price on any date the new issuer redeems upon the occurrence of an illegality event on terms substantially similar to Condition 8.4 (*Optional Redemption in whole upon the occurrence of an Illegality Event*);

(iv) include an undertaking from the new issuer (as applicable) in favour of the Seller, in its capacity as Legal Title Holder, that it will only sell the rights, title, benefits and interest in the Purchased Receivables on the terms set out in such New Issue Documents;

(c) that prior to the occurrence of a Notification Event, the purchaser of any Purchased Receivables may only exercise the relevant Option if the transferee of the Purchased Receivables (including any purchaser following an enforcement of any security granted in respect of the Purchased Receivables), save where otherwise consented to by the Seller, and any such purchaser will agree and confirm in favour of the Seller and the Servicer, that it will:

(i) comply with the provisions of paragraph (a) and (b) above;

(ii) comply with the Servicer and LTH Replacement Conditions if a Notification Event was to occur;

(d) the Seller in its capacity as Servicer and Legal Title Holder (as applicable) is of the opinion (at the cost of the Issuer or the holder of the beneficial or legal interest in the Purchased Receivables) that:

(i) the exercise of the relevant Option, and the terms of any subsequent servicing of, arrangements relating to, the New Issue in respect of, the Purchased Receivables including the entry by the Seller into the documents outlined above, do not adversely affect the prudential de-recognition of the Purchased Receivables 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) the exercise of the relevant Option and the terms of any subsequent servicing of, arrangements relating to, the New Issue in respect of, the Purchased Receivables including the entry by the Seller into the documents outlined above does not adversely affect the position of the Seller or its accounting consolidation group in relation to past or future de-recognition of the Portfolio under IFRS 9 or deconsolidation and de-recognition of the Issuer, the relevant new issuer or the relevant new purchaser of the Purchased Receivables (as applicable) under IFRS 10 (or any other rules which the Seller relies on to achieve deconsolidation and de-recognition), such determination to be based in the Seller's reasonable opinion taking into account the opinion of a reputable accountancy or law firm chosen by the Seller;

(iii) the exercise of the relevant Option and the terms of any subsequent servicing of, arrangements relating to, the New Issue in respect of, the Purchased Receivables including the entry into any agreements or arrangements in connection with the Option would not cause it (in such respective capacities) to be in breach of any Applicable Laws (as determined in its sole opinion); and

(iv) the exercise of the relevant Option and the terms of any subsequent servicing, of, arrangements relating to, the New Issue in respect of, the Purchased Receivables including the entry into any agreements or arrangements in connection with the Option would not cause any adverse tax consequences on the Customers including any withholding tax or withholding tax compliance obligations being imposed;

(e) if the New Issue or any future transaction which includes the Purchased Receivables is a securitisation and the Seller is the retention holder for the New Issue then:

(i) a risk retention regulatory call option is included in the New Issue Documents on substantially the same terms as the option that may be exercised pursuant to a Risk Retention Regulatory Change Event; and

(ii) is a Rule 144A transaction, the transaction is structured in such a way that it relies on the foreign transactions safe harbour exemption under the U.S. Risk Retention Rules.

but the Seller is under no obligation to be a party to the New Issue or to be the retention holder for the New Issue;

(f) include an undertaking from any future holder of the beneficial or legal interest in the Purchased Receivables that:

(i) it shall not structure any financing or hold the rights, title and benefits in the Purchased Receivables in such a way that would result in the Seller or any member of its Group to be in breach of any Applicable Laws;

(ii) any future sale or other disposal of all or some of the Purchased Receivables would not cause the Seller or any member of its Group to be in breach of any Applicable Laws;

(iii) any future action referred to in paragraphs (i) and (ii) above would not cause any adverse tax consequences on the Customers including any withholding tax or withholding tax compliance obligations being imposed;

(iv) if it wishes to finance, sell, dispose or otherwise change the way in which it holds the rights, title and benefits in the Purchased Receivables, it shall obtain the prior written consent of the Seller (such consent to not be unreasonably withheld or delayed) confirming that the Seller is satisfied that paragraphs (i), (ii) and (iii) above will not be breached and it shall provide to the Seller such information as the Seller may reasonably request to satisfy the Seller that such financing, sale or change would not result in any adverse tax consequences on the Customers or the Seller or any member of its Group being in breach of any Applicable Laws (as determined in the Seller's sole opinion); and

(v) any costs reasonably incurred by the Seller under this paragraph (f) shall be borne by such future holder of the beneficial or legal interest in the Purchased Receivables; and

(g) the New Issue Documents impose:

(i) substantially similar requirements set out in paragraphs (a) to (f) above for any subsequent refinancing or other transaction involving the Purchased Receivables;

(ii) any entity involved in a financing or securitisation transaction to which the Issuer, the Clean-Up Call Option Holder or its nominee is party and any future legal or beneficial owner of the Purchased Receivables from time to time (including any purchaser

following an enforcement of any security granted in respect of the Purchased Receivables) save where otherwise consented to by the Seller will agree and confirm directly to the Seller that it shall comply with paragraphs (a) to (f) above; and

(iii) provisions that the Portfolio will not be split into more than two sub-portfolios, together with a reasonable adjustment on any fees which may be owed to Zopa Bank Limited (in whatever capacity) as may be required for splitting the Purchased Receivables into such sub-portfolio.

Following the receipt by the Seller in its capacities as Servicer, Seller and Legal Title Holder of the relevant Exercise Notice, it shall use reasonable efforts within 30 calendar days of such receipt to notify the Issuer and the Majority Certificateholders if it determines that the New Issue Conditions Precedent are or will be satisfied (or otherwise waived by the Seller or not being required to be met as determined by the Seller).

Purchase of the Portfolio following a Call Option Event

Pursuant to the Call Option Deed, an Option Holder may acquire or re-acquire all right, title, interest and benefit of the Issuer, present and future, actual and contingent, in the Purchased Receivables in the Portfolio and their Related Collateral upon the occurrence of a Call Option Event. On any Business Day following a Clean-Up Call Event, a Regulatory Change Event or a Risk Retention Regulatory Change Event (each, a "**Call Option Event**"), the Relevant Option Holder (being (a) the Seller in respect of a Clean-Up Call Event, (b) the Seller in respect of a Regulatory Change Event, (c) the Retention Holder in respect of a Risk Retention Regulatory Change Event and (d) the Majority Certificateholders in their backstop capacity in respect of a Clean-Up Call Event during the Certificateholder Backstop Exercise Period) (each a "**Relevant Option Holder**" may, by giving an Exercise Notice to the Issuer with a copy to the Trustee, the Seller, the Cash Administrator and the Interest Rate Hedge Counterparty, require the Issuer to sell all (but not some) of the outstanding Purchased Receivables in the Portfolio and their Related Collateral at the aggregate Call Option Purchase Price calculated as at an Interest Payment Date specified in such Exercise Notice (the "**Call Option Redemption Date**"), subject to the terms of the Call Option Deed, including the applicable New Issue Conditions Precedent and the Issuer certifying to the Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Notes in full (including its payment obligations of a higher priority under the Post-Enforcement Priority of Payments) on the Call Option Redemption Date.

Where the Relevant Option Holder is exercising the Clean-Up Call Option, it shall notify the other Option Holders and comply generally with the Current Value Amount and New Issue Conditions Precedent procedures. The Seller as the Clean-Up Call Option Holder may deliver an Exercise Notice at any time during the Clean-Up Call Exercise Period. The Clean-Up Call Exercise Period is the period from receipt of written notification from the Issuer of the occurrence of a Clean-Up Call Event to the second Interest Payment Date falling after the occurrence of such notification or, if the notice is delivered by the Cash Administrator fewer than 15 Business Days prior to the immediately following Interest Payment Date, the third Interest Payment Date falling after the occurrence of such notification. The Issuer shall notify the Seller and the Majority Certificateholders promptly (and in any event within five Business Days) after becoming aware that a Clean-Up Call Event has occurred. If the Seller has not exercise the Clean-Up Call Option during the Clean-Up Call Exercise Period, the Majority Certificateholders may, but are not obliged to, deliver an Exercise Notice on the same terms in their backstop capacity in respect of a Clean-Up Call Event including the requirement to pay the Call Option Purchase Price and comply with the New Issue Conditions Precedent. For this purpose, the Majority Certificateholders will be treated as an Option Holder in their backstop capacity.

Following a Risk Retention Regulatory Change Event or a Regulatory Change Event, the relevant Regulatory Call Option Holder shall have a period of 30 Business Days from receipt of written notification from the Issuer of the occurrence of that event within which to deliver an Exercise Notice.

If a Regulatory Change Event or a Risk Retention Regulatory Change Event occurs during the Certificateholder Backstop Exercise Period and the Majority Certificateholders have already delivered an Exercise Notice to the Issuer, the Seller or the Retention Holder (as applicable) shall not exercise the Regulatory Call Option or the Risk Retention Call Option. However, if the sale pursuant to that Exercise Notice has not completed on or before the second Interest Payment Date following that Exercise Notice, the Seller or the Retention Holder (as applicable) shall have a period of three months from that Interest Payment Date to deliver an Exercise Notice in respect of the Regulatory Call Option following the occurrence of the Regulatory Change Event or the Risk

Retention Regulatory Change Event (as applicable), and during that three-month period the Majority Certificateholders may not deliver a further Exercise Notice.

The exercise of the Clean-Up Call Option and the purchase of the Portfolio following that exercise is subject to the New Issue Conditions Precedent. Following receipt of the relevant Exercise Notice, the Seller in its capacities as Servicer, Seller and Legal Title Holder will use reasonable efforts within 30 calendar days to notify the Issuer and the Majority Certificateholders if it determines that the New Issue Conditions Precedent are satisfied, (or otherwise waived by the Seller or not being required to be met as determined by the Seller. The Issuer and where applicable, Majority Certificateholders shall provide the Seller with such information as the Seller may reasonably request to make that determination.

The Relevant Option Holder shall include in the Exercise Notice the information and certifications required by the Call Option Deed, including, where applicable, confirmation of the occurrence and nature of the relevant Regulatory Change Event or Risk Retention Regulatory Change Event and, where the Relevant Option Holder is the Majority Certificateholders, evidence of its holding of the required number of Certificates.

Promptly upon receipt of an Exercise Notice, the Issuer shall request the Cash Administrator to calculate and provide the relevant Call Option Base Amount and, in the case of a 10% Clean-Up Call Option only, the Seller to calculate and provide the Current Value Amount to the Relevant Option Holder. The Call Option Purchase Price shall be determined as follows:

(a) in respect of a 10% Clean-Up Call Option, it shall be the higher of:

  (i) the Clean-Up Call Option Base Amount; and

  (ii) the Current Value Amount.

(b) in respect of any other Call Option, including a Regulatory Call Option, a call option following a Risk Retention Regulatory Change Event or a call option exercised before an optional redemption for taxation or illegality reasons, it shall be the Regulatory Call Option Base Amount only.

No Current Value Amount shall apply to any Call Option other than the Clean-Up Call Option.

The Current Value Amount shall be determined by the Seller as the fair market value of the outstanding Purchased Receivables in the Portfolio. If the Majority Certificateholders (as the Clean-Up Call Option Holder) disagree with the Current Value Amount, the Majority Certificateholders (as the Clean-Up Call Option Holder) and the Seller shall use reasonable endeavours to agree the Current Value Amount. If the Majority Certificateholders (as the Clean-Up Call Option Holder) and the Seller cannot agree on the Current Value Amount by 5 Business Days prior to the Determination Date immediately preceding the proposed Call Option Redemption Date, they shall jointly appoint an independent third party valuer (at the joint cost of the Clean-Up Call Option Holder and the Seller) who, following consultation with the Clean-Up Call Option Holder and the Seller, shall propose an alternative Current Value Amount which shall be binding on the parties and be deemed to be the Current Value Amount. Within two Business Days of receipt of the Exercise Notice, the Issuer shall serve a Counter Notice confirming the Call Option Redemption Date and the amount or estimated amount of the Call Option Purchase Price. The Option Holder shall confirm within two Business Days of receipt of the Counter Notice whether it wishes the Issuer to proceed with the sale by serving an Acceptance Notice. If no Acceptance Notice is served within that period, the Exercise Notice and the Counter Notice shall have no further effect.

Following delivery of the Acceptance Notice, the Relevant Option Holder shall, on or before the date falling no later than one Business Day prior to the Call Option Redemption Date (or such other date as agreed with the Issuer and the Trustee), deposit or procure the deposit of the full amount of the aggregate Call Option Purchase Price in the Issuer Transaction Account (the "**Call Option Repurchase Date**").

On receipt of the Call Option Purchase Price into the Issuer Transaction Account on the Call Option Repurchase Date, the Security over the Purchased Receivables and their Related Collateral shall be automatically released.

Following receipt of the Call Option Purchase Price and subject to the satisfaction of the New Issue Conditions Precedent, on the Call Option Redemption Date the Issuer will:

(a) sell and transfer to the Relevant Option Holder or its nominee (as applicable), free from any security interests or encumbrances, all right, title, interest and benefit of the Issuer, present and future, actual and contingent, in all outstanding Purchased Receivables in the Portfolio and their Related Collateral;

(b) transfer to the Relevant Option Holder or its nominee (as applicable) the right to have legal title to such Purchased Receivables transferred to it on the occurrence of a Notification Event;

(c) if applicable and only if the Seller has declined to continue to hold legal title to the Mortgage Loans as set out in the New Issue Conditions Precedent, direct the Legal Title Holder or the Seller to (subject to the Legal Title Transferee meeting the Servicer and LTH Replacement Conditions) transfer legal title to such Purchased Receivables to the Relevant Option Holder or its nominee (as applicable); and

(d) serve all relevant notices and take all steps (including carrying out requisite registrations and recordings) in order to vest legal title to such Purchased Receivables in the Relevant Option Holder or its nominee (as applicable), subject to the Legal Title Transferee meeting the Servicer and LTH Replacement Conditions.

The Issuer and the Relevant Option Holder acknowledge that, pursuant to the Cash Administration Agreement, the Cash Administrator will procure that on the Call Option Redemption Date the aggregate Call Option Purchase Price and any amounts standing to the credit of the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts shall be applied in accordance with the Post-Enforcement Priority of Payments.

Revenue Receipts and Principal Receipts received by the Issuer after the end of the Collection Period in respect of which the previous Servicer Report was provided (or such other period as agreed between the Seller, the Issuer and the Relevant Option Holder) will not be distributed in accordance with the Post-Enforcement Priority of Payments on the Interest Payment Date following completion of the sale of the Portfolio and will instead be payable to the Relevant Option Holder. The Issuer shall transfer such amounts to or for the account of the Relevant Option Holder within two Business Days of the Call Option Repurchase Date (or, in the case of receipts received after completion of the sale of the Portfolio, by no later than the Business Day following the date of receipt).

Provided that there is no shortfall to pay items ranking higher or pari passu in the Post-Enforcement Priority of Payments, to the extent that the purchaser of the Purchased Receivables from the Issuer holds any of the Notes or Certificates, it may set-off from the Call Option Purchase Price an amount equal to the amounts due to it as Noteholder or Certificateholder on the Call Option Redemption Date.

The Issuer and the parties specified in the Exercise Notice or Acceptance Notice shall enter into a binding agreement in accordance with the Law of Property (Miscellaneous Provisions) Act 1989 if required to do so by the Relevant Option Holder in order to give effect to the sale referred to in the Call Option Deed.

The Seller will not be required to provide any representations or warranties in relation to the Purchased Receivables comprising the Portfolio. The Issuer will provide only the limited representations and warranties set out in the Call Option Deed in relation to the sale of the Purchased Receivables and their Related Collateral.

Save as permitted under the Call Option Deed or in respect of a sale by the Trustee following the delivery of an Enforcement Notice, the Issuer may only transfer Purchased Receivables with the prior consent of each Option Holder. However, nothing in the Call Option Deed shall prevent the Issuer from transferring any Purchased Receivables if permitted to do so under the other Transaction Documents.

Governing Law

The Call Option Deed and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

Principal Paying Agency Agreement

On or before the Closing Date, the Issuer, the Registrar, the Trustee, the Agent Bank and the Principal Paying Agent will enter into the Principal Paying Agency Agreement, pursuant to which the Issuer appoints Citibank, N.A., London Branch as the Principal Paying Agent, as the Agent Bank and as the Registrar. The Principal Paying Agency Agreement makes provision for, inter alia, the payment of principal and interest in respect of the Notes, and the payment of the Certificate Payment in respect of the Certificates.

The Agent Bank will calculate the Floating Rate Interest Amounts payable on the Notes in accordance with Condition 6 (*Interest*) and the terms of the Principal Paying Agency Agreement.

Governing Law

The Principal Paying Agency Agreement and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

Interest Rate Hedge Agreement

The Swap Transaction will hedge a part of the interest rate risk that the Issuer is exposed to due to the interest it receives under the Portfolio and the interest payments it is obliged to make under the Notes being calculated by reference to Compounded Daily SONIA. The Issuer will receive from the Interest Rate Hedge Counterparty amounts which will help it to meet interest payments due on the Rated Notes and in return for such amounts, under the Swap Transaction, the Issuer will pay to the Interest Rate Hedge Counterparty fixed amounts based on the fixed rate specified in the Interest Rate Hedge Agreement.

Payments made by the Interest Rate Hedge Counterparty (if any) under the Swap Transaction will constitute Available Revenue Receipts (other than as provided under paragraph (d) of the definition thereof) and be distributed by the Issuer in accordance with the applicable Priority of Payments. If a payment is to be made by the Issuer pursuant to the terms of the Swap Transaction, it will be made according to the relevant Priority of Payments.

Pursuant to the Interest Rate Hedge Agreement, in the event of any amendment and/or supplement of the Transaction Documents or the Conditions, where such amendment and/or supplement would engage an Interest Rate Hedge Counterparty Entrenched Right, then the Interest Rate Hedge Counterparty can terminate all transactions entered into under the Interest Rate Hedge Agreement, unless the Interest Rate Hedge Counterparty has provided its prior written consent.

In the event that the rating of the Interest Rate Hedge Counterparty (or any guarantor of the Interest Rate Hedge Counterparty) is downgraded by a Rating Agency below the rating(s) specified in the Interest Rate Hedge Agreement (in accordance with the requirements of the Rating Agencies and as more particularly described in the section entitled "*Triggers Tables – Ratings Triggers Table*"), the Interest Rate Hedge 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 Hedge Agreement, arranging for its rights and obligations under the Interest Rate Hedge 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 Hedge Agreement or taking such other action as may be required to maintain, or restore, the rating of the Rated Notes by the relevant Rating Agency. A failure to take such steps will allow the Issuer to terminate the Swap Transaction, **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 Hedge Agreement), the Issuer may only designate such an Early Termination Date if it has found a replacement interest rate hedge counterparty.

For the purposes of this Prospectus, the Issuer's hedging arrangements may comprise one or more swap transactions entered into under the Interest Rate Hedge Agreement, and references in this Prospectus to the Swap Transaction should be construed accordingly.

Governing Law

The Interest Rate Hedge Agreement and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

DESCRIPTION OF THE NOTES IN GLOBAL FORM

General

The Notes of each Class will be offered and sold outside the United States to non-U.S. persons (as defined in Regulation S under the Securities Act) in reliance on Regulation S and will be represented on issue by one or more Global Notes of such Class in fully registered form without interest coupons or principal receipts attached (each a "**Global Note**"). Beneficial interests in a Global Note may only be held through Euroclear or Clearstream, Luxembourg or their participants at any time.

All capitalised terms not defined in this section shall be as defined in the Conditions.

The Global Notes will be deposited on or about the Closing Date with the Common Safekeeper and registered on or about the Closing Date in the name of the nominee for the Common Safekeeper for both Euroclear and Clearstream, Luxembourg. The Registrar will maintain a register in which it will register the nominee for the Common Safekeeper as the owner of the Global Note. Upon confirmation by the Common Safekeeper that it has custody of the Global Notes, Euroclear or Clearstream, Luxembourg, as the case may be, will record the Book-Entry Interests in the related Global Notes.

Book-Entry Interests in respect of Global Notes will be recorded in denominations of £100,000 and higher integral multiples of £1,000 (the "**Minimum Denomination**"). Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("**Participants**") or persons that hold interests in the Book-Entry Interests through Participants or through other indirect participants ("**Indirect Participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants shall also include persons that hold beneficial interests through such Indirect Participants. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Lead Manager. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

So long as a nominee of the Common Safekeeper is the registered holder of the Global Notes underlying the Book-Entry Interests, the nominee of the Common Safekeeper will be considered the sole Noteholder of the Global Note for all purposes under the Trust Deed. Except as set forth under the section entitled "*Issuance of Definitive Notes*", Participants or Indirect Participants will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Notes under the Trust Deed. See the section entitled "*Action in Respect of the Global Note and the Book-Entry Interests*".

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

Unless and until Book-Entry Interests in the Global Notes are exchanged for Definitive Notes, the Global Notes registered in the name of the Common Safekeeper may not be transferred except as a whole by the Common Safekeeper to a successor of the Common Safekeeper.

Purchasers of Book-Entry Interests in a Global Note will hold Book-Entry Interests in the Global Notes relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Note directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set forth under the section entitled "*Transfers and Transfer Restrictions*"), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in each Global Note, as the case may be, on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market sales of Book-Entry Interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of Book-Entry Interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional Eurobonds and sterling denominated bonds. Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Arranger, the Lead Manager, the Trustee, the Principal Paying Agent, the Agent Bank, the Cash Administrator, the Registrar or any of their respective agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective Participants or account holders of their respective obligations under the rules and procedures governing their operations.

Payments on the Global Notes

Payment of principal and interest on, and any other amount due in respect of, the Global Notes will be made in Sterling by or to the order of the Principal Paying Agent on behalf of the Issuer to the order of the Common Safekeeper or its nominee as the registered holder thereof with respect to the Global Notes. Each holder of Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the Common Safekeeper or its nominees in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for or on account of any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Trustee, the Agents nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the order of the Common Safekeeper, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date, Euroclear and Clearstream, Luxembourg will determine the identity of the Noteholders for the purposes of making payments to the Noteholders. The record date, in respect of the Notes shall be one Clearing System Business Day prior to the relevant Interest Payment Date where "**Clearing System Business Day**" means a day on which each Clearing System for which the Notes are being held is open for business. The Issuer expects that payments by Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Seller, the Arranger, the Lead Manager, the Agents, the Retention Holder, the Agent Bank, the Back-Up Servicer Facilitator, the Reporting Agent or the Trustee will have any responsibility or Liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depositary and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg is governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any Applicable Laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer or the Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Deed of Charge, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Redemption

In the event that any Global Note (or portion thereof) is redeemed, the Principal Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to the clearing systems and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Principal Paying Agent for cancellation. The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Principal Paying Agent in connection with the redemption of the Global Note (or portion thereof) relating thereto. For any redemptions of the Global Note in part, selection of the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear or Clearstream, Luxembourg, as the case may be, on a *pro rata* basis (or on such basis as Euroclear or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Upon any redemption in part, the Principal Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

Cancellation

All Notes redeemed in full will be cancelled forthwith by the Issuer and may not be reissued or resold.

Transfers and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to the customary procedures established by each respective system and its Participants.

Beneficial interests in the Global Notes may be held only through Euroclear and Clearstream, Luxembourg. Neither the Global Notes nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set forth in the legend appearing in the Global Notes.

Each Global Note will bear a legend substantially identical to that appearing under the section entitled "*Transfer Restrictions*".

Issuance of Definitive Notes

Holders of Book-Entry Interests in the Global Note will be entitled to receive certificates evidencing definitive Notes in registered form ("**Definitive Notes**") in exchange for their respective holdings of Book-Entry Interests if (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business and do so cease to do business and no alternative Clearing System is available or (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration by a revenue authority or a court or in the administration of such laws or regulations which 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 in respect of the Notes which would not be required were the Notes in definitive form.

In order to receive a Registered Definitive Note a person having an interest in a Global Note must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Registered Definitive Note.

Any Definitive Notes issued in exchange for Book-Entry Interests in a Global Note will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Book-Entry Interests. Holders of Definitive Notes issued in exchange for Book-Entry Interests in a Global Note, as the case may be, will not be entitled to exchange such Definitive Note, for Book-Entry Interests in a Global Note. Any Notes issued in definitive form will be issued in registered form only and will be subject to the provisions set forth under the section entitled "*Transfers and Transfer Restrictions*" *provided that* no transfer shall be registered for a period of 15 days immediately preceding any due date for payment in respect of the Note or, as the case may be, the due date for redemption. Definitive Notes will be issued in a denomination that is an integral multiple of the Minimum Denomination.

Action in Respect of the Global Note and the Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notices in respect of the Global Notes or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Notes, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Global Notes and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear and Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Global Notes in accordance with any instructions set forth in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under the section entitled "*General*", with respect to soliciting instructions from their respective Participants. The Registrar will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Global Notes.

Reports

The Issuer may send to Euroclear and Clearstream, Luxembourg a copy of any notices, reports and other communications received relating to the Issuer, the Global Note or the Book-Entry Interests. Any notice shall be deemed to have been duly given to the relevant Noteholders if sent to each of Euroclear and Clearstream, Luxembourg (the "**Clearing Systems**" and each a "**Clearing System**") for communication by them to the holders of the relevant Notes and shall be deemed to be given on the date on which it was so sent and (so long as the

relevant Notes are admitted the Official List of the Financial Conduct Authority and trading on the LSE's Regulated Market) any notice shall also be published in accordance with the relevant guidelines of the LSE by a notification in writing to the Company Announcements Office of the LSE. See also Condition 10 (*Notifications*).

Safekeeping structure and Eurosystem eligibility

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 the Certificates, the Issuer will enter into an Issuer ICSD agreement with the ICSDs in respect of the Notes and the Certificates (the "**Issuer ICSD Agreement**"). The ICSDs will, in respect of the Notes and the 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.

DESCRIPTION OF THE GLOBAL CERTIFICATES

General

The Certificates, as at the Closing Date, are represented by a Global Certificate. The Global Certificates will be in fully registered form. The Global Certificates will be registered in the the name of the nominee for the Common Safekeeper for both Euroclear and Clearstream, Luxembourg. The Registrar will maintain a register in which it will register the nominee for the Common Safekeeper as the owner of the Global Certificates. Upon confirmation by the Common Safekeeper that it has custody of the Global Certificates, Euroclear or Clearstream, Luxembourg, as the case may be, will record the Book-Entry Interests in the related Global Certificates..

Euroclear or Clearstream, Luxembourg, as the case may be, has recorded the beneficial interests in the Global Certificate ("**Certificate Book-Entry Interests**") representing beneficial interests in the Certificates attributable thereto.

All capitalised terms not defined in this section shall be as defined in the Certificate Conditions.

Ownership of Certificate Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("**Participants**") or persons that hold interests in the Certificate Book-Entry Interests through Participants or through other indirect participants ("**Indirect Participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants shall also include persons that hold beneficial interests through such Indirect Participants. Certificate Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Certificate Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Lead Manager. Ownership of Certificate Book-Entry Interests will be shown on, and transfers of Certificate Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Certificate Book-Entry Interests.

So long as a nominee of the Common Safekeeper is the registered holder of the Global Certificates underlying the Certificate Book-Entry Interests, the nominee of the Common Safekeeper will be considered the sole Certificateholder of the Global Certificate for all purposes under the Trust Deed. Except as set forth under the section entitled "*Issuance of Definitive Notes*", Participants or Indirect Participants will not be entitled to have Certificates registered in their names, will not receive or be entitled to receive physical delivery of Certificates in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Certificate Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Certificates under the Trust Deed. See the section entitled "*Action in Respect of the Global Note and the Book-Entry Interests*".

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

Unless and until Certificate Book-Entry Interests in the Global Certificates are exchanged for Definitive Certificates, the Global Certificates registered in the name of the Common Safekeeper may not be transferred except as a whole by the Common Safekeeper to a successor of the Common Safekeeper.

Purchasers of Certificate Book-Entry Interests in a Global Certificate will hold Certificate Book-Entry Interests in the Global Certificates relating thereto. Investors may hold their Certificate Book-Entry Interests in respect of a Global Certificate directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set forth under the section entitled "*Transfers and Transfer Restrictions*"), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Certificate Book-Entry Interests in each Global Certificate, as the case may be, on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market sales of Certificate Book-Entry Interests in the Certificates held through Euroclear or Clearstream, Luxembourg to purchasers of Certificate Book-Entry Interests in the Certificates held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional Eurobonds and sterling denominated bonds. Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Certificate Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Arranger, the Lead Manager, the Trustee, the Principal Paying Agent, the Cash Administrator, the Agent Bank, the Registrar or any of their respective agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective Participants or account holders of their respective obligations under the rules and procedures governing their operations.

Payments on the Global Certificates

Payment of amounts due in respect of the Global Certificate will be made in Sterling by or to the order of the Principal Paying Agent on behalf of the Issuer to the order of the Common Safekeeper or its nominee as the registered holder thereof with respect to the Global Certificate.

Each holder of Certificate Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the Common Safekeeper or its nominees in respect of those Certificate Book-Entry Interests. All such payments will be distributed without deduction or withholding for any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then none of the Issuer, the Agent Bank, the Principal Paying Agent or any other person will be obliged to pay additional amounts in respect thereof.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depositary and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg is governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any Applicable Laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer or the Trustee requests any action of owners of Certificate Book-Entry Interests or if an owner of a Certificate Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Deed of Charge, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Certificate Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Transfers and Transfer Restrictions

All transfers of Certificate Book-Entry Interests will be recorded with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to the customary procedures established by each respective system and its Participants.

Beneficial interests in the Global Certificates may be held only through Euroclear and Clearstream, Luxembourg. Neither the Global Certificates nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set forth in the legend appearing in the Global Certificates.

Issuance of Definitive Certificates

Holders of Certificate Book-Entry Interests in the Global Certificate will be entitled to receive certificates evidencing definitive Certificates in registered form ("**Definitive Certificates**") in exchange for their respective holdings of Certificate Book-Entry Interests if (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business and do so cease to do business and no alternative Clearing System is available or (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration by a revenue authority or a court or in the administration of such laws or regulations which 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 in respect of the Certificates which would not be required were the Certificates in definitive form.

Any Definitive Certificates issued in exchange for Certificate Book-Entry Interests in a Global Certificate will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Certificate Book-Entry Interests. Holders of Definitive Certificates issued in exchange for Certificate Book-Entry Interests in a Global Certificate, as the case may be, will not be entitled to exchange such Definitive Certificate, for Certificate Book-Entry Interests in a Global Certificate. Any Certificates issued in definitive form will be issued in registered form only and will be subject to the provisions set forth under the section entitled "*Transfers and Transfer Restrictions*" *provided that* no transfer shall be registered for a period of 15 days immediately preceding any due date for payment in respect of the Certificate.

Action in Respect of the Global Certificate and the Certificate Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notices in respect of the Global Certificates or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Certificates, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such

information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Certificate Book-Entry Interests or the Global Certificates and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear and Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Certificate Book-Entry Interests or the Global Certificates in accordance with any instructions set forth in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under the section entitled "*General*", with respect to soliciting instructions from their respective Participants.

Reports

The Issuer will send to Euroclear and Clearstream, Luxembourg a copy of any notices, reports and other communications received relating to the Issuer, the Global Certificate or the Certificate Book-Entry Interests and shall procure that the information contained in such notice shall appear on any medium for electronic display of data as may be previously approved in writing by the Trustee and notified to Noteholders and Certificateholders. The Trustee may sanction other methods of giving notice to all or some of the Certificateholders, if such method is reasonable having regard to the then prevailing market practice.

Issuer ICSD Agreement

Prior to the issuance of the Notes and the Certificates, the Issuer will enter into an Issuer ICSD agreement with the ICSDs in respect of the Notes and the Certificates (the "**Issuer ICSD Agreement**"). The ICSDs will, in respect of the Notes and the 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.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form (subject to amendment) in which they will be set out in the Trust Deed.

The class A notes are £338,227,000 floating rate asset-backed notes (the "**Class A Notes**"), the class B notes are £29,549,000 floating rate asset-backed notes (the "**Class B Notes**"), the class C notes are £26,140,000 floating rate asset-backed notes (the "**Class C Notes**"), the class D notes are £25,003,000 floating rate asset-backed notes (the "**Class D Notes**"), the class E notes are £15,911,000 floating rate asset-backed notes (the "**Class E Notes**"), the class F notes are £12,502,000 floating rate asset-backed notes (the "**Class F Notes**"), the Class Z notes are £7,274,000 zero rate asset-backed notes (the "**Class Z Notes**"), and the Class X notes are £13,500,000 floating rate asset-backed notes (the "**Class X Notes**") in each case due on the Interest Payment Date falling in August 2034 (the "**Final Maturity Date**") and are constituted by a Trust Deed (the "**Trust Deed**") dated on the Closing Date and made between Morton Funding 2026-1 plc (the "**Issuer**") and Citicorp Trustee Company Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for, *among other things*, the holders of the Class A Notes (the "**Class A Noteholders**"), the Class B Notes (the **"Class B Noteholders**"), the Class C Notes (the "**Class C Noteholders**"), the Class D Notes (the "**Class D Noteholders**"), the Class E Notes (the "**Class E Noteholders**"), the Class F Notes (the "**Class F Noteholders**"), the Class Z Notes (the "**Class Z Noteholders**") and the Class X Notes (the "**Class X Noteholders**") (together, the "**Noteholders**").

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 and the Class X Notes are collectively the "**Rated Notes**". The Class Z Notes are the "**Unrated Notes**". 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 X Notes are collectively the "**Floating Rate Notes**".

Any reference in these terms and conditions (the "**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 Z Notes and the Class X Notes, as the case may be, or to the respective holders thereof. Any reference in these Conditions to the Noteholders means the registered holders for the time being of the Notes, or if preceded by a particular Class designation of Notes, the registered holders for the time being of such Class of Notes. The security for the Notes is constituted by or pursuant to a deed of charge and assignment (the "**Deed of Charge**") entered into on the Closing Date and made between, among others, the Issuer the Trustee.

Pursuant to a principal paying agency agreement (the "**Principal Paying Agency Agreement**") dated on the Closing Date between the Issuer, the Trustee and Citibank, N.A., London Branch as the principal paying agent (in such capacity, the "**Principal Paying Agent**" which expression shall include its permitted successors and assigns), and Citibank, N.A., London Branch as the agent bank (the "**Agent Bank**") which expression shall include its permitted successors and assigns) and Citibank, N.A., London Branch as the registrar (the "**Registrar**") which expression shall include its permitted successors and assigns), provision is made for the payment of principal and interest in respect of the Notes.

References to each of the Transaction Documents are to the relevant Transaction Document as from time to time amended in accordance with its provisions and/or any deed or other document expressed to be supplemental to it, as from time to time so modified, including a master framework agreement (the "**Master Framework Agreement**") entered into by, among others, the Issuer and the Trustee on the Closing Date in connection with the issuance of the Notes and the other Transaction Documents (as defined therein).

The statements in these terms and conditions (the "**Conditions**") include an overview of, and are subject to the detailed provisions of, the other Transaction Documents copies of which (i) are available for inspection during normal business hours at the registered office of the Issuer or (ii) may be provided by email to a Noteholder (following a written request therefor by it) from the Principal Paying Agent, subject in each case to the Noteholder providing evidence of its identity and its holding of Notes satisfactory to, as applicable, the Issuer or the Principal Paying Agent. The Noteholders are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions contained in these Conditions, the Trust Deed and the Deed of Charge are deemed to have notice of all the provisions contained in the other Transaction Documents.

Capitalised terms and expressions used and not otherwise defined in these Conditions shall have the meanings given to them in the Master Framework Agreement.

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 13 October 2026.

1. FORM AND DENOMINATION

(a) Morton Funding 2026-1 plc, a public limited company registered in England and Wales under company registration number 17345416, with its registered office at 10th Floor, 5 Churchill Place, London, E14 5HU issues the Notes pursuant to these Conditions.

(b) The Notes are in fully registered form in the Minimum Denomination for such Notes, without principal receipts, interest coupons or talons attached.

(c) The Principal Amount Outstanding of the Notes of each Class initially offered and sold outside the United States to non U.S. persons (as defined in Regulation S ("**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 (the "**Global Notes**") without coupons attached. References herein to the "**Notes**" shall include (i) in relation to any Notes of a class represented by a Global Note, units of the Minimum Denomination of such class, (ii) any Global Note and (iii) any Definitive Note issued in exchange for a Global Note.

(d) For so long as any Notes are represented by a Global Note, transfers and exchanges of beneficial interests in Global Notes and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, SA ("**Clearstream, Luxembourg**"), as appropriate.

(e) For so long as the Notes are represented by a Global Note and Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable only in minimal amounts of £100,000 and integral multiples of £1,000 thereafter.

(f) Certificates evidencing definitive registered Notes (the "**Definitive Notes**") in an aggregate principal amount equal to the Principal Amount Outstanding of the Global Notes will be issued in registered form and serially numbered in the circumstances referred to below. Definitive Notes, if issued, will be issued in the denomination of £100,000 and any amount in excess thereof in integral multiples of £1,000.

(g) If, while any Notes are represented by a Global Note:

(i) in the case of a Global Note held in Euroclear or Clearstream, Luxembourg, Euroclear or Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or do so cease business and no alternative Clearing System is available; or

(ii) 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 by a revenue authority or a court of, or in the 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 withholding or deduction from any payment in respect of the Notes which would not be required if the Notes were in definitive registered form and a certificate to such effect signed by two directors of the Issuer is delivered to the Trustee (upon which the Trustee shall be entitled to rely absolutely without enquiry or Liability to any person),

(each a "**relevant event**"), the Issuer will issue Definitive Notes to Noteholders whose accounts with the relevant Clearing Systems are credited with interests in that Global Note in exchange for those interests within 30 days of the relevant event but not earlier than the Definitive Exchange Date. The Global Note will not be exchangeable for Definitive Notes in any other circumstances.

(h) No Notes will be issued in bearer form.

2. TITLE

(a) The person registered in the Register as the holder of any Note will (to the fullest extent permitted by Applicable Law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Note regardless of any notice of ownership, theft or loss, of any trust or other interest therein or of any writing thereon or, if more than one person, the first named of such persons who will be treated as the absolute owner of such Note.

(b) The Global Note is registered in the name of a common safekeeper (the "**Common Safekeeper**") (or a nominee thereof) for Euroclear and Clearstream, Luxembourg.

(c) No transfer of a Note will be valid unless and until entered on the Register.

(d) Transfers and exchanges of beneficial interests in the Global Note and any Definitive Notes and entries on the Register relating thereto will be made subject to any restrictions on transfers set forth on such Notes and the detailed regulations concerning transfers of such Notes contained in the Trust Deed and the legend appearing on the face of the Notes. In no event will the transfer of a beneficial interest in a Global Note or the transfer of a Definitive Note be made absent compliance with the regulations referred to above, and any purported transfer in violation of such regulations shall be void *ab initio* and will not be honoured by the Issuer or the Trustee. The regulations referred to above may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be sent by the Principal Paying Agent or the Registrar to any holder of a Note who so requests (and who provides evidence of such holding where the Notes are in global form) and will be available upon request at the registered office of the Registrar or the Principal Paying Agent.

(e) A Definitive Note, may be transferred in whole or in part upon the surrender of the relevant Definitive Note, together with the form of transfer endorsed on it duly completed and executed, at the registered office of the Registrar or the Principal Paying Agent. In the case of a transfer of part only of a Definitive Note, a new Definitive Note, in respect of the balance remaining will be issued to the transferor by or by order of the Registrar or the Principal Paying Agent.

(f) Each new Definitive Note, to be issued upon transfer of Definitive Notes will, within 15 Business Days of receipt of such request for transfer, be available for delivery at the registered office of the Registrar or the Principal Paying Agent stipulated in the request for transfer, or be mailed at the risk of the holder entitled to the Definitive Note, to such address as may be specified in such request.

(g) Registration of Definitive Notes on transfer will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment of (or the giving of such indemnity as the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation to it.

(h) No holder of a Definitive Note, may require the transfer of such Note to be registered during the period of 15 days ending on the due date for any payment of principal or interest on such Note.

(i) References in these Conditions to a Noteholder are references to the person shown in the Register as the holder of the registered Global Note. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg, as the case may be, as being entitled to an interest in a Global Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg (as the case may be) for such Accountholder's share of each payment made by the Issuer to such Accountholder and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under a Global Note will be determined by the respective rules and procedures of Euroclear and/or Clearstream, Luxembourg (as the case may be) from time to time. For so long as the relevant Notes are represented by a Global Note, Accountholders shall have no claim directly against the Issuer or in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to registered holder of the Global Note, as the case

may be. For so long as the relevant Notes are represented by a Global Note, transfers and exchanges of beneficial interests in that Global Note and entitlement to payments under that Global Note will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear and/or Clearstream, Luxembourg. Beneficial interests in a Global Note may only be held through Euroclear or Clearstream, Luxembourg at any time.

3. STATUS AND PRIORITY

(a) The Class A Notes constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Class A Notes rank *pari passu* without preference or priority amongst themselves.

(b) The Class B Notes constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Class B Notes rank *pari passu* without preference or priority amongst themselves but subordinate with respect to payments of interest and principal in respect of, the Class A Notes as provided in these Conditions, the Certificate Conditions and the Transaction Documents (so long as any Class A Notes remain outstanding).

(c) The Class C Notes constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Class C Notes rank *pari passu* without preference or priority amongst themselves but subordinate with respect to payments of interest and principal in respect of, the Class A Notes and the Class B Notes as provided in these Conditions, the Certificate Conditions and the Transaction Documents (so long as any Class A Notes and/or Class B Notes remain outstanding).

(d) The Class D Notes constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Class D Notes rank *pari passu* without preference or priority amongst themselves but subordinate with respect to payments of interest and principal in respect of, the Class A Notes, the Class B Notes and the Class C Notes as provided in these Conditions, the Certificate Conditions and the Transaction Documents (so long as any Class A Notes, Class B Notes and/or Class C Notes remain outstanding).

(e) The Class E Notes constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Class E Notes rank *pari passu* without preference or priority amongst themselves but subordinate with respect to 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 these Conditions, the Certificate Conditions and the Transaction Documents (so long as any Class A Notes, Class B Notes, Class C Notes and/or Class D Notes remain outstanding).

(f) The Class F Notes constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Class F Notes rank *pari passu* without preference or priority amongst themselves but subordinate with respect to payments of interest and 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 these Conditions, the Certificate Conditions and the Transaction Documents (so long as any Class A Notes, Class B Notes, Class C Notes, Class D Notes and/or Class E Notes remain outstanding).

(g) The Class Z Notes constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Class Z Notes rank *pari passu* without preference or priority amongst themselves but subordinate with respect to payments of interest and repayment 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 these

Conditions, the Certificate Conditions and the Transaction Documents (so long as any Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and/or Class F Notes remain outstanding).

(h) The Class X Notes constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Class X Notes rank *pari passu* without preference or priority amongst themselves but subordinate with respect to payments of interest and repayment 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 Z Notes as provided in these Conditions, the Certificate Conditions and the Transaction Documents (so long as any Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and/or the Class Z Notes remain outstanding).

(i) The Certificates constitute direct, secured and (subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Certificates rank *pari passu* without preference or priority amongst themselves with respect to payments of the Certificates Payment but subordinate to 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, Class F Notes, the Class Z Notes and the Class X Notes as provided in these Conditions, the Certificate Conditions and the Transaction Documents (so long as any Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes, Class Z Notes and/or the Class X Notes remain outstanding).

(j) Prior to the delivery of an Enforcement Notice, the Cash Administrator (on behalf of the Issuer) is required to apply Available Revenue Receipts and Available Principal Receipts in accordance with the Revenue Priority of Payments and the Principal Priority of Payments (as applicable). On each Interest Payment Date (or on such other date as the Trustee instructs in writing in accordance with the Transaction Documents) on or following the delivery of an Enforcement Notice or on a Call Option Redemption Date, the Cash Administrator shall cause all amounts standing to the credit of the Issuer Transaction Account and all proceeds (other than Hedge Excluded Receivable Amounts) from the enforcement of the Security or otherwise recovered by the Trustee (which shall be held by the Trustee on trust) to be applied in payment, in the amounts required in accordance with the Post-Enforcement Priority of Payments.

(k) The Trust Deed and the Deed of Charge also contain provisions limiting the powers of any Class of Noteholders or the Certificateholders to pass an effective Extraordinary Resolution (and at all times to have regard to and subject always to the Retained Interest Entrenched Rights) according to the effect thereof on the interests of the holders of the Class or Classes of Notes and/or Certificates ranking in priority thereto. Except in certain circumstances described in Condition 15 (*Meetings of Noteholders and Certificateholders, Modification, Waiver and Substitution*), the Trust Deed and the Deed of Charge contain 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 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.

4. LIMITED RECOURSE; NON-PETITION; CORPORATE OBLIGATIONS; SECURITY MANDATE; LAWS AND REGULATIONS

4.1 Limited recourse

Notwithstanding any of the provisions of the Conditions, the Certificate Conditions or any other Transaction Document, each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that if the net proceeds of realisation of the security constituted by or pursuant to the Deed of Charge are less than the aggregate amount payable by the Issuer to the Noteholders, Certificateholders and any other Secured Creditors in respect of its obligations under the Transaction Documents (such negative amount being referred to herein as a "**shortfall**"), the amount payable by the Issuer to the Noteholders, Certificateholders and each other Secured Creditor in respect

of the Issuer's obligations under such Transaction Document shall be reduced to such amount of the net proceeds as shall be applied in accordance with the Deed of Charge and the applicable Priority of Payments, and such parties shall not (directly or indirectly) be entitled to take any further steps against the Issuer to recover such shortfall, which shall be deemed to be automatically extinguished.

4.2 Non-petition

Each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledge and agree that they (or any other party acting on their behalf) shall not be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency or liquidation proceedings, or other analogous proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer under the Notes, the Certificates or the Transaction Documents, save for lodging a claim in the liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer in relation to the Notes, the Certificates or such Transaction Document. For the avoidance of doubt, nothing in this Condition 4 shall prevent the Trustee enforcing the security constituted by or pursuant to the Deed of Charge in accordance with its terms, **provided that** in connection with any such enforcement neither the Trustee nor any receiver appointed thereunder shall take any steps or proceedings to procure the winding up or liquidation of the Issuer.

4.3 Corporate Obligations

Each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that no recourse under any obligation, covenant, or agreement of the Issuer contained in any Transaction Document may be sought by it against any shareholder, officer, agent, employee or director of the Issuer, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise, it being expressly agreed and understood that the Transaction Documents are corporate obligations of the Issuer only. Each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that no personal liability shall attach to or be incurred by the shareholders, officers, agents, employees or directors of the Issuer, or any of them, under or by reason of any of the obligations, covenants or agreements of the Issuer contained in any Transaction Document, or implied therefrom, and any and all personal liability of every such shareholder, officer, agent, employee or director for breaches by the Issuer of any such obligations, covenants or agreements, either at law or by statute or constitution, of every such shareholder, officer, agent, employee or director is thereby deemed expressly waived by the parties.

4.4 Security mandate

(a) The Notes and Certificates together with all other Secured Obligations of the Issuer are secured by the Charged Property pursuant to and on the terms set out in the Deed of Charge.

(b) Without prejudice to the rights of the Trustee after the Security has become enforceable, the Issuer authorises the Trustee prior to the Security becoming enforceable, subject to the terms of the Deed of Charge, to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies under or in respect of the Charged Property, in accordance with the terms of the Deed of Charge, in such manner as in its absolute discretion it shall think fit subject to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction.

4.5 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 Sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended (the "**Code**"), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, any intergovernmental agreement entered into pursuant to such Sections of the Code and any legislation, regulations, rules, or guidance notes adopted pursuant to any such intergovernmental agreement ("**FATCA**"). Noteholders will not be charged commissions or expenses on payments.

5. GENERAL COVENANTS OF THE ISSUER

5.1 Restrictions on activities

The Issuer Covenants contain certain covenants in favour of the Trustee from the Issuer which, amongst other things, restrict the ability of the Issuer to create or incur any indebtedness, dispose of assets or change the nature of its business. So long as any Note remains outstanding, the Issuer shall comply with the Issuer Covenants.

5.2 Appointment of Trustee

As long as any Notes are outstanding, the Issuer shall ensure that a trustee is, or separate trustees are, appointed at all times who is or are bound to perform the same functions and obligations as the Trustee pursuant to these Conditions, the Certificate Conditions, the Trust Deed and the Deed of Charge.

6. INTEREST

6.1 Interest Payment Dates

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 X Notes each bear interest on its Principal Amount Outstanding from (and including) the Closing Date and such interest will be payable in Sterling in arrears on each Interest Payment Date commencing on the First Interest Payment Date, in an amount equal to the Interest Amount in respect of such Note for the Interest Period ending on the day immediately preceding such Interest Payment Date.

6.2 Interest Accrual

Each Note (or, as the case may be, the relevant part thereof due to be redeemed) will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (both before and after judgment) until whichever is the earlier of (A) the day on which all sums due in respect of such Note (as applicable) up to that day are received by or on behalf of the relevant Noteholder and (B) the day following seven days after the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 10 (*Notifications*) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

6.3 Deferral of Interest

(a) The Issuer shall be obliged to pay any Interest Amount payable in respect of the Most Senior Class of Notes then outstanding in full on each Interest Payment Date excluding any Deferred Interest or Additional Interest previously deferred under this Condition 6.7 before the relevant Class of Notes became the Most Senior Class. The Issuer shall only be obliged to pay any Interest Amount (excluding any Deferred Interest or Additional Interest previously deferred or accrued under this Condition 6.3) payable in respect of any Class of Notes (other than the Most Senior Class of Notes then outstanding) in full on any Interest Payment Date, in each case, to the extent that there are Available Revenue Receipts or Available Principal Receipts available for payment thereof in accordance with the Priority of Payments. Any Deferred Interest or Additional Interest previously deferred or accrued under this Condition 6.3 shall become payable only in accordance with Condition 6.4 (*Payment of Deferred Interest and Additional Interest).*

(b) In the case of any Class of Notes (other than the Most Senior Class of Notes then outstanding), where there are insufficient funds available to pay any Interest Amount the amount of interest equal to any shortfall in payment of the Interest Amount which would but for paragraph (a) above otherwise be due and payable in respect of such Class on any Interest Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Interest Payment Date, but will instead be deferred until the first Interest Payment Date thereafter on which funds are available to the Issuer (in accordance with the Conditions) to fund the payment

of such Deferred Interest to the extent funds are available in accordance with Condition 6.4 (*Payment of Deferred Interest and Additional Interest*).

(c) Such Deferred Interest will accrue interest ("**Additional Interest**") at the rate of interest applicable to that Class in accordance with Condition 6.5 (*Interest on the Notes*), and payment of any Additional Interest will also be deferred until the first Interest Payment Date thereafter on which funds are available (subject to and in accordance with the Conditions) to the Issuer to pay such Additional Interest to the extent funds are available in accordance with Condition 6.4 (*Payment of Deferred Interest and Additional Interest*).

6.4 Payment of Deferred Interest and Additional Interest

(a) Deferred Interest and Additional Interest in respect of any Class of Notes shall only become payable by the Issuer in accordance with the relevant paragraphs of the applicable Priority of Payments, to the extent that Available Revenue Receipts on the relevant Interest Payment Date, or, where applicable, other net proceeds of enforcement of the Security, are available to make such payment in accordance with the applicable Priority of Payments.

(b) Failure to pay any Deferred Interest or Additional Interest to holders of any Class of Notes, will not be an Event of Default until the Final Maturity Date or any earlier date of redemption in full of such Class of Notes and any such amount which has not then been paid in respect of the relevant Class of Notes will thereupon become due and payable in full.

6.5 Interest on the Notes

(a) The rate of interest from time to time in respect of the Class A Notes (the "**Class A Rate of Interest**"), in respect of the Class B Notes (the "**Class B Rate of Interest**"), in respect of the Class C Notes (the "**Class C Rate of Interest**"), in respect of the Class D Notes (the "**Class D Rate of Interest**"), in respect of the Class E Notes (the "**Class E Rate of Interest**") and in respect of the Class F Notes (the "**Class F Rate of Interest**") and in respect of the Class X Notes (the "**Class X Rate of Interest**") (and each a "**Rate of Interest**" or "**SONIA Rate of Interest**") will be determined by the Agent Bank on the basis of the Floating Rate of Interest in accordance with paragraph (b) below:

(b) The floating rate of interest payable from time to time in respect of the 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 Calculation 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 the Bank of England publishes guidance as to: (A) how the SONIA Reference Rate is to be determined: or (B) any rate that is to replace the SONIA Reference Rate, the Agent Bank shall, subject to receiving written instructions from the Issuer (upon which the Agent Bank shall be entitled to rely conclusively and without enquiry or liability) and to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA for the purpose of the Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors;

(iii) In the event that the Floating Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank, the Floating Rate of Interest shall be (A) that determined as at the last preceding Calculation 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 Calculation 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 Interest Payment Date (but applying the Relevant Margin applicable to the first Interest Period).

(iv) The minimum Floating Rate of Interest will be zero;

(A) For the purposes of these Conditions:

"**Banking Day**" means, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London;

"**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% being rounded upwards:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SONIA_{i-5LBD}\ \mathrm{x}\ n_i}{365}\right)-1\right]\times\frac{365}{\mathrm{d}}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"d_0" is the number of Banking Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to d_0, each representing the relevant Business Day in chronological order from, and including, the first Business Day in the relevant Interest Period to, but excluding, the last Banking Day in such Interest Period;

"**LBD**" means a Banking Day;

"n_i", for any day "**i**", means the number of calendar days from and including such day "i" up to but excluding the following Banking Day; and

"$SONIA_{i-5LBD}$" means in respect of any Banking Day falling in the relevant Interest Period, the Reference Rate for the Banking Day falling five Business Days prior to that Business Day "i";

"**Interest Commencement Date**" means the Issue Date;

"**Interest Determination Date**" means the fifth Banking Day before the Interest Payment Date for which the SONIA Rate of Interest to be determined on such date will apply;

"**Observation Period**" means the period from and including the date falling five Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling five Banking Days prior to the Interest Payment Date for such Interest Period (or, if applicable, the date falling five Banking Days prior to any date on which a payment of interest is to be made in respect of the Notes);

"**Reference Rate**" means, in respect of any Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Reference Screen or, if the Reference Screen is unavailable, as otherwise published by such authorised distributors (on the Banking Day immediately following such Banking Day).

If in respect of any Banking Day in the relevant Observation Period, the Agent Bank determines that the Reference Rate is not available on the Reference Screen or has not otherwise been published by the relevant authorised distributors, such Reference Rate shall be: (A) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant Banking Day; plus (B) the mean of the spread of the Reference Rate to the Bank Rate over the previous five days on which a 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 spreads (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; and

"**Reference Screen**" means the Reuters or Bloomberg (as applicable) Screen SONIA Page (or such replacement page on that service which displays the relevant information) or, if that service ceases to display the information, such other screen as may be determined by the Issuer.

6.6 Determination of Floating Rates of Interest and Floating Interest Amounts

(a) In relation to the Notes, the Agent Bank shall, as soon as practicable after 11am (London time) on the Calculation Date falling in such Interest Period, but in no event later than the third Business Day thereafter, determine the Sterling amounts (the "**Floating Interest Amount**") that would be payable in respect of interest on the Principal Amount Outstanding of each Class of the Notes for the relevant Interest Period if the Floating Rate of Interest applies to such Notes.

(b) The Floating Interest Amounts shall, in respect of a Class of Notes, be determined by applying the relevant Floating Rate of Interest to the Principal Amount Outstanding of such Class of Notes and multiplying the sum by the actual number of days in the Interest Period concerned divided by 365 and rounding the figure downwards to the nearest penny.

6.7 Publication of Floating Rates of Interest and Floating Interest Amounts

The Agent Bank shall, at the expense of the Issuer, cause the Floating Rate of Interest and the Floating Interest Amounts for each Class of Notes in respect of each Interest Period and each Interest Payment Date to be notified to the Issuer, the Cash Administrator, the Trustee, and the Agents (as applicable) on which the Notes are at the relevant time listed and to be published as soon as possible after their determination and in no event later than two Business Days prior to the immediately succeeding Interest Payment Date. The Floating Interest Amounts and Interest Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

6.8 Notifications to be Final

All notifications, opinions, determinations, certificates, calculations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.8 by the Agent Bank will (in the absence of manifest error) be binding on the Issuer, the Trustee, the Agent Bank, Agents and all Noteholders and (in the absence of wilful default, gross negligence or fraud) no liability to the Issuer or the Noteholders shall attach to the Cash Administrator or the Agent Bank in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 6.8.

6.9 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 Trustee, appoint another major bank engaged in the relevant interbank market to act in its place. The appointment of the Agent Bank shall not be terminated without a successor having been appointed on terms by the Issuer or (where the Issuer fails to appoint a successor within the period provided for in the Principal Paying Agency Agreement) by the Agent Bank, in each case in accordance with the terms of the Principal Paying Agency Agreement.

6.10 Determinations and Reconciliation

(a) In the event that the Cash Administrator does not receive the relevant Servicer Reports to be delivered by the Servicer with respect to the most recent Calculation Period (each such period, a "**Determination Period**"), then the Cash Administrator may use the Servicer Reports which cover the three most recent Collection Periods for which all relevant Servicer Reports are available (or, where there are not at least three Collection Periods covered by 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 Administrator receives the relevant 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 (b)(i) below; (ii) payments made under any of the Notes, Certificates 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 (b)(i) 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 Administrator 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 Administrator shall on the Calculation Date immediately preceding the relevant Interest Payment Date:

(i) determine the Interest Determination Ratio (as defined above) by reference to the most recent Calculation Period in respect of which the relevant SR Investor Reports are available (or, where there are not at least three Collection Periods covered by previous SR Investor Reports, any previous SR Investor 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 (the "**Calculated Revenue Receipts**"); 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 Administrator of the relevant Servicing Reports in respect of such Determination Period, the Cash Administrator shall reconcile the calculations made in accordance with paragraph (b) above to the actual collections set out in the relevant Servicing Reports by allocating the Reconciliation Amount as follows:

(i) if the Reconciliation Amount is a positive number, the Cash Administrator 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 Administrator 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 Administrator 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 Administrator shall promptly notify the Issuer and the Note Trustee of such Reconciliation Amount.

7. PAYMENTS ON THE NOTES

7.1 Payment of interest

Payments of interest in respect of the Notes (other than the Class Z Notes) to the Noteholders shall become due and payable on each Interest Payment Date subject to the applicable Priority of Payments:

(a) the Class A Interest Amount payable for such Interest Payment Date, to be paid to the holder(s) of the Class A Notes;

(b) the Class B Interest Amount payable for such Interest Payment Date, to be paid to the holder(s) of the Class B Notes;

(c) the Class C Interest Amount payable for such Interest Payment Date, to be paid to the holder(s) of the Class C Notes;

(d) the Class D Interest Amount payable for such Interest Payment Date, to be paid to the holder(s) of the Class D Notes;

(e) the Class E Interest Amount payable for such Interest Payment Date, to be paid to the holder(s) of the Class E Notes;

(f) the Class F Interest Amount payable for such Interest Payment Date, to be paid to the holder(s) of the Class F Notes; and

(g) the Class X Interest Amount payable for such Interest Payment Date, to be paid to the holder(s) of the Class X Notes.

No interest will be payable in respect of the Class Z Notes.

7.2 Payment of principal

Payments of principal on the Notes will be made on each Interest Payment Date in accordance with Condition 8 (*Redemption*) and subject to the applicable Priority of Payments.

7.3 Payments and discharge

(a) Payments of principal and interest in respect of the Notes shall be made by the Issuer, through the Principal Paying Agent or otherwise provided for, in accordance with the applicable Priority of Payments, on each Interest Payment Date for subsequent transfer to the Noteholders in accordance with Condition 6 (*Interest*) or Condition 8 (*Redemption*) (as applicable).

(b) Every payment of principal or interest in respect of the Notes made by the Issuer to the Principal Paying Agent in the manner provided in the Principal Paying Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in clause 2.2 (*Covenant to Pay*) of the Trust Deed.

7.4 Calculations in the event of a Servicer Disruption

(a) If, with respect to any Interest Payment Date, a Servicer Disruption occurs such that the Cash Administrator is not provided with the relevant Servicer Report on the Servicer Reporting Date or the Servicer Report delivered fails to contain any part of the stipulated information, the Cash Administrator shall, to the extent possible, calculate the amounts payable pursuant to the applicable Priority of Payments on such Interest Payment Date by reference to the Servicer Reports in respect of the three most recent Determination Dates (or, where there are not at least three previous Servicer Reports, all previous Servicer Reports) and taking into account the payments made pursuant to the applicable Priority of Payments on such Interest Payment Date without any liability as a result thereof.

(b) Upon receipt of the Servicer Report delivered following any Servicer Disruption, the Cash Administrator shall calculate the amounts payable in accordance with the applicable Priority of Payments on any Interest Payment Date that occurred whilst the Servicer Disruption was continuing.

(c) In the event that the Cash Administrator identifies any differences between the amounts paid in accordance with the applicable Priority of Payments whilst the Servicer Disruption was continuing and the amounts payable pursuant to the Transaction Documents as specified in such Servicer Report the Cash Administrator shall, notwithstanding any other provision in Cash Administration Agreement, reconcile such differences to the extent possible by (i) crediting and debiting the Issuer Accounts and the Issuer Profit Ledger as necessary and (ii) increasing or decreasing the amounts payable to the relevant parties in accordance with the applicable Priority of Payments on the Interest Payment Date immediately following the Cash Administrator's receipt of such Servicer Report.

(d) It is agreed and acknowledged by the Issuer that the Cash Administrator will not be responsible or liable for having applied, paid, utilised or accounted (both in making payments or in the preparation of the SR Investor Reports) any amount which is later identified, upon receipt of a Servicer Report, as having been erroneously credited to any Issuer Account or the Issuer Profit Ledger.

7.5 Default Interest

If the Notes become immediately due and repayable and are not immediately paid by the Issuer the interest payable in respect of such Notes will continue to be calculated (with consequential amendments, as necessary) in accordance with Condition 6.5 (*Interest on the Notes*) at the same intervals as are provided by the Conditions for the calculation of interest, the first of which will commence on the expiry of the Interest Payment Date on which such Notes become so repayable.

8. REDEMPTION

8.1 Mandatory Repayment

(a) On each Interest Payment Date (prior to the delivery of an Enforcement Notice), the Issuer shall apply the Available Principal Receipts to redeem the Notes (other than the Class X Notes) to the extent that there are such amounts available to do so in accordance with the Principal Priority of Payments.

(b) Following the delivery of an Enforcement Notice, the Issuer shall redeem the Notes in accordance with the Post-Enforcement Priority of Payments.

8.2 Mandatory Redemption in whole – Exercise of Call Option

(a) On giving not more than 30 nor less than five calendar days' notice to the holders of the Notes in accordance with Condition 10 (Notifications), the Issuer shall, if so directed by the Seller in its capacity as Clean-Up Call Option Holder, by the Majority Certificateholders in their backstop capacity as the Clean-Up Call Option Holder during the Certificateholder Backstop Exercise Period, or by the applicable Regulatory Call Option Holder (being the Seller in respect

of a Regulatory Change Event and the Retention Holder in respect of a Risk Retention Regulatory Change Event), and subject always to the New Issue Conditions Precedent having been satisfied (or otherwise waived by the Seller or determined by the Seller not to be required to be met) pursuant to the Call Option Deed, redeem in whole (but not in part) the Notes of each Class on the Call Option Redemption Date in accordance with the Post-Enforcement Priority of Payments.

(b) Following a Clean-Up Call Event, the Seller as the Clean-Up Call Option Holder may deliver an Exercise Notice during the Clean-Up Call Exercise Period. The Clean-Up Call Exercise Period is the period from receipt of written notification from the Issuer of the occurrence of a Clean-Up Call Event to the second Interest Payment Date falling after the occurrence of such notification or, if the notice is delivered by the Issuer fewer than 15 Business Days prior to the immediately following Interest Payment Date, the third Interest Payment Date falling after the occurrence of such notification. If the Seller does not deliver an Exercise Notice within the Clean-Up Call Exercise Period, the Majority Certificateholders may, but are not obliged to, deliver an Exercise Notice on the same terms during the Certificateholder Backstop Exercise Period.

(c) The Call Option may be exercised on any Business Day following a Call Option Event by (a) the Seller in respect of a Clean-Up Call event, (b) the Seller in respect of a Regulatory Change Event, (c) the Retention Holder in respect of a Risk Retention Regulatory Change Event and (d) the Majority Certificateholders in their backstop capacity in respect of a Clean-Up Call Event during the Certificateholder Backstop Exercise Period) in each case by delivering an Exercise Notice to the Issuer with a copy to the Trustee, the Seller, the Cash Administrator and the Interest Rate Hedge Counterparty, pursuant to which that Option Holder requires the Issuer to sell all (but not some) of the outstanding Purchased Receivables in the Portfolio and their Related Collateral at the aggregate Call Option Purchase Price on the Call Option Redemption Date in accordance with the terms of the Call Option Deed. Within two Business Days of receipt of the Exercise Notice, the Issuer will serve a Counter Notice confirming the Call Option Redemption Date and the amount or estimated amount of the Call Option Purchase Price. The Option Holder may confirm that it wishes the Issuer to proceed by serving an Acceptance Notice within two Business Days of receipt of the Counter Notice; if no Acceptance Notice is served within that period, the Exercise Notice and the Counter Notice will have no further effect.

(d) If a Regulatory Change Event or a Risk Retention Regulatory Change Event occurs during the Certificateholder Backstop Exercise Period and the Majority Certificateholders have already delivered an Exercise Notice to the Issuer, the Seller or the Retention Holder (as applicable) shall not exercise the Regulatory Call Option or the Risk Retention Call Option. However, if the sale pursuant to that Exercise Notice has not completed on or before the second Interest Payment Date following that Exercise Notice, the Seller or the Retention Holder (as applicable) shall have a period of three months from that Interest Payment Date to deliver an Exercise Notice in respect of the Regulatory Call Option following the occurrence of the Regulatory Change Event or the Risk Retention Regulatory Change Event (as applicable), and during that three-month period the Majority Certificateholders may not deliver a further Exercise Notice.

(e) For the purposes of this Condition 8.2, the Call Option Purchase Price shall be determined differently depending on the call option being exercised.

(f) For a 10% Clean-Up Call Option, the Call Option Purchase Price shall be the higher of (a) the Clean-Up Call Option Base Amount and (b) the Current Value Amount.

(g) For any other call option, including a Regulatory Call Option, a call option following a Risk Retention Regulatory Change Event or a call option exercised before an optional redemption for taxation or illegality reasons, the Call Option Purchase Price shall be the Regulatory Call Option Base Amount only, calculated by reference to the Notes (including the Class Z Notes). No Current Value Amount shall apply to any Call Option other than the Clean-Up Call Option.

(h) The Issuer shall provide the Trustee with a certificate signed by two directors of the Issuer to the effect that it will have the funds on the Call Option Redemption Date, not subject to the interest of any other person, required to pay all principal and interest due in respect of the Notes

in full pursuant to this Condition 8.2 and meet its payment obligations of a higher priority under the Post-Enforcement Priority of Payments (upon which certificate the Trustee shall rely absolutely and without enquiry or liability).

(i) The Notes will be redeemed on the Call Option Redemption Date from the aggregate Call Option Purchase Price in accordance with the Post-Enforcement Priority of Payments.

(j) Any amounts standing to the credit of the Liquidity Reserve Fund Ledger on the Call Option Redemption Date that form part of Available Revenue Receipts shall be applied in the order set out in the Post-Enforcement Priority of Payments.

(k) Provided that there is no shortfall to pay items ranking higher or pari passu in the Post-Enforcement Priority of Payments, to the extent that the purchaser of the Purchased Receivables from the Issuer holds any of the Notes or Certificates, it may set-off from the Call Option Purchase Price an amount equal to the amounts due to it as Noteholder or Certificateholder on the Call Option Redemption Date.

A "**Call Option Event**" for these purposes means a Clean-Up Call Event, a Regulatory Change Event or a Risk Retention Regulatory Change Event.

A "**Clean-Up Call Event**" means, at any time after the Closing Date, the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio is less than 10% of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio at the Cut-Off Date.

A "**Regulatory Change Event**" means a determination by the Seller, acting in a commercially reasonable manner that as a result of either:

(i) 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 and/ or prudential or capital regulations (including any regulatory guidance or regulatory directions) which regulate the capital treatment of the Seller's interest in the Purchased Receivables or any Classes of the Notes held by the Seller on the Closing Date, 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 the Seller and the UK Regulators), of any relevant regulations, which has a material adverse effect on the position of the Seller or its accounting consolidation group in relation to: (i) past or future de-recognition of the Portfolio under IFRS 9 or deconsolidation and de-recognition of the Issuer under IFRS 10 (or any other rules, guidance or regulatory direction which the Seller relies on to achieve deconsolidation and de-recognition) or (ii) the capital treatment of the Seller's interest in the Portfolio or any Classes of Notes held by the Seller on the Closing Date; or

(ii) the outcome of the initial supervisory significant risk transfer or capital relief assessment for the Transaction (as defined below), the difference between:

(A) the amount of regulatory capital which the Seller or its prudential consolidation group would be required to hold in respect of the Purchased Receivables over the full term of the Transaction contemplated by the Transaction Documents (the "**Transaction**") but for the transaction contemplated by the Transaction; and

(B) 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 Purchased Receivables, 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.

"**IFRS**" means the International Financial Reporting Standards.

"**IFRS 9**" means the IFRS standard issued on 24 July 2014.

"**IFRS 10**" means the IFRS standard issued on 12 May 2011.

A "**Risk Retention Regulatory Change Event**" means any change in, or the adoption of, any new law, rule or regulation or any determination of a relevant regulator as determined by the Retention Holder in its sole discretion which as a matter of law or regulation:

(a) has a binding effect on the Retention Holder after the Closing Date which would impose a positive obligation on it to subscribe for Notes or Certificates or hold further assets on its balance sheet over and above those required to be maintained by it under the Risk Retention Letter or otherwise imposes additional material obligations on the Retention Holder or the Seller in order to maintain compliance with the Risk Retention Requirements; or

(b) 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; or

(c) by virtue of the Retention Holder's obligation to comply with the Retention Undertaking, would, in respect of the Retention Holder, have an analogous effect or result to those specified in paragraphs (a) and/or (b) above.

8.3 Optional Redemption for Taxation or Other Reasons

If:

(a) by reason of a change in tax law (or the application or official interpretation thereof including any changes to any published practice of any tax authority), which change becomes effective on or after the Closing Date, on or before the next Interest Payment Date the Issuer or the Paying Agents would be required to deduct or withhold from any payment on any Notes (other than because the relevant holder has some connection with the United Kingdom other than the holding of such Notes or Certificates) any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any political sub division thereof or any authority thereof or therein having power to tax; or

(b) 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,

then the Issuer shall, if the same would avoid the effect of such relevant event described in paragraph (a) or (b) above, appoint a Paying Agent in another jurisdiction or arrange the substitution of a company incorporated and/or resident in another jurisdiction approved in writing by the Trustee as principal debtor under the Notes, provided that the Trustee is satisfied that any such action will not be materially prejudicial to the interests of the holders of the Notes and the Trustee will be so satisfied if it receives (A) a 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 or (B) if no such confirmation from the Rating Agencies is forthcoming, the Servicer, on behalf of the Issuer, certifying in writing to the Cash Administrator and the Trustee that any such proposed action (i) (while any Rated Notes remain outstanding) has been notified to the Rating Agencies, (ii) would not have an adverse impact on the Issuer's ability to make payment when due in respect of the Notes, (iii) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security and (iv) (while any of the Rated Notes remain outstanding) would not have an adverse effect on the rating of the Rated Notes (upon which confirmation or certificate the Trustee shall be entitled to rely absolutely without enquiry or liability to any person for so doing).

If the Issuer satisfies the Trustee immediately before giving the notice referred to below that one or more of the events described in paragraph (a) or (b) above is continuing and that the appointment of a Paying

Agent or any other 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, then the Issuer may (subject always to Zopa Bank Limited in its capacity as Servicer and Legal Title Holder having confirmed satisfaction of the New Issue Conditions Precedent), on any Interest Payment Date and having given not more than 30 nor less than five calendar days' notice (or, in the case of an event described in paragraph (b) above, such shorter period expiring on or before the latest date permitted by relevant law) to the Trustee and holders of the Notes in accordance with Condition 10 (*Notifications*) (subject to the Option Holders' right to exercise the Call Option in accordance with the terms thereof), redeem all (but not some) of the Notes at their respective Principal Amount Outstanding together with any interest accrued (and unpaid) thereon up to (but excluding) the date of redemption provided that, prior to giving any such notice, the Issuer shall have provided to the 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) or (b) above prevail(s), (B) setting out details of such circumstances and (C) confirming that the appointment of a Paying Agent or any other mitigation action 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; and

(ii) an opinion in form and substance satisfactory to the Trustee of independent legal advisers of recognised standing to the effect that the Issuer or the Paying Agents has or will become obliged to deduct or withhold amounts as a result of such change.

The Trustee shall be entitled to accept and rely upon such certificate and opinion without any enquiry or liability as sufficient evidence of the satisfaction of the circumstances set out in paragraph (ii) above, in which event they shall be conclusive and binding on each Class of the Notes.

The Issuer may only redeem the Notes as described above if the Issuer has certified to the Trustee (upon which certificate the Trustee shall rely absolutely and without enquiry or liability) that it will have the necessary funds, not subject to the interest of any other person, required to redeem the Notes and cancel the Certificates as aforesaid and to meet its payment obligations of a higher priority to the Certificates under the Post-Enforcement Priority of Payments, such certification to be provided by way of a certificate signed by two directors of the Issuer on which the Trustee shall be entitled to rely conclusively without any enquiry or liability. Such certification shall be conclusive and binding on the holders of Notes.

8.4 Optional Redemption in whole upon the occurrence of an Illegality Event

The Issuer may redeem the Notes of each Class in whole (but not in part) at their Principal Amount Outstanding together with accrued (and unpaid) interest thereon up to but excluding the date of redemption (subject to the Option Holders' right to first exercise the Call Option) if on any Interest Payment Date, by reason of a change in law, which change becomes effective on or after the Closing Date it has become or will become unlawful for the Issuer to purchase, hold, fund or allow to remain outstanding all or any part of the Portfolio or to perform its obligations under the Transaction Documents or the Notes, (the occurrence of such event an "**Illegality Event**"), subject to the following:

(a) that the Issuer has given not more than 30 nor less than five days' written notice to the Trustee and the Noteholders in accordance with Condition 10 (*Notifications*) and the Registrar, the Agent Bank and the Principal Paying Agent of its intention to redeem all (but not some) of the Notes in each Class;

(b) Zopa Bank Limited in its capacity as Servicer and Legal Title Holder having confirmed satisfaction of the New Issue Conditions Precedent;

(c) that prior to giving any such notice, the Issuer has provided to the Trustee:

(i) a legal opinion (addressed to the Trustee) from a firm of lawyers in the applicable jurisdiction, opining that the consequence of the relevant change in law is an Illegality Event; and

(ii) a certificate signed by two directors of the Issuer to the effect that it will have the funds on the relevant Interest Payment Date, not subject to the interest of any other person,

required to redeem the Notes pursuant to this Condition and meet its payment obligations of a higher priority under the Post-Enforcement Priority of Payments,

(upon which legal opinion and certificate the Trustee shall rely absolutely and without enquiry or liability); and

(d) notwithstanding any provision in the Issuer Covenants to the contrary, the Issuer may dispose of the Portfolio following the occurrence of an Illegality Event in order to effect an optional redemption of the Notes in accordance with this Condition 8.4 (*Optional Redemption in whole upon the occurrence of an Illegality Event*).

8.5 Final Maturity Date

On the Final Maturity Date, the Notes shall, unless previously redeemed and cancelled, be redeemed in full at their Principal Amount Outstanding together with accrued (and unpaid) interest up to but excluding the Final Maturity Date subject to Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*).

9. PRIORITY OF PAYMENTS

9.1 Revenue Priority of Payments

In advance of the application of Available Principal Receipts in accordance with the Principal Priority of Payments, on each Interest Payment Date, all Available Revenue Receipts shall be paid in accordance with the following order of priority (including, if payable, any VAT thereon) (the "**Revenue Priority of Payments**") (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) *first*, to the payment of, pari passu and pro rata, according to the respective amounts thereof, (i) the Senior Expenses then due and payable by the Issuer in the priority set out in the definition of Senior Expenses, and (ii) to the extent not satisfied on the Closing Date, any Transaction Costs;

(b) *second*, to the payment of the Issuer Profit Amount (which may be used by the Issuer to pay or discharge any liability of the Issuer for corporation tax thereon)*;*

(c) *third,* in or towards satisfaction of any amounts due and payable to the Interest Rate Hedge Counterparty under the Interest Rate Hedge Agreement, other than Hedge Subordinated Amounts and Hedge Excluded Payable Amounts;

(d) *fourth,* to the payment on a *pro rata* and *pari passu* basis to each Class A Noteholder their respective Class A Interest Amount;

(e) *fifth,* to credit the Class A Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(f) *sixth,* to the payment on a *pro rata* and *pari passu* basis to each Class B Noteholder their respective Class B Interest Amount;

(g) *seventh,* to credit the Liquidity Reserve Fund Ledger so that the positive balance thereon is equal to the Liquidity Reserve Required Amount;

(h) *eighth,* to credit the Class B Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(i) *ninth,* to the payment on a *pro rata* and *pari passu* basis to each Class C Noteholder their respective Class C Interest Amount;

(j) *tenth,* to credit the Class C Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(k) *eleventh,* to the payment on a *pro rata* and *pari passu* basis to each Class D Noteholder their respective Class D Interest Amount;

(l) *twelfth*, to credit the Class D Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(m) *thirteenth*, to the payment on a *pro rata* and *pari passu* basis to each Class E Noteholder their respective Class E Interest Amount;

(n) *fourteenth*, to credit the Class E Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(o) *fifteenth,* to the payment on a *pro rata* and *pari passu* basis to each Class F Noteholder their respective Class F Interest Amount;

(p) *sixteenth,* to credit the Class F Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(q) *seventeenth*, to credit the Class Z Principal Deficiency Ledger in an amount sufficient to eliminate any debit thereon (any such amounts to be applied as Available Principal Receipts pursuant to the Principal Priority of Payments);

(r) *eighteenth*, to the payment on a *pro rata* and *pari passu* basis to each Class X Noteholder their respective Class X Interest Amount;

(s) *nineteenth*, to the redemption of the Class X Notes, *pro rata* and *pari passu* until the Class X Notes are redeemed in full;

(t) *twentieth*, in or towards payment by the Issuer to the Interest Rate Hedge Counterparty of any Hedge Subordinated Amounts then due and payable by the Issuer to the Interest Rate Hedge Counterparty (other than Hedge Excluded Payable Amounts); and

(u) *twenty-first*, the remainder, to the payment on a *pro rata* and *pari passu* basis of the Certificate Payment due on the Certificate.

9.2 Principal Priority of Payments

Following the application of Available Revenue Receipts in accordance with the Revenue Priority of Payments, on each Interest Payment Date, all Available Principal Receipts shall be paid (including, if payable, any VAT thereon) in the following order of priority (the "**Principal Priority of Payments**") (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) *first*, if following the application of any amounts credited to the Liquidity Reserve Fund Ledger that form part of Available Revenue Receipts there is a Revenue Shortfall, any Principal Addition Amounts to be applied as Available Revenue Receipts in accordance with the Revenue Priority of Payments to the extent necessary to pay any such Revenue Shortfall in full;

(b) *second*, if the Pro-Rata Payment Conditions are satisfied, to the redemption 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 Z Notes, *pro rata* and *pari passu*, in an amount equal to the lesser of:

(i) the Principal Amount Outstanding of such Class of Notes (prior to the application of Available Principal Receipts on such Interest Payment Date); and

(ii) the Pro-Rata Principal Payment Amount for such Class of Notes on such Interest Payment Date,

until each such Class of Notes is redeemed in full;

(c) *third,* if the Pro-Rata Payment Conditions are not satisfied:

(i) *first,* to the redemption of the Class A Notes, *pro rata* and *pari passu* until the Class A Notes are redeemed in full;

(ii) *second,* to the redemption of the Class B Notes, *pro rata* and *pari passu* until the Class B Notes are redeemed in full;

(iii) *third,* to the redemption of the Class C Notes, *pro rata* and *pari passu* until the Class C Notes are redeemed in full;

(iv) *fourth,* to the redemption of the Class D Notes, *pro rata* and *pari passu* until the Class D Notes are redeemed in full;

(v) *fifth,* to the redemption of the Class E Notes, *pro rata* and *pari passu* until the Class E Notes are redeemed in full;

(vi) *sixth,* to the redemption of the Class F Notes, *pro rata* and *pari passu* until the Class F Notes are redeemed in full;

(vii) *seventh,* to the redemption of the Class Z Notes, *pro rata* and *pari passu* until the Class Z Notes are redeemed in full; and

(d) *fourth*, the remainder, to form part of Available Revenue Receipts.

9.3 Post-Enforcement Priority of Payments

On each Interest Payment Date (or on such other date as the Trustee instructs in writing in accordance with the Transaction Documents) on or following the delivery of an Enforcement Notice or on a Call Option Redemption Date, the Cash Administrator shall cause all amounts standing to the credit of the Issuer Transaction Account and all proceeds (other than Hedge Excluded Receivable Amounts and any amount standing to the credit of the Issuer Profit Ledger (which shall be applied by the Issuer in or towards satisfaction of any liability of the Issuer for corporation tax of the Issuer)) from the enforcement of the Security or otherwise recovered by the Trustee (which shall be held by the Trustee on trust) to be applied in payment, in the amounts required (including, if payable, any VAT thereon) in the following order of priority (the "**Post-Enforcement Priority of Payments**") (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) *first*, to the payment of the Senior Expenses then due and payable by the Issuer in the priority set out in the definition of Senior Expenses;

(b) *second*, to the payment of the Issuer Profit Amount;

(c) *third,* in or towards satisfaction of any amounts due and payable to the Interest Rate Hedge Counterparty under the Interest Rate Hedge Agreement, other than Hedge Subordinated Amounts and Hedge Excluded Payable Amounts;

(d) *fourth,* to the payment on a *pro rata* and *pari passu* basis to each Class A Noteholder their respective Class A Interest Amount;

(e) *fifth,* to the redemption of the Class A Notes, *pro rata* and *pari passu* until the Class A Notes are redeemed in full;

(f) *sixth,* to the payment on a *pro rata* and *pari passu* basis to each Class B Noteholder their respective Class B Interest Amount;

(g) *seventh*, to the redemption of the Class B Notes, *pro rata* and *pari passu* until the Class B Notes are redeemed in full;

(h) *eighth,* to the payment on a *pro rata* and *pari passu* basis to each Class C Noteholder their respective Class C Interest Amount;

(i) *ninth*, to the redemption of the Class C Notes, *pro rata* and *pari passu* until the Class C Notes are redeemed in full;

(j) *tenth,* to the payment on a *pro rata* and *pari passu* basis to each Class D Noteholder their respective Class D Interest Amount;

(k) *eleventh*, to the redemption of the Class D Notes, *pro rata* and *pari passu* until the Class D Notes are redeemed in full;

(l) *twelfth,* to the payment on a *pro rata* and *pari passu* basis to each Class E Noteholder their respective Class E Interest Amount;

(m) *thirteenth*, to the redemption of the Class E Notes, *pro rata* and *pari passu* until the Class E Notes are redeemed in full;

(n) *fourteenth,* to the payment on a *pro rata* and *pari passu* basis to each Class F Noteholder their respective Class F Interest Amount;

(o) *fifteenth*, to the redemption of the Class F Notes, *pro rata* and *pari passu* until the Class F Notes are redeemed in full;

(p) *sixteenth*, to the redemption of the Class Z Notes, *pro rata* and *pari passu* until the Class Z Notes are redeemed in full;

(q) *seventeenth,* to the payment on a *pro rata* and *pari passu* basis to each Class X Noteholder their respective Class X Interest Amount;

(r) *eighteenth,* to the redemption of the Class X Notes, *pro rata* and *pari passu* until the Class X Notes are redeemed in full;

(s) *nineteenth*, in or towards payment by the Issuer to the Interest Rate Hedge Counterparty of any Hedge Subordinated Amounts then due and payable by the Issuer to the Interest Rate Hedge Counterparty (other than Hedge Excluded Amounts);

(t) *twentieth,* any corporation tax of the Issuer not otherwise able to be paid from amounts standing to the credit of the Issuer Profit Ledger; and

(u) *twenty-first*, the remainder, to the payment on a *pro rata* and *pari passu* basis of the Certificate Payment due on the Certificate.

10. NOTIFICATIONS

(a) For so long as the relevant Notes are in global form, any notice to Noteholders shall be validly given to the relevant Noteholders if sent to the Clearing Systems for communication by them to the holders of the relevant Class of Notes and shall be deemed to be given on the date on which it was so sent. If Definitive Notes are issued, any notice to the holders thereof shall be validly given if sent by first class mail to them at their respective addresses in the Register (or the first

named of joint holders) and notice shall be deemed to have been given on the second Business Day after the date of mailing. So long as the relevant Notes are admitted to trading on and listed on the Official List of the Financial Conduct Authority all notices to the Noteholders will be valid if published in a manner which complies with the rules and regulations of the LSE (which includes delivering a copy of such notice to the LSE) and any such notice will be deemed to have been given on the date sent to the LSE.

(b) The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or to a 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 stock exchange on which the Notes are then listed and **provided that** notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

11. PRINCIPAL PAYING AGENT, AGENT BANK AND CASH ADMINISTRATOR; DETERMINATIONS BINDING

(a) The Issuer has appointed Citibank, N.A., London Branch as Principal Paying Agent and Agent Bank pursuant to the Principal Paying Agency Agreement and Citibank, N.A., London Branch as Cash Administrator pursuant to the Cash Administration Agreement.

(b) All Interest Amounts determined and other calculations and determinations made by the Agent Bank and the Cash Administrator for the purposes of these Conditions shall, in the absence of manifest error, be final and binding.

12. TAXES

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, all present and future taxes, levies, imposts, duties, fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, subject to Condition 8.3 (*Optional Redemption for Taxation or Other Reasons*), the Issuer or, as the case may be, the Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent nor any other person shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction. The occurrence of the Issuer or the Paying Agent being required to make a withholding or deduction in the circumstances outlined above will not constitute an Event of Default.

13. EVENTS OF DEFAULT

13.1 Events of Default

Subject to the other provisions of this Condition, each of the following events, where relevant, subject to any applicable grace period shall be treated as an "**Event of Default**" in relation to the Notes:

(a) the Issuer fails to pay any amount of interest and/or principal (where there are sufficient Available Principal Receipts in the Issuer Transaction Account to make such payment of principal on an Interest Payment Date) due in respect of the Most Senior Class, other than in respect of interest which arose prior to the relevant Class of Notes (other than Class A Notes) becoming the Most Senior Class of Notes and payment of interest has been deferred pursuant to Condition 6.3 (*Deferral of Interest*), and such failure to pay continues for a period of 10 calendar days following the due date for payment of such interest and/or principal (**provided that**, for the avoidance of doubt, a deferral of interest in respect of a Class of Notes (other than the Most Senior Class of Notes then outstanding) in accordance with Condition 6.3 (*Deferral of Interest*) shall not constitute a default in the payment of such interest);

(b) the Issuer does not comply with any of its material contractual undertakings under any of the Transaction Documents and such non-compliance is, in the opinion of the Trustee, materially prejudicial to the interests of the holders of the Most Senior Class, *provided that* no Event of

Default under this paragraph (b) will occur if the failure to comply is capable of remedy and is remedied within 30 calendar days of the Issuer becoming aware of the failure to comply;

(c) any representation or warranty made by the Issuer in or pursuant to any Transaction Document is incorrect when made or deemed to be made which has or is, in the opinion of the Trustee, materially prejudicial to the interests of the holders of the Most Senior Class, provided that no Event of Default under this paragraph (c) will occur if such failure is capable of remedy and is remedied within 30 calendar days of the Issuer becoming aware of such failure;

(d) the occurrence of an Insolvency Event in respect of the Issuer;

(e) it is or becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents; or

(f) the Issuer fails to pay any amounts of principal due under the Notes or any amounts payable (if any) in respect of the Certificates on the Final Maturity Date.

13.2 Delivery of an Enforcement Notice

If an Event of Default occurs and is continuing, the Trustee may at its discretion, and shall:

(a) if so requested in writing by the Noteholders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class; or

(b) if so directed by an Extraordinary Resolution of the Most Senior Class,

(subject, in each case, to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction) deliver an Enforcement Notice to the Issuer, with a copy sent to each Agent (other than the Corporate Services Provider), the Seller, the Retention Holder, the Interest Rate Hedge Counterparty and the Rating Agencies, and institute such proceedings and take any other steps as may be required in order to enforce the Security.

Following receipt of such Enforcement Notice, the Issuer shall give notice, or shall procure that such notice is given, to all Noteholders without undue delay in compliance with Condition 10 (*Notifications*).

13.3 Conditions to delivery of an Enforcement Notice

Notwithstanding Condition 13.2 (*Delivery of an Enforcement Notice*), the Trustee shall not be obliged to deliver an Enforcement Notice or take any other action unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

13.4 Consequences of delivery of an Enforcement Notice

Upon the delivery of an Enforcement Notice, the Notes of each Class shall become immediately due and payable, without further action or formality, at their Principal Amount Outstanding together with any accrued (and unpaid) interest and the Security shall become immediately enforceable.

14. ENFORCEMENT

14.1 Proceedings

(a) The Trustee may, at any time, at its discretion and without further notice, institute such steps, actions or proceedings as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes of each Class (including these Conditions), the Deed of Charge or under the other Transaction Documents or, following the delivery of an Enforcement Notice, to enforce the Security, but it shall not be bound to do so unless:

(i) so requested in writing by the Noteholders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class outstanding; or

(ii) so directed by an Extraordinary Resolution of the Most Senior Class outstanding,

and in any such case, only if it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

(b) As between the Trustee and the Noteholders, only the Trustee may enforce the provisions of the Trust Deed and the other Transaction Documents (to the extent that it is able to do so). No Noteholder shall be entitled to proceed directly against the Issuer or any other person to enforce the performance of the provisions of Trust Deed or any other Transaction Documents and no Noteholder shall be entitled to take any steps or proceedings (including lodging an appeal or any proceedings to procure the winding-up, administration or liquidation of the Issuer) unless the Trustee having become bound as aforesaid to take proceedings failed or is unable to do so within a 60 calendar day period and such failure is continuing, provided that no Noteholder shall be entitled to take any steps or proceedings to procure the winding-up, administration or liquidation of the Issuer.

14.2 Directions to the Trustee

If the Trustee shall take any action, step or proceeding described in Condition 14.1 (*Proceedings*) it may take such action, step or proceeding without having regard to the effect of such action on individual Noteholders or any other Secured Creditor, *provided that* so long as any of the Most Senior Class are outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Noteholders of any other Class of Notes or Certificateholders unless:

(a) to do so would not, in its opinion, be materially prejudicial to the interests of the Noteholders and/or Certificateholders of the Classes of Notes and/or Certificates ranking senior to such other Class; or

(b) (if the Trustee is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the Noteholders and/or Certificateholders of the Classes of Notes and/or Certificates ranking senior to such other Class.

14.3 Restrictions on disposal of Issuer's assets

(a) If an Enforcement Notice has been delivered by the Trustee other than by reason of non-payment of any amount due in respect of the Notes, the Trustee will not be entitled to dispose of the Charged Property or any part thereof unless the Trustee is satisfied, and the Trustee will be so satisfied if it has received the advice of an investment bank or other financial adviser selected by the Trustee (upon which advice the Trustee may rely absolutely and without enquiry or liability), at the cost of the Issuer (which determination shall be binding on the Noteholders, the Certificateholders and the other Secured Creditors), either:

(i) a sufficient amount would be realised to allow payment in full of all amounts owing to the Noteholders of each Class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments; or

(ii) that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments,

provided that the Trustee shall not dispose of the Charged Property if notice has been given under the Call Option Deed from an Option Holder to the Issuer requiring the Issuer to effect a mandatory redemption pursuant to Condition 8.2 (*Mandatory Redemption in whole – Exercise*

of Call Option) and the Trustee has received a certificate from the Issuer, based on calculations received by the Issuer from the Cash Administrator, certifying that the Issuer has, or will have, sufficient funds to redeem the Notes together with accrued and unpaid interest thereon and to meet the Issuer's payment obligations of a higher priority under the Post-Enforcement Priority of Payments on the Call Option Redemption Date.

(b) The Trustee shall not be bound to make the determination, or seek the advice of an investment bank or other financial adviser, contained in paragraph (a)(ii) above unless the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing and shall have no Liability to anyone for not so doing.

(c) The Trustee shall have no Liability to any person for the consequences of any such opinion reached in accordance with paragraph (a) above.

14.4 Third Party Rights

No person shall have any right to enforce any Condition or any provision of the Trust Deed or the Deed of Charge under the Contracts (Rights of Third Parties) Act 1999.

15. MEETINGS OF NOTEHOLDERS AND CERTIFICATEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

15.1 Provisions in Trust Deed

The Trust Deed contains provisions for convening meetings of the Noteholders and Certificateholders of each Class (and for passing Written Resolutions) to consider matters affecting the interests of the Noteholders and Certificateholders including, without limitation, modifying or waiving certain of the provisions of these Conditions and the substitution of the Issuer in certain circumstances. The provisions in this Condition 15 are descriptive of the detailed provisions of the Trust Deed.

15.2 Decisions and Meetings of Noteholders and Certificateholders

(a) General

Decisions may be taken by Noteholders and Certificateholders by way of Ordinary Resolution, Extraordinary Resolution or Written Resolution or by electronic consent, in each case, of the Most Senior Class (subject as provided in the next paragraph) or, to the extent specified in the Trust Deed, any applicable Transaction Document, these Conditions or the Certificate Conditions, by a Class of Noteholders and/or Certificateholders acting independently. Ordinary Resolutions and Extraordinary Resolutions can be effected either at a duly convened meeting of the applicable Noteholders and Certificateholders or by the applicable Noteholders and Certificateholders resolving in writing or by electronic consent, in each case, in at least the minimum percentages specified in the table "*Minimum Percentage Voting Requirements*" in paragraph (c) below. Meetings of the Noteholders and Certificateholders may be convened by the Issuer or the Trustee at any time and, the Trustee shall convene a meeting of the Noteholders if it receives a written request by Noteholders holding at least 10% in Principal Amount Outstanding of the Notes Outstanding of a particular Class for the time being subject to (i) certain conditions including minimum notice periods and (ii) the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which may be incurred by it in connection therewith. Where decisions are required to be taken by a Written Resolution of the Requisite Majority of a Class or Classes under the Trust Deed, Conditions or the Certificate Conditions, such decision may only be made in accordance with paragraph (d) below. The Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects the Noteholders or Certificateholders of only one or more (but not all) Classes of Notes and Certificates, in which event a meeting only of each affected Class will be required and the required quorum and minimum percentage voting requirements of such Ordinary Resolution or Extraordinary Resolution may be determined by reference only to the Noteholders or Certificateholders of that

Class or Classes of Notes and Certificates, as applicable, and not the holders of any other Notes or Certificates as set forth in the tables below.

The Certificates do not have a Principal Amount Outstanding. However, for purposes of these Conditions and the Certificate Conditions and any other provisions concerning voting and quorum requirements, or the giving of directions in writing to the Trustee set out in these Conditions, the Certificate Conditions, the Deed of Charge, and the Trust Deed, any reference to the original principal amount or the Principal Amount Outstanding of the Certificates shall be deemed to be £100,000 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.

Notice of any Resolution passed by the Noteholders and Certificateholders will be given by the Issuer to each of the Rating Agencies.

(b) Quorum

The quorum required for any meeting convened to consider an Ordinary Resolution or Extraordinary Resolution, in each case, of all the Noteholders and Certificateholders or of any Class or Classes of Noteholders or Certificateholders, as applicable, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "*Quorum Requirements*" below.

Quorum Requirements

Type of Resolution	Any meeting other than a meeting adjourned for want of quorum	Meeting previously adjourned for want of quorum
Extraordinary Resolution of Noteholders in respect of a Basic Terms Modification	One or more persons holding or representing not less than 75% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates	One or more persons holding or representing not less than 50% of the aggregate Principal Amount Outstanding of Notes and/or Certificates
Extraordinary Resolution of Noteholders other than in respect of a Basic Terms Modification	One or more persons holding or representing not less than 50% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates	One or more persons holding or representing not less than 25% of the aggregate Principal Amount Outstanding of Notes and/or Certificates
Ordinary Resolution of Noteholders	One or more persons holding or representing more than 25% of the aggregate Principal Amount Outstanding of the Notes and/or Certificates	One or more persons holding or representing not less than 10% of the aggregate Principal Amount Outstanding of Notes and/or Certificates

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(c) Minimum Voting Rights

Set out in the table "*Minimum Percentage Voting Requirements*" below are the minimum percentages required to pass the Resolutions specified in such table which, (A) in the event that such Resolution is being considered at a duly convened meeting of Noteholders and Certificateholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes and/or Certificates held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes and/or Certificates which are represented at such meeting

and are voted or, (B) in the case of any Written Resolution or Electronic Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes and/or Certificates entitled to be voted in respect of such Written Resolution or Electronic Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes and/or Certificates entitled to vote in respect of such Written Resolution or Electronic Resolution.

Minimum Percentage Voting Requirements

Type of Resolution	%
Extraordinary Resolution of Noteholders in respect of a Basic Terms Modification	Not less than 75%
Extraordinary Resolution of Noteholders other than in respect of a Basic Terms Modification	Not less than 75%
Ordinary Resolution of Noteholders and/or Certificateholders	More than 50%

(d) Written Resolutions

(i) Any Written 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 Noteholders and/or Certificateholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(ii) Any decision or resolution which is required to be taken by a Written Resolution of the Requisite Majority of a Class or Classes under the Trust Deed, these Conditions or the Certificate Conditions may only be taken by a Written Resolution of the Requisite Majority of such Class or Classes of Notes and/or Certificates.

(e) Electronic Resolution

(i) The Trust Deed provides that any Extraordinary Resolution or Ordinary Resolution may be passed by way of consent given by way of Electronic Resolution through the relevant Clearing System(s) (in a form satisfactory to the Trustee) by or on behalf of the relevant number of required Noteholders and/or Certificateholders for such Extraordinary Resolution or Ordinary Resolution (as applicable).

(ii) Any decision or resolution which is required to be taken by an Electronic Resolution of the Requisite Majority of a Class or Classes under the Trust Deed, these Conditions or the Certificate Conditions may only be taken by an Electronic Resolution of the Requisite Majority of such Class or Classes of Notes and/or Certificates.

(f) Extraordinary Resolution

(i) Any Resolution to sanction any of the following items (each a "**Basic Terms Modification**") will be required to be passed by an Extraordinary Resolution of each Class of Noteholders and/or Certificateholders (in each case, subject to anything else contemplated in the Trust Deed or the relevant Transaction Document, as applicable):

(A) the exchange or substitution for the Notes and/or Certificates of a Class, or the conversion of the Notes and/or Certificates of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity;

(B) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes and/or Certificates of a Class at maturity or otherwise (including the circumstances in which the maturity of such Notes and/or Certificates may be accelerated) other than any Benchmark Rate Modification;

(C) the modification of any of the provisions of the Trust Deed, the Conditions or the Certificate Conditions which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note and/or Certificates;

(D) the adjustment of the outstanding Principal Amount Outstanding of a Class of Notes and/or Certificates;

(E) a change in the currency of payment of the Notes and/or Certificates of a Class;

(F) any change in the Priority of Payments or of any payment items in the Priority of Payments which, in each case, is materially prejudicial to the Noteholders and/or Certificateholders;

(G) the modification of the provisions concerning the quorum required at any meeting of Noteholders and/or Certificateholders or the minimum percentage required to pass a Resolution or any other provision of the Trust Deed, the Conditions or the Certificate Conditions which requires the written consent of the holders of a requisite Principal Amount Outstanding of the Notes and/or Certificates of any Class Outstanding;

(H) any modification of any Transaction Document having a material adverse effect on the security over the Charged Property constituted by or pursuant to the Deed of Charge;

(I) any item requiring approval by Extraordinary Resolution pursuant to the Conditions, the Certificate Conditions or any Transaction Document; and

(J) any modification that amends or has the effect of amending the definition of "**Basic Terms Modification**".

(ii) For the avoidance of doubt, the approval of a Basic Terms Modification may only be made by Extraordinary Resolution and no Extraordinary Resolution involving a Basic Terms Modification that is passed by Noteholders and/or Certificateholders of one Class of Notes and/or Certificates shall be effective unless it is sanctioned by an Extraordinary Resolution of each of the other Classes of Notes and/or Certificates affected.

(iii) Any Extraordinary Resolution passed by a Class of Noteholders and/or Certificateholders 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.

(g) Ordinary Resolution

(i) Any meeting of the Noteholders and/or Certificateholders shall, subject to these Conditions, the Certificate Conditions, the Trust Deed and Condition 15.3 (*Modification*), have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in paragraph (f) above.

(ii) An Ordinary Resolution passed by the Noteholders and/or Certificateholders 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.

(h) Matters affecting a certain Class of Notes and/or Certificates

Without prejudice to paragraph (a) above, matters affecting the interests of only one Class shall only be considered by and voted upon at a meeting of Noteholders or Certificateholders of that relevant Class or by Written Resolution of the holders of that relevant Class.

(i) Certificates

The Certificates will not have an original principal amount or 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 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 Certificates shall be deemed to be £100,000 in respect of each Class of Certificate.

15.3 Modification

The Trustee may (in relation to sub-paragraphs (a) and (b)) and shall (in relation to sub-paragraphs (c) to (e)), at any time and from time to time, without the consent or sanction of the Noteholders, Certificateholders or any other Secured Creditors (subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified), concur with the Issuer (acting on its own discretion or at the direction of any transaction party) in making or sanctioning:

(a) any modification to the Trust Deed, the Conditions, the Certificate Conditions, the Notes, the Certificates or the other Transaction Documents (other than (i) in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right, save where the holder of such right has provided their consent in writing or (ii) a modification in relation to the Call Option Deed unless the Seller, Retention Holder and Majority Certificateholders have provided their consent in writing) which, in the opinion of the Trustee, will not be materially prejudicial to the interests of the holders of the Most Senior Class then Outstanding;

(b) any modification to the Trust Deed, the Conditions, the Notes, the Certificates, the Certificate Conditions or the other Transaction Documents (including a Basic Terms Modification) which in the opinion of the Trustee, such modification is of a formal, minor or technical nature or is made to correct a manifest error;

(c) that (other than (i) in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right, save where the holder of such right has provided their consent in writing or (ii) a modification in relation to the Call Option Deed unless the Seller, Retention Holder and Majority Certificateholders have provided their consent in writing) would result in the Issuer entering into any new and/or amended bank account agreement or collection account agreement or declaration of trust (including where the unsecured, unsubordinated and unguaranteed debt obligations of the Account Bank or a 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 in order to enable Hedge Collateral to be posted in respect of the relevant Interest Rate Hedge Agreement);

(d) that (other than in respect of a Basic Terms Modification or a Retained Interest Entrenched Right, save where the holder of such right has provided their consent in writing) 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

(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 Hedge 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),

provided that any such modification shall be notified by or on behalf of the Issuer as soon as reasonably practicable to, so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency and provided that in the case of amendments pursuant to paragraphs (c), (d) and (e) above that the Trustee shall not 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 Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the protections, of the Trustee, Agent Bank, the Registrar, the Principal Paying Agent, the Account Bank and/or the Cash Administrator under the Transaction Documents and/or the Conditions and/or the Certificate Conditions.

15.4 Additional Right of Modification

(a) Notwithstanding the provisions of Condition 15.3 (*Modification*), the Trustee shall be obliged, without any consent or sanction of the Noteholders and/or Certificateholders, or (subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified) any of the other Secured Creditors, to concur with the Issuer in making any modification (other than in respect of a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right) to the Trust Deed, the Conditions, the Certificate Conditions or any other Transaction Document to which it is a party or in relation to which it holds security or enter into any new, supplemental or additional documents that the Issuer (acting on its own discretion or at the direction of any transaction party) certifies by two directors of the Issuer in writing to the Trustee (upon which certificate the Trustee shall rely absolutely and without enquiry or liability) as being necessary for the purpose of the Issuer (or, where applicable, any other transaction parties): (i) complying with, implementing or reflecting any changes in the requirements of the UK Securitisation Framework including as a result of the adoption of regulatory technical standards in relation to the UK Securitisation Framework or any other risk retention legislation or regulations or official guidance in relation thereto; (ii) complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time; (iii) enabling the Issuer and/or the Interest Rate Hedge Counterparty to comply (or continue to comply) with their respective obligations under EU EMIR or UK EMIR; (iv) in order to enable the Notes to be (or to remain) listed on the LSE; (v) enable the Issuer or any of the other transaction parties to comply with FATCA; (vi) for the purpose of complying with any changes in the requirements of the UK CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation or regulations or official guidance in relation thereto; (vii) amending the screen rate or the base rate that then applies in respect of the Notes, as further detailed in Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*); and (viii) modifying a Transaction Document proposed by any of the Cash Administrator, the Seller, the Servicer, the Account Bank, any Custodian, and/or the Interest Rate Hedge Counterparty (for the purposes of this paragraph (viii) only, each a **Relevant Party**) in order (x) to enable the Relevant Party to be eligible or to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds), *provided that* in relation to any amendment under this Condition 15.4:

(i) the Issuer certifies in writing to the Trustee (upon which certificate the Trustee shall be entitled to rely absolutely and without enquiry or liability) that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such change to such criteria; and

(ii) in the case of any modification to a Transaction Document proposed by any Interest Rate Hedge Counterparty in order (x) to remain eligible to perform its role in such

capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds):

(A) the Interest Rate Hedge Counterparty certifies in writing to the Issuer and the Trustee that such modification is necessary for the purposes described in paragraphs (ii)(x) and/or (y) (and in the case of a certification provided to the Issuer, the Issuer shall certify to the Trustee that it has received the same from the Interest Rate Hedge Counterparty (upon which certificate the Trustee shall rely absolutely and without enquiry or Liability));

(B) either:

(I) the Rating Agencies provide a Rating Agency Confirmation confirming that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency and would not result in any Rating Agency placing the Rated Notes on rating watch negative (or equivalent) and a copy of each such confirmation is provided to the Issuer and the Trustee; or

(II) the Issuer certifies in writing to the Trustee (upon which certificate the Trustee shall be entitled to rely absolutely and without enquiry or liability) that the Rating Agencies are Non-Responsive Rating Agencies; and

(III) the Issuer (where applicable) pays all fees, costs and expenses, (including legal fees) incurred by the Trustee or any other Transaction Party in connection with such modification,

(iii) (the certificate to be provided by the Issuer and/or the Interest Rate Hedge Counterparty pursuant to paragraphs (i), (ii)(A) and (ii)(B)(II) above being a "**Modification Certificate**"), **provided that**:

(A) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Trustee;

(B) the Modification Certificate in relation to such modification shall be provided to the Trustee both at the time the Trustee is notified of the proposed modification and on the date that such modification takes effect;

(C) the consent of each Secured Creditor which is party to the relevant Transaction Document being modified except in relation to a modification of a formal, minor or technical nature or to correct a manifest error or, in respect of modifications to the Call Option Deed only, subject to the consent of the Seller, the Retention Holder and the Majority Certificateholders; and

(D) the Issuer certifies in writing to the Trustee (upon which certificate the Trustee shall be entitled to rely absolutely and without enquiry or liability) (which certification may be in the Modification Certificate) that (x) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 10 (*Notifications*) and by publication on Bloomberg on the "Company News" screen relating to the Notes, and (y) holders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class have not contacted the Issuer or the Principal Paying Agent in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Notes may be held) within such notification period notifying the Issuer or the Principal Paying Agent that such Noteholders do not consent to the modification.

(b) If holders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class have notified the Principal Paying Agent or the Issuer in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Most Senior Class is passed in favour of such modification in accordance with this Condition 15.

(c) 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 and/or Certificateholder's holding of the Notes and/or Certificates.

(d) Notwithstanding anything to the contrary in this Condition 15.4 or any other Transaction Document:

(i) when implementing any modification or entry into any new, supplemental or additional documents pursuant to this Condition 15.4 (save to the extent the Trustee considers that the proposed modification would constitute a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right), the Trustee shall not consider the interests of the Noteholders, Certificateholders any other Secured Creditor or any other person and shall act and rely solely, and without further enquiry or liability, on any certificate (including any Modification Certificates) or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this Condition 15.4 and shall not be liable to the Noteholders, Certificateholders any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification or entry into any new, supplemental or additional documents is or may be materially prejudicial to the interests of any such person; and

(ii) the Trustee shall not be obliged to agree to any modification or entry into any new, supplemental or additional documents pursuant to this Condition 15.4 which, in the sole opinion of the Trustee would have the effect of (A) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights, powers, discretions, authorisations, indemnities or protections, of the Trustee in the Transaction Documents, these Conditions and/or the Certificate Conditions.

(e) Any such modification shall be binding on all Noteholders and Certificateholders and shall be notified by or on behalf of the Issuer as soon as reasonably practicable to:

(i) so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency;

(ii) the Secured Creditors; and

(iii) the Noteholders and Certificateholders in accordance with Condition 10 (*Notifications*).

15.5 Additional Right of Modification in relation to Reference Rate

Notwithstanding the foregoing provisions, the Trustee shall be obliged, without any consent or sanction of the Noteholders or Certificateholders or, subject to paragraph (c) below, any of the other Secured Creditors, to concur with the Issuer in making any modification (other than any Basic Terms Modification or any Retained Interest Entrenched Right) to the Trust Deed, the Conditions, the Certificate Conditions and/or any other Transaction Document to which it is a party or in relation to which it holds security to enter into any new, supplemental or additional documents that the Issuer considers necessary in order to:

(a) change the Reference Rate or the benchmark rate that then applies in respect of the Notes to an alternative benchmark rate (any such rate, an "**Alternative Benchmark Rate**") and make such other related or consequential amendments as are necessary or advisable in the reasonable judgment of the Issuer (or the Seller on its behalf) to facilitate such change (a "**Benchmark Rate Modification**"), **provided that** the Issuer (or the Seller on its behalf), certifies to the Trustee in writing (upon which certificate the Trustee shall rely absolutely without enquiry or liability, such certificate, a "**Benchmark Rate Modification Certificate**") that:

(i) such Benchmark Rate Modification is being undertaken as result of a Benchmark Rate Disruption;

(ii) such Alternative Benchmark Rate satisfies the Benchmark Rate Eligibility Requirement; and

(iii) the modifications proposed in the context of the Benchmark Rate Modification are required solely for the purpose of applying the Alternative Benchmark Rate and making consequential modifications to the Conditions, Certificate Conditions or any Transaction Document which are, as determined by the Issuer in its commercially reasonable judgement, necessary or advisable, and the modifications have been drafted solely to such effect; or

(b) change the base rate that then applies under the Interest Rate Hedge Agreement to an alternative base rate as is necessary or advisable in the reasonable judgment of the Issuer (or the Servicer on its behalf) and the relevant Interest Rate Hedge Counterparty solely as a consequence of a Benchmark Rate Modification and solely for the purpose of aligning the benchmark rate under the Interest Rate Hedge Agreement to the benchmark rate of the Notes following such Benchmark Rate Modification (a "**Hedge Rate Modification**") **provided that**:

(i) the Interest Rate Hedge Counterparty provides its prior written consent to such Hedge Rate Modification; and

(ii) the Issuer (or the Servicer on its behalf) certifies to the Trustee in writing (upon which certificate the Trustee shall rely absolutely without enquiry or liability) that such modification is required solely for such purpose and it has been drafted solely to such effect (such certificate being a "**Hedge Rate Modification Certificate**");

provided that, in the case of any modification made pursuant to a Benchmark Rate Modification and/or a Hedge Rate Modification above (as applicable):

(A) at least 30 days' prior written notice of any such proposed modification has been given to the Trustee *provided that* this notice must be delivered prior to publication of any Benchmark Modification Noteholder Notice (defined below);

(B) the details of and the rationale for any Note Rate Maintenance Adjustment (defined below) proposed in accordance with paragraph (G)(IV) below are as set out in the Benchmark Modification Noteholder Notice published in accordance with paragraph (G) below;

(C) the applicable Benchmark Rate Modification Certificate or the Hedge Rate Modification Certificate, as applicable, in relation to such modification is provided to the Trustee both at the time the Trustee is notified of the proposed modification, five Business Days prior to the publication of the Benchmark Modification Noteholder Notice and on the date that such modification takes effect;

(D) the consent of each Secured Creditor which is a party to any relevant Transaction Document being amended has been obtained except in relation to a modification of a formal, minor or technical nature or to correct a manifest error or, in respect of amendments to the Call Option Deed only, the consent of the Seller, the Retention Holder and the Majority Certificateholders has been obtained;

(E) with respect to each Rating Agency, either:

(I) the Issuer obtains from such Rating Agency written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency or (y) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent) and delivers a copy of each such confirmation to the Trustee; or

(II) the Issuer certifies in writing to the Trustee (upon which the Trustee shall be entitled to rely absolutely without enquiry or liability) that the Rating Agencies are Non-Responsive Rating Agencies;

(F) in respect of a Benchmark Rate Modification only, by no later than the date on which the proposed Benchmark Rate Modification becomes effective, the Issuer has agreed the corresponding Hedge Rate Modification, other than if the Rating Agency provides written confirmation to the Issuer that the Benchmark Rate Modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency if there is no corresponding Hedge Rate Modification;

(G) 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 10 (*Notifications*) and by publication on Bloomberg on the "Company News" screen relating to the Notes and Certificates, (such notice, the "**Benchmark Modification Noteholder Notice**") notifying the following:

(I) the period during which Noteholders of the Most Senior Class of Notes on the date specified to be the Benchmark Rate Modification Record Date (which shall be five Business Days from and excluding the date of publication of the Benchmark Modification Noteholder Notice (the "**Benchmark Rate Modification Record Date**")), may object to the proposed Benchmark Rate Modification and the method by which they may object;

(II) the Benchmark Rate Disruption on the basis of which the Benchmark Rate Modification and/or Hedge Rate Modification is being proposed;

(III) the Benchmark Rate Eligibility Requirement satisfied by the Alternative Benchmark Rate and, if paragraph (d) of the definition of Benchmark Rate Eligibility Requirement is being applied, the Issuer's rationale for choosing the Alternative Benchmark Rate;

(IV) details of the adjustment which the Issuer proposes to make (if any) to the margin payable on each Class of Notes which are the subject of the Benchmark Rate Modification in order to, so far as reasonably and commercially practicable, preserve what would have been the expected Rate of Interest applicable to each such Class of Notes had no such Benchmark Rate Modification been effected which, for the avoidance of doubt, may effect an increase or a decrease to the Relevant Margin or may be set at zero (the "**Note Rate Maintenance Adjustment**");

(V) details of (i) other amendments which the Issuer proposes to make (if any) to these Conditions, the Certificate Conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Issuer proposes to enter to facilitate the changes envisaged pursuant to Benchmark Rate Modification and/or Hedge Rate Modification;

(VI) Noteholders representing at least 10% of the Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have not contacted the Principal Paying Agent or the Issuer in writing (or otherwise in accordance

with the then current practice of any applicable Clearing System through which such Notes may be held) within the relevant notification period notifying the Principal Paying Agent that such Noteholders do not consent to the Benchmark Rate Modification and/or Hedge Rate Modification; and

(VII) the Issuer pays all costs and expenses (including legal fees) incurred by the Issuer, the Trustee and the Agents in connection with such modification.

If Noteholders representing at least 10% of the Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Principal Paying Agent (acting on behalf of the Issuer) in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Notes may be held) within such notification period that such Noteholders do not consent to the modification, then any subsequent proposal by the Issuer in respect of a Benchmark Rate Modification or a Hedge Rate Modification (as the case may be) must be sanctioned by an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding passed in favour of such modification in accordance with Conditions 15.1 (*Provisions in Trust Deed*) and 15.2 (*Decisions and Meetings of Noteholders and Certificateholders*), *provided that* in circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes (other than the Most Senior Class of Notes then outstanding) than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, such Extraordinary Resolution shall be passed by the Noteholders of the Most Senior Class of Notes then outstanding and by the Noteholders of each Class of Notes then outstanding to which the lower Note Rate Maintenance Adjustment is proposed to be made.

Objections made in writing other than through the applicable Clearing System must be accompanied by evidence to the Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

Any such modifications permitted by this Condition 15.5 shall be binding on the Noteholders, Certificateholders and other Secured Creditors and, unless the Trustee otherwise agrees, the Issuer shall cause such modification to be notified to the Noteholders and Certificateholders as soon as practicable thereafter in accordance with Condition 10 (*Notifications*). So long as the Rated Notes, or any of them, are rated by the Rating Agencies the Issuer shall notify each of the Rating Agencies of any modification made by it in accordance with this Condition 15.5 as soon as reasonably practicable thereafter.

(c) Notwithstanding anything to the contrary in this Condition 15.5 or any Transaction Document:

(i) when implementing any modification, pursuant to this Condition 15.5 to the Conditions, the Certificate Conditions and/or any other Transaction Documents to which it is a party or in relation to which it holds security to or enters into any new, supplemental or additional documents, (save to the extent the Trustee considers that the proposed modification would constitute a Basic Terms Modification, a Retained Interest Entrenched Right or an Interest Rate Hedge Counterparty Entrenched Right), the Trustee shall not consider the interests of the Noteholders, Certificateholders any other Secured Creditor or any other person and shall act and rely solely, and without further enquiry or liability, on any certificate (including any Benchmark Rate Modification Certificate or Hedge Rate Modification Certificate (as applicable)) or evidence provided to it by the Issuer, as the case may be, pursuant to this Condition 15.5 and shall not be liable to the Noteholders, Certificateholders any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and

(ii) the Trustee shall not be obliged to agree to any modification of the Trust Deed, the Conditions, the Certificate Conditions or any other Transaction Document which (in the sole opinion of the Trustee) would have the effect of: (x) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded

to its satisfaction; or (y) increasing the obligations or duties, or decreasing the protections of the Trustee in the Transaction Documents, the Trust Deed, the Conditions and/or the Certificate Conditions.

(d) For the avoidance of doubt, the Issuer may propose an Alternative Benchmark Rate on more than one occasion **provided that** the conditions set out in this Condition 15.5 are satisfied.

15.6 Waiver

(a) In addition, the Trustee may at any time and from time to time in its sole discretion, without prejudice to its rights in respect of any subsequent breach, condition, event or act and without the consent or sanction of the Noteholders, Certificateholders or any other Secured Creditor concur with the Issuer in authorising or waiving, on such terms and subject to such conditions (if any) as it may decide, any proposed breach or breach of the covenants or provisions contained in the Trust Deed and the Deed of Charge, the Notes, the Certificates or any of the other Transaction Documents or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of the Trust Deed, the Deed of Charge, the Notes, the Certificates or any other Transaction Document if, in the opinion of the Trustee, the interests of the holders of the Most Senior Class then outstanding will not be materially prejudiced by such waiver.

(b) The Trustee shall not exercise any powers conferred upon it by this Condition 15.6 in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class outstanding or of a request or direction in writing made by the holders of not less than 25% in aggregate Principal Amount Outstanding of the Most Senior Class outstanding, but so that no such direction or request (i) shall affect any authorisation, waiver or determination previously given or made or (ii) shall authorise or waive any such proposed breach or breach relating to a Basic Terms Modification unless the holders of each Class of outstanding Notes have, by Extraordinary Resolution, so authorised its exercise.

15.7 Notification

Unless the Trustee otherwise agrees, the Issuer shall cause any such authorisation, waiver, modification or determination to be notified to the Noteholders, the Certificateholders and the other Secured Creditors in accordance with Condition 10 (*Notifications*) and the Transaction Documents, as soon as practicable after it has been made.

15.8 Binding Nature

Any authorisation, waiver, determination or modification referred to in Condition 15.3 (*Modification*), Condition 15.4 (*Additional Right of Modification*), Condition 15.5 (*Additional Right of Modification in relation to Reference Rate*) or Condition 15.6 (*Waiver*) shall be binding on the Noteholders, Certificateholders and the other Secured Creditors.

15.9 Interest Rate Hedge Counterparty Entrenched Rights

Notwithstanding anything to the contrary in the Conditions, the Certificate Conditions or any Transaction Document, any modification, amendment or supplement to, and/or waiver or consent granted in respect of, any Transaction Document which engages the Interest Rate Hedge Counterparty Entrenched Rights will require the prior written consent of the Interest Rate Hedge Counterparty (such consent not to be unreasonably withheld).

15.10 Retained Interest Entrenched Rights

Notwithstanding anything to the contrary in the Conditions, the Certificate Conditions or any Transaction Document, any modification, amendment or supplement to, and/or waiver or consent granted in respect of, any Transaction Document which engages the Retained Interest Entrenched Rights will require the prior written consent of the Retention Holder (such consent not to be unreasonably withheld).

16. SUBSTITUTION OF ISSUER

16.1 Substitution of Issuer

Subject to the conditions of substitution pursuant to the Trust Deed, the Trustee may, without the consent of the Noteholders or Certificateholders of any Class, or any other Secured Creditor, concur with the Issuer to the substitution in place of the Issuer (or of the previous substitute under the Trust Deed) as the principal debtor under the Trust Deed, the Notes or the Certificates of each Class and the other Transaction Documents of any other company (incorporated in any jurisdiction) (such substituted company being hereinafter called the "**New Company**") or to a migration of the Issuer's jurisdiction of Tax residency if required for taxation reasons as set out in the Trust Deed.

16.2 Notice of Substitution of Issuer

Any substitution agreed by the Trustee pursuant to the Trust Deed shall be binding on the Noteholders, Certificateholders and the Issuer shall procure that such substitution shall be notified to the Noteholders, Certificateholders and the other Secured Creditors in accordance with Condition 10 (*Notifications*) and the Transaction Documents as soon as practicable.

16.3 Change of Law

In the case of a substitution pursuant to this Condition 16, the Trustee may in its absolute discretion agree, without the consent of the Noteholders, Certificateholders or the other Secured Creditors to a change of the law governing the Notes, Certificates and/or any of the Transaction Documents **provided that** such change would not, in the opinion of the Trustee, be materially prejudicial to the interests of the holders of the Most Senior Class outstanding, provided further that the Rating Agencies are notified by the Issuer. For the avoidance of doubt, a Transaction Document cannot be amended without the agreement in writing of all the parties thereto.

16.4 No indemnity

No Noteholder or Certificateholder shall, in connection with any such substitution, be entitled to claim from the Issuer or the Trustee any indemnification or payment in respect of any tax consequence of any such substitution upon individual Noteholders or Certificateholders.

17. NON-RESPONSIVE RATING AGENCY

(a) In respect of the exercise of any right, power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Notes and any of the Transaction Documents, the Trustee shall be entitled but not obliged to take into account any written confirmation or affirmation (in any form acceptable to the Trustee) from the relevant Rating Agencies that the then current ratings of the Rated Notes will not be reduced, downgraded, qualified, adversely affected, suspended or withdrawn thereby or that, it would not place any Rated Notes on negative rating watch (or equivalent) (a "**Rating Agency Confirmation**").

(b) If a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Trustee) and within 30 calendar days of delivery of such request:

(i) (A) either or both Rating Agencies 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) 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 (any such Rating Agency, a "**Non-Responsive Rating Agency**"); or

(ii) only one Rating Agency gives such Rating Agency Confirmation or response based on the same facts,

then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be deemed modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive Rating Agency if the Issuer provides to the Trustee a certificate signed by two of its directors certifying and confirming that one of the events in paragraph (i)(A), (i)(B) or (ii) above has occurred, following the delivery by or on behalf of the Issuer of a written request to each Rating Agency.

(c) The Trustee shall be entitled to rely absolutely without enquiry or liability to any person on any certificate delivered to it in connection with a Non-Responsive Rating Agency pursuant to this Condition 17. The Trustee shall not be required to investigate any action taken by or on behalf of the Issuer or such Non-Responsive Rating Agency and shall treat the applicable condition or requirement to receive a Rating Agency Confirmation or response from each Rating Agency as having been modified with the consent of all Noteholders and all parties to the relevant Transaction Documents so that there shall be no requirement for such Rating Agency Confirmation or response from such Non-Responsive Rating Agency.

18. MISCELLANEOUS

18.1 Trustee's right to indemnity

Without prejudice to the right of indemnity by law given to Trustees, the Issuer shall indemnify the Trustee and every Appointee and Receiver and keep it or him indemnified against all Liabilities to which it or they may be or become subject or which may be incurred by it or him in the negotiation, preparation and execution of the Trust Deed and the other Transaction Documents, and the execution or purported execution or exercise of any of its trusts, powers, authorities, duties, rights and discretions under the Trust Deed or any other Transaction Document or its or his functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to the Trust Deed or any other Transaction Document or the Charged Property or any such appointment (including, without limitation, Liabilities incurred in disputing or defending any of the foregoing). In particular, and without limitation, the Trustee and every Appointee and Receiver appointed by the Trustee hereunder shall be entitled to be indemnified out of the Charged Property in respect of all Liabilities properly incurred by them or him in the execution or purported execution of the trusts hereof or of any powers, authorities or discretions vested in them or him pursuant to the Trust Deed, these Conditions, the Certificate Conditions or any other Transaction Document and against all Liabilities in respect of any matter or things done or omitted in any way relating to the Charged Property, and the Trustee may retain any part of any moneys in its hands arising from the trusts of the Trust Deed all sums necessary to effect such indemnity and also the remuneration of the Trustee provided and the Trustee shall have a lien on the Charged Property for all moneys payable to it under the Trust Deed or otherwise howsoever. Notwithstanding anything to the contrary herein, the Trustee shall not be indemnified for any Liabilities incurred as a result of the Trustee's gross negligence, wilful misconduct or fraud.

18.2 No responsibility for loss or for monitoring

The Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in the Trust Deed or to take any steps to ascertain whether any Event of Default, Potential Event of Default, Illegality Event, Regulatory Change Event or other relevant event has happened or if the Issuer or any other party has breached any of its obligations under the Transaction Documents and, until it shall have written notice to the contrary, the Trustee shall be entitled to assume that no Event of Default, Potential Event of Default, Illegality Event, Regulatory Change Event or any other relevant event which causes or may cause a right to become exercisable by the Issuer or the Trustee under the Trust Deed or any other Transaction Document has happened and that the Issuer and the other parties are observing and performing all their respective obligations under the Trust Deed, the Notes, the Certificates and the other Transaction Documents.

18.3 Regard to Noteholders and Certificateholders

In connection with the exercise by it of any of its trusts, powers, duties, authorities and discretions under the Trust Deed or any other Transaction Document, the Trustee shall have regard (except as expressly provided otherwise and at all times subject to the Retained Interest Entrenched Rights and the Interest Rate Hedge Counterparty Entrenched Rights) to the interests of each Class of Noteholders and

Certificateholders as a Class and, shall not have regard to the consequences of such exercise for individual Noteholders or Certificateholders of such Class and the Trustee shall not be entitled to require, nor shall any Noteholder or Certificateholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Certificateholders, as applicable. For the purpose of determining whether or not any such exercise is materially prejudicial to the interests of the Noteholders or Certificateholders of any Class of Notes or Certificates, as applicable, the Trustee shall be entitled to consider all such matters, information or any documentation delivered in respect thereof (whether addressed to the Trustee or otherwise) as the Trustee deems appropriate.

18.4 Prescription

In respect of the Notes and Certificates, claims for (i) principal shall become void where application for payment is made more than ten years; and (ii) interest shall become void where application for payment is made more than five years, in each case, after the due date therefor.

18.5 Replacement of Notes and Certificates

If any Note or Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the registered office of the Registrar subject to all Applicable Laws and the LSE requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity, pre-funding and otherwise as the Issuer or the Registrar may reasonably require. Mutilated or defaced Notes and Certificates must be surrendered before replacements will be issued.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

The Transaction Documents, the Notes and the Certificates and all non-contractual obligations arising from or connected with them are governed by and construed in accordance with English law.

19.2 Jurisdiction

The courts of England and Wales are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Transaction Documents, the Notes and the Certificates (including a dispute relating to non-contractual obligations or a dispute regarding the existence, validity or termination of any of the such documents or the consequences of their nullity) and accordingly any legal action or proceedings arising out of or in connection with the Transaction Documents, the Notes and the Certificates may be brought in such courts. The Issuer has in each of the Transaction Documents to which it is a party irrevocably submitted to the jurisdiction of such courts.

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions of the Certificates in the form (subject to amendment) in which they will be set out in the Trust Deed.

The certificates (the "**Certificate**s" or the "**Certificates**") due on the Interest Payment Date falling in August 2034 and are constituted by a Trust Deed (the "**Trust Deed**") dated on the Closing Date and made between Morton Funding 2026-1 plc (the "**Issuer**") and Citicorp Trustee Company Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for, among other things, the holders of the Certificates (the "**Certificateholders**" or the "**Certificateholders**"). Any reference in these certificates terms and conditions (the " **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 Z Notes and/or the Class X Notes as the case may be, or to the respective holders thereof. Any reference in these Certificate Conditions to a "**Class**" of the Certificates or the Certificateholders shall be a reference to the Certificates or the holders thereof. Any reference 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, the Class F Notes and the Class X Notes. Any reference to the "**Unrated Notes**" shall be a reference to the Class Z Notes. Any reference to "**Notes**" shall be a reference to the Rated Notes and the Unrated Notes. The security for the Certificates is constituted by or pursuant to a deed of charge and assignment (the "**Deed of Charge**") entered into on the Closing Date and made between, among others, the Issuer and Citicorp Trustee Company Limited as security trustee for the Secured Creditors (in such capacity, the "**Trustee**").

Pursuant to a principal paying agency agreement (the "**Principal Paying Agency Agreement**") dated on the Closing Date between the Issuer, the Trustee and Citibank, N.A., London Branch as the principal paying agent (in such capacity, the "**Principal Paying Agent**" which expression shall include its permitted successors and assigns) Citibank, N.A., London Branch as the agent bank (the "**Agent Bank**") which expression shall include its permitted successors and assigns) and Citibank, N.A., London Branch as the registrar (the "**Registrar**" which expression shall include its permitted successors and assigns), provision is made for the payment of amounts in respect of the Certificates.

References to each of the Transaction Documents are to the relevant Transaction Document as from time to time amended in accordance with its provisions and/or any deed or other document expressed to be supplemental to it, as from time to time so modified, including a master framework agreement (the "**Master Framework Agreement**") entered into by, among others, the Issuer and the Trustee on the Closing Date in connection with the issuance of the Notes and the other Transaction Documents (as defined therein).

The statements in these Certificate Conditions include an overview of, and are subject to the detailed provisions of, the other Transaction Documents copies of which are available for inspection during normal business hours at the registered office of the Issuer. The Certificateholders are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions contained in these Certificate Conditions, the Trust Deed and the Deed of Charge are deemed to have notice of all the provisions contained in the other Transaction Documents.

Capitalised terms and expressions used and not otherwise defined in these Certificate Conditions shall have the meanings given to them in the Master Framework Agreement.

The issue of the Certificates was authorised by a resolution of the board of directors of the Issuer passed on 13 October 2026.

1. FORM AND DENOMINATION

(a) Morton Funding 2026-1 plc, a public limited company registered in England and Wales under company registration number 17345416, with its registered office at 10th Floor, 5 Churchill Place, London, E14 5HU issues the Certificates pursuant to these Certificate Conditions.

(b) Each Class of Certificates initially offered and sold outside the United States to non U.S. persons (as defined in Regulation S ("**Regulation S**")) under the United States Securities Act of 1933, as amended (the "**Securities Act**") is represented by one or more global registered certificates in fully registered form (the "**Global Certificates**"). References herein to the "**Certificates**"

shall include the Global Certificates and any Definitive Certificate issued in exchange for a Global Certificate.

(c) For so long as any Certificates are represented by a Global Certificate, transfers and exchanges of beneficial interests in Global Certificate and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, SA ("**Clearstream, Luxembourg**"), as appropriate.

(d) A Global Certificate will be exchanged for the relevant Certificate in definitive registered form (such exchanged Global Certificate in definitive registered form, the "**Definitive Certificate**").

(e) If, while any Certificates are represented by a Global Certificate:

(i) in the case of a Global Certificate held in Euroclear or Clearstream, Luxembourg, Euroclear or Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or do so cease business and no alternative Clearing System is available; or

(ii) 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 by a revenue authority or a court of, or in the 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 withholding or deduction from any payment in respect of the Certificates which would not be required if the Certificates were in definitive registered form and a certificate to such effect signed by two directors of the Issuer is delivered to the Trustee (upon which the Trustee shall be entitled to rely absolutely without enquiry or Liability to any person),

(each a "**relevant event**"), the Issuer will issue Definitive Certificates to Certificateholders whose accounts with the relevant Clearing Systems are credited with interests in that Global Certificate in exchange for those interests within 30 days of the relevant event but not earlier than the Definitive Exchange Date. The Global Certificate will not be exchangeable for Definitive Certificate in any other circumstances.

(f) The Certificates are divisible by 100,000 and can be transferred in integrals of 1.

(g) No Certificates will be issued in bearer form.

2. TITLE

(a) The person registered in the Register as the holder of any Certificate will (to the fullest extent permitted by Applicable Law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Certificate regardless of any notice of ownership, theft or loss, of any trust or other interest therein or of any writing thereon or, if more than one person, the first named of such persons who will be treated as the absolute owner of such Certificate.

(b) The Global Certificate is registered in the name of a common safekeeper (the "**Common Safekeeper**") (or a nominee thereof) for Euroclear and Clearstream, Luxembourg.

(c) No transfer of a Certificate will be valid unless and until entered on the Register.

(d) Transfers and exchanges of beneficial interests in the Global Certificate and any Definitive Certificates and entries on the Register relating thereto will be made subject to any restrictions on transfers set forth on such Certificates and the detailed regulations concerning transfers of such Certificates contained in the Trust Deed and the legend appearing on the face of the

Certificates. In no event will the transfer of a beneficial interest in a Global Certificate or the transfer of a Definitive Certificate be made absent compliance with the regulations referred to above, and any purported transfer in violation of such regulations shall be void *ab initio* and will not be honoured by the Issuer or the Trustee. The regulations referred to above may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be sent by the Principal Paying Agent or the Registrar to any holder of a Certificate who so requests (and who provides evidence of such holding where the Certificates are in global form) and will be available upon request at the registered office of the Registrar or the Principal Paying Agent.

(e) A Definitive Certificate, may be transferred in whole or in part upon the surrender of the relevant Definitive Certificate, together with the form of transfer endorsed on it duly completed and executed, at the registered office of the Registrar or the Principal Paying Agent. In the case of a transfer of part only of a Definitive Certificate, a new Definitive Certificate, in respect of the balance remaining will be issued to the transferor by or by order of the Registrar or the Principal Paying Agent.

(f) Each new Definitive Certificate, to be issued upon transfer of Definitive Certificates will, within 15 Business Days of receipt of such request for transfer, be available for delivery at the registered office of the Registrar or the Principal Paying Agent stipulated in the request for transfer, or be mailed at the risk of the holder entitled to the Definitive Certificate, to such address as may be specified in such request.

(g) Registration of Definitive Certificates on transfer will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment of (or the giving of such indemnity as the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation to it.

(h) No holder of a Definitive Certificate, may require the transfer of such Certificate to be registered during the period of 15 calendar days ending on the due date for any payment of principal or interest on such Certificate.

(i) References in these Certificate Conditions to a Certificateholder are references to the person shown in the Register as the holder of the registered Global Certificate. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg, as the case may be, as being entitled to an interest in a Global Certificate (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg (as the case may be) for such Accountholder's share of each payment made by the Issuer to such Accountholder and in relation to all other rights arising under the Global Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under a Global Certificate will be determined by the respective rules and procedures of Euroclear and/or Clearstream, Luxembourg (as the case may be) from time to time. For so long as the relevant Certificates are represented by a Global Certificate, Accountholders shall have no claim directly against the Issuer or in respect of payments due under the Certificates and such obligations of the Issuer will be discharged by payment to registered holder of the Global Certificate, as the case may be. For so long as the relevant Certificates are represented by a Global Certificate, transfers and exchanges of beneficial interests in that Global Certificate and entitlement to payments under that Global Certificate will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear and/or Clearstream, Luxembourg. Beneficial interests in a Global Certificate may only be held through Euroclear or Clearstream, Luxembourg at any time.

3. STATUS AND PRIORITY

(a) The Certificates constitute direct, secured and (subject to Certificate Condition 4 (*Limited Recourse; Non-Petition; Corporate Obligations; Security Mandate; Laws and Regulations*)) unconditional obligations solely of the Issuer. The Certificates rank pari passu without preference or priority amongst themselves but subordinate with respect to payments of interest and repayment 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, the Class Z Notes and the Class

X Notes (as applicable) as provided in the Conditions, these Certificate Conditions and the Transaction Documents.

(b) Prior to the delivery of an Enforcement Notice, the Cash Administrator (on behalf of the Issuer) is required to apply Available Revenue Receipts and Available Principal Receipts in accordance with the Principal Priority of Payments and the Revenue Priority of Payments (as applicable). On each Interest Payment Date (or on such other date as the Trustee instructs in writing in accordance with the Transaction Documents) on or following the delivery of an Enforcement Notice or on a Call Option Redemption Date, the Cash Administrator shall cause all amounts standing to the credit of the Issuer Transaction Account and all proceeds (other than Hedge Excluded Receivable Amounts) from the enforcement of the Security or otherwise recovered by the Trustee (which shall be held by the Trustee on trust) to be applied in payment, in the amounts required in accordance with the Post-Enforcement Priority of Payments.

(c) The Trust Deed and the Deed of Charge also contain provisions limiting the powers of any Class of Noteholders or the Certificateholders to pass an effective Extraordinary Resolution (and at all times to have regard to and subject always to the Retained Interest Entrenched Rights) according to the effect thereof on the interests of the holders of the Class or Classes of Notes and/or Certificates ranking in priority thereto. Except in certain circumstances described in Condition 14 (*Meetings of Noteholders and Certificateholders, Modification, Waiver and Substitution*), the Trust Deed and the Deed of Charge contain 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 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.

(d) Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the Certificateholders (save in respect of a Basic Terms Modification) if passed in accordance with the Conditions.

4. LIMITED RECOURSE; NON-PETITION; CORPORATE OBLIGATIONS; SECURITY MANDATE; LAWS AND REGULATIONS

4.1 Limited recourse

Notwithstanding any of the provisions of the Conditions, the Certificate Conditions or any other Transaction Document, each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that if the net proceeds of realisation of the security constituted by or pursuant to the Deed of Charge are less than the aggregate amount payable by the Issuer to the Noteholders, Certificateholders and any other Secured Creditors in respect of its obligations under the Transaction Documents (such negative amount being referred to herein as a "**shortfall**"), the amount payable by the Issuer to the Noteholders, Certificateholders and each other Secured Creditor in respect of the Issuer's obligations under such Transaction Document shall be reduced to such amount of the net proceeds as shall be applied in accordance with the Deed of Charge and the applicable Priority of Payments, and such parties shall not (directly or indirectly) be entitled to take any further steps against the Issuer to recover such shortfall, which shall be deemed to be automatically extinguished.

4.2 Non-petition

Each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledge and agree that they (or any other party acting on their behalf) shall not be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency or liquidation proceedings, or other analogous proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer under the Notes, the Certificates or the Transaction Documents, save for lodging a claim in the liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer in relation to the Notes, the Certificates or such Transaction Document. For the avoidance of doubt, nothing in this Certificate Condition 4 shall prevent the Trustee enforcing the security constituted by or pursuant to the Deed of Charge in accordance with its terms, **provided that**

in connection with any such enforcement neither the Trustee nor any receiver appointed thereunder shall take any steps or proceedings to procure the winding up or liquidation of the Issuer.

4.3 Corporate Obligations

Each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that no recourse under any obligation, covenant, or agreement of the Issuer contained in any Transaction Document may be sought by it against any shareholder, officer, agent, employee or director of the Issuer, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise, it being expressly agreed and understood that the Transaction Documents are corporate obligations of the Issuer only. Each Noteholder, Certificateholder and each of the Transaction Parties (other than the Issuer) acknowledges and agrees that no personal liability shall attach to or be incurred by the shareholders, officers, agents, employees or directors of the Issuer, or any of them, under or by reason of any of the obligations, covenants or agreements of the Issuer contained in any Transaction Document, or implied therefrom, and any and all personal liability of every such shareholder, officer, agent, employee or director for breaches by the Issuer of any such obligations, covenants or agreements, either at law or by statute or constitution, of every such shareholder, officer, agent, employee or director is thereby deemed expressly waived by the parties.

4.4 Security mandate

(a) The Notes and Certificates together with all other Secured Obligations of the Issuer are secured by the Charged Property pursuant to and on the terms set out in the Deed of Charge.

(b) Without prejudice to the rights of the Trustee after the Security has become enforceable, the Issuer authorises the Trustee prior to the Security becoming enforceable, subject to the terms of the Deed of Charge, to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies under or in respect of the Charged Property, in accordance with the terms of the Deed of Charge, in such manner as in its absolute discretion it shall think fit subject to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction.

4.5 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 Sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended (the "**Code**"), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, any intergovernmental agreement entered into pursuant to such Sections of the Code and any legislation, regulations, rules, or guidance notes adopted pursuant to any such intergovernmental agreement ("**FATCA**"). Noteholders will not be charged commissions or expenses on payments.

5. GENERAL COVENANTS OF THE ISSUER

5.1 Restrictions on activities

The Issuer Covenants contain certain covenants in favour of the Trustee from the Issuer which, amongst other things, restrict the ability of the Issuer to create or incur any indebtedness, dispose of assets or change the nature of its business. So long as any Certificate remains outstanding, the Issuer shall comply with the Issuer Covenants.

5.2 Appointment of Trustee

As long as any Certificates are outstanding, the Issuer shall ensure that a trustee is, or separate trustees are, appointed at all times who is or are bound to perform the same functions and obligations as the Trustee pursuant to these Conditions, the Certificate Conditions, the Trust Deed, the Deed of Charge.

6. CERTIFICATE PAYMENTS

6.1 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 Portfolio on the Closing Date.

A Certificate Payment shall be payable in respect of the Certificates on each Interest Payment Date.

The "**Certificate Payment**" means, as of any Interest Determination Date:

(a) prior to the delivery of an Enforcement Notice, in respect of each Interest Payment Date from (and including) the Closing Date the amount by which Available Revenue Receipts exceeds the amounts required to satisfy items (a) to (s) (inclusive) of the Revenue Priority of Payments on that Interest Payment Date; and

(b) 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 all monies held in the Issuer Transaction Account (excluding amounts standing to the credit of the Issuer Profit Ledger) and all amounts received or recovered following service of an Enforcement Notice exceeds the amounts required to satisfy items (a) to (s) (inclusive) of the Post-Enforcement Priority of Payments.

6.2 Determination of Certificate Payments

The Cash Administrator will, as soon as practicable after 11am (London time) on each Interest Determination Date, but in no event later than the Business Day after such date, determine the Certificate Payment for the relevant Interest Period.

6.3 Publication of Certificate Payments

The Cash Administrator will, at the expense of the Issuer, cause the Certificate Payment to be notified to the Registrar, the Principal Paying Agent and the Trustee, and for so long as the Certificates are outstanding as soon as possible after their determination but in no event later than five Business Days thereafter, and the Principal Paying Agent shall cause each such rate, amount and date to be notified to the Certificateholders in accordance with Certificate Condition 9 (*Notifications*) as soon as possible following notification to the Principal Paying Agent but in no event later than five Business Days after such notification to the Principal Paying Agent. The Certificate Payments or the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made (with the consent of the Trustee) by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If any of the Certificates become due and payable under Certificate Condition 12 (*Events of Default*), interest shall nevertheless continue to be calculated as previously by the Cash Administrator in accordance with this Certificate Condition 6 but no publication of the applicable Certificate Payments shall be made unless the Trustee so determines.

6.4 Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, and decisions given, expressed, made or obtained for the purposes of the provisions of this Certificate Condition 6, whether by the Reference Banks (or any of them), the Cash Administrator or the Trustee, will (in the absence of manifest error) be binding on the Issuer, the Reference Banks, the Cash Administrator, the Trustee, the Registrar, the Principal Paying Agent, the Agent Bank and all Noteholders and no Liability to the Issuer or the Noteholders of any Class shall attach to the Reference Banks, the Cash Administrator or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions under this Certificate Condition 6.

7. PAYMENTS ON THE CERTIFICATES

7.1 Payment of Certificate Payments

The Certificate Payments shall become due and payable on each Interest Payment Date to be paid to the holder(s) of the Certificates on such Interest Payment Date.

7.2 Payments and discharge

(a) Payments of amounts in respect of the Certificates shall be made by the Issuer, through the Principal Paying Agent or otherwise provided for, in accordance with the applicable Priority of Payments, on each Interest Payment Date for subsequent transfer to the Certificateholders in accordance with Certificate Condition 6 (*Certificate Payments*).

(b) Every payment of amounts in respect of the Certificates made by the Issuer to the Principal Paying Agent in the manner provided in the Principal Paying Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in clause 2.2 (*Covenant to Pay*) of the Trust Deed.

7.3 Calculations in the event of a Servicer Disruption

Condition 7.4 (*Cancellation*) shall have effect in relation to the Certificates as if set out in full herein.

7.4 Cancellation

Following the date on which the Notes have been redeemed or cancelled in full and there are no further payments due to be made by the Issuer, the Certificates shall be cancelled.

8. PRIORITY OF PAYMENTS

Condition 9 (*Priority of Payments*) shall have effect in relation to the Certificates as if set out in full herein.

9. NOTIFICATIONS

(a) For so long as the relevant Certificates are in global form, any notice to Certificateholders shall be validly given to the relevant Certificateholders if sent to the Clearing Systems for communication by them to the holders of the Certificates and shall be deemed to be given on the date on which it was so sent. If Definitive Certificates are issued, any notice to the holders thereof shall be validly given if sent by first class mail to them at their respective addresses in the Register (or the first named of joint holders) and notice shall be deemed to have been given on the second Business Day after the date of mailing.

(b) The Trustee shall be at liberty to sanction some other method of giving notice to the Certificates or to a Class or category of them if, in its opinion, such other method is reasonable having regard to market practice then prevailing and *provided that* notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

10. PRINCIPAL PAYING AGENT, AGENT BANK AND CASH ADMINISTRATOR; DETERMINATIONS BINDING

(a) The Issuer has appointed Citibank, N.A., London Branch as Principal Paying Agent and Agent Bank pursuant to the Principal Paying Agency Agreement and Citibank, N.A., London Branch as Cash Administrator pursuant to the Cash Administration Agreement.

(b) All Certificate Payments determined and other calculations and determinations made by the Cash Administrator for the purposes of these Certificate Conditions shall, in the absence of manifest error, be final and binding.

11. TAXES

All payments in respect of the Certificates by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, all present and future taxes, levies, imposts, duties, fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, the Issuer or, as the case may be, the Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent nor any other person shall be obliged to make any additional payments to Certificateholders in respect of such withholding or deduction. The occurrence of the Issuer or the Paying Agent being required to make a withholding or deduction in the circumstances outlined above will not constitute an Event of Default.

12. EVENTS OF DEFAULT

12.1 Events of Default

Subject to the other provisions of this Certificate Condition 12 (*Events of Default*), each of the following events, where relevant, subject to any applicable grace period shall be treated as an "**Event of Default**" in relation to the Certificates:

(a) the Issuer fails to pay any amount of interest and/or principal (where there are sufficient Available Principal Receipts in the Issuer Transaction Account to make such payment of principal on an Interest Payment Date) due in respect of the Most Senior Class of Notes, other than in respect of interest which arose prior to the relevant Class of Notes (other than Class A Notes) becoming the Most Senior Class of Notes and payment of interest has been deferred pursuant to Condition 6.3 (*Deferral of Interest*), and such failure to pay continues for a period of 10 calendar days following the due date for payment of such interest and/or principal (**provided that**, for the avoidance of doubt, a deferral of interest in respect of a Class of Notes (other than the Most Senior Class of Notes then outstanding) in accordance with Condition 6.3 (*Deferral of Interest*) shall not constitute a default in the payment of such interest); or

(b) the Issuer does not comply with any of its material contractual undertakings under any of the Transaction Documents and such non-compliance is, in the opinion of the Trustee, materially prejudicial to the interests of the holders of the Most Senior Class, *provided that* no Event of Default under this paragraph (b) will occur if the failure to comply is capable of remedy and is remedied within 30 calendar days of the Issuer becoming aware of the failure to comply;

(c) any representation or warranty made by the Issuer in or pursuant to any Transaction Document is incorrect when made or deemed to be made which has or is, in the opinion of the Trustee, materially prejudicial to the interests of the holders of the Most Senior Class, provided that no Event of Default under this paragraph (c) will occur if such failure is capable of remedy and is remedied within 30 calendar days of the Issuer becoming aware of such failure;

(d) the occurrence of an Insolvency Event in respect of the Issuer;

(e) it is or becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents; or

(f) the Issuer fails to pay any amounts of principal due under the Notes or any amounts payable (if any) in respect of the Certificates on the Interest Payment Date falling in August 2034.

12.2 Delivery of an Enforcement Notice

If an Event of Default occurs and is continuing, the Trustee may at its discretion, and shall:

(a) if so requested in writing by the Noteholders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class; or

(b) if so directed by an Extraordinary Resolution of the Most Senior Class,

(subject, in each case, to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction) deliver an Enforcement Notice to the Issuer, with a copy sent to each Agent (other than the Corporate Services Provider), the Seller, the Retention Holder, the Interest Rate Hedge Counterparty and the Rating Agencies, and institute such proceedings and take any other steps as may be required in order to enforce the Security.

Following receipt of such Enforcement Notice, the Issuer shall give notice, or shall procure that such notice is given, to all Certificateholders without undue delay in compliance with Certificate Condition 9 (*Notifications*).

12.3 Conditions to delivery of an Enforcement Notice

Notwithstanding Certificate Condition 12.2 (*Delivery of an Enforcement Notice*), the Trustee shall not be obliged to deliver an Enforcement Notice or take any other action unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

12.4 Consequences of delivery of an Enforcement Notice

Upon the delivery of an Enforcement Notice, the Certificate Payment will become immediately due and payable, without further action or formality.

13. ENFORCEMENT

13.1 Proceedings

(a) The Trustee may, at any time, at its discretion and without further notice, institute such steps, actions or proceedings as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes of each Class, the Certificates (including these Certificate Conditions), the Deed of Charge, or under the other Transaction Documents or, following the delivery of an Enforcement Notice, to enforce the Security, but it shall not be bound to do so unless:

(i) so requested in writing by the Noteholders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class outstanding; or

(ii) so directed by an Extraordinary Resolution of the Most Senior Class of Notes outstanding,

and in any such case, only if it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

(b) As between the Trustee and the Certificateholders, only the Trustee may enforce the provisions the Trust Deed and the other Transaction Documents (to the extent that it is able to do so). No Certificateholder shall be entitled to proceed directly against the Issuer or any other person to enforce the performance of the provisions of Trust Deed or any other Transaction Documents and no Certificateholder shall be entitled to take any steps or proceedings (including lodging an appeal or any proceedings to procure the winding-up, administration or liquidation of the Issuer) unless the Trustee having become bound as aforesaid to take proceedings failed or is unable to do so within a 60 calendar day period and such failure is continuing, provided that no Certificateholder shall be entitled to take any steps or proceedings to procure the winding-up, administration or liquidation of the Issuer.

13.2 Directions to the Trustee

If the Trustee shall take any action, step or proceeding described in Certificate Condition 13.1 (*Proceedings*) it may take such action, step or proceeding without having regard to the effect of such

action on individual Certificateholders or any other Secured Creditor, *provided that* so long as any of the Most Senior Class are outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Noteholders of any other Class of Notes or Certificateholders unless:

(a) to do so would not, in its opinion, be materially prejudicial to the interests of the Noteholders and/or Certificateholders of the Classes of Notes and/or Certificates ranking senior to such other Class; or

(b) (if the Trustee is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the Noteholders and/or Certificateholders of the Classes of Notes and/or Certificates ranking senior to such other Class.

13.3 Restrictions on disposal of Issuer's assets

(a) If an Enforcement Notice has been delivered by the Trustee other than by reason of non-payment of any amount due in respect of the Notes, the Trustee will not be entitled to dispose of the Charged Property or any part thereof unless the Trustee is satisfied, and the Trustee will be so satisfied if it has received the advice of an investment bank or other financial adviser selected by the Trustee (upon which advice the Trustee may rely absolutely and without enquiry or liability), at the cost of the Issuer (which determination shall be binding on the Noteholders, the Certificateholders and the other Secured Creditors), either:

(i) a sufficient amount would be realised to allow payment in full of all amounts owing to the Noteholders of each Class after payment of all other claims ranking in priority to the Notes in accordance with the Post- Enforcement Priority of Payments; or

(ii) that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments,

provided that the Trustee shall not dispose of the Charged Property if notice has been given under the Call Option Deed from an Option Holder to the Issuer requiring the Issuer to effect a mandatory redemption pursuant to Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*) and the Trustee has received a certificate from the Issuer certifying that the Issuer has, or will have, sufficient funds to redeem the Notes together with accrued and unpaid interest thereon and to meet the Issuer's payment obligations of a higher priority under the Post-Enforcement Priority of Payments on the Call Option Redemption Date.

(b) The Trustee shall not be bound to make the determination, or seek the advice of an investment bank or other financial adviser, contained in this Certificate Condition 13.3 (*Restrictions on disposal of Issuer's assets*) unless the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing and shall have no Liability to anyone for not so doing.

(c) The Trustee shall have no Liability to any person for the consequences of any such opinion reached in accordance with this Certificate Condition 13.3 (*Restrictions on disposal of Issuer's assets*).

13.4 Third Party Rights

No person shall have any right to enforce any Certificate Condition or any provision of the Trust Deed or the Deed of Charge under the Contracts (Rights of Third Parties) Act 1999.

14. MEETINGS OF NOTEHOLDERS AND CERTIFICATEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

Condition 15 (*Meetings of Noteholders and Certificateholders, Modification, Waiver and Substitution*) shall have effect in relation to the Certificates as if set out in full herein.

15. SUBSTITUTION OF ISSUER

Condition 16 (*Substitution of Issuer*) shall have effect in relation to the Certificates as if set out in full herein.

16. MISCELLANEOUS

Condition 18 (*Miscellaneous*) shall have effect in relation to the Certificates as if set out in full herein.

17. GOVERNING LAW AND JURISDICTION

17.1 Governing law

The Transaction Documents, the Notes and the Certificates and all non-contractual obligations arising from or connected with them are governed by and construed in accordance with English law.

17.2 Jurisdiction

The courts of England and Wales are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Transaction Documents, the Notes and the Certificates (including a dispute relating to non-contractual obligations or a dispute regarding the existence, validity or termination of any of the such documents or the consequences of their nullity) and accordingly any legal action or proceedings arising out of or in connection with the Transaction Documents, the Notes and the Certificates may be brought in such courts. The Issuer has in each of the Transaction Documents to which it is a party irrevocably submitted to the jurisdiction of such courts.

UNITED KINGDOM TAXATION

*The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue & Customs ("**HMRC**") practice relating only to the United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) in respect of the Notes and the United Kingdom stamp taxes treatment of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future (possibly with retrospective effect). Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek professional advice. The Certificates are not considered below.*

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes are and continue to be listed on a "recognised stock exchange" within the meaning of Section 1005 of the Income Tax Act 2007. The LSE is a recognised stock exchange for such purposes. The Notes will satisfy this requirement if they are officially listed in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) and admitted to trading on the LSE. Provided, therefore, that such Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on those Notes will be payable without withholding or deduction for or on account of United Kingdom income tax.

In other cases, an amount must generally be withheld from payments of interest on the Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently at the basic rate of 20 per cent., and on and after 6 April 2027 at the savings basic rate of 22 per cent.), subject to any available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the Code, commonly known as FATCA, a "**foreign financial institution**" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be treated as a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

ERISA CONSIDERATIONS FOR INVESTORS

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 the fiduciary responsibility provisions of Part 4 of Subtitle B of Title I of 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 are subject to Section 4975 of the Code, such as individual retirement accounts ("**IRAs**"), health savings accounts ("**HSAs**") and Keogh plans, including entities the underlying assets of which include the assets of such plans (together with ERISA Plans, the "**Plans**")) and parties (referred to as "parties in interest" under Section 3(14) of ERISA or "disqualified persons" under Section 4975(e)(2) of the code) having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person, including any fiduciary or other person investing the assets of the Benefit Plan Investor (as defined below), who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

The Issuer, the Lead Manager, the Arranger, 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 (or any interest therein) is acquired or held by a Plan, including, but not limited to, where the Issuer, the Lead Manager, the Arranger, 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.

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 Part 4 of Subtitle B of Title I of ERISA or the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code, may nevertheless be 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**"). 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.

The term "**Benefit Plan Investors**" is defined under the U.S. Department of Labor regulation at 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**)" to include (1) an "employee benefit plan", as defined in Section 3(3) of ERISA, that is subject to the provisions of Part 4 of Subtitle B of Title I of ERISA, (2) a "plan", as defined in Section 4975(e)(1) of the Code, that is subject to Section 4975 of the Code, and (3) any person or entity whose underlying assets include "plan assets" under the Plan Asset Regulation or otherwise for the purposes of Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code by reason of such employee benefit plan's or plan's investment in the person or entity.

The Notes (or any interest therein) may not be purchased or held by any Benefit Plan Investor, and each purchaser and transferee of such 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 any 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 any 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 any interest therein) by virtue of its interest and thereby subject the Issuer (or other persons responsible for the investment and operation of the Issuer's assets) to any Similar Law; and (B) its acquisition, holding and disposition of such Note (or any interest therein) do not and will not constitute or result in a violation of any such Similar Law.

The person who is responsible for making the investment decisions on whether to purchase or commit to purchase and to hold any of the Notes on behalf of a governmental, church or non-U.S. plan should determine whether, under the documents and instruments governing such plan, an investment in such Notes is appropriate for such plan, taking into account the overall investment policy of the Plan and the composition of the plan's investment portfolio. Any governmental, church or non-U.S. plan proposing to invest in such Notes should consult with its counsel to confirm that such investment does not and will not constitute or result in a violation of Similar Law.

The sale of any Notes to a governmental, church or non-U.S. plan is in no respect a representation by the Issuer, the Arranger, 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 any such plans generally or any particular plan, or that such an investment is appropriate for governmental, church or non-U.S. plans generally or any particular plan.

SUBSCRIPTION AND SALE

The Lead Manager will, pursuant to the Subscription Agreement, agree with the Issuer (subject to certain conditions) to subscribe and pay for on the Closing Date:

(a) £338,227,000 of the Class A Notes at the issue price of 99.9292% of the aggregate principal amount of such Class A Notes;

(b) £29,549,000 of the Class B Notes at the issue price of 99.4126% of the aggregate principal amount of such Class B Notes;

(c) £26,140,000 of the Class C Notes at the issue price of 99.3366% of the aggregate principal amount of such Class C Notes;

(d) £25,003,000 of the Class D Notes at the issue price of 99.4038% of the aggregate principal amount of such Class D Notes;

(e) £15,911,000 of the Class E Notes at the issue price of 99.2514% of the aggregate principal amount of such Class E Notes;

(f) £12,502,000 of the Class F Notes at the issue price of 101.2885% of the aggregate principal amount of such Class F Notes;

(g) £7,274,000 of the Class Z Notes at the issue price of 87.3469% of the aggregate principal amount of such Class Z Notes; and

(h) £13,500,000 of the Class X Notes at the issue price of 100.4015% of the aggregate principal amount of such Class X Notes,

together, the "**Lead Manager Notes**".

The Certificates are not being offered by this Prospectus. Any transferee or purchaser of any Certificate is prohibited from relying on this Prospectus in connection with any such transaction.

On the Closing Date, Zopa Bank Limited, will acquire 100% of the Class A Notes.

The Certificates will be issued on the Closing Date to the Seller and represent a right to deferred consideration for the sale of the Portfolio by the Seller to the Issuer. On the Closing date, the Seller will transfer 100% of the Certificates to one or more third party investors (including, without limitation, funds, accounts or other institutional or professional investors), whether by way of private placement, syndication, bookbuilding or other customary capital markets process.

Pursuant to the Subscription Agreement, certain parties thereto, including the Issuer, have agreed to indemnify the Arranger and the Lead Manager against certain liabilities and have given certain representations and warranties in favour of the Arranger and the Lead Manager, including with respect to the Portfolio.

Other than admission of the Notes to the Official List of the Financial Conduct Authority and the admission to trading on the LSE (it being understood that such actions alone will not permit a public offering of the Notes to be made), no action has been taken by the Issuer, the Arranger, the Lead Manager or the Retention Holder, which would or has been intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

United Kingdom

Each of the Arranger and 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 FSMA) received by it in connection with the issue or sale of any Lead Manager Notes in circumstances in which section 21(1) of FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Lead Manager Notes in, from or otherwise involving the United Kingdom.

United States

The Notes have not been and will not be registered under the Securities Act or any securities laws of any state or other jurisdiction of the United States and therefore may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold in offshore transactions to non-US persons in reliance on Regulation S.

Each of the Arranger and the Lead Manager has agreed that it will not offer, sell or deliver the Lead Manager Notes as part of its distribution at any time or otherwise until 40 days after the later of the commencement of the offering of the Notes and the closing date (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in accordance with Rule 903 or 904 of Regulation S under the Securities Act, and it will have sent to each affiliate, distributor, dealer or other person receiving a selling commission, fee or other remuneration (if any) to which it sells Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account of, U.S. persons (as defined in Regulation S under the Securities Act).

In addition, until 40 days after the commencement of the offering of any Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

This Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act. The Issuer 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. Distribution of this Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States is unauthorised and 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 is prohibited.

Prohibition of Sales to EEA Retail Investors

Each of the Arranger and 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 Lead Manager Notes to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II (as amended); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, **EU Insurance Mediation Directive**) as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II,

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Prohibition of Sales to UK Retail Investors

Each of the Arranger and 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 Lead Manager Notes to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is neither:

(i) 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; nor

(ii) a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe the Notes.

General

Each of the Arranger and the Lead Manager has undertaken that it will not, directly or indirectly, offer or sell any Lead Manager Notes or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Lead Manager Notes in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any Applicable Laws and regulations and all offers and sales of Lead Manager Notes by it will be made on the same terms.

TRANSFER RESTRICTIONS

The Notes are subject to transfer restrictions and are not transferable except in accordance with the restrictions set forth herein. Because of the following restrictions, purchasers of the Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes (including interests therein represented by a Global Note, a Definitive Note or a Book-Entry Interest) may only be offered, sold, delivered or otherwise transferred (a) outside the United States to a non-U.S. person in reliance on Rule 903 or 904 of Regulation S or (b) following the expiration of the distribution compliance period, pursuant to an applicable 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.

Investors' representations and restrictions on resale

Each purchaser of the Notes (which term for the purposes of this section will be deemed to include any purchaser of beneficial interests in the Notes, including interests represented by a Global Note and Book-Entry Interests) will be deemed to have represented and agreed as follows:

(a) if the purchaser purchased the Notes during the initial syndication of the Notes, the investor (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Notes and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10% Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules);

(b) the Notes, have not been and will not be registered under the Securities Act and such Notes, are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell or otherwise transfer such Notes then it agrees that it will offer, resell, pledge or transfer such Notes only (i) to a purchaser who is not a U.S. person (as defined in Regulation S) or an affiliate of the Issuer or a person acting on behalf of such an affiliate, and who is not acquiring the Notes for the account or benefit of a U.S. person and who is 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 (ii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States; provided, that the agreement of such purchaser is subject to any requirement of law that the disposition of the purchaser's property shall at all times be and remain within its control;

(c) during the applicable compliance period, such purchaser shall notify each transferee of Notes (as applicable) from it that (i) such Notes, have not been registered under the Securities Act, (ii) the holder of such Notes, is subject to the restrictions on the resale or other transfer thereof described in paragraph (b) above, (iii) such transferee shall be deemed to have represented that such transferee is acquiring the Notes, in an offshore transaction and that such transfer is made pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S and (iv) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing; and

(d) 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, (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 Notes (or interests therein) will not constitute or result in a violation of any Similar Law; and

(e) it will promptly (i) inform the Issuer if, during any time it holds a Note, there shall be any change in the acknowledgments, representations and agreements contained above or if they shall become false for any reason and (ii) deliver to the Issuer such other representations and agreements as to such matters as the Issuer may, in the future, request in order to comply with applicable law and the availability of any exemption therefrom.

The Issuer, Trustee, Principal Paying Agent, Lead Manager, Arranger, the Registrar and their affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. The Notes and related documentation may be amended or supplemented from time to time to modify the restrictions on and procedures for resales and other transfers of the Notes, to reflect any change in applicable law or regulation (or the interpretation thereof) or in practices relating to the resales or transfer of securities such as the Notes, generally, and that it will be deemed, by its acceptance of such Notes, to have agreed to any such amendment or supplement.

Legend

Each purchaser understands that (i) the sale of the Notes, (including interests therein represented by a Global Note, a Registered Definitive Note or a Book-Entry Interest) to it is being made in reliance on Regulation S, and (ii) the Notes, (including interests therein represented by a Global Note, a Registered Definitive Note or a Book-Entry Interest) may not be reoffered, resold, pledged or otherwise transferred except in accordance with the legend set forth below:

THIS NOTE HAS NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OR "BLUE SKY" LAWS OF ANY STATE OR JURISDICTION OF THE UNITED STATES AND THE ISSUER (AS DEFINED IN THE TRUST DEED) 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**") AND, AS A MATTER OF U.S. LAW, PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE CLOSING OF THE OFFERING THE NOTES MAY NOT BE OFFERED, SOLD, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, IN THE UNITED STATES OR TO A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACTIS AVAILABLE EXCEPT TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION PURSUANT TO RULE 903 OR RULE 904 OF REGULATION S AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR JURISDICTION OF THE UNITED STATES AND IN PRINCIPAL AMOUNT OF NOT LESS THAN £100,000).

EACH PURCHASER AND TRANSFEREE OF THIS NOTE (OR ANY INTEREST HEREIN) SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT: (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE (OR ANY INTEREST HEREIN) SHALL NOT BE, AND SHALL NOT BE ACTING ON BEHALF OF), (A) 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, (B) A "PLAN", AS DEFINED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), THAT ISSUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY PERSON OR ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" UNDER THE U.S. DEPARTMENT OF LABOR REGULATION AT 29 C.F.R. § 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA (THE "PLAN ASSET REGULATION"), OR OTHERWISE FOR THE PURPOSES OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE BY REASON OF SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE PERSON OR ENTITY (EACH OF THE FOREGOING, 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 THIS NOTE (OR ANY INTEREST HEREIN) SHALL 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 ANY INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER (OR ANY OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) 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 OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"); AND (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DO NOT AND SHALL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SUCH SIMILAR LAW. ANY PURPORTED TRANSFER OF THIS NOTE (OR ANY INTEREST HEREIN)_THAT DOES NOT COMPLY WITH THESE REQUIREMENTS SHALL BE NULL AND VOID *AB INITIO*.

THE PURCHASER IS HEREBY NOTIFIED THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN ITS SECURITIES FROM ONE OR MORE BOOK ENTRY DEPOSITARIES, AND THAT THOSE PARTICIPANTS MAY FURTHER DISCLOSE TO THE ISSUER THE NAMES AND POSITIONS OF HOLDERS OF ITS SECURITIES.

PRIOR TO THE EXPIRATION OF THE DISTRIBUTION COMPLIANCE PERIOD, AN INTEREST IN THIS NOTE MAY BE HELD ONLY THROUGH EUROCLEAR OR CLEARSTREAM, LUXEMBOURG.

Because of the foregoing restrictions, purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered and sold.

LISTING AND GENERAL INFORMATION

It is expected that the admission of the Notes to the Official List of the Financial Conduct Authority and the admission of the Notes to trading on the LSE's Regulated Market will be granted on or around 22 October 2026. The Certificates are not and will not be listed.

The Issuer's LEI number is 213800OZK8GPT685XA27.

The Issuer's STUI number is 213800OZK8GPT685XA27N202601.

The Issuer and Holdings have not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), since 17 July 2026 (being the date of incorporation of the Issuer) which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer or Holdings.

The independent auditors for the Issuer are PricewaterhouseCoopers LLP, which is a member of the Institute of Chartered Accountants in England and Wales. So long as the Notes are admitted to trading on the LSE's Regulated Market, the most recently published audited annual accounts of the Issuer from time to time shall be filed with the LSE and shall be available at the registered office of the Issuer in London.

For so long as the Notes are admitted to the Official List of the Financial Conduct Authority and to trading on the LSE's Regulated Market, the Issuer shall maintain a Paying Agent in the United Kingdom.

The accounting reference date of the Issuer is 31 December. So long as the Notes are admitted to trading on the LSE's Regulated Market, the most recently published audited annual accounts of the Issuer from time to time shall be available at the specified office of the Principal Paying Agent in London. The Issuer does not publish interim accounts.

Since its date of incorporation, there has been (a) no material adverse change in the financial position or prospects of the Issuer and (b) no significant change in the financial or trading position of the Issuer.

Since its date of incorporation, the Issuer has not entered into any contracts or arrangements not being in the ordinary course of business.

The issue of the Notes was authorised pursuant to a resolution of the board of directors of the Issuer passed on 13 October 2026.

The following Notes have been accepted for clearance (and the Certificates are currently cleared) through Euroclear and Clearstream, Luxembourg under the following ISIN and Common Codes:

Class	ISIN	Common Code
Class A Note	XS3531953100	353195310
Class B Note	XS3531953365	353195336
Class C Note	XS3531953449	353195344
Class D Note	XS3531953522	353195352
Class E Note	XS3531953795	353195379
Class F Note	XS3531953951	353195395
Class Z Note	XS3531954256	353195425
Class X Note	XS3531954330	353195433
Certificate	XS3531956384	353195638

From the date of this Prospectus and for so long as the Notes are listed on the LSE's regulated market, physical copies of the following documents may be inspected at (i) the offices of the Issuer at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5H, upon reasonable request, during usual business hours, on any weekday (public holidays excepted); and (ii) on the website of EuroABS at https://www.euroabs.com/IH.aspx?d=33768:

(a) the Constitution of the Issuer incorporating the Memorandum and Articles of Association of the Issuer and any applicable certificates of change of name; and

(b) copies of each of the Transaction Documents.

The contents of the websites referred to in this Prospectus are for information purposes only and do not form part of this Prospectus.

The Issuer confirms that the Portfolio backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes. Investors are advised that this confirmation is based on the information available to the Issuer at the date of this Prospectus and may be affected by the future performance of such assets backing the issue of the Notes. Investors are advised to review carefully any disclosure in this Prospectus together with any amendments or supplements thereto.

With respect to the regulatory reporting obligations of the Issuer under the EU Securitisation Regulation and the UK Securitisation Framework, please see the information under the sections entitled "*Certain Transaction Documents – Servicing Agreement*" and "*Certain Transaction Documents – Cash Administration Agreement*".

GLOSSARY

"**Account Bank**" means Citibank, N.A., London Branch or any successor or replacement account bank appointed pursuant to the Account Bank Agreement.

"**Account Bank Agreement**" means the account bank agreement entered into by the Account Bank, the Cash Administrator, the Trustee and the Issuer on or before the Closing Date.

"**Additional Interest**" has the meaning given to it in Condition 6.3(c) (*Deferral of Interest*).

"**Adverse Claim**" means an encumbrance or other right or claim in, of or on any Person's assets or properties or Security in favour of any other Person (including, but not limited to, any retention of the claims by any Person).

"**Affiliate**" or "**Affiliated**" means with respect to a Person:

(a) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person;

(b) any account, fund, client or portfolio established and controlled by such Person or an Affiliate thereof or for which such Person or an Affiliate thereof acts as the investment adviser or with respect to which such Person or an Affiliate thereof exercises discretionary control thereover; and

(c) any other Person who is a director, officer or employee:

(i) of such Person;

(ii) of any subsidiary or parent company of such Person; or

(iii) of any Person described in paragraph (a) or (b) above,

and for the purposes of this definition, "control" of a Person shall mean the power, direct or indirect:

(A) to vote more than 50% of the securities having ordinary voting power for the election of directors of such Person; or

(B) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"**Agent**" means each of the Account Bank, the Servicer, the Cash Administrator, the Corporate Services Provider, the Registrar, the Principal Paying Agent, the Agent Bank, any Custodian and any other Paying Agent (together, the "**Agents**").

"**Agent Bank**" means Citibank, N.A., London Branch or any of its permitted successors or assigns.

"**Aggregate Outstanding Receivables Balance**" means, as at any date, the Outstanding Receivables Balance of all Purchased Receivables (or, where the context requires, any specified portion of them).

"**Alternative Benchmark Rate**" has the meaning given to it in Condition 15.5(a) (*Additional Right of Modification in relation to Reference Rate*).

"**Ancillary Rights**" means, in relation to a Right, all ancillary rights, accretions and supplements to such Right, including any guarantees or indemnities in respect of such Right.

"**Anti-Corruption Laws**" means the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions 1997, the U.S. Foreign Corrupt Practices Act 1977 (as amended by the Foreign Corrupt Practices Act Amendments of 1988 and 1998, and as may be further amended and

supplemented from time to time), the UK Bribery Act 2010, or any other applicable anti-bribery or corruption Law or regulation (each as amended and updated from time to time and in so far as they apply to Zopa).

"**Anti-Money Laundering Laws**" means all relevant anti-money laundering laws, rules, regulations and orders issued, administered or enforced by the United States, United Kingdom, the European Union or any of its member states, including without limitation, the UK Proceeds of Crime Act 2002, the USA PATRIOT Act 2001, The Money Laundering and Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (each as amended and updated from time to time and in so far as they apply to Zopa),

in each case,

"**Applicable Law**" means:

(a) all applicable laws, rules, regulations, ordinances, directives, 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 the relevant Party, including, without limitation, the FCA's Consumer Credit Sourcebook (CONC) and the CCA;

(b) any applicable rules, guidance, policies and publications of any relevant Regulatory Authority or government authority in the United Kingdom in relation to unfair contractual terms and conditions, in each case only to the extent such guidance, policies and publications are legally binding and do not conflict with any of the matters referred to in paragraph (a) above; and

(c) any applicable publications of any relevant Regulatory Authority (including the FCA's guidance, policies and publications relating to the Treating Customers Fairly initiative and good practice and guidance published by the Financial Ombudsman Services), in each case only to the extent it is legally binding and which does not conflict with any of the matters referred to in paragraph (a) above.

"**Appointee**" means any attorney, manager, agent, delegate or other person properly appointed by the Trustee under the terms of the Trust Deed or the Deed of Charge to discharge any of its functions or to advise it in relation thereto.

"**Arranger**" means Lloyds Bank Corporate Markets plc, acting through its investment bank.

"**Articles of Association**" means the articles of association of the Issuer, as may be amended from time to time.

"**Authorisations**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Authorised Person**" means a person which has a "Part 4A permission" as described in section 55A(5) of FSMA.

"**Authorised Representative**" means any Person or Persons who are duly authorised to sign or act on behalf of another Person and in respect of whom a certificate has been provided signed by a director or another Authorised Representative setting out the name and signature of such person and confirming such Person's authority to act.

"**Authorised Signatory**" means, in relation to a Party, any person who is duly authorised and in respect of whom a certificate has been provided signed by a director or another duly authorised person of such Party setting out the name and signature of such person and confirming such person's authority to act.

"**Available Principal Receipts**" has the meaning given to it on page 183.

"**Available Revenue Receipts**" has the meaning given to it on page 182.

"**Back-Up Servicer Facilitator**" means CSC Capital Markets UK Limited in its capacity as Back-Up Servicer Facilitator.

"**Banking Day**" means, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London.

"**Basic Terms Modification**" has the meaning given thereto in Condition 15.2(f) (*Extraordinary Resolution*).

"**Benchmark Rate Disruption**" means the occurrence of any of the following:

(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, SONIA ceasing to exist or be published or the administrator of SONIA having used a fallback methodology for calculating SONIA for a period of at least 30 calendar days;

(c) the insolvency or cessation of business of the administrator of SONIA (in circumstances where no successor 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) in each case with effect from a date no later than 6 months after the proposed effective date of such Benchmark Rate Modification;

(e) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued or there will be a material change to the methodology of calculating SONIA, provided that if the specified date is more than six months in the future the Benchmark Rate Disruption will be deemed to occur upon the date falling six months prior to the specified date;

(f) a public statement by the supervisor of the SONIA administrator that means SONIA will be prohibited from being used or that its use is subject to restrictions or adverse consequences, provided that if the specified date is more than six months in the future the Benchmark Rate Disruption will be deemed to occur upon the date falling six months prior to the specified date;

(g) following the implementation of a Benchmark Rate Modification, it becomes generally accepted market practice in the publicly listed asset backed floating rate notes market to use a Benchmark Rate of interest which is different from the Alternative Benchmark Rate which had already been adopted by the Issuer in respect of the Notes pursuant to a Benchmark Rate Modification; or

(h) it being the reasonable expectation of the Issuer that any of the events specified in sub-paragraphs (a) to (g) above (inclusive) will occur or exist within six months of the proposed effective date of such Benchmark Rate Modification.

"**Benchmark Rate Eligibility Requirement**" means the Alternative Benchmark Rate being any one of the following:

(a) a base rate published, endorsed, approved or recognised by the Federal Reserve or the Bank of England, the FCA, the PRA, 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) including, without limitation, the Working Group on Sterling Risk-Free Reference Rates (which may be an alternative benchmark rate together with a specified adjustment factor which may increase or decrease the relevant alternative benchmark rate);

(b) a base rate utilised in at least five publicly listed new issues of Sterling-denominated asset-backed floating rate notes prior to the effective date of such Benchmark Rate Modification;

(c) a benchmark rate utilised in a publicly listed new issue of asset-backed floating rate notes where the originator of the relevant assets is the Seller; or

(d) such other base rate as the Issuer reasonably determines or which is proposed by any holder of the Most Senior Class of Notes then outstanding, **provided that** this option may only be used if the Issuer certifies to the Trustee (upon which certificate the Trustee shall rely absolutely without enquiry or liability) that, in its reasonable opinion, none of paragraphs (a) and (b) above are applicable and/or practicable in the context of this transaction, and sets out the rationale in the Benchmark Rate Modification Certificate for choosing the proposed Alternative Benchmark Rate.

"**Benchmark Rate Modification**" has the meaning given to that term in Condition 15.5(a) (*Additional Right of Modification in relation to Reference Rate*).

"**Benchmark Rate Modification Certificate**" has the meaning given to that term in Condition 15.5(a) (*Additional Right of Modification in relation to Reference Rate*).

"**Benchmark Rate Modification Record Date**" has the meaning given to that term in Condition 15.5(b) (*Additional Right of Modification in relation to Reference Rate*).

"**Beneficiaries**" has the meaning given to it in the section entitled "*Certain Transaction Documents – Collection Accounts Declaration of Trust*".

"**Benefit**" means, in respect of any asset, agreement, property or right (each a "**Right**" for the purpose of this definition) held, assigned, conveyed, transferred, charged, sold or disposed of by any person shall be construed so as to include:

(a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such Right and all Ancillary Rights in respect of such Right;

(b) all monies and proceeds payable or to become payable under, in respect of, or pursuant to such Right or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account to the extent of such person's interest in the same together with all interest accruing from time to time on such money and the debts represented by such bank account to the extent of such person's interest in the same;

(c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of such person contained in or relating to such Right or its Ancillary Rights;

(d) the benefit of all powers of and remedies for enforcing or protecting such person's right, title, interest and benefit in, to, under and in respect of such Right or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to such Right or its Ancillary Rights; and

(e) all items expressed to be held on trust for such person under or comprised in any such Right or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable in respect of such Right and its Ancillary Rights, all rights of action in respect of any breach of or in connection with any such Right and its Ancillary Rights and all rights to receive damages or obtain other relief in respect of such breach.

"**Book-Entry Interests**" means the beneficial ownership interests in the Global Notes and Global Certificates, the ownership of which shall be evidenced, and transfers of which shall be made, through book entries by the Clearing System from time to time.

"**Business Day**" means a day (other than a Saturday or Sunday or a public holiday) on which banks are open for general business in London.

"**Call Option**" means the Clean-Up Call Option or the Regulatory Call Option.

"**Call Option Deed**" means the call option deed dated on or about the Closing Date, executed by the Issuer, in favour of the Retention Holder, the Seller and each Option Holder from time to time.

"**Call Option Event**" means a Clean-Up Call Event, a Regulatory Change Event or a Risk Retention Regulatory Change Event.

"**Call Option Repurchase Date**" has the meaning given to it in the section entitled "*Certain Transaction Documents – Call Option Deed – Purchase of the Portfolio following a Call Option Event*".

"**Cash Administration Agreement**" means the cash administration agreement entered into by, among others, the Cash Administrator, the Issuer and the Trustee on or around the Closing Date.

"**Cash Administration Services**" means the cash administration services to be provided by the Cash Administrator as set out in the Cash Administration Agreement.

"**Cash Administrator**" means Citibank, N.A., London Branch or any of its permitted successors or assigns appointed in accordance with the Cash Administration Agreement.

"**Cash Administrator Termination Event**" has the meaning given to such term in the section entitled "*Certain Transaction Documents – Cash Administration Agreement – Cash Administrator Termination Event*".

"**Cash Administrator Termination Event Notice**" means, following the occurrence of a Cash Administration Termination Event that is continuing, a notice in writing terminating the appointment of the Cash Administrator in accordance with the Cash Administration Agreement.

"**CCA**" means the Consumer Credit Act 1974, as amended, extended or re-enacted from time to time and any relevant secondary legislation.

"**Certificate Conditions**" means the terms and conditions of the Notes set out in the section entitled "*Terms and Conditions of the Certificates*" as amended from time to time in accordance with the Trust Deed.

"**Certificate Payment**" means, as of any Interest Determination Date:

(a) prior to the delivery of an Enforcement Notice, in respect of each Interest Payment Date from (and including) the Closing Date the amount by which Available Revenue Receipts exceeds the amounts required to satisfy items (a) to (s) (inclusive) of the Revenue Priority of Payments on that Interest Payment Date; and

(b) 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 all monies held in the Issuer Transaction Account (excluding amounts standing to the credit of the Issuer Profit Ledger) and all amounts received or recovered following service of an Enforcement Notice exceeds the amounts required to satisfy items (a) to (s) of the Post-Enforcement Priority of Payments.

"**Certificateholder Backstop Exercise Period**" means anytime from the expiry of the Clean-Up Call Exercise Period, within which the Majority Certificateholders may deliver an Exercise Notice.

"**Certificates**" has the meaning given in the Certificate Conditions.

"**Charged Property**" means the assets and property charged and assigned in the manner set out in the section entitled "*Overview – Overview of the Terms and Conditions of the Notes and Certificates – Security*" and references to the Charged Property include references to any part of the Charged Property.

"**Class**" means a class of Notes.

"**Class A Interest Amount**" means the amount of interest payable in respect of the Class A Notes held by a Class A Noteholder on any Interest Payment Date.

"**Class A Noteholder**" means a holder of any Class A Note from time to time.

"**Class A Notes**" has the meaning given to it in the Conditions.

"**Class A Principal Deficiency Ledger**" means the principal deficiency ledger established on behalf of the Issuer by the Cash Administrator in respect of the Class A Notes in order to record as debits Losses and any Principal Addition Amounts allocated to such ledger on an Interest Payment Date.

"**Class A Principal Deficiency Limit**" means an amount equal to the then Principal Amount Outstanding of the Class A Notes.

"**Class A Rate of Interest**" means the rate of interest from time to time in respect of the Class A Notes calculated in accordance with Condition 6.5 (*Interest on the Notes*).

"**Class B Interest Amount**" means the amount of interest payable in respect of the Class B Notes held by a Class B Noteholder on any Interest Payment Date.

"**Class B Noteholder**" means a holder of any Class B Note from time to time.

"**Class B Notes**" has the meaning given to it in the Conditions.

"**Class B Principal Deficiency Ledger**" means the principal deficiency ledger established on behalf of the Issuer by the Cash Administrator in respect of the Class B Notes in order to record as debits Losses and any Principal Addition Amounts allocated to such ledger on an Interest Payment Date.

"**Class B Principal Deficiency Limit**" means an amount equal to the then Principal Amount Outstanding of the Class B Notes.

"**Class B Rate of Interest**" means the rate of interest from time to time in respect of the Class B Notes calculated in accordance with Condition 6.5 (*Interest on the Notes*).

"**Class C Interest Amount**" means the amount of interest payable in respect of the Class C Notes held by a Class C Noteholder on any Interest Payment Date (including any Deferred Interest and any Additional Interest thereon).

"**Class C Noteholder**" means a holder of any Class C Note from time to time.

"**Class C Notes**" has the meaning given to it in the Conditions.

"**Class C Principal Deficiency Ledger**" means the principal deficiency ledger established on behalf of the Issuer by the Cash Administrator in respect of the Class C Notes in order to record as debits Losses and any Principal Addition Amounts allocated to such ledger on an Interest Payment Date.

"**Class C Principal Deficiency Limit**" means an amount equal to the then Principal Amount Outstanding of the Class C Notes.

"**Class C Rate of Interest**" means the rate of interest from time to time in respect of the Class C Notes calculated in accordance with Condition 6.5 (*Interest on the Notes*).

"**Class D Interest Amount**" means the amount of interest payable in respect of the Class D Notes held by a Class D Noteholder on any Interest Payment Date (including any Deferred Interest and any Additional Interest thereon).

"**Class D Noteholder**" means a holder of any Class D Note from time to time.

"**Class D Notes**" has the meaning given to it in the Conditions.

"**Class D Principal Deficiency Ledger**" means the principal deficiency ledger established on behalf of the Issuer by the Cash Administrator in respect of the Class D Notes in order to record as debits Losses and any Principal Addition Amounts allocated to such ledger on an Interest Payment Date.

"**Class D Principal Deficiency Limit**" means an amount equal to the then Principal Amount Outstanding of the Class D Notes.

"**Class D Rate of Interest**" means the rate of interest from time to time in respect of the Class D Notes calculated in accordance with Condition 6.5 (*Interest on the Notes*).

"**Class E Interest Amount**" means the amount of interest payable in respect of the Class E Notes held by a Class E Noteholder on any Interest Payment Date (including any Deferred Interest and any Additional Interest thereon).

"**Class E Noteholder**" means a holder of any Class E Note from time to time.

"**Class E Notes**" has the meaning given to it in the Conditions.

"**Class E Principal Deficiency Ledger**" means the principal deficiency ledger established on behalf of the Issuer by the Cash Administrator in respect of the Class E Notes in order to record as debits Losses and any Principal Addition Amounts allocated to such ledger on an Interest Payment Date.

"**Class E Principal Deficiency Limit**" means an amount equal to the then Principal Amount Outstanding of the Class E Notes.

"**Class E Rate of Interest**" means the rate of interest from time to time in respect of the Class E Notes calculated in accordance with Condition 6.5 (*Interest on the Notes*).

"**Class F Interest Amount**" means the amount of interest payable in respect of the Class F Notes held by a Class F Noteholder on any Interest Payment Date (including any Deferred Interest and any Additional Interest thereon).

"**Class F Noteholder**" means a holder of any Class F Note from time to time.

"**Class F Notes**" has the meaning given to it in the Conditions.

"**Class F Principal Deficiency Ledger**" means the principal deficiency ledger established on behalf of the Issuer by the Cash Administrator in respect of the Class F Notes in order to record as debits Losses and any Principal Addition Amounts allocated to such ledger on an Interest Payment Date.

"**Class F Principal Deficiency Limit**" means an amount equal to the then Principal Amount Outstanding of the Class F Notes.

"**Class F Rate of Interest**" means the rate of interest from time to time in respect of the Class F Notes calculated in accordance with Condition 6.5 (*Interest on the Notes*).

"**Class X Interest Amount**" means the amount of interest payable in respect of the Class X Notes held by a Class X Noteholder on any Interest Payment Date (including any Deferred Interest and any Additional Interest thereon).

"**Class X Noteholder**" means a holder of any Class X Note from time to time.

"**Class X Notes**" has the meaning given in the Conditions.

"**Class X Rate of Interest**" means the rate of interest from time to time in respect of the Class X Notes calculated in accordance with Condition 6.5 (*Interest on the Notes*).

"**Class Z Noteholder**" means a holder of any Class Z Note from time to time.

"**Class Z Notes**" has the meaning given in the Conditions.

"**Class Z Principal Deficiency Ledger**" means the principal deficiency ledger established on behalf of the Issuer by the Cash Administrator in respect of the Class Z Notes in order to record as debits Losses and any Principal Addition Amounts allocated to such ledger on an Interest Payment Date.

"**Class Z Principal Deficiency Limit**" means an amount equal to the then Principal Amount Outstanding of the Class Z Notes.

"**Clean-Up Call Event**" has the meaning given to it in Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*).

"**Clean-Up Call Option**" means the option pursuant to which the Clean-Up Call Option Holder (or its nominee) shall have the right (but not any obligation) to acquire all but not some of the Issuer's right, title, interest and benefit, present and future, actual and contingent, in the outstanding Purchased Receivables in the Portfolio and their Related Collateral following the occurrence of a Clean-Up Call Event pursuant to the terms of the Call Option Deed.

"**Clean-Up Call Option Holder**" means the (i) Seller or (ii) the Majority Certificateholders in their backstop capacity during the Certificateholder Backstop Exercise Period.

"**Clearing Systems**" means Euroclear or Clearstream, as applicable.

"**Clearstream**" or "**Clearstream Luxembourg**" means Clearstream Banking, S.A.

"**Closing Date**" means on or around 22 October 2026.

"**Collection Accounts**" means the Initial Collection Account and the Interim Collection Account or any replacement account opened in accordance with the Transaction Documents and designated as such.

"**Collection Account Banks**" means the Initial Collection Account Bank and the Interim Collection Account.

"**Collection Account Banks Minimum Required Rating**" means, in the case of each Collection Account Bank:

(a) where the Collection Account Bank has a resolution counterparty rating from S&P, a long-term issuer credit rating of at least "BBB" by S&P or where the Collection Account Bank does not have a resolution counterparty rating from S&P, a long-term issuer credit rating of at least "A" from S&P; and

(b) a long-term senior unsecured debt rating or credit assessment of at least “A” or “F1” (or “BBB” or “F2” for an OCB) by Fitch

(c) or such other ratings that are consistent with the then current rating methodology of the Rating Agencies as being the minimum ratings that are required to support the then current ratings of the Rated Notes.

"**Collection Accounts Declaration of Trust**" means the declaration of trust in respect of the Collection Accounts (including by any supplemental deed of declaration of trust) originally dated on or around the Closing Date and as may be further supplemented and amended from time to time.

"**Collection Accounts Trust**" means the trust declared in respect of the Collection Accounts in accordance with the Collection Accounts Declaration of Trust.

"**Collection Accounts Trustee**" means the Legal Title Holder, in its capacity as trustee of the Collection Accounts Trust.

"**Collection Agent**" means payment institution authorised in accordance with the Payment Services Regulations 2017 and appointed by the Servicer for the purposes of receiving Collections in respect of the Purchased Receivables from Customers.

"**Collection Period**" means a calendar month, provided that the first Collection Period will commence on (and exclude) the Cut-Off Date and end on (and include) the last day of the calendar month immediately preceding the First Interest Payment Date.

"**Collection Trust Property**" means all of the Legal Title Holder's rights, title, interest and benefit, present and future, in respect of the Collection Accounts, including to all sums standing to the credit of the Collection Accounts (as to both capital and income).

"**Common Safekeeper**" means a common safekeeper for a Clearing System.

"**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 Cash Administrator 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% being rounded upwards:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\text{SONIA}_{i-5\text{LBD}}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

(a) "**d**" is the number of calendar days in the relevant Interest Period;

(b) "d_0" is the number of Banking Days in the relevant Interest Period;

(c) "**i**" is a series of whole numbers from one to d_0, each representing the relevant Business Day in chronological order from, and including, the first Business Day in the relevant Interest Period to, but excluding, the last Banking Day in such Interest Period;

(d) "**LBD**" means a Banking Day;

(e) "n_i", for any day "**i**", means the number of calendar days from and including such day "i" up to but excluding the following Banking Day; and

(f) "$SONIA_{i\text{-}5LBD}$" means in respect of any Banking Day falling in the relevant Interest Period, the Reference Rate for the Banking Day falling five Business Days prior to that Business Day "i".

"**Conditions**" means the terms and conditions of the Notes set out in the section entitled "*Terms and Conditions of the Notes*" as amended from time to time in accordance with the Trust Deed.

"**Constitution**" means, in respect of the Issuer, its constitution, comprising the memorandum and articles of association of the Issuer (as may be amended from time to time).

"**Consumer Credit Authorisation**" means either limited or full permission from the FCA to engage in one or more activities specified in Parts VIA, VIB, VIIB, XIVA and XIVB of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (as amended) including consumer credit activities and covering all licence categories and trading names used by the Seller in relation to the Purchased Receivables.

"**Consumer Credit Laws**" means all consumer credit laws in the United Kingdom including:

(a) CCA;

(b) FSMA;

(c) RAO;

(d) CRA;

(e) the Financial Services (Distance Marketing) Regulations 2004;

(f) the Consumer Protection from Unfair Trading Regulations 2008;

(g) the FCA Handbook as it relates to businesses involved in the provision of credit, and ancillary credit activities and in particular the Consumer Credit sourcebook; and

(h) all rules, instructions, directions, permissions, waivers, notices, orders, conditions, limitations, restrictions and prohibitions imposed or issued by a Regulatory Authority,

in each case to the extent applicable to the Seller and the Purchased Receivables.

"**Corporate Services Agreement**" means the corporate services agreement entered into by the Issuer, HoldCo and the Corporate Services Provider on or around the Closing Date.

"**Corporate Services Fee**" means the fees payable by the Issuer to the Corporate Services Provider as may be amended from time to time in accordance with the Transaction Documents.

"**Corporate Services Provider**" means CSC Capital Markets UK Limited d (a private limited company incorporated in England with company number 10780001).

"**Credit Support Annex**" or "**CSA**" means the credit support annex annexed to the Interest Rate Hedge Agreement and forming part of it.

"**CRA**" means the Consumer Rights Act 2015, as amended from time to time.

"**Cumulative Default Ratio**" means, in respect of any Determination Date, the ratio (expressed as a percentage) between:

(a) the Aggregate Outstanding Receivables Balance (each Outstanding Receivables Balance being as at the point at which the relevant loan became a Defaulted Receivable) of all Purchased Receivables that have become Defaulted Receivables from the Cut-Off Date to (and including) the last day of the Collection Period immediately preceding such Determination Date and for the purposes of this definition, this shall include any Defaulted Receivables that have been repurchased by the Seller pursuant to the Defaulted Receivables Call Option; *divided by*

(b) the Aggregate Outstanding Receivables Balance as at the Cut-Off Date of all Purchased Receivables.

"**Cumulative Default Ratio Trigger Table**" means the following table, which specifies, for each Determination Date (based on the number of months elapsed since the Cut-Off Date), the maximum permitted Cumulative Default Ratio (expressed as a percentage) for the purposes of determining compliance with the Pro-Rata Payment Conditions:

Number of months since Closing	Maximum permitted Cumulative Default Ratio
1	1.50%
2	1.50%
3	1.50%
4	2.00%
5	2.50%
6	3.00%
7	3.50%
8	4.00%
9	4.50%

Number of months since Closing	Maximum permitted Cumulative Default Ratio
10	5.00%
11	5.50%
12	6.00%
13	6.50%
14	7.00%
15	7.50%
16	8.00%
17	8.50%
18	9.00%
19	9.50%
20	10.00%
21	10.00%
22	10.00%
23	10.00%
24	10.00%
25	10.00%
26	10.00%
27	10.00%
28	10.00%
29	10.00%
30	10.00%
31	10.00%
32	10.00%
33	10.00%
34	10.00%
35	10.00%
36	10.00%
37	10.00%
38	10.00%
39	10.00%
40	10.00%
41	10.00%
42	10.00%
43	10.00%
44	10.00%
45	10.00%
46	10.00%
47	10.00%
48	10.00%
49	10.00%
50	10.00%
51	10.00%
52	10.00%
53	10.00%
54	10.00%
55	10.00%
56	10.00%
57	10.00%
58	10.00%
59	10.00%
60	10.00%
61	10.00%
62	10.00%
63	10.00%
64	10.00%
65	10.00%

Number of months since Closing	Maximum permitted Cumulative Default Ratio
66	10.00%
67	10.00%
68	10.00%
69	10.00%
70	10.00%
71	10.00%
72	10.00%
73	10.00%
74	10.00%
75	10.00%
76	10.00%
77	10.00%
78	10.00%
79	10.00%
80	10.00%
81	10.00%
82	10.00%
83	10.00%

"**Custodian**" means the custodian under a Securities Custody Account in respect of the Hedge Collateral Custody Account, who for the avoidance of doubt may not invest Swap Collateral as an authorised investment.

"**Customer(s)**" means, in respect of a Receivable, a Person or Persons obliged to make payments in respect of such Receivable.

"**Customer Collections**" means, in respect of a Purchased Receivable other than a Purchased Receivable in respect of which a Loss has been incurred and a corresponding debit recorded on the Principal Deficiency Ledger(s), and during any specified period:

(a) all amounts received from a Customer in respect of such Purchased Receivable (except for any payments in respect of interest accrued prior to the Cut-Off Date); and

(b) all cash proceeds of Related Collateral with respect to such Purchased Receivable.

"**Cut-Off Date**" means 30 September 2026.

"**Data Protection Laws**" means any law, enactment, regulation or order concerning the processing of data relating to living persons, including:

(a) the EU GDPR;

(b) the UK GDPR;

(c) the DPA; and

(d) other UK or European data protection laws,

each to the extent applicable to the activities or obligations under or pursuant to the Transaction Documents.

"**Deed of Charge**" means the Deed of Charge dated on or about the Closing Date between the Issuer and the Trustee.

"**Defaulted Receivable**" means (without double counting), at any time, a Purchased Receivable:

(a) which is 91 days or more in arrears or more (irrespective of whether or not a Payment Arrangement has been entered into with respect of such Purchased Loan); or

(b) which the Servicer has declared to be in default in accordance with the terms of the Underlying Agreement and the Seller's policies.

"**Deferred Interest**" has the meaning given to it in Condition 6.3(b) (*Deferral of Interest*).

"**Definitive Exchange Date**" means a day falling not less than 30 days after the date on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar is located.

"**Definitive Note**" means a certificate in definitive form representing one or more Notes of a Class in or substantially in the form set out in the Trust Deed.

"**Determination Date**" means, in respect of each Interest Period, the date falling four Business Days prior to the related Interest Payment Date.

"**Direct Debit Reversal**" means any amounts debited from, clawed back from, or reversed in, the relevant Collection Account as a result of a failed, recalled or reversed Direct Debit collection pursuant to the Direct Debiting Scheme.

"**DPA**" means the Data Protection Act 2018 as amended from time to time.

"**EBA**" means the European Banking Authority.

"**EEA**" means the European Economic Area.

"**EIOPA**" means the European Insurance and Occupational Pensions Authority.

"**Electronic Resolution**" means any resolution of the Noteholders given by way of electronic consents through the electronic communications systems of the relevant clearing system(s) to the Principal Paying Agent or another specified agent in accordance with their operating rules and procedures, as described in Condition 15 (*Meetings of Noteholders and Certificateholders, Modification, Waiver and Substitution*).

"**Eligibility Criteria**" has the meaning given to it in the section entitled "*The Portfolio – Eligibility Criteria*".

"**Eligible Customer**" means a Customer that meets the requirements of the Eligibility Criteria as at the date the Purchased Receivable is originated.

"**Eligible Receivable**" means a Receivable that complies with the Eligibility Criteria on the Closing Date (as of the Cut-Off Date).

"**Encumbrance**" means:

(a) a mortgage, charge, pledge, lien, trust, assignation in security or other encumbrance securing any obligation of any person;

(b) any arrangement under which money or claims to money, or the benefit of, a bank or other account, may be applied, set-off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or

(c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.

"**Enforcement Event**" means the service of an Enforcement Notice in accordance with Condition 13.2 (*Delivery of an Enforcement Notice*).

"**Enforcement Notice**" means a notice delivered to the Issuer, with a copy sent to each Agent, the Seller, the Retention Holder and the Interest Rate Hedge Counterparty, in accordance with Condition 13.2 (*Delivery of an Enforcement Notice*) following an Event of Default as set out in Condition 13.1 (*Events of Default*).

"**ESMA**" means the European Securities and Markets Authority or any successor body or bodies.

"**EU**" or "**European Union**" means the European Union.

"**EU Article 7 ITS**" means 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.

"**EU Article 7 RTS**" means 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.

"**EU Article 7 Technical Standards**" mean the EU Article 7 RTS and the EU Article 7 ITS.

"**EU CRA Regulation**" Regulation EC 1060/2009 (as amended).

"**EU CRR**" means Regulation of the European Parliament and of the Council (EU) No 575/2013, as amended.

"**EU EMIR**" means Regulation of the European Parliament and of the Council (EU) No 648/2012, as amended.

"**EU GDPR**" means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation).

"**EU SR Report**" means a report containing certain loan-by-loan information in relation to the Purchased Receivables for the purposes of Article 7(1)(a) of the EU Securitisation Regulation and the EU Article 7 Technical Standards, as if such requirement was applicable to the Reporting Entity (as such regulation and technical standards are in force, interpreted and applied as at the Closing Date including as to the form of such information).

"**EU SR Reporting Website**" means the website of SecRep B.V. at https://www.secrep.eu, a website which conforms to the requirements set out in Article 7(2) of the EU Securitisation Regulation (as if it were applicable to the Issuer and as in force, interpreted and applied as at the Closing Date), or any other website which may be notified by the Issuer from time to time provided that such replacement or additional website conforms to the requirements set out in Article 7(2) of the EU Securitisation Regulation (as if it were applicable to the Issuer and as in force, interpreted and applied as at the Closing Date).

"**EU Securitisation Regulation**" means Regulation (EU) 2017/2402, as it is in force, interpreted and applied on the Closing Date and including the EU Securitisation Rules as it is in force, interpreted and applied on the Closing Date.

"**EU Securitisation Rules**" means: (i) applicable regulatory and/or implementing technical standards or delegated regulations made under the EU Securitisation Regulation (including any applicable transitional provisions); and/or (ii) any relevant guidance and policy statements relating to the application of the EU Securitisation Regulation published by the EBA, the ESMA, the EIOPA (or their successor), collectively, the European Supervisory Authorities or ESAs, including any applicable guidance and policy statements issued by the Joint Committee of ESAs and/or the European Commission; and/or (iii) any applicable laws, regulations, rules, guidance or other applicable national implementing measures, in each case as it is in force, interpreted and applied on the Closing Date.

"**EU SR Inside Information**" means 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 as if such requirement was applicable to the Reporting Entity (as such regulation and technical standards are in force, interpreted and applied as at the Closing Date including as to the form of such information).

"**EU SR Investor Report**" means a report prepared by the Cash Administrator (on behalf of the Reporting Entity) pursuant to the Cash Administration Agreement, containing the information specified under Article 7(1)(e) of the EU Securitisation Regulation and the EU Article 7 Technical Standards, as if such requirement was applicable to the Reporting Entity (as such regulation and technical standards are in force, interpreted and applied as at the Closing Date including as to the form of such information).

"**EU SR Significant Event Information**" means information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and the EU Article 7 Technical Standards as if such requirement was applicable to the Reporting Entity (as such regulation and technical standards are in force, interpreted and applied as at the Closing Date including as to the form of such information).

"**Eurobond**" means an international bond that is denominated in a currency not native to the country where it is issued.

"**Euroclear**" means Euroclear Bank SA/NV, as operator of the Euroclear System.

"**EUWA**" means 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.

"**Event of Default**" has the meaning given to it in Condition 13.1 (*Events of Default*).

"**Excess Hedge Collateral**" means, in respect of the Interest Rate Hedge Agreement, an amount (which will be transferred directly to the Interest Rate Hedge Counterparty in accordance with the Interest Rate Hedge Agreement and the Hedge Collateral Account Priority of Payments) equal to the value of the collateral (or the applicable part of any collateral) provided by the Interest Rate Hedge Counterparty to the Issuer pursuant to the Interest Rate Hedge Agreement (as a result of the ratings downgrade provisions in that Interest Rate Hedge Agreement) (and then forming part of the Interest Rate Hedge Counterparty's Credit Support Balance (as defined in the Credit Support Annex)) (i) which is in excess of the Interest Rate Hedge Counterparty's liability under the Interest Rate Hedge Agreement as at the date of termination of the relevant Swap Transaction (determined in accordance with the terms of the Interest Rate Hedge Agreement and disregarding, for these purposes, the value of such collateral) or (ii) which, at any time, the Interest Rate Hedge Counterparty is otherwise entitled to have transferred to it under the terms of the Interest Rate Hedge Agreement.

"**Excluded Taxes**" means, with respect to any Person:

(a) taxes imposed on (or measured by) its net income, profit or gains or franchise taxes imposed on (or measured by) its net income, profits or gains by the jurisdiction under the Laws of which such Person is organised or in which its principal office is located including any political subdivision thereof; and

(b) any branch profit taxes imposed by any jurisdiction described in paragraph (a) above.

"**Exercise Notice**" means a notice in the form of Schedule 1 (Form of Exercise Notice) in the Call Option Deed.

"**Extraordinary Resolution**" means a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than 75% of all applicable Notes and/or Certificates (as applicable) which are represented and are voted at such meeting or which satisfies the requirements of the Trust Deed in respect of such resolution.

"**FATCA**" means Sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended (the "**Code**"), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, any intergovernmental agreement entered into pursuant to such Sections of the Code and any legislation, regulations, rules, or guidance notes adopted pursuant to any such intergovernmental agreement.

"**FATCA Deduction**" means a deduction or withholding from a payment under the Transaction Documents required by FATCA.

"**FCA**" means the Financial Conduct Authority or any successor body or bodies.

"**FCA Due Diligence Rules**" means SECN 4.

"**FCA Transparency Rules**" means SECN 6, SECN 11 (including its Annexes) and SECN 12 (including its Annexes).

"**Final Maturity Date**" means the Interest Payment Date falling in August 2034.

"**First Interest Payment Date**" means the Interest Payment Date falling in November 2026.

"**First Interest Period**" means the interest period commencing on the Closing Date and ending on (but excluding) the First Interest Payment Date.

"**Fitch**" means Fitch Ratings Limited and any subsidiary of it together with any successor in interest to such person.

"**FSMA**" means the Financial Services and Markets Act 2000, as amended from time to time.

"**Further Account**" means any account of the Issuer, other than the Issuer Transaction Account and the Hedge Collateral Cash Account, established in accordance with the Account Bank Agreement.

"**GAAP**" means the Generally Accepted Accounting Principles of the United Kingdom.

"**Global Certificate**" means, in respect of a Certificate, one or more permanent global certificates in fully registered form without interest coupons.

"**Global Note**" means, in respect of a Class of Notes, one or more permanent global notes in fully registered form without interest coupons.

"**Hedge Collateral**" means, at any time, the eligible collateral which may be comprised of cash and/or securities provided by the Interest Rate Hedge Counterparty to the Issuer under the Credit Support Annex (as a result of the ratings downgrade provisions in that Interest Rate Hedge Agreement), including any interest, distributions and liquidation proceeds in respect thereof, to the extent comprising the Interest Rate Hedge Counterparty's Credit Support Balance, as defined in the Interest Rate Hedge Agreement, at that time (or an amount equal to the value thereof determined in accordance with the Interest Rate Hedge Agreement, as the context requires).

"**Hedge Collateral Account**" means any Hedge Collateral Cash Account and/or Hedge Collateral Custody Account, as applicable.

"**Hedge Collateral Account Priority of Payments**" means the amounts and securities standing to the credit of each Hedge Collateral Account (including interest, distributions and redemption or sale proceeds thereon or thereof) and recorded on the Hedge Collateral Ledger will not be available for the Issuer or the Trustee to make payments to the Secured Creditors generally, but may be applied by the Cash Administrator only in accordance with the following provisions in accordance with the instructions of the Interest Rate Hedge Counterparty or the Servicer:

(a) prior to the designation of an Early Termination Date (as defined in the Interest Rate Hedge Agreement, an "**Early Termination Date**") in respect of the Swap Transaction, solely in or towards payment or discharge of any Return Amounts, Interest Amounts and Distributions (each as defined in the Credit Support Annex) and any other return or transfer of collateral or other payment amounts in the nature of interest or distributions in respect of collateral in accordance with the terms of the Interest Rate Hedge Agreement, on any day, directly to the Interest Rate Hedge Counterparty;

(b) following the designation of an Early Termination Date in respect of the Swap Transaction where (A) such Early Termination Date has been designated following an Interest Rate Hedge Counterparty Default or Interest Rate Hedge Counterparty Downgrade Event and (B) the Issuer enters into a Replacement Interest Rate Hedge Agreement in respect of the Interest Rate Hedge Agreement by no later than thirty (30) Business Days after the relevant Early Termination Date, on the latest of: (x) the day on which such Replacement Interest Rate Hedge Agreement is

entered into, (y) the day on which a termination payment (if any) payable by the outgoing Interest Rate Hedge Counterparty to the Issuer has been received and (z) the day on which a Replacement Hedge Premium (if any) payable to the Issuer has been received, in the following order of priority:

(i) *first*, in or towards payment of a Replacement Hedge Premium (if any) payable by the Issuer to a replacement interest rate hedge counterparty in order to enter into a Replacement Interest Rate Hedge Agreement with the Issuer with respect to the Interest Rate Hedge Agreement being terminated;

(ii) *second*, in or towards payment of any Hedge Termination Payment due from the Issuer to the outgoing Interest Rate Hedge Counterparty; and

(iii) *third*, the surplus (if any) on such day to form part of the Available Revenue Receipts;

(c) following the designation of an Early Termination Date in respect of the Swap Transaction where: (A) such Early Termination Date has been designated otherwise than as a result of one of the events specified at paragraph (b)(A) above, and (B) the Issuer enters into a Replacement Interest Rate Hedge Agreement in respect of the Interest Rate Hedge Agreement on or around the Early Termination Date of the Interest Rate Hedge Agreement, on the latest of: (x) the day on which such Replacement Interest Rate Hedge Agreement is entered into, (y) the day on which a termination payment (if any) payable by the outgoing Interest Rate Hedge Counterparty to the Issuer has been received and (z) the day on which a Replacement Hedge Premium (if any) payable to the Issuer has been received, in the following order of priority:

(i) *first*, in or towards payment of any Hedge Termination Payment due from the Issuer to the outgoing Interest Rate Hedge Counterparty;

(ii) *second*, in or towards payment of a Replacement Hedge Premium (if any) payable by the Issuer to a replacement interest rate hedge counterparty in order to enter into a Replacement Interest Rate Hedge Agreement with the Issuer with respect to the Interest Rate Hedge Agreement being terminated; and

(iii) *third*, the surplus (if any) on such day to form part of the Available Revenue Receipts;

(d) following the designation of an Early Termination Date in respect of the Swap Transaction for any reason where the Issuer has not entered into a Replacement Interest Rate Hedge Agreement in respect of the Interest Rate Hedge Agreement on or before the thirtieth (30th) Business Day following such Early Termination Date ("**Replacement Date**"), on the first Business Day following the Replacement Date, in or towards payment of any Hedge Termination Payment due from the Issuer to the outgoing Interest Rate Hedge Counterparty; and

(e) following payments of amounts due pursuant to paragraph (d) above, if amounts remain standing to the credit of the Hedge Collateral Accounts, such amounts may be applied only in accordance with the following provisions:

(i) *first*, in or towards payment of a Replacement Hedge Premium (if any) payable by the Issuer to a replacement interest rate hedge counterparty in order to enter into a Replacement Interest Rate Hedge Agreement with the Issuer with respect to the Interest Rate Hedge Agreement; and

(ii) *second*, after the entry by the Issuer into a Replacement Interest Rate Hedge Agreement, any surplus remaining after payment of any Replacement Hedge Premium payable by the Issuer to a replacement interest rate hedge counterparty in order to enter into such Replacement Interest Rate Hedge Agreement, to form part of the Available Revenue Receipts,

provided that for so long as the Issuer does not enter into a Replacement Interest Rate Hedge Agreement with respect to the Interest Rate Hedge Agreement on or prior to the earlier of:

(A) the Determination Date immediately before the Interest Payment Date on which the Principal Amount Outstanding of all Notes would be reduced to zero; or

(B) the day on which an Enforcement Notice is given,

then the amount standing to the credit of the Hedge Collateral Accounts on such day shall form part of the Available Revenue Receipts.

"**Hedge Collateral Cash Account**" means any Hedge Collateral Account opened and maintained by the Issuer with the Account Bank solely for the purpose of holding Hedge Collateral in the form of cash.

"**Hedge Collateral Custody Account**" means each securities collateral account in the name of the Issuer used to hold collateral posted in the form of securities (if any) which shall be opened, when required, as per the terms of the Interest Rate Hedge Agreement, and which shall be maintained subject to the terms of any Securities Custody Agreement, the Cash Management Agreement and the Deed of Charge.

"**Hedge Excluded Payable Amount**" means any amounts payable by the Issuer to the Interest Rate Hedge Counterparty (i) that represent Return Amounts, Interest Amounts or Distributions due under the Credit Support Annex (for the purposes of this definition "Return Amounts", "Interest Amounts" and "Distributions" have the meanings given to them in the Interest Rate Hedge Agreement); (ii) that are Hedge Tax Credits; (iii) that are termination payments to the extent such payments can be satisfied from Hedge Collateral provided by the Interest Rate Hedge Counterparty; or (iv) that are termination payments to the extent such payments can be satisfied from any Replacement Hedge Premium received from any replacement Interest Rate Hedge Counterparty, with each such amount to be paid by the Issuer direct to the relevant Interest Rate Hedge Counterparty.

"**Hedge Excluded Receivable Amounts**" means (i) any Excess Hedge Collateral which shall be transferred directly to the Interest Rate Hedge Counterparty in accordance with the Hedge Collateral Account Priority of Payments), (ii) any Replacement Hedge Premium (only to the extent it is applied directly to pay a Hedge Termination Payment due and payable by the Issuer to the outgoing Interest Rate Hedge Counterparty); (iii) any Hedge Tax Credits, which shall be applied directly to the Interest Rate Hedge Counterparty in accordance with the Cash Administration Agreement, (iv) prior to the designation of an early termination date under the Interest Rate Hedge Agreement and the resulting application of the Hedge Collateral by way of netting or set-off, all Hedge Collateral provided by the Interest Rate Hedge Counterparty to the Issuer pursuant to the Interest Rate Hedge Agreement (and any interest or distributions in respect thereof), which shall be held in the Hedge Collateral Accounts and subject to the Hedge Collateral Account Priority of Payments, and (v) any Hedge Termination Payments, provided that any surplus over the corresponding Hedge Excluded Payable Amounts shall be transferred to the Issuer Transaction Account to be applied as Available Principal Receipts or in accordance with the Post-Enforcement Priority of Payments.

"**Hedge Subordinated Amounts**" means any Hedge Termination Payment due to the Interest Rate Hedge Counterparty which arises due to either (i) an Interest Rate Hedge Counterparty Default or (ii) an Interest Rate Hedge Counterparty Downgrade Event.

"**Hedge Tax Credits**" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities in any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Interest Rate Hedge Counterparty to the Issuer, or in a decreased payment by the Issuer to the Interest Rate Hedge Counterparty, in each case in accordance with the terms of the relevant Interest Rate Hedge Agreement.

"**Hedge Termination Payment**" means, each and collectively, any termination payment due as a result of the early termination of any transaction under the Interest Rate Hedge Agreement, and including any default interest due thereunder.

"**HMRC**" means H.M. Revenue and Customs.

"**HoldCo**" means Morton Funding 2026-1 Holdings Limited.

"**Illegality Event**" has the meaning given to it in Condition 8.4 (*Optional Redemption in whole upon the occurrence of an Illegality Event*).

"**Indebtedness**" means, with respect to any Person, any obligation (whether incurred as principal or as surety) for the payment or repayment, whether present or future, actual or contingent, of any indebtedness for or in respect of moneys borrowed or raised by such Person by whatever means (including, without limitation, by means of acceptances, the issue of loan stock and finance leases and any liability evidenced by bonds, debentures, notes or similar instruments) and includes any indebtedness under any interest rate or currency swap or forward currency sale or purchase or similar form of interest or currency hedging transaction.

"**Initial Collection Account**" means the relevant accounts in the name of the Legal Title Holder held with the Initial Collection Account Bank over which a trust is declared by the Legal Title Holder pursuant to the Collection Accounts Declaration of Trust, or any replacement account opened in accordance with the Transaction Documents and designated as such.

"**Initial Collection Account Bank**" means National Westminster Bank plc or each of its successors acting in its capacity as the bank at which the Collection Account is maintained.

"**Insolvency Act**" means the Insolvency Act 1986 (as amended from time to time).

"**Insolvency Event**" means an event in which a relevant entity:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(c) makes a general assignment, trust, arrangement scheme, compromise or composition with or for the benefit of its creditors;

(d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up, examinership or liquidation by it or such regulator, supervisor or similar official;

(e) has instituted against it a proceeding seeking a judgment of insolvency, examinership, court protection, reorganisation, relief of debtors, restructuring plan, adjustment or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up, examinership or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:

  (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or

  (ii) is not dismissed, discharged, stayed, sisted or restrained, in each case within 30 days of the institution or presentation thereof;

(f) has exercised in respect of it one or more of the stabilisation powers pursuant to Part 1 of the Banking Act 2009 and/or has instituted against it a bank insolvency proceeding pursuant to Part 2 of the Banking Act 2009 or a bank administration proceeding pursuant to Part 3 of the Banking Act 2009;

(g) has a resolution passed for its winding-up, official management, examinership or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(h) seeks or becomes subject to the appointment of an administrator, provisional liquidator, examiner, conservator, receiver, trustee, custodian, monitor or other similar official for it or for all or substantially all its assets;

(i) has a moratorium declared in respect of any indebtedness of that entity;

(j) has a secured party take possession of all or substantially all its assets or has a distress, execution, diligence, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed, sisted or restrained, in each case within 30 days thereafter;

(k) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (j) above; or

(l) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

"**Insolvency Law**" means any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar Laws.

"**Interest Amount**" means the Class A Interest Amount, the Class B Interest Amount, the Class C Interest Amount, the Class D Interest Amount, the Class E Interest Amount, the Class F Interest Amount, and/or the Class X Interest Amount, as applicable.

"**Interest Determination Date**" means the fifth Banking Day before the Interest Payment Date for which the SONIA Rate of Interest to be determined on such date will apply.

"**Interest Determination Ratio**" means:

(a) the aggregate Revenue Receipts calculated in the three preceding Servicer Reports (or such smaller number of preceding Servicer Reports as may be available on the date the Interest Determination Ratio is calculated); *divided by*

(b) the aggregate of the Revenue Receipts and the Principal Receipts calculated in such Servicer Reports.

"**Interest Payment Date**" means the First Interest Payment Date and, thereafter, the 23rd day of each calendar month provided that if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day, unless such day would thereby fall into the next calendar month, in which case the Interest Payment Date shall be the immediately preceding Business Day in the same calendar month.

"**Interest Period**" means the First Interest Period and, thereafter, each period commencing on (and including) an Interest Payment Date, and ending on (but excluding) the following Interest Payment Date.

"**Interest Period Hedge Counterparty Amount**" means, in respect of the Swap Transaction, the amount equal to the product of the swap notional amount in respect of the applicable Interest Period and the applicable day count fraction specified in the Interest Rate Hedge Agreement and multiplying the resulting amount by the floating rate specified in the Interest Rate Hedge Agreement.

"**Interest Period Issuer Amount**" means, in respect of the Swap Transaction, the amount equal to the product of the swap notional amount in respect of the applicable Interest Period and the applicable day count fraction specified in the Interest Rate Hedge Agreement and multiplying the resulting amount by the fixed rate specified in the Interest Rate Hedge Agreement.

"**Interest Rate Hedge Agreement**" means the 2002 ISDA Master Agreement, including the schedule and the Credit Support Annex thereto each between the Issuer and the Interest Rate Hedge Counterparty dated on or before the Closing Date (including each Swap Confirmation and Swap Transaction entered into thereunder from time to time), or any replacement thereof.

"**Interest Rate Hedge Counterparty**" means Lloyds Bank Corporate Markets Plc, or any successor or replacement thereof.

"**Interest Rate Hedge Counterparty Default**" means the occurrence of an Event of Default (as defined in the Interest Rate Hedge Agreement) where the Interest Rate Hedge Counterparty is the Defaulting Party (as defined in the Interest Rate Hedge Agreement).

"**Interest Rate Hedge Counterparty Downgrade Event**" means the occurrence of an Additional Termination Event (as defined in the Interest Rate Hedge Agreement) following the failure by the Interest Rate Hedge Counterparty to comply with the requirements of the ratings downgrade provisions set out in the Interest Rate Hedge Agreement.

"**Interest Rate Hedge Counterparty Entrenched Rights**" means the right of the Interest Rate Hedge Party to not consent to (such consent not to be unreasonably withheld) to an amendment, waiver, or supplement to the Transaction Documents, Conditions, or Certificate Conditions where such an amendment, waiver and/or supplement would in the Interest Rate Hedge Counterparty's reasonable opinion have a material adverse effect on any of the following matters: (A) the amount, timing or priority of any payment or delivery to the Interest Rate Hedge Counterparty (including where the Issuer's obligations become further contractually subordinated, as compared to the level of subordination of such obligations as at the Closing Date, to the Issuer's obligations to any other Secured Creditor) or the Issuer's ability to make such payments or deliveries; (B) the Interest Rate Hedge Counterparty's rights in relation to any security (howsoever described, and including as a result of changing the nature or the scope of, or releasing such security) granted by the Issuer in favour of the Trustee on behalf of the Secured Creditors; (C) the Interest Rate Hedge Counterparty's position under the Interest Rate Hedge Agreement resulting in (I) the Interest Rate Hedge Counterparty being required to pay more or receive less than it would otherwise have been required to pay or entitled to receive before such modification was made and/or (II) a decrease in the value of any Swap Transaction (from the Interest Rate Hedge Counterparty's perspective); (D) amend clause 19 (Waiver and Modification) of the Trust Deed, Condition 15.3 (Modification) or any provision of the Trust Deed or the Conditions that governs the Interest Rate Hedge Counterparty Entrenched Rights; (E) alter the amount it would have to pay or receive to replace itself under the Interest Rate Hedge Agreement, in connection with such replacement, as compared to what it would have been required to pay or would have received had such modification, amendment, waiver or consent not been made or granted; (F) alter the maturity of any Rated Notes; and/or (G) the definition of Interest Rate Hedge Counterparty Entrenched Rights.

"**Interim Collection Account**" means the relevant accounts in the name of the Legal Title Holder held with the Interim Collection Account Bank over which a trust is declared by the Legal Title Holder pursuant to the Collection Accounts Declaration of Trust, or any replacement account opened in accordance with the Transaction Documents and designated as such.

"**Interim Collection Account Bank**" means The Royal Bank of Scotland plc or each of its successors acting in its capacity as the bank at which the Collection Account is maintained.

"**Investment Company Act**" or "**ICA**" means the United States Investment Company Act of 1940, as amended from time to time.

"**Investor Reporting Date**" means each Interest Payment Date.

"**Irrecoverable VAT**" means any amount in respect of VAT incurred by a party to the Transaction Documents (for the purposes of this definition, a "**Relevant Party**") as part of a payment in respect of which it is entitled to be reimbursed or indemnified under the relevant Transaction Documents to the extent that the Relevant Party does not or will not receive and retain a credit, deduction or repayment of such VAT (as input tax as that expression is defined in section 24(1) of the Value Added Tax Act 1994 or under Article 168 of the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) or any provision of a similar nature, under the law of a member state of the European Union or elsewhere).

"**Issue Date**" means the Closing Date.

"**Issuer**" means Morton Funding 2026-1 plc.

"**Issuer Accounts**" means the Issuer Transaction Account and any Hedge Collateral Account.

"**Issuer Covenants**" means the covenants of the Issuer set out in the Trust Deed.

"**Issuer ICSD Agreement**" means the agreement so named dated on or before the Closing Date between the Issuer and the ICSDs.

"**Issuer Profit Amount**" means £1,200 per annum payable in an amount of £100 on each Interest Payment Date, to be credited to the Issuer Profit Ledger and retained by the Issuer as profit in respect of the business of the Issuer and which may be used to pay corporation tax of the Issuer thereon.

"**Issuer Profit Ledger**" means the ledger maintained by the Cash Administrator on the Issuer Transaction Account to record the share capital of the Issuer, the Issuer Profit Amount and any debit in respect of corporation tax of the Issuer thereon.

"**Issuer Proportion**" means, subject to the terms of the Collection Accounts Declaration of Trust, an amount equal to, at any time, (a) the aggregate of all amounts standing to the credit of the relevant Collection Account at such time beneficially owned by the Issuer, divided by (b) the aggregate amount of the Collection Trust Property at that time:

"**Issuer Transaction Account**" means the account described as such in the name of the Issuer with the Account Bank and any replacement or substitute account opened pursuant to the Account Bank Agreement.

"**ITA**" means the Income Tax Act 2007.

"**KBRA**" means Kroll Bond Rating Agency UK Limited and any successor to the debt rating business thereof.

"**Law**" means any law (including common law), constitution, statute, treaty, regulation, directive, rule (including, for the avoidance of doubt, rules of the FCA and PRA (or any successor regulatory authorities)), ordinance, order, injunction, writ, decree or award of any Official Body.

"**Lead Manager**" means Lloyds Bank Corporate Markets plc.

"**Lead Manager Notes**" has the meaning given to such term in the section entitled "*Subscription and Sale*".

"**Ledgers**" means the Class A Principal Deficiency Ledger, the Class B Principal Deficiency Ledger, the Class C Principal Deficiency Ledger, the Class D Principal Deficiency Ledger, the Class E Principal Deficiency Ledger, the Class F Principal Deficiency Ledger, the Class Z Principal Deficiency Ledger, the Liquidity Reserve Fund Ledger, the Principal Ledger, the Revenue Ledger, the Issuer Profit Ledger and the Hedge Collateral Ledger.

"**Legal Reservations**" means:

(a) the principle that equitable or discretionary remedies may be granted or refused at the discretion of a court;

(b) the limitation of enforcement by laws relating to insolvency, reorganisation, examinership and other laws generally affecting the rights of creditors;

(c) the time barring of claims under the Limitation Acts;

(d) the possibility that an undertaking to assume liability for or indemnify a person against non-payment of stamp duty may be void;

(e) defences of set off or counterclaim; and

(f) similar principles, rights and remedies under the laws of any other jurisdiction.

"**Legal Title Holder**" means Zopa Bank Limited, in its capacity as legal title holder.

"**Legal Title Holder Power of Attorney**" means the power of attorney granted by the Legal Title Holder in favour of the Issuer and the Trustee, pursuant to or in accordance with the Receivables Sale Agreement.

"**Liability**" or "**Liabilities**" means in respect of any person, any loss, damage, cost, charge, award, claim, demand, expense, judgment, action, proceeding or other liability including, but without limitation, legal costs and expenses properly incurred (including, in each case, Irrecoverable VAT in respect thereof but excluding any other Tax).

"**Limitation Acts**" means the Limitations Act 1980 and the Foreign Limitation Periods Act 1984.

"**Liquidity Reserve Fund Ledger**" means the liquidity reserve fund ledger established on behalf of the Issuer by the Cash Administrator in accordance with the Cash Administration Agreement.

"**Liquidity Reserve Required Amount**" means:

(a) on the Closing Date, the amount equal to 1.25% of the outstanding balance of the Class A Notes and the Class B Notes;

(b) following the Closing Date, if any Class A Notes and/or Class B Notes remain outstanding, the amount equal to 1.25% of the outstanding balance of the Class A Notes and/or Class B Notes (before taking into account any repayment of the Class A Notes and/or Class B Notes on that Interest Payment Date), subject to a floor of the higher of:

(i) the amount equal to 1.25% of the outstanding balance of the Class A Notes and/or Class B Notes on the first date that the Cumulative Default Ratio is greater than 10%;

(ii) the amount equal to 1.25% of the outstanding balance of the Class A Notes and/or Class B Notes on the first date that the Clean-Up Call Option becomes exercisable; and

(iii) £800,000; and

(c) on and following the date on which the Principal Amount Outstanding of all of the Class A Notes and the Class B Notes has reduced to zero or upon the delivery of an Enforcement Notice, zero.

"**Losses**" means the aggregate of (without double counting) the Outstanding Receivables Balance of any Purchased Receivable that becomes a Defaulted Receivable at the time it first becomes a Defaulted Receivable.

"**LSE**" means London Stock Exchange plc.

"**Majority Certificateholders**" means the Certificateholder or Certificateholders that own more than $66^{2}/_{3}$% of the amount outstanding of the Certificates.

"**Master Framework Agreement**" means the master framework agreement entered into between, among others, the Issuer, the Trustee, the Account Bank, the Cash Administrator, the Principal Paying Agent, the Agent Bank, the Registrar, the Interest Rate Hedge Counterparty, the Seller, the Retention Holder, the Servicer and the Corporate Services Provider, dated on or about the Closing Date.

"**Material Adverse Effect**" means, as the context requires:

(a) a material adverse effect on the validity or enforceability of any of the Transaction Documents or the Security or any event which has or is likely to have a material adverse effect on the interests of the Issuer; or

(b) in respect of a Transaction Party, a material adverse effect on:

(i) the business, operations, assets, property, condition (financial or otherwise) or prospects of such Transaction Party (which, in the context of the Events of Default only, shall only apply to the Issuer and the holders of the Most Senior Class);

(ii) the ability of such Transaction Party to perform its material obligations under any of the Transaction Documents;

(iii) the rights or remedies of such Transaction Party under any of the Transaction Documents; or

(iv) in the context of the Purchased Receivables and the Related Collateral, a material adverse effect on the interests of the Issuer or the Trustee in the Purchased Receivables and/or Related Collateral, or on the ability of the Issuer (or the Servicer on the Issuer's behalf) to collect the Receivables or on the ability of the Trustee to enforce the Security.

"**MiFID II**" means Directive 2014/65/EU as amended.

"**Minimum Denomination**" means £100,000 and integral multiples of £1,000 in excess thereof.

"**Minimum Required Rating**" means:

(a) where the Account Bank has a resolution counterparty rating from S&P, a long-term issuer credit rating of at least "BBB" by S&P or where the Account Bank does not have a resolution counterparty rating from S&P, a long-term issuer credit rating of at least "A" from S&P; and

(b) a long-term senior unsecured debt rating or credit assessment of at least “A” or “F1” (or “BBB” or “F2” for an OCB) by Fitch,

or such other ratings that are consistent with the then current rating methodology of the Rating Agencies as being the minimum ratings that are required to support the then current ratings of the Rated Notes.

"**Monthly Cut-Off Date**" means the last day in each calendar month.

"**Most Senior Class**" means the Class A Notes; or, if there are no Class A Notes then outstanding, the Class B Notes; or, if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes; or, if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes; or, if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes; or, 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 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 Z Notes; or if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class Z Notes then outstanding, the Class X Notes; or if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class Z Notes or Class X Notes then outstanding, the Certificates.

"**Net Note Available Redemption Proceeds**" means, in respect of any Interest Payment Date prior to the service of an Enforcement Notice or a Call Option Redemption Date, the Available Principal Receipts available for distribution on such Interest Payment Date following payment of item (a) of the Principal Priority of Payments.

"**New Company**" means such company as is substituted for the Issuer in accordance with the terms of the Trust Deed.

"**New Issue Documents**" means the relevant transaction documents entered into in connection with any New Issue and any future transaction which includes the Purchased Receivables.

"**Non-Conforming Receivable**" has the meaning given to such term in the section entitled "*Certain Transaction Documents – Receivables Sale Agreement – Non-Conforming Receivables*".

"**Non-Responsive Rating Agency**" has the meaning given to it in Condition 17(b) (*Non-Responsive Rating Agency*).

"**Noteholder**" means a Class A Noteholder, a Class B Noteholder, a Class C Noteholder, a Class D Noteholder, a Class E Noteholder, a Class F Noteholder, a Class Z Noteholder and/or a Class X Noteholder, as applicable.

"**Notes**" means 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 Z Notes and the Class X Notes.

"**Notice of Declaration of Trust**" means the notice to be delivered by the Seller to the Collection Account Banks substantially in the form set out in the Collection Accounts Declaration of Trust.

"**Notification Event**" means the occurrence of any of the following:

(a) the occurrence of a Servicer Termination Event;

(b) the occurrence of an Insolvency Event in respect of the Legal Title Holder, the Seller and/or the Servicer;

(c) it becoming necessary by law or regulation, or as a result of an order of a court of competent jurisdiction or regulatory authority which has jurisdiction over the Seller or by requirement by any organisation of which the Seller is a member, to perfect the Issuer's legal title to the Purchased Receivables in accordance with the terms of the Receivables Sale Agreement;

(d) it becomes unlawful in any relevant jurisdiction for the Seller to hold legal title in respect of any Purchased Receivables; or

(e) the security created pursuant to the Deed of Charge or any material part of that security or the Charged Property (in each case, in respect of the Purchased Receivables) is, in the reasonable opinion of the Trustee in jeopardy;

(f) the Seller calls for perfection by delivering notice in writing to that effect to the Issuer (with a copy to the Trustee); and

(g) the Seller is in breach of any of its material obligations under the Receivables Sale Agreement but only if such breach continues unremedied for a period of 90 calendar days after the earlier of an officer of the Seller becoming aware of such breach and written notice of such failure being received by the Seller (such notice requiring the same to be remedied); and

(h) the occurrence of a Severe Deterioration Event,

provided that the provisions of each of paragraphs (g) and (h) above shall: (1) not apply if none of the then outstanding Notes are UK STS compliant as evidenced by the FCA STS Register website; and (2) be subject to such amendment as the Seller may require so long as the Seller delivers a certificate to the Trustee that the amendment of such event does not impact the designation as a 'simple, transparent and standardised' securitisation (within the meaning of the UK Securitisation Framework).

"**Notification Event Notice**" means a notice to be given to the Servicer of the occurrence of a Notification Event.

"**OCB**" means an "operational-continuity bank in SF" which:

(a) meets all of the following criteria (such entity being an **OCB Parent**):

(i) Fitch has assigned the bank a long-term issuer default rating of ‘B-’ or higher;

(ii) the bank has been identified as a global-systemically important bank (G-SIB) by the Financial Stability Board, or a domestic-systemically important bank (D-SIB) or other-systemically important institution (O-SII) by the relevant national authority; and

(iii) the bank is domiciled in a jurisdiction that Fitch views as having a developed resolution regime (Australia; Canada; the European Union; Hong Kong; Iceland; Japan; New Zealand; Norway; Switzerland; the U.K.; or the U.S.); or

(b) is a subsidiary or branch of an OCB Parent which:

(i) is domiciled in a jurisdiction referred to in limb (a)(iii) above; and

(ii) its long-term issuer default rating is equal to or higher than the relevant OCB Parent

"**Official Body**" means any government, nation or supranational body or political subdivision thereof or any agency, authority, bureau, central bank, commission, department or instrumentality of any such government or political subdivision, or any court, tribunal, grand jury or arbitrator, or any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, or any accounting board or authority (whether or not a part of government) which is responsible for the establishment or interpretation of national or international accounting principles.

"**Official List**" means the Official List of the Financial Conduct Authority.

"**OPS Due Diligence Rules**" means regulations 32B, 32C and 32D of the SR 2024.

"**Option Holder**" means each of the Clean-Up Call Option Holder and the Regulatory Call Option Holder in accordance with the terms of the Call Option Deed.

"**Ordinary Resolution**" means a resolution passed in a meeting duly convened and held in accordance with the Trust Deed by more than 50% of all applicable Notes and/or Certificates (as applicable) which are represented and are voted at such meeting or which satisfies the requirements of the Trust Deed in respect of such resolution.

"**Original Balance**" means, in respect of a Receivable, its principal balance (for avoidance of doubt inclusive of any upfront fees payable to the Seller which has been added to the balance of the Receivable at the time of that Receivable's origination).

"**Other Secured Contractual Rights**" means any other agreement, instrument or notice to which the Issuer is or becomes a party or in respect of which it has or may have any right, interest, title or benefit, either existing now or at any time in the future related to or arising under the Purchased Receivables or the Transaction Documents.

"**Outstanding**" or "**outstanding**" means in relation to the Notes of any Class, as of any date of determination, all of the Notes of such Class issued other than:

(a) those Notes which have been redeemed in full and cancelled pursuant to the Conditions;

(b) those Notes in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including premium (if any) and all interest payable in respect thereof and any interest payable under the relevant Conditions after such date) have been duly paid to the Trustee or to the Principal Paying Agent in the manner provided in the Principal Paying Agency Agreement (and where appropriate notice to that effect has been given to the relative Noteholders in accordance with Condition 10 (*Notifications*)) and remain available for payment against presentation of the relevant Notes;

(c) those Notes which have become void under Condition 18.4 (*Prescription*);

(d) any mutilated or defaced Notes which have been surrendered and for which replacement Notes have been issued in accordance with Condition 18.5 (*Replacement of Notes and Certificates*);

(e) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose) those Notes alleged to have been lost, stolen or destroyed and

for which replacement Notes have been issued in accordance with Condition 18.5 (*Replacement of Notes and Certificates*); and

(f) Notes represented by any Global Note to the extent that such Global Note shall have been exchanged for Notes represented by Definitive Notes pursuant to its provisions,

provided that, for the purposes of any Extraordinary Resolution, Ordinary Resolution or direction of the Noteholders relating to (i) a waiver in respect of a breach of the Seller Asset Warranties given by the Seller pursuant to the Receivables Sale Agreement, (ii) the termination of the Servicer following a Servicer Termination Event, or (iii) the nomination of a Successor Servicer, any Notes held by or on behalf of the Seller shall be deemed not to be Outstanding and shall be disregarded for the purposes of determining whether the necessary quorum is present and whether the requisite majority has been obtained in respect thereof.

"**Outstanding Receivables Balance**" means, in respect of a Purchased Receivable, on any date, the outstanding principal amount of such Purchased Receivable from time to time.

"**Paying Agent**" means the Principal Paying Agent and any additional paying agent appointed in accordance with the Principal Paying Agency Agreement.

"**Payments Down**" means, in respect of any Purchased Receivable, the number of full contractual instalments of principal, interest and/or fees (as applicable) that are due and unpaid in accordance with its terms.

"**Periodic Payment**" means in respect of any Receivable, each of the scheduled periodic instalment payments payable by the relevant Customer(s) pursuant to the related Underlying Agreement.

"**Person**" means an individual, corporation (including a business trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**Portfolio**" means at any time, all Purchased Receivables together with their Related Collateral.

"**Post-Enforcement Priority of Payments**" has the meaning given to it in Condition 9.3 (*Post-Enforcement Priority of Payments*).

"**Potential Event of Default**" means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Event of Default.

"**PRA**" means the Prudential Regulatory Authority or any successor body or bodies.

"**PRA Due Diligence Rules**" means Article 5 of Chapter 2 of the PRASR.

"**PRA Risk Retention Rules**" means Article 6 of Chapter 2 of the PRASR together with Chapter 4 of the PRASR.

"**PRA Rulebook**" means the rulebook of published policy of the PRA, as amended or updated from time to time.

"**PRA Transparency Rules**" means Article 7 of Chapter 2 of the PRASR, Chapter 5 of the PRASR (including its Annexes) and Chapter 6 of the PRASR (including its Annexes).

"**PRASR**" means the Securitisation Part of the PRA Rulebook.

"**Principal Addition Amounts**" means any Available Principal Receipts applied as Available Revenue Receipts in accordance with item (a) of the Principal Priority of Payments to meet any Revenue Shortfall.

"**Principal Amount Outstanding**" means, on any date, in relation to a Note, the initial principal amount of such Note, *less* the aggregate of all principal redemptions that have been paid by the Issuer in respect of that Note on or prior to that date.

"**Principal Deficiency Ledger**" means the Class A Principal Deficiency Ledger, the Class B Principal Deficiency Ledger, the Class C Principal Deficiency Ledger, the Class D Principal Deficiency Ledger, the Class E Principal Deficiency Ledger, the Class F Principal Deficiency Ledger and/or the Class Z Principal Deficiency Ledger, as applicable.

"**Principal Ledger**" means the principal ledger established on behalf of the Issuer by the Cash Administrator in accordance with the Cash Administration Agreement which records, among other things, all Principal Receipts received by the Issuer and the distribution of all Available Principal Receipts in accordance with the relevant Priority of Payments.

"**Principal Paying Agency Agreement**" means the principal paying agency agreement entered into between the Issuer, the Trustee, the Principal Paying Agent and the Registrar on or about the Closing Date.

"**Principal Paying Agent**" means Citibank, N.A., London Branch or any of its permitted successors or assigns.

"**Principal Priority of Payments**" has the meaning given to it in Condition 9.2 (*Principal Priority of Payments*).

"**Principal Receipts**" has the meaning given to it on page 183.

"**Priority of Payments**" means the Revenue Priority of Payments, the Principal Priority of Payments and/or the Post-Enforcement Priority of Payments, as applicable.

"**Pro-Rata Payment Conditions**" means, in respect of any Interest Payment Date, that all of the following conditions are satisfied as at the Determination Date immediately preceding such Interest Payment Date:

(a) the Outstanding Receivables Balance of all Purchased Receivables in the Portfolio is not less than 10% of the Outstanding Receivables Balance of all Purchased Receivables in the Portfolio as at the Cut-Off Date;

(b) the Principal Deficiency Ledger, including each sub-ledger thereof, does not have a debit balance outstanding assuming the application of the Revenue Priority of Payments but not the Principal Priority of Payments on the next Interest Payment Date;

(c) immediately prior to the relevant Priority of Payments being applied on the next Interest Payment Date, the amount standing to the credit of the Liquidity Reserve Ledger is at least equal to the Liquidity Reserve Required Amount;

(d) the Cumulative Default Ratio does not exceed the applicable threshold specified in the Cumulative Default Ratio Trigger Table;

(e) no Event of Default has occurred and is continuing; and

(f) no Servicer Termination Event has occurred and is continuing,

provided that, once any such condition is not satisfied as at any Determination Date, the Pro-Rata Payment Conditions shall not be satisfied on or after the related Interest Payment Date.

"**Pro-Rata Principal Payment Amount**" means, in respect of a Class of Notes on any Interest Payment Date, as determined on the immediately preceding Determination Date, the amount of Net Note Available Redemption Proceeds multiplied by the ratio of:

A to B

where:

"**A**" means the aggregate Principal Amount Outstanding of the relevant Class of Notes on such Interest Payment Date (prior to the application of Available Principal Receipts on such Interest Payment Date) *minus* any amounts in debit on the Principal Deficiency Ledger relating to such Class of Notes after application of Available Revenue Receipts on such Interest Payment Date; and

"**B**" means the aggregate Principal Amount Outstanding of all Classes of Notes on such Interest Payment Date (prior to the application of Available Principal Receipts on such Interest Payment Date) *minus* the aggregate amount in debit on the Principal Deficiency Ledger relating to such Classes of Notes after application of Available Revenue Receipts on such Interest Payment Date.

"**Prospectus**" means this prospectus relating to the Notes and the Certificates.

"**Prudent Lender**" means a reasonably prudent lender who originates, administers and holds consumer credit loans to borrowers in England and Wales, with a similar credit profile and who complies with Applicable Law.

"**Purchase Date**" means the Closing Date, on which Receivables are purchased in accordance with the Receivables Sale Agreement.

"**Purchase Price**" means an amount equal to £460,214,479.55.

"**Purchased Receivable**" means any Receivable (together with its Related Collateral) purchased by the Issuer from the Seller on the Closing Date pursuant to the terms of the Receivables Sale Agreement (and which has not been repurchased by the Seller) and "**Purchased Receivables**" means all such Receivables.

"**Purchased Receivable Records**" means the original and/or any copies of the Underlying Agreements and all documents, books, records and information, in whatever form or medium, relating to the Underlying Agreements, including all computer tapes and discs specifying, among other things, Customer details, the amount and dates on which payments are due and are paid under the Underlying Agreements, which are from time to time maintained by the Seller with respect to the Purchased Receivables and/or the related Customers.

"**RAO**" means the Financial Services and Markets Act, 2000 (Regulated Activities) Order 2001 (SI 2001 /544).

"**Rated Notes**" means 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 X Notes.

"**Rate of Interest**" has the meaning given to it in Condition 6.5 (*Interest on the Notes*).

"**Rating Agencies**" means S&P and Fitch, and "**Rating Agency**" means either of them, as applicable.

"**Rating Agency Confirmation**" has the meaning given to it in Condition 17(a) (*Non-Responsive Rating Agency*).

"**Receivable**" means any unsecured consumer loan, including the aggregate of the outstanding balance of that loan, any accrued (and unpaid) interest, arrears and any fees, costs and other amounts owing by a Customer under an Underlying Agreement (including all capitalised sums).

"**Receivables Sale Agreement**" means the receivables sale agreement entered into between the Seller, the Issuer and the Trustee on or before the Closing Date.

"**Receiver**" means a receiver, trustee, administrator, custodian, conservator, liquidator or other similar official appointed by a statute, court or otherwise.

"**Recognised Stock Exchange**" means a recognised stock exchange for the purposes of Section 1005 of the Income Tax Act 2007.

"**Reconciliation Amount**" means, in respect of a relevant Collection Period, an amount equal to:

(a) the actual Principal Receipts as determined in accordance with the available Servicer Reports; *less*

(b) the calculated Principal Receipts in respect of such relevant Collection Period; *plus*

(c) any Reconciliation Amount not applied in previous Collection Periods, as determined in accordance with the Cash Administration Agreement.

"**Recovery Collections**" means, only in respect of or in connection with a Purchased Receivable in respect of which a Loss has been incurred and a corresponding debit recorded on the Principal Deficiency Ledger(s):

(a) in respect of a sale of a Defaulted Receivable to the Seller pursuant to the Defaulted Receivables Call Option, the Sale Recoveries; and

(b) in respect of any Defaulted Receivable not sold to the Seller pursuant to the Defaulted Receivables Call Option:

(i) all amounts including principal, interest, damages, reminder fees, past due interest and any other payment by or for the account of a Customer in respect of such Defaulted Receivable; and

(ii) all cash proceeds of Related Collateral with respect to such Defaulted Receivable,

in each case, *minus* all reasonable out of pocket expenses paid to third parties and properly incurred by the Servicer in connection with the collection and enforcement of the Defaulted Receivable in line with the Servicing and Collection Procedures of the Servicer (for the avoidance of doubt without deducting any third party fees or expenses incurred by the Servicer and charged to the Issuer in the Servicing Fee).

"**Reference Screen**" means the Reuters or Bloomberg (as applicable) Screen SONIA Page (or such replacement page on that service which displays the relevant information) or, if that service ceases to display the information, such other screen as may be determined by the Issuer.

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the Principal Paying Agency Agreement.

"**Registrar**" means Citibank, N.A., London Branch or any of its permitted successors or assigns.

"**Regulated Credit Agreement**" shall have the meaning as set out in clause 60B of the RAO.

"**Regulation S**" means Regulation S under the Securities Act.

"**Regulatory Authority**" means the FCA, the PRA, Financial Ombudsman Service and any other prosecuting, tax, governmental or regulatory body (whether in the UK or otherwise) which is (or, where the context requires, has formerly been) responsible for the authorisation, regulation, licensing and/or supervision of firms carrying on financial services and consumer credit business of any kind.

"**Regulatory Call Option**" means the option pursuant to which the applicable Regulatory Call Option Holder (being the Seller in respect of a Regulatory Change Event and the Retention Holder in respect of a Risk Retention Regulatory Change Event) (or its nominee) shall have the right (but not any obligation) to acquire or re-acquire all but not some of the Issuer's right, title, interest and benefit, present and future, actual and contingent, in the Purchased Receivables in the Portfolio and their Related Collateral following a Regulatory Change Event or a Risk Retention Regulatory Change Event, as applicable pursuant to the Call Option Deed.

"**Regulatory Call Option Holder**" means (a) the Seller, in respect of a Regulatory Change Event; or (b) in respect of a Risk Retention Regulatory Change Event, (i) the Retention Holder or (ii) the applicable Majority

Certificateholders in their backstop capacity during the Risk Retention Certificateholder Backstop Exercise Period.

"**Regulatory Change Event**" has the meaning given to it in Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*).

"**Related Collateral**" means, in respect of any Purchased Receivable all rights and future rights, title, benefit and interest in, to and under that Purchased Receivable (whether under the terms of the Underlying Agreement or otherwise), including, without limitation:

(a) the Benefit of the Purchased Receivables assigned to or held in trust for or to be assigned to or held in trust for the Issuer by the Seller in accordance with the terms of the Receivables Sale Agreement;

(b) any Encumbrance securing or attaching to such Purchased Receivable from time to time, if any, whether purporting to secure payment of such Purchased Receivable or otherwise;

(c) all deposits, guarantees, letters of credit, indemnities, warranties and other agreements or arrangements of whatever character from time to time supporting or securing payment of such Purchased Receivable whether pursuant to the Underlying Agreement, terms of trade or otherwise;

(d) all rights to receive and obtain payment under the contract of such Purchased Receivable including rights of enforcement under that document against the relevant Customer;

(e) the right to serve a notice to pay or repay, to recover, receive and/or to grant a discharge in respect of the whole or part of the amounts due or to become due in connection with such Purchased Receivable from the relevant Customer (of from any other person having granted any security interest);

(f) the benefit of any and all undertakings assumed by the relevant Customer (or by any other person having granted any security interest) in connection with such Purchased Receivable pursuant to the relevant Underlying Agreement;

(g) all principal collections, interest collections and any other proceeds related to any Purchased Receivable;

(h) the benefit of any legal and contractual rights, actions and claims that the Seller may have in relation to the Underlying Agreement from which such Receivable derives;

(i) the benefit of (including, without limitation, the rights as the insured person under and as notations of interest on, and proceeds of claim under) insurance and assurance policies deposited, charged, obtained, or held in connection with the relevant Purchased Receivable and/or Underlying Agreement from which such Receivable derives; and

(j) such other rights as may be identified following consideration of applicable legal issues and customary due diligence.

"**Relevant Margin**" means:

(a) in the case of the Class A Notes: 0.84% per annum (the "**Class A Margin**");

(b) in the case of the Class B Notes: 1.10% per annum (the "**Class B Margin**");

(c) in the case of the Class C Notes: 1.35% per annum (the "**Class C Margin**");

(d) in the case of the Class D Notes: 1.70% per annum (the "**Class D Margin**");

(e) in the case of the Class E Notes: 3.00% per annum (the "**Class E Margin**");

(f) in the case of the Class F Notes: 4.50% per annum (the "**Class F Margin**");

(g) in the case of the Class X Notes: 4.00% per annum (the "**Class X Margin**"); and

(h) in the case of the Class Z Notes, no margin applies.

"**Relevant Option Holder**" has the meaning given to it in the section entitled "*Certain Transaction Documents – Call Option Deed – Purchase of the Portfolio following a Call Option Event*".

"**Relevant Issuer Account**" means each, all or any of:

(a) the Issuer Transaction Account;

(b) any Hedge Collateral Account; and/or

(c) any Further Account opened in accordance with the Account Bank Agreement,

as the context requires (and to the extent they have been opened, as applicable in the relevant context).

"**Remedied Receivable**" has the meaning given to the term in the section entitled "*Certain Transaction Documents – Receivables Sale Agreement – Seller Repurchase Obligation – Remedied Receivables*".

"**Replacement Hedge Premium**" means (i) an amount received by the Issuer from a replacement interest rate hedge counterparty upon entry by the Issuer into an agreement with such replacement interest rate hedge counterparty to replace the outgoing Interest Rate Hedge Counterparty, which shall be applied by the Issuer in accordance with the Cash Administration Agreement, the Deed of Charge and the Trust Deed, and/or (ii) an amount payable by the Issuer to a replacement interest rate hedge counterparty upon entry by the Issuer into a Replacement Interest Rate Hedge Agreement with such replacement interest rate hedge counterparty to replace the outgoing Interest Rate Hedge Counterparty, as applicable.

"**Replacement Interest Rate Hedge Agreement**" means an agreement between the Issuer and a replacement interest rate hedge provider to replace the Interest Rate Hedge Agreement.

"**Reporting Agent**" means EuroABS Limited, or such other reporting agent as may be appointed by the Issuer from time to time.

"**Reporting Entity**" means the Issuer in its capacity as the designated reporting entity in respect of the Transaction, responsible for compliance with the requirements of Article 7 of the EU Securitisation Regulation (as if it were applicable to it and solely as in force, interpreted and applied on the Closing Date) and the UK Transparency Rules.

"**Repurchase Date**" means the date as agreed in writing between the Seller and the Issuer on which a Purchased Receivable is repurchased by the Seller or purchased by a nominee of the Seller (such date being no later than 10 Business Days after the delivery of the relevant Repurchase Notice).

"**Repurchase Notice**" has the meaning given to such term in the section entitled "*Certain Transaction Documents – Receivables Sale Agreement – Seller Repurchase Obligation – Non-Conforming Receivables*".

"**Repurchase Price**" means in relation to a repurchase by the Seller or a purchase by a nominee of the Seller (as applicable) of one or more Purchased Receivables that failed to satisfy the Seller Asset Warranties on the Cut-Off Date, an amount equal to the Outstanding Receivables Balance of such Purchased Receivables, plus any accrued (and unpaid) interest in respect of such Purchased Receivables as at the Determination Date immediately prior to the relevant Repurchase Date.

"**Requisite Majority**" means the Noteholders representing at least 75% of the aggregate Principal Amount Outstanding of the Class or Classes of Notes Outstanding.

"**Resolution**" means any Ordinary Resolution, Extraordinary Resolution, Written Resolution or electronic Consent, in each casewhich satisfies the requirements the Trust Deed in respect of such resolution.

"**Retained Interest**" means the material net economic interest retained by the Retention Holder, such interest to be comprised of certain randomly selected exposures held on the balance sheet of the Retention Holder, in accordance with Article 6(3)(c) of Chapter 2 of the PRASR and Article 6(3)(c) of the EU Securitisation Regulation (as if it were applicable to the Retention Holder and solely as it is in force, interpreted and applied on the Closing Date).

"**Retained Interest Entrenched Right**" has the meaning given to it in paragraph 8 (Entitlement to Vote) in Schedule 6 (Provisions for Meetings of the Noteholders and Certificateholders of each Class) in the Trust Deed.

"**Retention Holder**" means Zopa Bank Limited.

"**Revenue Ledger**" means the revenue ledger established on behalf of the Issuer by the Cash Administrator in accordance with the Cash Administration Agreement which records, *inter alia*, all Revenue Receipts received by the Issuer and the distribution of all Available Revenue Receipts in accordance with the relevant Priority of Payments.

"**Revenue Priority of Payments**" has the meaning given to it in Condition 9.1 (*Revenue Priority of Payments*).

"**Revenue Receipts**" has the meaning given to it on page 182.

"**Revenue Shortfall**" means, on any Interest Payment Date, the amount by which Available Revenue Receipts and amounts credited to the Liquidity Reserve Fund available for such purpose are insufficient to pay items (a) to (c) of the Revenue Priority of Payments and:

(a) prior to the redemption in full of the Class A Notes and the Class B Notes, items (d) and (f) of the Revenue Priority of Payments; and

(b) where the Most Senior Class of Notes then outstanding is the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, the Interest Amount payable in respect of that Class under item (i), (k), (m) or (o), respectively, of the Revenue Priority of Payments.

"**Risk Retention Letter**" means the risk retention letter entered into between, among others, the Issuer, the Trustee and the Retention Holder on or around the Closing Date.

"**Risk Retention Regulatory Change Event**" has the meaning given to it in Condition 8.2 (*Mandatory Redemption in whole – Exercise of Call Option*).

"**Risk Retention Requirements**" means the requirements of:

(a) 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 requirements are in force, interpreted and applied on the Closing Date; and

(b) the PRA Risk Retention Rules.

"**S&P**" means S&P Global Ratings UK Limited and any successor to the debt rating business thereof.

"**Sanctioned Country**" means a country or territory that is the subject or the target of Sanctions (e.g., Afghanistan, Cuba, Iran, North Korea, North Sudan, Crimea, the occupied territories in the so called People's Republic of Donetsk and People's Republic of Luhansk of the Ukraine, the occupied territories in the Kherson and Zaporizhzhia region of the Ukraine, Syria and Russia).

"**Sanctioned Person**" means a Person which is the subject or target of any Sanctions.

"**Sanctions**" means any sanctions or trade embargos administered or enforced from time to time by any Sanctions Authority.

"**Sanctions Authority**" means:

(a) the United States government;

(b) the United Nations;

(c) the United Nations Security Council;

(d) the European Union;

(e) the United Kingdom government;

(f) the respective governmental institutions;

(g) agencies of any of the foregoing, including without limitation, the U.S. Department of State, the Office of Foreign Assets Control of the U.S. Department of Treasury (OFAC), the United States Department of State, the United Nations Security Council, His Majesty's Treasury and the Office of Financial Sanctions Implementation, or other relevant sanctions authority; and

(h) any other governmental institution or agency with responsibility for imposing, administering or enforcing Sanctions with jurisdiction over any Transaction Party,

(together, "**Sanctions Authorities**").

"**SECN**" means the securitisation sourcebook of the FCA's Handbook.

"**Secured Creditor(s)**" means each Noteholder, Certificateholder, the Trustee, any Receiver or other Appointee, the Registrar, the Account Bank, any Custodian, the Servicer, any Successor Servicer, the Cash Administrator, the Corporate Services Provider, the Principal Paying Agent, any other Paying Agent, the Agent Bank, the Retention Holder, the Back-Up Servicer Facilitator, the Seller, the Interest Rate Hedge Counterparty and any other party from time to time acceding to any of the Transaction Documents as a secured creditor.

"**Secured Obligations**" means any and all monies and Liabilities which from time to time are or may become due or owing or payable, and all obligations and other actual or contingent liabilities from time to time incurred, by the Issuer to each Secured Creditor pursuant to the Notes and Certificates and each Transaction Document and all claims, demands and damages for breach of any such obligations or covenant;

"**Securities Act**" means the United States Securities Act of 1933, as amended from time to time.

"**Securities Custody Agreement**" means any custodial services agreement entered into by the Issuer when required as per the terms of the Interest Rate Hedge Agreement.

"**Security**" means the security created pursuant to the Deed of Charge.

"**Security Interest**" means, with respect to any Person's assets, any lien, security interest, assignment or assignation by way of security, mortgage, standard security, hypothecation, charge, floating charge (or any promise or irrevocable mandate therefor) or encumbrance, or other right or claim under the Laws of any jurisdiction, of or on that Person's assets or properties in favour of any other Person (including any retention of title claims by any Person).

"**Seller**" means Zopa Bank Limited in its capacity as seller.

"**Seller Asset Warranties**" means the asset warranties given by the Seller in respect of the Purchased Receivables as set out in section "*Certain Transaction Documents – Receivables Sale Agreement – Seller Asset Warranties*".

"**Seller Liabilities**" means any indemnification amounts or Repurchase Price payable by the Seller to the Issuer as a result of breach of Seller Asset Warranties, or any other amounts payable by the Seller to the Issuer under the terms of the Receivables Sale Agreement.

"**Senior Expenses**" means, as at each Determination Date or on any other date of determination, any and all amounts due (including any indemnity claims) or to become due prior to the related Interest Payment Date or other date of payment in the following order of priority:

(a) *firstly*, to the Trustee or any Appointee or Receiver appointed by it on or prior to such Interest Payment Date under the Deed of Charge and/or the Trust Deed;

(b) *secondly*, *pro rata* and *pari passu*:

(i) to the Principal Paying Agent under the Principal Paying Agency Agreement;

(ii) to the Registrar under the Principal Paying Agency Agreement;

(iii) to the Agent Bank under the Principal Paying Agency Agreement;

(iv) to the Account Bank under the Account Bank Agreement;

(v) to the Cash Administrator under the Cash Administration Agreement;

(vi) to a Custodian under any Securities Custody Agreement;

(vii) to the Corporate Services Provider under the Corporate Services Agreement; and

(viii) to the Servicer and the Back-Up Servicer Facilitator under the Servicing Agreement; and

(c) *thirdly*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due and payable by the Issuer without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere).

"**Senior Interest Deficiency**" means, on any Interest Payment Date, the extent, if any, by which Available Revenue Receipts (excluding pursuant to paragraph (c) and (f) thereof) are insufficient to pay or provide for payment of items (a) to (d) and (f) of the Revenue Priority of Payments.

"**Servicer**" means Zopa Bank Limited or any of its permitted successors or assigns appointed in accordance with the Servicing Agreement.

"**Servicer and LTH Replacement Conditions**" means the following conditions which must be met prior to the appointment of a Successor Servicer and any holder of the legal title in any Purchased Receivables following a Notification Event (the "**Legal Title Transferee**"):

(a) the relevant entity holds all licences, approvals, authorisations, permissions and consents required in connection with its appointment, including without, limitation, any necessary notifications under the Data Protection Laws, and authorisations and permissions under Applicable Law;

(b) the relevant entity has (in the case of any Successor Servicer) experience of administering pools of unsecured consumer loan agreements regulated under the Consumer Credit Act 1974 in England and Wales and has a proven record as acting as a Prudent Servicer;

(c) the relevant entity shall (in the case of any Legal Title Holder Transferee) procure that each Purchased Receivable is administered and serviced by an appropriately authorised FCA regulated entity, in accordance with all Applicable Laws and the relevant legal documentation entered into with the Customer and at all times ensure that all discretions afforded to the lender are exercised only in accordance with all Applicable Laws and in a manner which would be acceptable to a Prudent Lender;

(d) the relevant entity shall comply with requirements for the identification and fair treatment of any Customer deemed to be in vulnerable circumstances for the purposes of the rules, regulations and guidance published by the FCA, and any other relevant industry body or regulatory authority with whose instructions or guidance it is customary for the Legal Title Holder Transferee, acting as a Prudent Lender, to reasonably comply with or adhere to, from time to time; and

(e) such replacement and any related arrangements would not cause the Seller or any member of its Group to be in breach of any Applicable Laws or cause any Customer to be subject to additional tax payments (as determined in its sole opinion) and prior to any replacement or related arrangements coming into effect it shall obtain the written consent of the Seller and shall provide to the Seller such information as the Seller may reasonably request to satisfy the Seller that such replacement or related arrangements would not result in the Seller or any member of its Group being in breach of any Applicable Laws or cause any Customer to be subject to additional tax payments (as determined in the Seller's sole opinion).

"**Servicer Disruption**" means a failure by the Servicer to provide the complete Servicer Report, UK SR Report or EU SR Report on any Servicer Reporting Date in accordance with the terms of the Servicing Agreement.

"**Servicer Power of Attorney**" means the power of attorney granted by the Issuer on or about the Closing Date in favour of the Servicer, pursuant to the Servicing Agreement.

"**Servicer Report**" means the report in substantially the form attached to the Servicing Agreement.

"**Servicer Reporting Date**" means the date falling five Business Days after the last day of each calendar month.

"**Servicer Termination Date**" has the meaning given to such term in the section entitled "*Certain Transaction Documents – Servicing Agreement – Termination*".

"**Servicer Termination Event**" has the meaning given to such term in the section entitled "*Certain Transaction Documents – Servicing Agreement – Termination*".

"**Servicer Termination Notice**" has the meaning given to such term in the section entitled "*Certain Transaction Documents – Servicing Agreement – Termination*".

"**Services**" means the services described in the Servicing Agreement.

"**Servicing Agreement**" means the servicing agreement between, among others, the Issuer, the Servicer, the Seller and the Trustee dated on or before the Closing Date.

"**Servicing and Collection Procedures**" means the policies, practices and procedures which are applied by the Servicer relating to the servicing, origination and collection of the Receivables (together with their Related Collateral) from time to time.

"**Servicing Fee**" means an amount calculated:

(a) in respect of the first Collection Period, on the first Determination Date as the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio as of the Cut-Off Date, *multiplied by* 0.30% per annum., *multiplied by* the actual number of days in such Collection Period, and *divided by* 365; and

(b) in respect of each Collection Period thereafter, monthly on each Determination Date in respect of the immediately preceding Collection Period as the product of the Aggregate Outstanding Receivables Balance of all Purchased Receivables in the Portfolio, as of the first day of such Collection Period, *multiplied by* 0.30% per annum., *multiplied by* the actual number of days in such Collection Period, and *divided by* 365.

"**Severe Deterioration Event**" means the Seller has a distress, execution, diligence, attachment or other legal process (that is not frivolous or vexatious) levied, or enforced against all or any part of the assets of the

Seller having an aggregate value in excess of 20% of the aggregate value of all of the Seller's assets and such process is not dismissed, discharged, stayed, sisted or restrained, in each case within 30 days thereafter.

"**Share Trustee**" means CSC Corporate Services (UK) Limited.

"**SONIA**" means Sterling Overnight Index Average.

"**SR 2024**" means the Securitisation Regulations 2024 (SI 2024/102) as amended.

"**SR Investor Report**" means the EU SR Investor Report and the UK SR Investor Report.

"**SR Reporting Website**" means the UK SR Reporting Website and/or the EU SR Reporting Website, as the context requires.

"**Standard Documentation**" means the key facts and pre-contract credit information documents, the fixed sum loan agreement and the terms document which Zopa used to originate Receivables.

"**Sterling**", "**pound**", "**GBP**" and "**£**" means the lawful currency of the United Kingdom.

"**Subscription Agreement**" means the subscription agreement between the Issuer, the Arranger, the Lead Manager, the Retention Holder and the Seller dated on or about the Closing Date.

"**Successor Cash Administrator**" means a successor cash administrator appointed in accordance with the provisions of the Cash Administration Agreement.

"**Successor Servicer**" means a successor servicer appointed in accordance with the provisions of the Servicing Agreement.

"**Swap Confirmation**" means each confirmation entered into between the Issuer and Interest Rate Hedge Counterparty under the Interest Rate Hedge Agreement evidencing a Swap Transaction, as may be amended and or supplemented from time to time in accordance with the terms of the Interest Rate Hedge Agreement.

"**Swap Transaction**" means each fixed-to-floating interest rate swap transaction referencing SONIA entered into from time to time between the Issuer and the Interest Rate Hedge Counterparty under the Interest Rate Hedge Agreement (each as evidenced by a Swap Confirmation) and, where the context requires, all such transactions collectively (the "**Swap Transactions**").

"**Tax**" or "**Taxes**" or "**Taxation**" means all present and future forms of taxation, and any duties, rates, levies, contributions, withholdings, deductions, liabilities to account, charges, surcharges and imposts in the nature of tax whether imposed in the United Kingdom or elsewhere in the world, and all penalties, charges, surcharges, costs and interest relating thereto or otherwise imposed by any taxing authority.

"**Transaction**" means the transaction contemplated by the Transaction Documents.

"**Transaction Costs**" mean certain fees and expenses incurred in connection with (i) the issue of the Notes and Certificates on the Closing Date; (ii) any other third party fees and costs incurred by the Issuer in accordance with the terms of the Transaction Documents and payable on or around the Closing Date; and (iii) all costs and expenses (including but not limited to legal fees and arrangement fees) properly incurred by, or otherwise required to be borne by, the Issuer or the Seller in connection with the entry by the Issuer and the Seller into the Transaction, and the negotiation, preparation, execution, implementation and perfection of the Transaction Documents and any other documents referred to in the Transaction Documents up to an aggregate amount equal to £42,000 (inclusive of VAT).

"**Transaction Documents**" means the Master Framework Agreement, the Account Bank Agreement, the Servicing Agreement, the Cash Administration Agreement, the Principal Paying Agency Agreement, the Corporate Services Agreement, the Deed of Charge, the Trust Deed, the Receivables Sale Agreement, any Legal Title Holder Power of Attorney, the Issuer Power of Attorney, the Conditions (including the Notes and Certificates), the Interest Rate Hedge Agreement, the Call Option Deed, the Risk Retention Letter, the Collection Accounts Declaration of Trust and the Servicer Power of Attorney, in each case as may be amended, restated,

varied, supplemented, replaced and/or novated from time to time and any other document agreed by the Issuer and Trustee to be a Transaction Document from time to time.

"**Transaction Party**" means any person who is a party to a Transaction Document and "**Transaction Parties**" means some or all of them.

"**Trust Corporation**" means a corporation entitled by the rules made under the Public Trustee Act 1906 to act as a custodian trustee or entitled pursuant to any other legislation applicable to a trustee in any jurisdiction other than England and Wales to act as trustee and carry on trust business under the laws of the country of its incorporation.

"**Trust Deed**" means the trust deed between the Issuer, the Trustee, the Principal Paying Agent and the Registrar dated on or about the Closing Date and any schedules and trust deeds supplemental thereto, all as from time to time amended in accordance with the provisions set out therein.

"**Trustee**" means Citicorp Trustee Company Limited or any of its permitted successors or assigns.

"**UK Benchmarks Regulation**" means the EU Benchmarks Regulation (EU) 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

"**UK CRR**" means (a) Regulation (EU) No 575/2013 as it forms part of domestic law by virtue of the EUWA; (b) the law of the United Kingdom or any part of it, which immediately before IP completion day (as defined in the European Union (Withdrawal Agreement) Act 2020) implemented Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC and its implementing measures; and (c) CRR rules, as such term is defined in article 144A of FSMA.

"**UK Due Diligence Rules**" means the FCA Due Diligence Rules, the OPS Due Diligence Rules and the PRA Due Diligence Rules.

"**UK EMIR**" means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on over-the-counter ("**OTC**") derivatives, central counterparties and trade repositories as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

"**UK GDPR**" means EU GDPR as it forms part of the domestic laws of the United Kingdom.

"**UK Regulators**" means the PRA and the FCA (or their successor).

"**UK Securitisation Framework**" means SR 2024, SECN and PRASR, together with the relevant provisions of FSMA.

"**UK SR Inside Information**" means any information required to be reported pursuant to Article 7(1)(f) of Chapter 2 of the PRASR and SECN 6.2.1(6), and is published as required by and in accordance with the UK Transparency Rules.

"**UK SR Investor Report**" means a monthly investor report prepared by the Cash Administrator (on behalf of the Reporting Entity) pursuant to the Cash Administration Agreement, as required by and in accordance with the UK Transparency Rules.

"**UK SR Report**" means a loan-by-loan report prepared by the Servicer (on behalf of the Reporting Entity) pursuant to the Servicing Agreement in connection with the Purchased Receivables as required by and in accordance with the UK Transparency Rules.

"**UK SR Reporting Website** means the website of SecRep Limited, being www.secrep.co.uk or such other website from time to time which complies with the requirements set out in Article 7(2) of Chapter 2 of the PRA Securitisation Rules.

"**UK SR Significant Event Information**" means any information required to be reported pursuant to Article 7(1)(g) of Chapter 2 of the PRASR and SECN 6.2.1(7) and is published as required by and in accordance with the UK Transparency Rules.

"**UK Transparency Rules**" means requirements of the PRA Transparency Rules and the FCA Transparency Rules.

"**Underlying Agreement**" means the agreement(s) (including any modifying agreements supplemental thereto) pursuant to which a Receivable has been created and under each of which the Customer makes Periodic Payments to the Seller.

"**United Kingdom**" or "**UK**" means the United Kingdom of Great Britain and Northern Ireland.

"**United States**", "**US**" or "**U.S.**" means the United States of America.

"**USD**" or "**$**" means U.S. Dollar.

"**U.S. Credit Risk Retention Requirements**" means Section 15G of the U.S. Securities Exchange Act of 1934, as amended, and the final rules related, 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, which came into effect on 24 December 2016.

"**UTCCR**" means the Unfair Terms in Consumer Contract Regulations 1999, as amended from time to time.

"**VAT**" means: (i) any tax imposed in conformity with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); (ii) value added tax imposed by the Value Added Tax Act 1994; and (iii) any other tax of a similar fiscal nature substituted for, or levied in addition to such tax whether in the European Union or elsewhere in any other jurisdiction, together with any interest and penalties thereon.

"**Written Resolution**" has the meaning given to it in the Trust Deed.

"**Zopa**" means Zopa Bank Limited.

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