

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) OR TO ANY PERSON OR ADDRESS IN THE U.S.

IMPORTANT: You must read the following before continuing. The following applies to the Prospectus (the “**Prospectus**”) attached to this electronic transmission, 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 made to them from time to time, each time you receive any information from us as a result of such access. You acknowledge that delivery of this electronic transmission and the Prospectus are confidential and intended for you only and you agree you will not forward, reproduce or publish this electronic transmission and/or the Prospectus in any manner whatsoever to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION AND/OR THE PROSPECTUS CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF EDENBROOK MORTGAGE FUNDING PLC (THE “**ISSUER**”) IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. NEITHER THE NOTES (THE “**NOTES**”) NOR THE CERTIFICATES (THE “**CERTIFICATES**”) OF THE ISSUER HAVE BEEN, NOR WILL BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**INVESTMENT COMPANY ACT**”) AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“**REGULATION S**”)), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE CLASS A LOAN NOTE IS NOT BEING OFFERED PURSUANT TO THIS PROSPECTUS. THE CLASS A LOAN NOTE MAY ONLY BE HELD BY THE CLASS A LOAN NOTEHOLDERS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE CLASS A LOAN NOTE AGREEMENT.

BAROSSA ASSET PURCHASER SARL. (THE “**SELLER**”), AS SPONSOR UNDER THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE “**U.S. RISK RETENTION RULES**”), DOES NOT INTEND TO RETAIN AT LEAST 5 PER CENT. OF THE CREDIT RISK OF THE SECURITIZED ASSETS FOR PURPOSES OF COMPLIANCE WITH 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 CERTAIN FOREIGN-RELATED TRANSACTIONS THAT MEET CERTAIN REQUIREMENTS. 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 AND THE CERTIFICATES 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. CERTAIN INVESTORS MAY BE REQUIRED TO EXECUTE A WRITTEN CERTIFICATION OF REPRESENTATION LETTER BY THE SELLER IN RESPECT OF THEIR STATUS UNDER THE U.S. RISK RETENTION RULES. SEE “LEGAL AND REGULATORY RISKS RELATING TO THE STRUCTURE OF THE NOTES AND THE CERTIFICATES – U.S. RISK RETENTION REQUIREMENTS”.

ON THE ISSUE DATE, THE NOTES AND THE CERTIFICATES, OR A BENEFICIAL INTEREST THEREIN MAY ONLY BE PURCHASED BY (A) PERSONS THAT ARE NOT RISK RETENTION U.S. PERSONS OR (B) PERSONS THAT HAVE OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER. EACH PURCHASER OF THE NOTES OR THE CERTIFICATES, OR A BENEFICIAL INTEREST THEREIN, ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES AND THE CERTIFICATES WILL, BY ITS ACQUISITION OF THE NOTES OR THE CERTIFICATES, OR A BENEFICIAL INTEREST THEREIN, BE DEEMED, AND IN CERTAIN CIRCUMSTANCES WILL BE REQUIRED, TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (A) IS NOT A RISK RETENTION U.S. PERSON OR (B) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE OR CERTIFICATE, OR BENEFICIAL INTEREST THEREIN, FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE OR CERTIFICATE, OR BENEFICIAL INTEREST THEREIN,, AND (3) IS NOT ACQUIRING SUCH NOTE OR CERTIFICATE, OR BENEFICIAL INTEREST THEREIN, AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE OR CERTIFICATE, OR BENEFICIAL INTEREST THEREIN, 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 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES). CERTAIN INVESTORS MAY BE REQUIRED TO EXECUTE A WRITTEN CERTIFICATION OF REPRESENTATION LETTER BY THE SELLER IN RESPECT OF THEIR STATUS UNDER THE U.S. RISK RETENTION RULES. SEE “LEGAL AND REGULATORY RISKS RELATING TO THE STRUCTURE OF THE NOTES AND THE CERTIFICATES – U.S. RISK RETENTION REQUIREMENTS”.

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 (WITHIN THE MEANING OF REGULATION S) OR TO ANY ADDRESS 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. 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.

In member states of the European Economic Area (“EEA”), this electronic transmission and the Prospectus are only addressed to and directed at persons who are “qualified investors” within the meaning of Regulation (EU) 2017/1129, as amended (“**EU Qualified Investors**”). This electronic transmission and the Prospectus must not be acted on or relied on in any member state of the EEA by persons who are not EU Qualified Investors. Any investment or investment activity to which this electronic transmission and the Prospectus relates is available only to EU Qualified Investors in any member state of the EEA.

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 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, “**EU MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (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.

In the United Kingdom, this electronic transmission and the Prospectus are only addressed to and directed at persons who are “qualified investors” within the meaning of Regulation (EU) 2017/1129 as it forms part of

domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (“**UK Qualified Investors**”). In addition, in the United Kingdom, this electronic transmission and the Prospectus are only addressed to and directed at UK Qualified Investors who (i) are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”), (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) are other persons to whom they may otherwise lawfully be communicated (all such persons together being referred to as “**Relevant Investors**”). This electronic transmission and the Prospectus must not be acted on or relied on in the United Kingdom by persons who are not Relevant Investors. Any investment or investment activity to which this electronic transmission and the Prospectus relate is available only to Relevant Investors in the United Kingdom.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

THIS ELECTRONIC TRANSMISSION AND THE PROSPECTUS HAVE BEEN DELIVERED TO YOU ON THE BASIS THAT YOU ARE A PERSON INTO WHOSE POSSESSION THE FOLLOWING PROSPECTUS MAY BE LAWFULLY DELIVERED IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH YOU ARE LOCATED AND YOU MAY NOT, NOR ARE YOU AUTHORISED TO, DELIVER THE FOLLOWING PROSPECTUS TO ANY OTHER PERSON. IN ORDER TO BE ELIGIBLE TO VIEW THIS PROSPECTUS OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE SECURITIES, INVESTORS MUST NOT BE U.S. PERSONS (WITHIN THE MEANING OF REGULATION S).

If you receive the Prospectus by e-mail, you should not reply by e-mail to this announcement. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected. If you receive the Prospectus in electronic format by e-mail, your use of such Prospectus in electronic format and e-mail is at your own risk and it is your responsibility to take precautions to ensure that each is free from viruses and other items of a destructive nature.

THE FOLLOWING PROSPECTUS IS BEING SENT AT YOUR REQUEST AND BY ACCESSING THE PROSPECTUS, YOU SHALL BE DEEMED TO HAVE CONFIRMED AND REPRESENTED TO THE ISSUER AND BNP PARIBAS AND BARCLAYS BANK PLC (TOGETHER WITH BNP PARIBAS, AS “**CO-ARRANGERS**”) AND MERRILL LYNCH INTERNATIONAL (TOGETHER WITH BNP PARIBAS AND BARCLAYS BANK PLC, AS “**JOINT LEAD MANAGERS**”) AND EACH OF THEIR RESPECTIVE AFFILIATES THAT (I) YOU HAVE UNDERSTOOD AND AGREE TO THE TERMS SET OUT HEREIN, (II) YOU CONSENT TO DELIVERY OF THE PROSPECTUS BY ELECTRONIC TRANSMISSION, (III) YOU ARE NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S) OR ACTING FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON (WITHIN THE MEANING OF REGULATION S) AND THE ELECTRONIC MAIL ADDRESS THAT YOU HAVE GIVEN TO US AND TO WHICH THIS E-MAIL HAS BEEN DELIVERED IS NOT LOCATED IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS) OR THE DISTRICT OF

COLUMBIA, AND (IV) (A) IF YOU ARE A PERSON IN A MEMBER STATE OF THE EEA, THEN YOU ARE AN EU QUALIFIED INVESTOR AND/OR AN EU QUALIFIED INVESTOR ACTING ON BEHALF OF EU QUALIFIED INVESTORS OR RELEVANT INVESTORS, TO THE EXTENT THAT YOU ARE ACTING ON BEHALF OF PERSONS OR ENTITIES IN THE EEA OR THE UNITED KINGDOM, (B) IF YOU ARE A PERSON IN THE UNITED KINGDOM, THEN YOU ARE A RELEVANT INVESTOR AND/OR A RELEVANT INVESTOR ACTING ON BEHALF OF RELEVANT INVESTORS OR EU QUALIFIED INVESTORS, TO THE EXTENT THAT YOU ARE ACTING ON BEHALF OF PERSONS OR ENTITIES IN THE UNITED KINGDOM OR IN THE EEA, OR (C) YOU ARE AN INSTITUTIONAL INVESTOR THAT IS OTHERWISE ELIGIBLE TO RECEIVE THIS ELECTRONIC TRANSMISSION AND THE PROSPECTUS.

This Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Co-Arrangers or the Joint Lead Managers, or any person who controls any of them respectively, or any of their respective directors, officers, employees or agents or affiliates, 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 Co-Arrangers and Joint Lead Managers.

Each prospective investor in the Notes and/or the Certificates must determine the suitability of that investment in light of its own circumstances. In particular, each prospective investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes and/or Certificates, the merits and risks of investing in the Notes and/or Certificates and the information contained in this Prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and/or Certificates and the impact the Notes and/or Certificates will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes and/or Certificates, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the prospective investor's currency;
- (d) understand thoroughly the terms of the Notes and/or Certificates and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A prospective investor should not invest in the Notes and/or Certificates, which are complex financial instruments, unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes and/or Certificates will perform under changing conditions, the resulting effects on the value of the Notes and/or Certificates and the impact this investment will have on the prospective investor's overall investment portfolio.

None of the Co-Arrangers or the Joint Lead Managers, or any person who controls any of them respectively or any of their respective directors, officers, employees or agents or affiliates, accepts any responsibility whatsoever for the contents of this electronic transmission or the Prospectus or for any other statement made or purported to be made by it, or on its behalf, in connection with the Issuer or the Notes or the Certificates or the offering referred to herein. The Co-Arrangers and the Joint Lead Managers, and any person who controls any of them respectively, and their respective directors, officers, employees or agents or affiliates, disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of the electronic transmission, the Prospectus or any such statement. No representation or warranty, express or implied, is made by any of the Co-Arrangers or the Joint Lead Managers, or any person who controls any of them respectively, or any of their respective directors, officers, employees or agents or affiliates, as to the

accuracy, completeness or sufficiency of the information set out in this electronic transmission or the Prospectus.

EDENBROOK MORTGAGE FUNDING PLC

(Incorporated under the laws of England and Wales with limited liability under registered number 14163445)

Securitisation transaction unique identifier: 635400URO7UOS6PWLH17N202401

Legal Entity Identifier: 635400URO7UOS6PWLH17

Debt	Initial Principal Amount	Issue Price	Interest Reference Rate on Floating Rate Debt	Step-Up Date	Relevant Margin prior to Step-Up Date	Relevant Margin from and including Step-Up Date	Final Maturity Date	Ratings (Fitch/ Moody's)
Class A Loan Note	£125,000,000	N/A	Compounded Daily SONIA	The Interest Payment Date falling in June 2028	0.87%	1.305%	The Interest Payment Date falling in March 2057	AAA / Aaa
A	£277,776,000	100%	Compounded Daily SONIA	The Interest Payment Date falling in June 2028	0.87%	1.305%	The Interest Payment Date falling in March 2057	AAA / Aaa
B	£23,016,000	100%	Compounded Daily SONIA	The Interest Payment Date falling in June 2028	1.35%	2.025%	The Interest Payment Date falling in March 2057	AA- / Aa1
C	£20,714,000	100%	Compounded Daily SONIA	The Interest Payment Date falling in June 2028	1.95%	2.925%	The Interest Payment Date falling in March 2057	A- / A1
D	£9,206,000	100%	Compounded Daily SONIA	The Interest Payment Date falling in June 2028	2.55%	3.55%	The Interest Payment Date falling in March 2057	BBB / Baa2
E	£4,603,000	100%	Compounded Daily SONIA	The Interest Payment Date falling in June 2028	3.50%	4.50%	The Interest Payment Date falling in March 2057	BBB- / Ba1
Z	£6,387,000	100%	N/A	N/A	N/A	N/A	The Interest Payment Date falling in March 2057	N/A
X	£4,603,000	100%	Compounded Daily SONIA	The Interest Payment Date falling in June 2028	4.00%	4.00%	The Interest Payment Date falling in March 2057	N/A
Certificates	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The date of this Prospectus is 16 July 2024

Co-Arrangers

BARCLAYS*

BNP PARIBAS

* “**Barclays**” means Barclays Bank PLC

Joint Lead Managers

BofA SECURITIES**

BARCLAYS

BNP PARIBAS

* “**BofA Securities**” means Merrill Lynch International

Issue Date	The Issuer expects to issue the Debt and the Certificates in the Classes set out above on 17 July 2024 (the “ Issue Date ”).
Underlying Assets	<p>The Issuer will make payments on the Debt and the Certificates from, <i>inter alia</i>, payments of principal and revenue received from a portfolio comprising mortgage loans originated by CHL Mortgages for Intermediaries Limited (“CMI”) secured over residential buy-to-let properties located in England and Wales with respect to which legal title has been or shall be transferred to Capital Home Loans Limited (“CHL”) shortly following origination. Immediately prior to the sale of the beneficial title to the Loans by the Seller to the Issuer on the Issue Date or, in relation to any Additional Mortgage Loans, on an Additional Mortgage Loan Purchase Date, beneficial title to such Loans will be transferred to the Seller. Such beneficial title will be purchased by the Issuer from the Seller on the Issue Date or, in relation to any Additional Mortgage Loans, on the relevant Additional Mortgage Loan Purchase Date.</p> <p>Please refer to the section entitled “<i>Constitution of the Mortgage Pool—The Provisional Mortgage Pool</i>” for further information.</p>
Credit Enhancement	<ul style="list-style-type: none"> • In respect of each Class of Debt (other than the X Notes), the over-collateralisation is funded by Debt ranking junior to such Debt in the Priority of Payments. • Following service of an Enforcement Notice, all amounts standing to the credit of the Liquidity Reserve Fund (if any) will be applied in accordance with the Post-Enforcement Priority of Payments. <p>Please refer to the section entitled “<i>Credit Structure</i>” for further information.</p>
Liquidity Support	<ul style="list-style-type: none"> • In respect of interest payments on each Class of Debt (other than the Z Notes), the subordination of Debt ranking junior to such Debt. • In respect of interest payments on the Class A Debt and the B Notes, prior to the service of an Enforcement Notice, amounts standing to the credit of the Liquidity Reserve Fund Ledger will be applied to certain items in the Pre-Enforcement Revenue Priority of Payments to make up any Revenue Shortfall. • In respect of interest payments on the Class A Debt and each Class of Debt prior to the service of an Enforcement Notice, after application of the Liquidity Reserve Fund, subject to the PDL Condition in respect of any Debt that is not the Most Senior Class, Principal Addition Amounts will be applied to certain items in the Pre-Enforcement Revenue Priority of Payments to make up any Further Revenue Shortfall.

Please refer to the section entitled “*Credit Structure*” for further information.

Redemption Provisions

Information on any optional and mandatory redemption of the Debt is summarised on pages 69 and 70 (“*Description of the Terms and Conditions of the Notes and Certificates—Redemption*”) and set out in full in Note Condition 5 (*Redemption*).

Credit Rating Agencies

Each of Fitch Ratings Ltd (“**Fitch**”) and Moody’s Investors Service Limited (“**Moody’s**”) (each, a “**Rating Agency**” and, together, the “**Rating Agencies**”) is a credit rating agency established in the United Kingdom and registered under Regulation (EU) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the “**UK CRA Regulation**”).

Each of Fitch and Moody’s appears on the latest update of the list of registered credit rating agencies (as of 15 July 2024) on the FCA’s Financial Services Register.

The ratings Fitch has given the Rated Debt are endorsed by Fitch Ratings Ireland Limited. The ratings Moody’s has given the Rated Debt are endorsed by Moody’s Deutschland GmbH. Each of Fitch Ratings Ireland Limited and Moody’s Deutschland GmbH is established in the EEA and registered under the Regulation (EU) No 1060/2009 on credit rating agencies (the “**EU CRA Regulation**”). Each of Fitch Ratings Ireland Limited and Moody’s Deutschland GmbH has been certified under the EU CRA Regulation.

Credit Ratings

Ratings are expected to be assigned to the Class A Loan Notes, the A Notes, the B Notes, the C Notes, the D Notes and the E Notes (together the “**Rated Debt**”) as set out above on or before the Issue Date.

The ratings assigned to the Rated Debt by each Rating Agency address, *inter alia*:

- (a) subject to paragraphs (b) and (c) below, the likelihood of full and timely payment of interest due to the holders of the Rated Debt on each Interest Payment Date;
- (b) in respect of the ratings assigned by Moody’s to the Rated Debt (excluding the Class A Loan Notes, the A Notes and the B Notes), the likelihood of full and ultimate payment of interest due to the holders of the C Notes, the D Notes and the E Notes by or on the Final Maturity Date;
- (c) in respect of the ratings assigned by Fitch to the Rated Debt (excluding the Class A Loan Notes, the A Notes and the B Notes), the likelihood of full and ultimate payment of interest due to the holders of the C Notes, the D Notes and the E Notes by or on the Final Maturity Date; and
- (d) the likelihood of full and ultimate payment of principal to the holders of the Rated Debt by or on the Final Maturity Date.

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

Listing

This document comprises a prospectus (the “**Prospectus**”), for the purpose of Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017 (the “**EU Prospectus Regulation**”). The Prospectus has been approved by the Central Bank of Ireland as competent authority under the EU Prospectus Regulation. The Central Bank of Ireland only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Approval by the Central Bank of Ireland should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, “**EU MiFID II**”), and/or which are to be offered to the public in any Member State of the European Economic Area and the United Kingdom. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) for the Notes to be admitted to the official list and to trading on its regulated market. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained. Euronext Dublin is a regulated market for the purposes of EU MiFID II.

The Class A Loan Note and Certificates will not be listed or admitted to trading.

Any website referred to in this document does not form part of the Prospectus and has not been scrutinised or approved by the Central Bank of Ireland.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the regulated market of Euronext Dublin.

This Prospectus is valid until the issuance of the Notes. The obligation to prepare a supplement to this Prospectus in the event of any significant new factor, material mistake or inaccuracy does not apply when the Prospectus is no longer valid. For the avoidance of doubt, the Issuer shall have no obligation to supplement this Prospectus after the closing of the offer period or the time when trading of such securities on a regulated market begins, whichever occurs later.

Form of Notes

The A Notes, the B Notes, the C Notes, the D Notes, the E Notes, the Z Notes and the X Notes will each be represented on

issuance by a global note certificate in registered form and may be issued in definitive registered form in certain circumstances. The Certificates will be represented on issuance by a global certificate in registered form and may be issued in definitive registered form in certain circumstances.

The Class A Loan Note

On the Issue Date, the Issuer will enter into a class A loan note agreement (the “**Class A Loan Note Agreement**”) pursuant to which a Class A Loan Noteholder will make available to the Issuer a Class A Loan Note facility in the amount of £125,000,000, and the Issuer will issue, and the Class A Loan Noteholder will subscribe for, a Class A Loan Note (the “**Class A Loan Note**”). The Class A Loan Note will be issued in definitive registered form.

The Class A Loan Note is not being offered under or pursuant to this Prospectus and all references to such loan note are included in this Prospectus for information purposes only. The Class A Loan Note and the A Notes rank pro rata and pari passu without preference or priority among themselves in relation to payment of interest and principal at all times, as provided in the Note Conditions, the Class A Loan Note Agreement and the Transaction Documents. The Class A Loan Note and the A Notes are collectively the “**Class A Debt**”. The Class A Debt, the B Notes, the C Notes, the D Notes, the E Notes are collectively the “**Rated Debt**”. The Class A Loan Note together with the Notes are collectively the “**Debt**”.

Class A Loan Note Conversion

Subject to certain conditions set out in the Class A Loan Note Agreement, the Trust Deed and the Note Conditions, on request from a Class A Loan Note Holder (the “**Converting Class A Loan Noteholder**”), all, or any part in excess of the Minimum Denomination, of the Principal Amount Outstanding of the Class A Loan Note (the “**Converted Amount**”) held by that Converting Class A Loan Noteholder shall be converted into A Notes on any Interest Payment Date by the Issuer issuing further A Notes to the Converting Class A Loan Noteholder (reflected as a Book-Entry Interest in respect of the A Global Note) in an amount equal to the Converted Amount at a subscription price equal to 100 per cent. of the Converted Amount. The Issuer shall use the proceeds of that issuance to redeem all or part of the Principal Amount Outstanding of the Class A Loan Note held by that Class A Loan Noteholder in an amount equal to the Converted Amount in accordance with Condition 16 (*Conversion of the Class A Loan Note*) and the Class A Loan Note Agreement (a “**Class A Conversion**”).

The proceeds of any such issuance of further A Notes shall be applied solely in redemption of the Class A Loan Note and will not form part of Available Revenue Funds or Available Principal Funds or be applied in accordance with the Priority of Payments.

If further A Notes are issued following a Class A Conversion, the Issuer will promptly (i) advise the Central Bank and Euronext Dublin accordingly, (ii) procure the publication of a notice of the issue in accordance with Note Condition 13 (Notice to Noteholders) and Certificate Condition 11 (Notice to Certificateholders) and (iii) and to the extent required, prepare a prospectus in respect of those A Notes.

Upon each Class A Conversion, the relevant Converted Amount will be reflected as a Book-Entry Interest in respect of the A Global Note, and the Issuer will instruct (a) the Registrar to update the Register to reflect the increase in the Principal Amount Outstanding of the Class A Notes and to endorse the A Global Note with the Principal Amount Outstanding of the A Notes issued in connection with that Class A Conversion, and (b) the Class A Loan Note Registrar to update the Class A Loan Note Register to reflect the reduction in the Principal Amount Outstanding of the Class A Loan Note, such that the aggregate Principal Amount Outstanding of the Class A Debt shall remain unchanged.

No Class of Debt or Certificates shall have the right to object, or be required to consent, to any Class A Conversion, or to any amendment, modification or removal of the right to conduct a Class A Conversion as may be agreed by the Class A Debtholders in accordance with the terms of the Class A Loan Note Agreement and the Trust Deed.

For the avoidance of doubt, no A Notes may be converted into any interest in the Class A Loan Note.

Obligations

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

Definitions

Please refer to the section entitled “*Glossary of Defined Terms*” for definitions of defined terms.

EU and UK Retention Undertaking

On the Issue Date, Barossa Asset Purchaser SARL (“**Barossa**”, the “**Seller**” and the “**Risk Retention Holder**”) will, in its capacity as an “originator” for the purposes of the UK Securitisation Regulation and the EU Securitisation Regulation undertake to the Issuer and the Security Trustee, on behalf of the Debtholders, that it has retained and will continue to retain, on an ongoing basis, a material net economic interest in the securitisation of not less than 5 per cent. as required by:

- (a) Article 6(1) of the UK Securitisation Regulation, in accordance with Article 6(3)(a) of the UK Securitisation Regulation (the “**UK Retention Requirement**”); and
- (b) Article 6(1) of the EU Securitisation Regulation, in accordance with Article 6(3)(a) of the EU Securitisation Regulation (the “**EU Retention Requirement**”, and

together with the UK Retention Requirement, the “**Retention Requirements**”).

Such retention of a material net economic interest will comprise of the retention by the Risk Retention Holder (either directly or through a directly or indirectly wholly-owned entity (or entities)) of the economic exposure to the Risk Retention Notes, being not less than 5 per cent. of the nominal value of each of the tranches sold or transferred to investors, the E Notes and the Z Notes, being the Debt (excluding the X Notes).

On or after the Issue Date, the Risk Retention Holder may enter into Retention Financing Arrangements to finance its exposure to some or more of the Risk Retention Notes, by way of entering into a repurchase arrangement, secured funding arrangement or other arrangement with a third party financial counterparty.

Certain undertakings are given by the Risk Retention Holder in the Subscription Agreement concerning the Retention Requirements.

See the sections entitled “*Certain Regulatory Requirements*” and “*Risk Factors – Retention Requirements*”.

U.S. Risk Retention Rules

The Seller, as the “sponsor” under the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the “**U.S. Risk Retention Rules**”), does not intend to retain at least 5 per cent. of the credit risk of the securitized assets for purposes of compliance with 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 certain foreign-related transactions. See the section entitled “*Risk Factors – Legal and Regulatory Risks Relating to the Structure and the Notes – U.S. Risk Retention Requirements*” for further details.

Volcker Rule

The Issuer has structured the transaction so that the Issuer is not now, and immediately following the issuance of the Debt and the application of the proceeds thereof it will not be, a “covered fund” under a final rule (the “**Final Rule**”) implementing Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the “Volcker Rule”. To that end, the Issuer will not be considered a Covered Fund under the Volcker Rule because it would be excluded from the definition thereof by virtue of an exception for loan securitisations (the “**Loan Securitisation Exception**”) established under the Final Rule.

Simple, Transparent and Standardised Securitisation

As at the Issue Date, (i) no notification will be submitted to the European Securities and Markets Authority (“**ESMA**”), in accordance with Article 27 of the EU Securitisation Regulation, confirming that the requirements of Article 18 and Articles 19 to 22 of the EU Securitisation Regulation have been satisfied with respect to the Notes (such notification, the “**EU STS Notification**”) and (ii) no notification will be submitted to the

FCA, in accordance with Article 27 of the UK Securitisation Regulation, confirming that the requirements of Article 18 and Articles 19 to 22 of the UK Securitisation Regulation have been satisfied with respect to the Notes (such notification, the “**UK STS Notification**”).

Benchmarks Regulation

Interest payable on the Debt (excluding the Z Notes) is calculated by reference to the Sterling Overnight Index Average (“**SONIA**”) which is provided by the Bank of England as the administrator. As at the date of this Prospectus, the Bank of England is not included on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Regulation (EU) 2016/1011 (the “**BMR**”).

The Bank of England, as administrator of SONIA, is exempt under Article 2 of Regulation (EU) 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the “**UK BMR**”) but has issued a statement of compliance with the principles for financial benchmarks issued in 2013 by the International Organisation of Securities Commissions.

THE “RISK FACTORS” SECTION CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES AND/OR THE CERTIFICATES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED WITHIN THAT SECTION.

NIETHER THE NOTES NOR THE CERTIFICATES HAVE BEEN APPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NIETHER THE NOTES NOR THE CERTIFICATES HAVE BEEN NOR WILL BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, NIETHER THE NOTES NOR THE CERTIFICATES MAY BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE AND LOCAL SECURITIES LAWS. THE NOTES AND THE CERTIFICATES WILL ONLY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS PURSUANT TO THE REQUIREMENTS OF REGULATION S UNDER THE SECURITIES ACT.

THE SELLER, AS SPONSOR UNDER THE U.S. RISK RETENTION RULES, DOES NOT INTEND TO RETAIN AT LEAST 5 PER CENT. OF THE CREDIT RISK OF THE SECURITIZED ASSETS FOR PURPOSES OF COMPLIANCE WITH 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 CERTAIN FOREIGN-RELATED TRANSACTIONS THAT MEET CERTAIN REQUIREMENTS. 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 AND THE CERTIFICATES 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 UNDER THE SECURITIES ACT. CERTAIN INVESTORS MAY BE REQUIRED TO EXECUTE A WRITTEN CERTIFICATION OF REPRESENTATION LETTER BY THE SELLER IN RESPECT OF THEIR STATUS UNDER THE U.S. RISK RETENTION RULES. SEE “LEGAL AND REGULATORY RISKS RELATING TO THE STRUCTURE OF THE NOTES AND THE CERTIFICATES – U.S. RISK RETENTION REQUIREMENTS”.

ON THE ISSUE DATE, THE NOTES AND THE CERTIFICATES, OR A BENEFICIAL INTEREST THEREIN MAY ONLY BE PURCHASED BY (A) PERSONS THAT ARE NOT RISK RETENTION U.S. PERSONS OR (B) PERSONS THAT HAVE OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER. EACH PURCHASER OF THE NOTES OR THE CERTIFICATES, OR A BENEFICIAL INTEREST THEREIN, ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES AND THE CERTIFICATES BY ITS ACQUISITION OF THE NOTES OR THE CERTIFICATES, OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED, AND IN CERTAIN CIRCUMSTANCES WILL BE REQUIRED, TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (A) IS NOT A

RISK RETENTION U.S. PERSON OR (B) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE OR CERTIFICATE, OR BENEFICIAL INTEREST THEREIN, FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE OR CERTIFICATE, OR BENEFICIAL INTEREST THEREIN, AND (3) IS NOT ACQUIRING SUCH NOTE OR CERTIFICATE, OR BENEFICIAL INTEREST THEREIN, AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE OR CERTIFICATE, OR BENEFICIAL INTEREST THEREIN, 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 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES). CERTAIN INVESTORS MAY BE REQUIRED TO EXECUTE A WRITTEN CERTIFICATION OF REPRESENTATION LETTER BY THE SELLER IN RESPECT OF THEIR STATUS UNDER THE U.S. RISK RETENTION RULES. SEE “LEGAL AND REGULATORY RISKS RELATING TO THE STRUCTURE OF THE NOTES AND THE CERTIFICATES – U.S. RISK RETENTION REQUIREMENTS”.

Each initial and subsequent purchaser of Notes or Certificates will be deemed, by its acceptance of such Notes or Certificates to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer thereof as set forth therein and described in this Prospectus and, in connection therewith, may be required to provide confirmation of its compliance with such resale or other transfer restrictions in certain cases.

The information contained in this Prospectus was obtained from the Issuer and other sources, but no assurance is or can be given by the Co-Arrangers, the Joint Lead Managers, the Note Trustee or the Security Trustee, the Agents, the Cash Manager, the Swap Counterparty, the Swap Collateral Account Bank, or anyone 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 Co-Arrangers, the Joint Lead Managers, the Note Trustee or the Security Trustee or anyone other than the Issuer as to the adequacy, accuracy or completeness of such information contained herein or in any document or agreement relating to the Notes or Certificates. None of the Co-Arrangers or the Joint Lead Managers shall be responsible for the execution, legality, effectiveness, adequacy, genuineness, enforceability or admissibility in evidence of any document or agreement relating to the Notes or Certificates. None of the Co-Arrangers, the Joint Lead Managers, the Note Trustee or the Security Trustee 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 or Certificates is unauthorised, and any disclosure of any of its contents for any purpose other than considering an investment in the Notes or Certificates 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 Co-Arrangers or the Joint Lead Managers.

This Prospectus comprises a prospectus for the purposes of the EU Prospectus Regulation and for the purpose of giving information with regard to the Issuer, the Notes, and the Certificates, which according to the particular nature of the Issuer, the Notes, and the Certificates, is necessary to enable prospective investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

CHL accepts responsibility for the information set out in the section headed “*The Legal Title Holder, Cash Manager and Servicer*”. To the best of the knowledge of CHL (having taken all reasonable care to ensure that

such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Seller accepts responsibility for the information set out in the sections headed “*Constitution of the Mortgage Pool*”, “*Characteristics of the Provisional Mortgage Pool*”, “*Title to the Mortgage Pool*” and “*The Seller and the Risk Retention Holder*”. To the best of the knowledge of the Seller (having taken all reasonable care to ensure that such is the case), the information contained in the sections referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

U.S. Bank Trustees Limited, accepts responsibility for the information set out in the section headed “*The Note Trustee and the Security Trustee*”. To the best of the knowledge of U.S. Bank Trustees Limited (having taken all reasonable care to ensure that such is the case), the information contained in the relevant section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

BNP Paribas accepts responsibility for the information set out in the section headed “*The Swap Counterparty – BNP Paribas*”. To the best of the knowledge of BNP Paribas (having taken all reasonable care to ensure that such is the case), the information contained in the relevant section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Elavon Financial Services DAC, UK Branch accepts responsibility for the information set out in the section headed “*The Agent Bank, the Principal Paying Agent, the Registrar and the Class A Loan Note Registrar*”. To the best of the knowledge of Elavon Financial Services DAC, UK Branch (having taken all reasonable care to ensure that such is the case), the information contained in the relevant section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

U.S. Bank Global Corporate Trust Limited accepts responsibility for the information set out in the section headed “*The Class A Loan Note Agent*”. To the best of the knowledge of U.S. Bank Global Corporate Trust Limited (having taken all reasonable care to ensure that such is the case), the information contained in the relevant section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Barclays Bank PLC accepts responsibility for the information set out in the section headed “*The Account Bank and the Collection Account Provider*”. To the best of the knowledge of Barclays Bank PLC (having taken all reasonable care to ensure that such is the case), the information contained in the relevant section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

CSC Capital Markets UK Limited accepts responsibility for the information set out in the section headed “*The Corporate Services Provider, the Back-Up Servicer Facilitator and the Back-Up Cash Manager Facilitator*”. To the best of the knowledge of CSC Capital Markets UK Limited (having taken all reasonable care to ensure that such is the case), the information contained in the relevant section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

The information contained in this Prospectus in the section headed “*Characteristics of the Provisional Mortgage Pool*” has been extracted from information provided by the Servicer. The Issuer accepts responsibility for the accuracy of such extracted information but accepts no further or other responsibility in respect of such information. So far as the Issuer is aware and/or able to ascertain from such information, no facts have been omitted which would render the information inaccurate or misleading. The Issuer has not been responsible for, nor has it undertaken, any investigation or verification of statements, including statements as to foreign law, contained in the information. The Issuer does not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information and prospective investors in the Notes and/or Certificates should not rely upon, and should make their own independent investigations and enquiries in respect of, the same.

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

None of the Issuer, the Seller, the Servicer, the Back-up Servicer Facilitator, the Co-Arrangers, the Joint Lead Managers, the Note Trustee, the Security Trustee, the Swap Counterparty, the Agents, the Class A Loan Note Agents, the Account Bank, the Cash Manager, the Back-Up Cash Manager Facilitator, CMI, the Legal Title Holder, the Swap Collateral Account Bank, the Corporate Services Provider or any other person makes any representation to any prospective investor or purchaser of the Notes and/or Certificates regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations and prospective investors should consult their legal advisers to determine whether and to what extent the investment in the Notes and/or Certificates constitute a legal investment for them.

EACH PERSON RECEIVING THIS PROSPECTUS ACKNOWLEDGES THAT (I) SUCH PERSON HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW, AND HAS RECEIVED, ALL ADDITIONAL INFORMATION CONSIDERED BY IT TO BE NECESSARY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN, (II) SUCH PERSON HAS NOT RELIED ON THE CO-ARRANGERS, THE JOINT LEAD MANAGERS, OR ANY PERSON AFFILIATED WITH THE CO-ARRANGERS, THE JOINT LEAD MANAGERS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION, (III) NO PERSON HAS BEEN AUTHORISED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION REGARDING THE NOTES OTHER THAN AS CONTAINED HEREIN, AND IF GIVEN OR MADE, ANY SUCH OTHER INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORISED, AND (IV) NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER WILL CREATE ANY IMPLICATION THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SINCE THE DATE HEREOF. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN BUSINESS, LEGAL AND TAX ADVISERS FOR INVESTMENT, LEGAL AND TAX ADVICE AND AS TO THE DESIRABILITY AND CONSEQUENCES OF AN INVESTMENT IN THE NOTES AND/OR CERTIFICATES.

EU MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY

TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined 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 manufacturers’ 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 manufacturers’ target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE RULES / PROFESSIONAL INVESTORS AND ECPs ONLY

TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom by virtue of the EUWA (the “**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor

should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

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 EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the United Kingdom by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom by virtue of the EUWA.

Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law in the United Kingdom by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Co-Arrangers, or the Joint Lead Managers to subscribe for or purchase any of the Notes or the Certificates. The distribution of this Prospectus and the offering of the Notes and the Certificates in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Co-Arrangers, and the Joint Lead Managers to inform themselves about and to observe any such restrictions.

For a description of further restrictions on offers and sales of the Notes and the Certificates and distribution of this Prospectus, see "*Purchase and Sale*" below.

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer, the Note Trustee, the Security Trustee, the Agents, the Cash Manager, the Swap Counterparty, the Swap Collateral Account Bank, the Co-Arrangers or the Joint Lead Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Notes or Certificates is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

To the fullest extent permitted by law, none of the Co-Arrangers, the Joint Lead Managers, the Note Trustee, the Security Trustee, the Agents, the Cash Manager, the Back-Up Cash Manager Facilitator, CMI, the Legal Title Holder, the Servicer, the Swap Counterparty, the Swap Collateral Account Bank, or anyone other than the Issuer accepts any responsibility whatsoever for the contents of this Prospectus or any document or agreement relating to the Notes or any Transaction Document, or for any other statement, made or purported to be made by the Co-Arrangers, the Joint Lead Managers, the Note Trustee, the Security Trustee, the Agents, the Cash Manager, the Back-Up Cash Manager Facilitator, the Legal Title Holder, CMI, the Servicer, the Swap Counterparty, the Swap Collateral Account Bank, or any other person or on their behalf in connection with the Issuer, the Transaction Documents (including the effectiveness thereof) or the issue and offering of the Notes. Each of the Co-Arrangers, the Joint Lead Managers, the Note Trustee, the Security Trustee, the Agents, the Cash Manager, the Back-Up Cash Manager Facilitator, the Legal Title Holder, CMI, the Servicer, the Swap Counterparty, the Swap Collateral Account Bank, or anyone other than the Issuer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement, representation, warranty or covenant of the Issuer contained in the Notes or any Transaction Documents, or any other agreement or document relating to the Notes or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof.

None of the Co-Arrangers or the Joint Lead Managers has prepared any report or financial statement in respect of the transaction. None of the Co-Arrangers and Joint Lead Managers is responsible for any obligations of the Issuer under the EU Securitisation Regulation and/or the UK Securitisation Regulation.

Neither the Notes nor the Certificates have been nor will be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and are subject to U.S. tax law requirements.

Payments of interest and principal in respect of the Notes and the Certificates will be subject to any applicable withholding taxes without the Issuer being obliged to pay additional amounts thereof. References in this Prospectus to “**pounds**” or “**sterling**” are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland and references to “**Euro**”, “**EUR**” and “**€**” are to the lawful currency of the member states (“**Member States**”) of the European Union (“**EU**”) that adopt the single currency in accordance with the Treaty on the Functioning of the European Union, as amended from time to time.

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RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes and/or the Certificates. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

For the avoidance of doubt, the Class A Loan Note is not being offered under this Prospectus and, accordingly, the following risk factors are not intended to address risks relevant to any prospective holder of the Class A Loan Note. Any risks set out herein which refer to or apply to the Class A Loan Note are incidental and been included for the benefit of the prospective investors insofar as such risks may be relevant to any investment decision in respect of the Notes.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes and Certificates, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes and Certificates for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding the Notes and/or Certificates are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including the detailed information set out in the section entitled “*Credit Structure*”) and reach their own views prior to making any investment decision.

1 RISKS RELATED TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES

The Issuer has a limited set of resources available to make payments on the Debt

The ability of the Issuer to meet its obligations to pay principal and interest on the Debt and its operating and administrative expenses will be dependent solely on receipts of principal, interest and fees from the Loans in the Mortgage Pool, payments due from the Swap Counterparty (if any), interest earned on the Bank Accounts, proceeds of any Authorised Investments and the availability of the Liquidity Reserve Fund (subject to application in accordance with the relevant Priority of Payments) and (with respect to the Additional Mortgage Loans Final Sale Date only) amounts standing to the credit of the Pre-Funding Principal Ledger (but excluding the Light Refurbishment Loans Retained Amount) which have not been used to purchase Additional Mortgage Loans. Other than the foregoing, the Issuer is not expected to have any other funds available to it to meet its obligations under the Debt and/or any other payment obligation ranking in priority to, or *pari passu* with, the Debt under the applicable Priority of Payments. If such funds are insufficient, any such insufficiency will be borne by the Debtholders and the other Secured Creditors, subject to the applicable Priority of Payments.

The Debt will be limited recourse obligations of the Issuer

The Debt and Certificates will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Debt and Certificates will not be obligations of, and will not be guaranteed by, or be the responsibility of the Account Bank, the Swap Collateral Account Bank, the Collection Account Provider, the Co-Arrangers, the Cash Manager, the Corporate Services Provider, the Note Trustee, the Security Trustee, the Swap Counterparty, the Servicer, the Back-up Servicer Facilitator, the Seller, the Agents, the Co-Arrangers, the Joint Lead Managers or anyone other than the Issuer.

The Debt and Certificates will be limited recourse obligations of the Issuer. If, and to the extent that, after the Charged Property has been realised and the proceeds thereof have been applied in accordance with the applicable Priority of Payments, the amounts recovered on realisation of the Charged Property are insufficient to pay or discharge amounts due from the Issuer to the Debtholders or Certificateholders in full for any reason, the Issuer will have no liability to pay or otherwise make good any such insufficiency or shortfall.

The timing and amount of payments on the loans could be affected by various factors which may adversely affect payments on the Debt

Factors in Borrowers' individual, personal or financial circumstances, or those of their tenants, may affect the ability of Borrowers to repay the Loans. Please refer to section "*Non-Conforming Borrowers*" for further details. 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 Borrowers (if, for example such payment is made after the end of the Determination Period immediately preceding the Interest Payment Date). This risk is addressed in respect of the Rated Debt by the provision of liquidity from alternative sources as described in the section entitled "*Credit Structure*". However, no assurance can be made as to the effectiveness of such liquidity features, or that such liquidity features will protect the holders of the Rated Debt from all risk of late payments.

In addition, interest in respect of the Loans is payable on various bases. As a result of the Loans having these different bases, the Issuer is subject to the risk of a mismatch between the interest rate received by the Issuer on the Loans, such potential mismatch being caused by:

- (a) the interest rates received by the Issuer on the Loans being determined on different dates than that on which the interest rate payable on the Debt is determined;
- (b) the interest rates received by the Issuer on the Loans being determined by reference to the Bank of England Base Rate (the "**BBR**") and the interest rate payable on the Debt being determined by reference to Daily Compounded SONIA; and
- (c) prior to the expiration of the relevant fixed rate, the interest rates received by the Issuer on the Fixed Rate Loans being determined on a different basis than that on which the interest rate payable on the Debt is determined.

Fluctuations in the value or the method of calculation of BBR and SONIA could potentially result in (i) the contractual interest rates on the Loans being lower than that required by the Issuer in order to meet its commitments under the Debt and its other obligations and (ii) 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 Debt.

In addition, the Issuer is subject to the risk of the weighted average coupon of interest received in respect of the Mortgage Pool being reduced due to Loans with higher interest margins being repaid more quickly than Loans with lower interest margins.

The Issuer is also subject to 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 Debt. This risk is mitigated by (i) interest payable on funds standing to the credit of the Transaction Account (if any), (ii) the proceeds of any Authorised Investments, and (iii) the availability of the Available Principal Funds, each of which are available to meet payments of interest due under the Class A Debt to E Notes (inclusive) and the senior expenses of the Issuer.

The Loans are subject to variable and fixed interest rates while the Issuer's liabilities under the Debt (save for the Z Notes) are based on Compounded Daily SONIA.

To attempt to hedge its interest rate exposure in relation to the fixed rates of interest payable in respect of the Mortgages in the Mortgage Pool and the amounts payable under the Debt, the Issuer will enter into a Swap Agreement with the Swap Counterparty (see "*Credit Structure — The Swap Agreement*" below). The notional amount under the Swap Agreement (which is determined for each Interest Period in accordance with an agreed schedule of notional amounts as specified in the Swap Agreement and set out in the section entitled "*Credit Structure — The Swap Agreement*" below) may not match the principal amount outstanding of those Mortgages in the Mortgage Pool paying fixed rates of interest and therefore the Issuer may become over or under hedged with respect to such interest rate exposure.

Yield to maturity and the Mortgage Pool Option Holder's ability to redeem the Debt on its scheduled redemption dates or its final maturity dates may be affected by the rate of prepayment on the Loans

The yield to maturity of the Debt of each Class will depend on the price paid by the holders of the Debt and, among other things, the amount and timing of payment of principal in respect of the Loans in the Mortgage Pool (including prepayments and sale proceeds arising on enforcement of a Mortgage), whether or not any Additional Mortgage Loans are acquired by the Issuer, the quantity of Additional Mortgage Loans acquired and the timing of their acquisition.

The rate of prepayment of Loans cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing programmes, local and regional economic conditions and homeowner mobility. The Loans may be prepaid in full or in part at any time. Prepayments may result in connection with refinancings of Loans, sales of Properties by Borrowers voluntarily or as a result of enforcement proceedings under the relevant Mortgage, as well as the receipt of proceeds from building insurance and life insurance policies. No assurance can be given as to the level of prepayment that the Mortgage Pool will experience and the yield to maturity of the Debt of each Class may be adversely affected by a higher or lower than anticipated rate of prepayments on the Loans. See “*Weighted Average Lives of the Debt*” below.

The yield to maturity of the Debt of each Class may also be affected if the Seller or one of its affiliates is required to repurchase Loans from the Mortgage Pool or to make an indemnity payment to the Issuer in relation to a Loan and its Related Security due to a breach of a Warranty or the occurrence of an Arrears Event and the indemnified Liability has crystallised, noting that any indemnity amount may be less than the repurchase amount (see “*Sale of the Mortgage Pool – Warranties, Repurchase and Indemnification*”),.

Pursuant to the Deed Poll, the Mortgage Pool Option Holder has the option to purchase (or nominate a third party purchaser to purchase) the Mortgage Pool and its related Mortgage Rights on any Call Option Date (being an Interest Payment Date falling in or after June 2028) for a purchase price equal to the greater of:

- (a) the aggregate Current Balance of the Loans (excluding any Enforced Loans) in the Mortgage Pool determined as at the Determination Date immediately preceding the relevant Call Option Date; and
- (b) together with any amounts standing to the credit of the Transaction Account (including the Liquidity Reserve Fund and/or any other cash held by or on behalf of the Issuer (other than any Swap Excluded Receivable Amounts, Swap Collateral and any Issuer Profit Amount)), the amount which would be required to pay any amounts required under the Pre-Enforcement Priority of Payments to be paid in priority to or *pari passu* with the Debt on such Interest Payment Date, to redeem all Debt then outstanding in full together with accrued and unpaid interest on such Debt and pay costs associated with the redemption, as calculated as at the Determination Date immediately prior to the relevant Call Option Date.

If the Mortgage Pool Option Holder has not delivered an Exercise Notice in accordance with the relevant provisions of the Deed Poll for the purpose of exercising the Mortgage Pool Option on the Call Option Date falling on or before September 2028:

- (a) the Issuer undertakes to appoint a third party agent, the (“**Mortgage Pool Auction Manager**”), as soon as practically possible thereafter, who will seek offers from third-parties to purchase and accept assignment of the Mortgage Pool Option Loans for an amount equal to or greater than the Mortgage Pool Purchase Price; and
- (b) the Mortgage Pool Option Holder shall cease to have the right to the exercise of the Mortgage Pool Option until such right is resumed in accordance with the following paragraph.

If the Mortgage Pool Auction Period has elapsed without a sale, assignment and transfer of the Mortgage Pool, the Mortgage Pool Option Holder shall resume the right to exercise the Mortgage Pool Option on any Call Option Date from (but excluding) the Mortgage Pool Auction Period End Date.

In addition, following the occurrence of a Risk Retention Regulatory Change Event, the Seller may exercise its Risk Retention Regulatory Change Option and the Debts may be redeemed in full and the Certificates may be cancelled prior to the Final Maturity Date.

The exercise of the Mortgage Pool Option by the Mortgage Pool Option Holder, a sale pursuant to a Mortgage Pool Auction, or the exercise by the Seller of the Risk Retention Regulatory Change Option may also adversely affect the yield to maturity of the Debt of each Class.

Revenue and Principal Deficiency

If, on any Interest Payment Date, following application of the Available Revenue Funds and the Liquidity Reserve Fund, there is a Further Revenue Shortfall, Available Principal Funds will be applied as Available Revenue Funds to the extent of the shortfall. In this event, the consequences set out in the following paragraph may result.

Any Losses and the application of any Principal Addition Amounts applied to meet Further Revenue Shortfall will be recorded as a debit, (a) first, to the E Principal Deficiency Sub-Ledger up to the Principal Amount Outstanding of the E Notes, (b) second, to the D Principal Deficiency Sub-Ledger up to the Principal Amount Outstanding of the D Notes, (c) third, to the C Principal Deficiency Sub-Ledger up to the Principal Amount Outstanding of the C Notes, (d) fourth, to the B Principal Deficiency Sub-Ledger up to the Principal Amount Outstanding of the B Notes and (e) fifth, to the A Principal Deficiency Sub-Ledger.

It is expected that during the course of the life of the Debt, any principal deficiencies will be recouped from Available Revenue Funds. Available Revenue Funds will be applied, after meeting prior ranking obligations as set out under the Pre-Enforcement Revenue Priority of Payments, as a credit to the respective Principal Deficiency Ledgers.

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 interest and other net income of the Issuer may not be sufficient to pay, in full or at all, interest due on each class of the Debt, after making the payments to be made in priority thereto; and
- (b) there may be insufficient funds to redeem the Debt on or prior to the Final Maturity Date unless the other net income of the Issuer is sufficient, after making other payments to be made in priority thereto, to reduce to nil the balance on the Principal Deficiency Ledgers.

2 RISKS RELATING TO THE UNDERLYING ASSETS

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

An investment in securities such as the Notes and Certificates that generally represent a secured debt obligation (the security being in respect of Loans beneficially owned by the Issuer) may be affected by, among other things, a decline in real estate values and changes in the Borrowers' financial condition. All of the Properties are located in England and Wales. Approximately 46.27 per cent. of the aggregate number of Loans (representing 63.42 per cent. of the aggregate Current Balance of the Loans) in the Provisional Mortgage Pool are secured by Properties located in the South East of England and Greater London. See the tables entitled "*Distribution of Loans by Region*" under "*Characteristics of the Provisional Mortgage Pool*". Certain areas of the United Kingdom may from time to time experience declines in real estate values such as has been seen in recent times. No assurance can be given that values of the Properties have remained or will remain at their levels on the dates of origination of the related Loans. If the residential real estate market in the United Kingdom in general, or in the South East of England and Greater London, should experience an overall decline in property values such that the values of the Properties may have reduced during the period starting from the origination of the related Loans until the end of the maturity of the Debt, and the outstanding balances of the Loans become equal to or greater than the value of the Properties, such a decline could in certain circumstances result in the value of the interest in the Properties created by the Mortgages being significantly reduced. To that extent,

holders of interests in the Debt will bear all risk of loss resulting from default by Borrowers and will have to look primarily to the value of the Properties for recovery of the outstanding principal and unpaid interest on the delinquent Loans.

Geographic Concentration Risks

To the extent that specific geographic regions have experienced or may experience in the future weaker regional economic conditions and housing markets than other regions, a concentration of the Loans in such a region may be expected to exacerbate all of the risks relating to the Loans described in this section. Certain geographic regions within United Kingdom rely on different types of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and consequently the repayment ability of the Borrowers in that region or in the region that relies most heavily on that industry. Any natural disasters in a particular region may reduce the value of affected Properties. This may result in a loss being incurred upon the sale of such Properties. The Issuer cannot predict when and/or where such regional economic declines or natural disasters may occur, nor to what extent or for how long such conditions may continue, but if the timing and payment of the Loans are adversely affected as described above, the ability of the Issuer to make payments due under the Debt or Certificates could be reduced or delayed.

In addition, any widespread health crises or the fear of such crises (such as coronavirus/COVID-19, measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu, or other epidemic diseases) in a particular region may weaken economic conditions and reduce the value of affected Properties and/or negatively impact the ability of affected Borrowers to make timely payments on the Loans. In addition, governmental action or inaction in respect of, or responses to, any widespread health 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 result in a loss being incurred upon sale of the Property and/or otherwise affect receipts on the Loans.

If the timing of the payments, as well as the quantum of such payments, in respect of the Loans is adversely affected by any of the risks described in this paragraph, then payments on the Debt or Certificates could be reduced and/or delayed and could ultimately result in losses on the Debt or 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 obligations under the Debt or Certificates.

Searches, Investigations and Warranties in relation to the Loans

Neither the Issuer, the Note Trustee nor the Security Trustee has undertaken or will undertake any investigations, searches or other actions in respect of the Loans and their related Mortgages, and each will rely instead on the Warranties. The Seller shall repurchase (or procure that an affiliate purchases) the Loans and their Related Security or, in respect of a breach of Warranty or the occurrence of an Arrears Event only, may instead indemnify and keep indemnified the Issuer, in the following circumstances: (a) in respect of the Loans only, upon material breach of any of the representations or warranties given by the Seller on the Issue Date or the Additional Mortgage Loan Purchase Date, as applicable, which have not been remedied by the Seller within 30 Business Days of being notified by the Issuer of such breach and which has or would have a material adverse effect on the value of such Loan or its Related Security, (b) if the Legal Title Holder wishes to make Further Advances; (c) if the Legal Title Holder wishes to make a Product Switch; or (d) upon the occurrence of an Arrears Event.

In addition, the Seller was not the originator of any of the Loans comprised in the Mortgage Pool and sold the originator of the Loans to Chetwood Financial Limited on 20 May 2024. As such, the Seller has made due enquiry of the Originator with respect to certain Warranties, but has limited knowledge as to whether certain Warranties (including the Warranties which relate to the origination process) are correct or not. As such, the Warranties are given by the Seller subject to certain carve outs, limitations and disclosures, to which see the section entitled, "Sale of the Mortgage Pool". Accordingly, it may be practically difficult for the Seller to detect

a breach of warranty in respect of the Loans sold by it to the extent that the same relates to a matter outside of the immediate knowledge of the Seller and there is no ongoing active involvement of the Originator to monitor or notify any defect in relation to the circumstances of the Loans. The Seller and the other transaction parties will have limited obligations to monitor compliance with the Warranties following the Issue Date.

Investors should be aware that the remedy applicable following breach of Warranty is dependent on the election of the Seller, in each case in its sole discretion. The obligations of the Seller are not guaranteed nor will they be the responsibility of any person other than the Seller, and neither the Issuer nor the Note Trustee will have recourse to any other person in the event that the Seller, for whatever reason, fails to meet its obligations to repurchase any Loans or make any indemnity payments under the Mortgage Sale Agreement. Moreover, there can be no assurance that the Seller will have the financial resources to honour such obligations under the Mortgage Sale Agreement when such obligation to repurchase or indemnify becomes due. This may affect the quality of the Loans and their related Mortgage Rights in the Mortgage Pool and accordingly the ability of the Issuer to make payments due on the Debt and/or Certificates.

In addition, due to the nature of the Loans, the amount of indemnification due and payable by the Seller for breach of a Warranty (in lieu of a repurchase by the Seller) may not be known or have been incurred at the time at which the breach of the Warranty is discovered and further additional time (which could be months or years) may be required before such actual loss (including the quantum of such loss) can be determined. In addition, depending upon the scenario at the time which leads the Issuer to suffer a loss on the applicable Loan it may in addition be difficult to accurately assess and determine the level and amount of Liabilities which the resulting breach of the relevant Warranty actually contributed to the loss that the Issuer has suffered on such Loan at such time (and to the extent such quantum cannot be agreed between the Issuer and the Seller, an independent auditor will be required to determine the quantum). Accordingly, any indemnification payment required to be made by the Seller (in lieu of a repurchase of such Loan) in respect of any breach of a Warranty may be significantly delayed, which may impact the ability of the Issuer to meet its payment obligations under the Debt. See further the section entitled (see “*Sale of the Mortgage Pool – Warranties, Repurchase and Indemnification*”).

Standard Documentation

Prospective investors should note that since origination of the Loans, the Standard Documentation may have been subject to certain amendments or variations including with respect to: (i) any variation agreed with a Borrower to control or manage arrears or expected arrears on the Loan including any variation relating to breaches of the Mortgage Conditions and any forbearance in accordance with the Mortgages Tailored Support Guidance, Consumer Duty or the FCA's Policy Statement 24/2 or Finalised Guidance 24/2 (or any replacement); (ii) any variation in the maturity date of a Loan, provided that, following such amendment, such Loan has a remaining term ending no later than two years prior to the Final Maturity Date of the Debt and subject in each case to paragraph (viii) below; (iii) any variation imposed by statute or by regulation or any variation in the frequency with which the interest payable in respect of the Loan is charged; (iv) any variation to the interest rate as a result of the Borrowers switching to a different rate other than where the Borrower is switching to another product; (v) any change to a Borrower under the Loan or the addition of a new Borrower under a Loan; (vi) any change in the repayment method of the Loan (including from an Interest Only Loan to a Repayment Loan); (vii) any change in the rate of interest payable (i) as a result of any variation in SVR or other applicable discretionary rate or (ii) where the terms of the Loan change the rate of interest payable by a Borrower on termination of an interest discount for a fixed period of time; (viii) undertaken in accordance with the Mortgages Tailored Support Guidance, Consumer Duty or the FCA's Policy Statement 24/2 or Finalised Guidance 24/2 (or any replacement). These variations, if enforceable, could in certain circumstances result in the value of the Loans being reduced and, ultimately, may result in losses to the Debtholders and/or the Certificateholders.

Additional Mortgage Loans

The Additional Mortgage Loans may be originated by the Originator after the Cut-Off Date that may be sold to the Seller (and subsequently sold to the Issuer by the Seller) on each Additional Mortgage Loan Purchase Date. The Pre-Funding Initial Amount (but excluding the Light Refurbishment Loans Retained Amount) has been

sized on the basis of the maximum anticipated number of Additional Mortgage Loans based on offers made to potential borrowers as of 31 May 2024. There can be no certainty that all such offers will proceed to originated Additional Mortgage Loans. No further offers following 31 May 2024 have been or will be made which would result in further Additional Mortgage Loans.

Any Additional Mortgage Loan is required as at the date of its acquisition by the Issuer to comply with the representations and warranties specified in the Mortgage Sale Agreement.

There can be no certainty that, following the acquisition of any Additional Mortgage Loans by the Issuer on each Additional Mortgage Loans Purchase Date, the Mortgage Pool will have similar proportions or similar concentration characteristics as set out in the tables in the section entitled “*Characteristics of the Provisional Mortgage Pool*” below in relation to the Loans constituting the Provisional Mortgage Pool. The anticipated aggregate Current Balance of the Additional Mortgage Loans on the basis of the maximum anticipated number of Additional Mortgage Loans, including Retention Advances on Light Refurbishment Loan, as at 31 May 2024 is £7,825,267.70.

Amounts standing to the credit of the Pre-Funding Principal Ledger on or prior to the Additional Mortgage Loans Final Sale Date, which shall include the Pre-Funding Initial Amount (but excluding the Light Refurbishment Loans Retained Amount), shall be available for use by the Issuer for the acquisition of Additional Mortgage Loans.

The ratings assigned to the Rated Debt by each Rating Agency have been provided on the basis that some or all of the Pre-Funding Initial Amount (but excluding the Light Refurbishment Loans Retained Amount) will be utilised to purchase Additional Mortgage Loans similar to those included in the Provisional Completion Mortgage Pool on or after the Issue Date. The aggregate amounts standing to the credit of the Pre-Funding Principal Ledger (but excluding the Light Refurbishment Loans Retained Amount) on the Additional Mortgage Loans Final Sale Date, which will include any Pre-Funding Initial Amount (but excluding the Light Refurbishment Loans Retained Amount), not utilised by the Issuer to purchase Additional Mortgage Loans, will be applied as Available Principal Funds pursuant to the relevant Priority of Payments on the Additional Mortgage Loans Final Sale Date.

The Seller is under no obligation to sell any additional mortgage loans to the Issuer as Additional Mortgage Loans. Whether or not such loans are sold, the quantity of loans sold and the timing of the sale would affect the amount of Revenue Receipts and/or Principal Receipts received by the Issuer in respect of any such additional mortgage loans which in turn may affect the yield to maturity and weighted average life of the Debt (as more fully set out in the “*Yield to maturity and the Mortgage Pool Option Holder’s ability to redeem the Debt on its scheduled redemption dates or its final maturity dates may be affected by the rate of prepayment on the Loans*” risk factor above).

Legal Title Holder to initially retain legal title to the Loans and risks relating to set-off

The sale by the Seller to the Issuer of the Loans and their related Mortgage Rights (until legal title is conveyed) takes effect in equity only, such that only the beneficial interest in the Loans will be sold to the Issuer on the Issue Date or, in relation to any Additional Mortgage Loans, on the relevant Additional Mortgage Loan Purchase Date.

In each case, this means that legal title to the Loans and their related Mortgage Rights in the Mortgage Pool will remain with the Legal Title Holder until the occurrence of a Perfection Event. The legal title to the Loans will be transferred to the Issuer or a nominee of the Issuer as soon as reasonably practicable following the occurrence of a Perfection Event.

The Issuer has not applied, and prior to the occurrence of a Perfection Event will not apply, to the Land Registry to register or record its equitable interest in the Loans.

Following a Perfection Event, notice of the transfer of legal title to the Loans and their related Mortgage Rights to the Issuer or a nominee of the Issuer will be given to the Borrowers. Until the time such notice is given to

the relevant Borrowers, equitable or independent set-off rights may accrue in favour of any Borrower against the Borrower's obligation to make payments to the Legal Title Holder under the relevant Loan. Loans and their related Mortgage Rights will continue to be subject to any prior rights any applicable Borrower may become entitled to after the transfer. However following notice of the assignment or assignation to the Issuer or its nominee, being given to the Borrowers, some rights of set-off (being those rights that are not connected with or related to the relevant Loan) may not arise after the date notice is given.

As a consequence of the Issuer not obtaining legal title to the Loans and their related Mortgage Rights or the Properties secured thereby, a bona fide purchaser from the Legal Title Holder for value of any of such Loans and their related Mortgage Rights without notice of any of the interests of the Issuer might obtain a good title free of any such interest. If this occurred, then the Issuer would not have good title to the affected Loan and its related Mortgage Rights, and it would not be entitled to payments by a Borrower in respect of that Loan.

The transfer of legal title to the Loans following the occurrence of a Perfection Event could result in the Servicer's fees being subject to VAT. This could adversely affect the ability of the Issuer to make payments in full on the Debt.

The Issuer would not be able to enforce any Borrower's obligations under a Loan or its related Mortgage Rights itself but to the extent that the Servicer failed to take any or appropriate enforcement action against the relevant Borrower, the Issuer or the Security Trustee would be able to take action (under the power of attorney to be entered into pursuant to the Mortgage Sale Agreement) or would have to join the Legal Title Holder as a party to any legal proceedings. Borrowers will also have the right to redeem their Loan by repaying the relevant Loan directly to the Legal Title Holder. However, the Legal Title Holder and the Servicer undertake, pursuant to the Servicing Agreement or the Mortgage Sale Agreement, to hold any money repaid to it in respect of relevant Loans on trust for the Issuer.

As described above, the sale by the Seller to the Issuer of the Loans and their related Mortgage Rights will be given effect by an equitable assignment. As a result, legal title to the Loans and their related Mortgage Rights will remain with the Seller until the occurrence of certain trigger events under the terms of the Mortgage Sale Agreement (see "*Rights of Debtholders and Certificateholders and Relationship with Other Secured Creditors – Triggers Tables – Non-Rating Triggers Table – Perfection Events*") or until the Seller exercises its discretion to transfer legal title in the Loans to an authorised third party or a substitute entity, subject to receipt of a Rating Agency Confirmation. Therefore, the rights of the Issuer may be subject to "**transaction set-off**", being the direct rights of the Borrowers against the Seller.

By way of example, the relevant Borrower may set-off any claim for damages arising from the Seller's breach of contract against the Seller's (and, as equitable assignee of or holder of the beneficial interest in the Loans and the Mortgages in the Mortgage Pool, the Issuer's) claim for payment of principal and/or interest under the relevant Loan as and when it becomes due. These set-off claims will constitute transaction set-off, as described in the immediately preceding paragraph.

The amount of any such claim against the Seller will, in many cases, be the cost to the Borrower of finding an alternative source of funds. The Borrower may obtain a mortgage loan elsewhere, in which case the damages awarded could be equal to any difference in the borrowing costs together with any direct losses arising from the Seller's breach of contract, namely the associated costs of obtaining alternative funds (for example, legal fees and survey fees).

If the Borrower is unable to obtain an alternative mortgage loan, the Borrower may have a claim in respect of other indirect losses arising from the Seller's breach of contract where there are special circumstances communicated by the Borrower to the Seller at the time the Borrower entered into the Loan or which otherwise were reasonably foreseeable. A Borrower may also attempt to set-off an amount greater than the amount of the Borrower's damages claim against the Borrower's mortgage payments. In that case, the Seller will be entitled to take enforcement proceedings against the Borrower, although the period of non-payment by the Borrower is likely to continue until a judgment is obtained.

If any of the risks described above were to occur, then the realisable value of the Mortgage Pool or any part thereof and/or the ability of the Issuer to make payments under the Debt and Certificates may be affected. If the Seller were to become a deposit-taking institution that provides savings accounts to customers of third party institutions or advisers, the set-off risk analysis would be different.

Further Advances and Product Switches

Loans subject to a Product Switch will be repurchased by the Seller from the Issuer on or prior to the date such Product Switch is effected, and Loans subject to a Further Advance will be repurchased by the Seller from the Issuer on or prior to the date such Further Advance is effected, each of which will affect the prepayment rate of the Loans and this may affect the yield to maturity of the Debt. Further, there can be no assurance that the Seller will have the financial resources to honour its repurchase obligations under the Mortgage Sale Agreement. See “*Sale of the Mortgage Pool – Product Switches and Further Advances*”.

The Issuer shall transfer any amounts received by it from a Borrower after the Repurchase Date in relation to the repurchased Loans to the Seller.

Borrowers may seek to refinance any Fixed Rate Loans at the end of the initial fixed rate period, which may result in such loans being refinanced and repaid. This could cause the levels of prepayments to be higher than anticipated and the yield to maturity of the Debt being affected accordingly.

Delinquencies or default by Borrowers in paying amounts due on their Loans

The Issuer is subject to the risk of default in payment by the Borrowers and the risk of failure by the Servicer (or, if at any time applicable, any replacement servicer) on behalf of the Issuer, to realise or recover sufficient funds under the arrears and default procedures in respect of the relevant Loan and Related Security in order to discharge all amounts due and owing by the relevant Borrowers under the relevant Loans. This risk may affect the Issuer's ability to make payments on the Debt or the Certificates. No assurance can be made as to the effectiveness of the credit enhancement features, or that such credit enhancement features will protect the Debtholders and the Certificateholders from all risk of loss. Should there be credit losses in respect of the Loans, this could have an adverse effect on the ability of the Issuer to make payments of interest and/or principal on the Debt and payments on the Certificates.

Borrowers may default on their obligations under the Loans in the Mortgage Pool. Defaults may occur for a variety of reasons. The Loans are affected by credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic or housing conditions, changes in tax laws, interest rates, inflation or deflation, cost of living, the availability of financing, yields on alternative investments, political developments and government policies (including geopolitical risks around the war between Russia and Ukraine and the ongoing conflict in the Middle East which could impact the UK economy, in particular by pushing up energy and oil prices and increasing inflation (and the cost of living) further), natural disasters and widespread health crises or the fear of such crises (such as coronavirus (including COVID-19), measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu, or other epidemic diseases).

In addition, the UK economy is experiencing a range of economic effects, partly associated with Covid-19 and the war between Russia and Ukraine and the ongoing conflict in the Middle East, with uneven impacts. 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 and rising costs of living. In response to such pressure, the Bank of England's Monetary Policy Committee has increased the Bank Rate several times since December 2021. Further inflationary pressure may result in further interest rate increases over time. Additionally, given the current inflationary and cost-of-living environment, certain mortgage borrowers have found it difficult to maintain their contractual monthly payments and this is expected to continue to be a feature of the portfolio while interest rates remain at heightened levels. If there

were further interest rate increases and cost of living continues to rise, this could increase the likelihood of tenants being unable to pay the rent due to Borrowers which, in turn, could adversely affect the Borrowers' ability to pay interest or repay principal on their Loans, particularly against a background of price rises for essential goods. If inflationary pressure on prices combines with suppressed wage growth, there is the potential for stagflation. Widespread economic impacts have the potential to create contagion effects. A deflationary environment may negatively affect property values (please see the section entitled "*Decline in house prices may adversely affect the performance and market value of the Debt*" for further detail).

Other factors in Borrowers' or tenants' individual, personal or financial circumstances may affect the ability of Borrowers to repay the Loans. Unemployment, loss of earnings, illness (including illness arising in connection with an epidemic, pandemic or health crises), divorce and other similar factors may lead to an increase in delinquencies by and bankruptcies of Borrowers, and could ultimately have an adverse impact on the ability of Borrowers to repay the Loans. In addition, the ability of a Borrower to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time.

Interest-only Loans

Approximately 95.79 per cent. of the aggregate number of Loans (representing 97.39 per cent. of the aggregate Current Balance of the Loans) in the Provisional Mortgage Pool constitute Interest Only Loans. Interest Only Loans are originated with a requirement that the Borrower pay scheduled interest payments only. There is no scheduled amortisation of principal. Consequently, upon the maturity of an Interest Only Loan, the Borrower will be required to make a "bullet" repayment that will represent the entirety of the principal amount outstanding thereof. The Seller does not have and the Issuer will not have the benefit of any investment policies taken out by Borrowers. The ability of such a Borrower to repay an Interest Only Loan at maturity may often depend on such Borrower's ability to refinance the Property or obtain funds from another source. The ability of a Borrower to refinance the Property will be affected by a number of factors, including the value of the Property, the Borrower's equity in the Property, the financial condition of the Borrower and general economic conditions at the time. If a Borrower cannot repay an Interest Only Loan, a loss may occur and this may affect payments on the Debt and/or Certificates.

Should a Borrower elect, subject to the consent of the Servicer, to amend the terms of its Loan from an Interest Only Loan to a Repayment Loan, the relevant Loan would remain with the Issuer as part of the Mortgage Pool, resulting in the Issuer and Debtholders receiving redemption payments on the relevant Loan and the relevant Debt respectively, earlier than would otherwise be the case.

Buy-To-Let Loans

All Loans in the Provisional Mortgage Pool are secured by non-owner occupied freehold or leasehold properties charged as security for the repayment of a Loan. Although it is intended that the Properties will be let by the relevant Borrower to tenants, there can be no guarantee that each such Property will be the subject of an existing tenancy when the relevant Mortgage is acquired by the Issuer or that any tenancy which is granted will subsist throughout the life of the Loan and/or that the rental income achievable from tenancies of the relevant Property will always be sufficient to provide the Borrower with adequate income to meet the Borrower's interest obligations in respect of the Loan.

As such, the security for the Debt will also from time to time be affected by the condition of the private residential rental market in England and Wales, in particular, the condition of the private rental market within the various regional areas in England and Wales where the relevant Properties are located. The condition of the rental market will influence both the ability of Borrowers to find tenants and the amount of rental income which may be achieved by the relevant Borrower in any letting.

The relevant Borrower's ability to service such Loans is likely to depend on the Borrower's ability to lease the relevant Properties on appropriate terms. There can be no assurance that each such Property will be the subject

of an existing tenancy when the relevant Loan is acquired by the Issuer or that any tenancy which is granted will subsist throughout the life of the Loan and/or that the rental income from such tenancy will be sufficient (whether or not there is any default of payment in rent) to provide the relevant Borrower with sufficient income to meet the relevant Borrower's interest obligations or capital repayments in respect of the Loan and that any of these factors would not have an adverse effect on the ability of the Issuer to make repayments on the Debt. There can be no assurance that, in the event of a material downturn in the private rental market, the ability to make repayments on the Loans would not be adversely affected and as a consequence, the ability of the Issuer to make repayments under the Debt would not be adversely affected. Such a downturn could be precipitated by a range of factors, which may include (but are not limited to) an expansion of owner-occupied lending should credit conditions loosen and/or legislative changes affecting the sector, such as the introduction of rental caps or the regulation of the market or parts thereof.

The Renting Home (Wales) Act 2016 (the "**Renting Homes (Wales) Act**") fully entered into force on 1 December 2022. The Renting Homes (Wales) Act has converted the majority of existing residential tenancies in Wales into an "occupation contract" with retrospective effect. Subject to certain criteria being met, residential lettings and tenancies granted on or after 1 December 2022 will be "occupation contracts". Under the Renting Homes (Wales) Act, a landlord must, within the requisite time period set out in the act, serve a written statement on the tenant of an occupation contract which sets out certain terms of the occupation contract which are specified in the Renting Homes (Wales) Act. Where a tenant has breached the occupation contract the minimum notice that must be given to the tenant by the landlord of termination of the contract is one month. The notice period can be shorter where it relates to acts of anti-social behaviour or serious rent arrears. Where a "no fault" notice is issued, the minimum notice that must be given to a tenant is six months. The Renting Homes (Wales) Act (which only has effect in Wales) does not contain an equivalent mandatory ground for possession that a lender had under the Housing Act 1988 where a property was subject to a mortgage granted before the beginning of the tenancy and the lender required possession in order to dispose of the property with vacant possession. The Renting Homes (Wales) Act may result in lower recoveries in relation to buy-to-let mortgage loans over Properties in Wales and may affect the ability of the Issuer to make payments under the Debt.

There have been various tax-related changes to United Kingdom legislation in recent years which may affect the ability of Borrowers to service and/or repay their Buy-to-Let Loans due to the increased tax costs associated with buy-to-let mortgages. There may be further changes in the future which will further impact the Borrowers' ability to meet their obligations under such Buy-to-Let Loans.

Since 6 April 2020 no deduction has been available for finance costs against rental income for individual landlords and instead a Borrower is, broadly, only entitled to a tax credit at the basic rate of income tax for finance costs against that Borrower's income tax liability, which may result in higher taxes for individual landlords (depending on their personal circumstances).

A higher rate of stamp duty land tax ("**SDLT**") and Welsh Land Transactions Tax ("**WLTT**") applies to the purchase of additional residential properties (such as buy-to-let properties). The current additional tax rates are as follows (i) in England the higher rate is 3 per cent. above the current SDLT rates; and (ii) in Wales, the additional residential rate is 4 per cent. higher than the main WLTT rate for the first £180,000 of purchase price and for subsequent bands of purchase price, the additional rates remain higher than the main WLTT rates (by differing percentages) and the bands of purchase price to which the additional rates are applied are structured differently to the main WLTT bands. Moreover, from 1 April 2021, a 2 per cent. SDLT surcharge applies to non-UK residents purchasing residential property in England. This applies in addition to the 3 per cent. additional rate that applies to the purchase of additional residential properties in England described above.

From 1 April 2018, landlords of relevant domestic properties in England and Wales may not grant a tenancy to new or existing tenants if their property has an EPC rating of band F or G (as shown on a valid Energy Performance Certificate for the property) and from 1 April 2020, landlords must not continue letting a relevant domestic property which is already let if that property has an EPC rating of band F or G (as shown on a valid Energy Performance Certificate for the property). In both cases described above this is referred to in the Energy

Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (the "**Energy Efficiency Regulations 2015**") as the prohibition on letting sub-standard property. Where a landlord wishes to continue letting property which is currently sub-standard, they will need to ensure that energy efficiency improvements are made which raise the EPC rating to a minimum of E.

In certain circumstances landlords may be able to claim an exemption from this prohibition on letting sub-standard property; this includes situations where the landlord is unable to obtain funding to cover the cost of making improvements, or where all improvements which can be made have been made, and the property remains below an EPC rating of E. Local authorities will enforce compliance with the domestic minimum level of energy efficiency. They may check whether a property meets the minimum level of energy efficiency and may issue a compliance notice requesting information where it appears to them that a property has been let in breach of the Energy Efficiency Regulations 2015 (or an invalid exemption has been registered in respect of it). Where a local authority is satisfied that a property has been let in breach of the Energy Efficiency Regulations 2015 it may serve a notice on the landlord imposing financial penalties.

These measures may adversely affect the private residential rental market in England and Wales in general and (in the case of the restriction of income tax relief) the ability of individual Borrowers of buy-to-let loans to meet their obligations under those Loans.

Investors should note the UK Government introduced the Renters (Reform) Bill to the UK Parliament on 17 May 2023. This proposes certain changes to housing laws as they relate to the private rental sector, including a proposal to abolish "no fault" evictions by landlords. As at the date of this Prospectus the impact of the proposed legislation is uncertain but may adversely affect the private residential rental market in England and Wales and the ability of individual Borrowers of buy-to-let loans to meet their obligations under those loans.

The occurrence of the risks described above may adversely impact the realisable value of the Portfolio and/or the payments to be made by the Issuer in respect of the Debt.

The Loans are subject to certain legal and regulatory risks.

Certain regulatory risks exist in relation to the Loans, including in relation to the legal and regulatory considerations relating to the Loans and their Related Security, changes in law, regulation, the possibility of complaints by Borrowers in relation to the terms of the Loans and in relation to the policies and procedures of the Originator. If any of these risks materialise, they could have an adverse effect on the Originator, the Legal Title Holder/Service and the Issuer and could adversely affect the ability of the Issuer to make payments on the Debt and/or the Certificates may be reduced. Further detail on certain considerations in relation to the regulation of mortgages in the UK is set out in the section headed "*Further information relating to regulation of buy-to-let mortgages in the UK*" below and certain specific risks are set out below:

Regulated Agreements: If any of the Loans are in fact: (i) regulated by the FSMA as a regulated mortgage contract, as defined by article 61 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) (as amended) (the "**RAO**"); (ii) regulated by the Consumer Credit Act 1974 as a regulated credit agreement, as defined by article 60B of the RAO; or (iii) regulated as a consumer buy-to-let mortgage contract under the consumer buy-to-let regime – as defined by the Mortgage Credit Directive Order 2015; then breach of the relevant regulations could give rise to a number of consequences (as applicable), including but not limited to: unenforceability of the Loans, interest payable under the Loans being irrecoverable for certain periods of time, Borrowers being entitled to cancel the Loans under the Financial Services (Distance Marketing) Regulations 2004 ("**Distance Marketing Regulations**") or Borrowers being entitled to claim damages for losses suffered and being entitled to set off the amount of their claims against the amount owing by the borrower under the Loans, all of which may adversely affect the ability of the Issuer to make payments in full on the Debt when due.

Unfair Relationships. If a court were to determine that there was an unfair relationship between the Legal Title Holder and the Borrowers in respect of the Loans and ordered that financial redress was made in respect of such Loans, such redress may adversely affect the ultimate amount received by the Issuer in

respect of the relevant Loans, and the realisable value of the Mortgage Portfolio and/or adversely affect the ability of the Issuer to make payments on the Debt and/or the Certificates may be reduced.

Consumer Rights Act 2015 (“CRA”). The CRA provide that a consumer may, in certain circumstances, challenge a term in an agreement on the basis that it is unfair. The broad and general wording of the CRA makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a term would be held by a court to be unfair. There is a risk that the CRA might apply in certain circumstances to the Loans. If the CRA were to apply to any of the Loans, it is possible that those Loans may contain unfair terms which may result in the possible unenforceability of the terms of the underlying loans. This may reduce the amounts available to meet the payments due in respect the Debt and/or the Certificates may be reduced. 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 Originator, the Legal Title Holder and/or the Servicer and their respective businesses and operations.

Consumer Protection from Unfair Trading Regulations 2008 (“CPUTR”): The CPUTR prohibits certain practices which are deemed unfair within the terms of the CPUTR. Breach of the CPUTR may lead to liability for misrepresentation or breach of contract in relation to the underlying credit agreements, which may result in irrecoverable losses on amounts to which such agreements apply, and which may adversely affect the Issuer’s ability to make payments on the Debt and/or the Certificates may be reduced.

Mortgage repossessions: The protocols for mortgage possession claims and the Mortgage Repossessions (Protection of Tenants etc) Act 2010 may have adverse effects in relation to the ability of the Legal Title Holder to repossess properties in markets experiencing above average levels of possession claims. Delays in the initiation of responsive action in respect of the Loans may result in lower recoveries and may adversely affect the Issuer’s ability to make payments on the Debt and/or the Certificates may be reduced.

Breathing Space Regulations: The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 (SI 2020/1311) (“**Breathing Space Regulations**”) (which came into force on 4 May 2021) gives eligible individuals in England and Wales the right to legal protection from their creditors, including almost all enforcement action, during a period of "breathing space". However, the Breathing Space Regulations do not apply to mortgages, except for arrears which are uncapitalised at the date of the application under the Breathing Space Regulations. Interest can still be charged on the principal secured debt during the breathing space period, but not on the arrears. Any mortgage arrears incurred during any breathing space period are not protected from creditor action. The Borrower must continue to make mortgage payments in respect of any mortgage secured against their primary residence (save in respect of arrears accrued prior to the moratorium) during the breathing space period, otherwise the relevant debt adviser may cancel the breathing space period.

FCA response to the cost of living crisis: On 16 June 2022, the FCA sent a “Dear CEO” letter which stated that the FCA consider that the Mortgages Tailored Support Guidance published on 25 March 2021 (the Mortgages Tailored Support Guidance) which was issued to address exceptional circumstances arising out of coronavirus, is also relevant for borrowers in financial difficulties due to other circumstances such as the rising cost of living. Therefore, if a borrower indicates that they are experiencing or reasonably expect to experience payment difficulties due to the rising cost of living, the FCA have said that lenders should offer prospective forbearance to enable them to avoid, reduce, or manage any payment shortfall that would otherwise arise. This includes borrowers who have not yet missed a payment. The FCA makes clear in the Tailored Support Guidance that it expects lenders of buy-to-let mortgage loans to act in a manner consistent with the guidance. With effect from 4 November 2024, the Tailored Support Guidance will be withdrawn and replaced with new rules and finalised guidance. There can be no assurance that the FCA, or other UK government or regulatory bodies, will not take further steps in response to the rising cost of living in the UK which may impact the performance of the Loans, including further amending and extending the scope of the above guidance.

Mortgage Charter: On 26 June 2023, the HM Treasury published the ‘Mortgage Charter’ in light of the current pressures on households following interest rate rises and the cost-of-living crisis. The Mortgage Charter states that the UK’s largest mortgage lenders and the FCA have agreed with the Chancellor a set of standards that they will adopt when helping their regulated mortgage borrowers worried about high interest rates (the Mortgage Charter). The Mortgage Charter commitments do not apply to buy-to-let mortgages, however there can be no assurance that the FCA or other UK government or regulatory bodies will not take further steps in response to the rising cost of living in the UK, including further amending and extending the scope of the Mortgage Charter or related rules. Such developments may impact the performance of the Loans, which in turn may adversely affect the ability of the Issuer to make payments on the Debt and/or the Certificates may be reduced.

Financial Ombudsman Service: Under the FSMA, the Financial Ombudsman Service (the “**Ombudsman**”) is required to make decisions on, among other things, complaints relating to activities and transactions under its jurisdiction. The Ombudsman is required to make decisions on the basis of, among other things, the principles of fairness, and may order a money award to a borrower. Given the way the Ombudsman makes its decisions, it is not possible to predict how any future decision of the Ombudsman would affect the Issuer’s ability to make payments on the Debt and/or the Certificates may be reduced.

Mis-selling and PPI: The Originator is exposed to risks relating to the mis-selling of financial products, acting in breach of legal or regulatory principles or requirements and giving negligent advice. There continues to be significant regulatory scrutiny of the sales practices and reward structures that financial institutions have used when selling financial products such as the non-disclosure of commissions. Although the Originator has confirmed that no payment protection insurance has been sold by the Originator with the Loans and that any and all commissions are disclosed, no assurance can be given that the Issuer will not incur liability for past or current actions of the Originator, including failure to comply with applicable regulatory requirements, which are determined to have been inappropriate and any such liability incurred could be significant and materially adversely affect the Issuer’s ability to make payments on the Debt and/or the Certificates may be reduced.

Potential effects of current regulations or any additional regulatory changes and uncertainty of regulatory regimes: In the United Kingdom and elsewhere, there is continuing political and regulatory scrutiny of the banking industry and, in particular, retail banking. The financial sector has seen an unprecedented volume and pace of regulatory change in the years following the global financial crisis, compounded by the UK’s exit from the European Union and significant resources have been required to assess and implement necessary changes. Guidance issued by the regulators has changed over time and it is possible that it may change in the future. No assurance can be given that changes will not be made to the regulatory regime and developments described below in the section “*Further information relating to regulation of buy-to-let mortgages in the UK*”, including but not limited to, any changes to the CBTL framework in light of the planned revocation of the MCD Order by the FSMA 2023. Any such action or developments, in particular, but not limited to the cost of compliance, may have a material adverse effect on the Servicer, the EU/UK Retention Holders, their affiliates and their businesses and operations. In addition, if these parties fail to comply with any relevant regulations, there is a risk of an adverse impact on its business due to sanctions, fines or other action imposed by the regulatory authorities.

The Smarter Regulatory Framework: following a consultation on the optimal structure for UK financial services post-Brexit, the Financial Services and Markets Act 2023 (“**FSMA 2023**”) received Royal Assent on 29 June 2023. FSMA 2023 establishes a framework to revoke EU law relating to financial services, and will enable HM Treasury, the FCA and PRA to replace it with legislation and regulatory rule set to deliver a comprehensive FSMA model of regulation. HM Treasury set out the government’s approach to repealing and replacing retained EU law (“**REUL**”) on financial services in December 2022 in the so-called Edinburgh Reforms. As part of the Edinburgh Reforms, HM Treasury set out the government’s approach to repealing and replacing REUL on financial services. HM Treasury has identified 43 core areas of REUL in scope of this programme and will

deliver the programme by splitting REUL into “tranches” sold or transferred to investors in accordance with Article 6(3)(a) of the UK Securitisation Regulation and Article 6(3)(a) of the EU Securitisation Regulation. The Issuer cannot assure investors that any other regulatory or legislative changes or any other Governmental interventions that may have been proposed or which may materialise in the future will not have a material adverse effect on the Mortgage Portfolio and the Issuer’s ability to make payments on the Notes and/or the Certificates may be reduced.

Accuracy of property valuations

Property valuations are conducted for all Loans as part of the underwriting process. Property valuations are only an estimate of the value of a property at the time the valuation is completed. If such valuations overvalue the properties securing the Loans, the LTV of each Loan may actually be higher than what the Servicer’s records reflect, which could materially adversely affect the amounts received by the Issuer which could, in turn, have an adverse effect on the Issuer’s ability to make payments in respect of the Debt. Nevertheless, as part of the underwriting process in relation to the Loans, each relevant property has been valued in accordance with the standards and practices of the Royal Institution of Chartered Surveyors (“**RICS**”) as further described in the section entitled “*Constitution of the Mortgage Pool - Valuation*”.

Accuracy and completeness of information about customers and their properties

The information contained in the section of this Prospectus entitled “*Characteristics of the Provisional Mortgage Pool*” has been extracted from information provided by the Servicer (which information has been subject to rounding). Investors should note that the Servicer is not providing any representations or warranties in respect of this information.

Each of the Co-Arrangers and the Joint Lead Managers are entitled to assume that all information provided to them by the Servicer for the purpose of reporting on the arithmetic or other accuracy is true and correct and is complete and not misleading and are not required to conduct an audit or other similar examination in respect of or otherwise take steps to verify the accuracy or completeness of such information save that the Servicer will be required to advise the Joint Lead Managers if they have not been provided with any of those figures which it is required to provide.

Insurance Policies

The Mortgage Conditions require Borrowers to have buildings insurance for the relevant Property. However, it will be difficult in practice for the Servicer and/or the Issuer to determine whether the relevant Borrower has valid insurance in place at any time. The Legal Title Holder holds Contingency Policies and can take out lender interest only cover to cover the risks of a Borrower failing to have buildings insurance and an interest in a policy (“**Properties in Possession Cover**”) to give the Legal Title Holder certain protection in respect of the risks associated with repossessed properties. Pursuant to the Mortgage Sale Agreement, the Legal Title Holder is required to transfer the proceeds of any claims under a Contingency Policy, a lender interest only cover or the Properties in Possession Cover to the Issuer and, until such time the transfer has been made, hold such proceeds on trust for the Issuer. However, no assurance can be given that the Issuer will always receive the benefit of any claims made under any Contingency Policy, any lender interest only cover, any Properties in Possession Cover or any applicable buildings insurance contracts or that the amounts received in respect of a successful claim will be sufficient to reinstate the affected Property or otherwise cover the losses of the Issuer. This could adversely affect the Issuer’s ability to make payment of interest and/or principal in respect of the Debt and payments due in respect of the Certificates.

Limitations on enforcement

Even assuming that the Properties provide adequate security for the Loans, delays could be encountered in connection with enforcement of the Mortgages and recovery of the Loans with corresponding delays in the receipt of related proceeds by the Issuer.

Upon enforcement of a Mortgage in respect of a Property which is the subject of an existing tenancy, the Servicer (or its replacement or delegate, as applicable) may not be able to obtain vacant possession of the Property, in which case the Servicer (or its replacement or delegate, as applicable) will only be able to sell the Property as an investment property with one or more sitting tenants. This may affect the amount which such administrator could realise upon enforcement of the Mortgage and a sale of the Property. However, in England and Wales, Enforcement Procedures in relation to such Mortgages include appointing a receiver of rent, in which case such a receiver must collect any rents payable in respect of the Property and apply them accordingly in payment of any interest and arrears accruing under the Loan.

If a mortgagee takes physical possession it will, as mortgagee in possession, have an obligation to account to the Borrower for the income obtained from the Property, be liable for any damage to the Property, have a limited liability to repair the Property and, in certain circumstances, may be obliged to make improvements or may incur certain financial liabilities in respect of the Property. Actions for possession are regulated by statute and the courts have certain powers to adjourn possession proceedings, to stay any possession order or postpone the date for delivery of possession. The court will exercise such powers in favour of a Borrower, broadly, where it appears to the court that such Borrower is likely to be able, within a reasonable period, to pay any sums due under the Mortgage or to remedy any default consisting of a breach of any other obligation arising under or by virtue of the Mortgage.

Proceedings for the repossession and/or sale of the relevant property may be initiated between 3 and 4 months after the first default of a scheduled monthly payment. Each arrears account is reviewed on a case by case basis by specialist teams within the Servicer's operations and the decision to commence litigation and the timing of any litigation will depend on the circumstances. Any delays in enforcement and recovery in respect of the Loans may in turn adversely affect the rate at which the Debt will be redeemed and the ability of the Issuer to make timely payments on the Debt.

The Note Trustee and the Security Trustee has the absolute discretion, at any time, to refrain from taking any action under the Trust Deed or the Deed of Charge or any of the Transaction Documents including becoming a mortgagee in possession in respect of any property contained within the Mortgage Pool, unless it is satisfied at that time that it is indemnified and/or secured and/or pre-funded to its satisfaction against any liability which it may incur by so acting.

Underwriting standards

The Loans have been underwritten generally in accordance with underwriting standards described in "*Constitution of the Mortgage Pool – Lending Criteria*" below. These underwriting standards consider, among other things, a Borrower's credit history, employment history and status or debt service-to-income ratio, as well as the value of the Property.

There can be no assurance that these underwriting standards will not be varied or that loans originated under different criteria may not become part of the Mortgage Pool.

For a description of the underwriting standards, see "*Constitution of the Mortgage Pool – Lending Criteria*" below. For a detailed analysis of the Loans constituting the Mortgage Pool on the Issue Date, see "*Characteristics of the Provisional Mortgage Pool*" below.

Projections, Forecasts and Estimates

Any projections, forecasts and estimates provided to prospective investors of the Debt or Certificates are forward-looking statements. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialise or will vary significantly from actual results. Accordingly, the projections are only an estimate. Actual results may vary from the projections, and the variations may be material.

Some important factors that could cause actual results to differ materially from those in any forward-looking statements include changes in interest rates, market, financial or legal uncertainties mismatches between the

timing of accrual and receipt of interest and principal from the Loans, and the effectiveness of the Swap Agreement, among others.

None of the Issuer, the Seller, the Note Trustee, the Security Trustee, the Co-Arrangers, the Joint Lead Managers, the Account Bank, the Swap Collateral Account Bank, the Cash Manager, the Back-Up Cash Manager Facilitator, CMI, the Legal Title Holder, the Servicer, the Back-up Servicer Facilitator, the Swap Counterparty, the Agents, the Corporate Services Provider or any of their respective affiliates has any obligation to update or otherwise revise any projections, including any revisions to reflect changes in economic conditions or other circumstances arising after the date hereof or to reflect the occurrence of unanticipated events, even if the underlying assumptions do not come to fruition.

Holders of interests in the Debt will bear all risk of loss resulting from material adverse variations between actual results and the projections. This could adversely affect the Issuer's ability to make payment of interest and/or principal in respect of the Debt and payments due in respect of the Certificates.

3 OTHER RISKS RELATING TO THE DEBT AND THE STRUCTURE

Subordination

- (a) The B Notes are subordinated in right of payment of principal and interest to the Class A Debt;
- (b) the C Notes are subordinated in right of payment of principal and interest to the Class A Debt and the B Notes;
- (c) the D Notes are subordinated in right of payment of principal and interest to the Class A Debt, the B Notes and the C Notes;
- (d) the E Notes are subordinated in right of payment of principal and interest to the Class A Debt, the B Notes, the C Notes and the D Notes;
- (e) the Z Notes are subordinated in right of payment of principal and interest to the Class A Debt, the B Notes, the C Notes, the D Notes and the E Notes; and
- (f) the X Notes are subordinated in right of payment of interest to the Class A Debt, the B Notes, the C Notes, the D Notes, the E Notes and the Z Notes.

There is no assurance that these subordination provisions will protect the holders of the Class A Debt, the B Notes, the C Notes, the D Notes and the E Notes from all risk of loss.

In respect of the Class A Debt, the A Notes and Class A Loan Note will rank *pari passu* and rateably without any preference or priority, among themselves, as to payments of interest and principal at all times while the A Notes and the Class A Loan Note are outstanding.

Each Certificate represents a *pro rata* entitlement to receive any residual balance following payment of all senior items in the relevant Priority of Payments by way of deferred consideration for the purchase by the Issuer of the Completion Mortgage Pool. Payments in respect of the Certificates shall only be payable out of Available Revenue Funds available under and in accordance with the Pre-Enforcement Revenue Priority of Payments (or after (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, out of available funds under and in accordance with the Post-Enforcement Priority of Payments).

For further information on the payment of principal on the Notes, please see Note Condition 5 (*Redemption*).

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 due on the C Notes, the D Notes or the E Notes, this payment may, provided such Class is not the Most Senior

Class, be deferred. To the extent that, on any Interest Payment Date, the Issuer does not have sufficient funds to pay in full interest on the X Notes, this payment may be deferred. The non-payment of any deferred interest on any of the C Notes to E Notes (inclusive) will not be an Event of Default unless such Notes are the Most Senior Class at the time of non-payment. No Event of Default prior to the Final Maturity Date will occur if there is a non-payment of deferred interest on the X Notes.

Holders of interests in the Notes will bear all risk of deferral of interest payments on the Notes.

Weighted Average Lives of the Debt

The weighted average lives of the Debt refer to the average amount of time that elapses from the date of issuance of the Debt to the Debtholders to the date of distribution to such Debtholders of payments in net reduction of principal under the Debt (assuming no losses).

The weighted average lives of the Debt will be directly influenced by, amongst other things, the actual rate of redemption of the Mortgages, which in turn, is influenced by the Borrowers' ability to redeem the Mortgages. Where certain Borrowers are able to redeem the Mortgages only through refinancing, the actual rate of redemption may be reduced if such Borrowers experience difficulties in refinancing the relevant Loans. Any failure to make timely redemption of the Mortgages will reduce the CPR and increase the average weighted lives of the Debt.

Risk that the Mortgage Pool Option Holder will not exercise the Mortgage Pool Option or the Mortgage Pool Auction not leading to a sale of the Mortgage Pool Option Loans which may result in the Debt not being redeemed prior to its legal maturity

No guarantee can be given that (i) the Mortgage Pool Option Holder will exercise the Mortgage Pool Option on any Call Option Date or (ii) the Mortgage Pool Option Loans will be sold, assigned and transferred during the Mortgage Pool Auction Period by means of a Mortgage Pool Auction, subject to and in accordance with the provisions of the Deed Poll, as the case may be.

The exercise by the Mortgage Pool Option Holder of the Mortgage Pool Option will depend on the ability and desire of the Mortgage Pool Option Holder to:

- (a) request the Issuer to sell, assign and transfer all Mortgage Pool Option Loans; and
- (b) provide the Issuer with sufficient funds to repay the Debtholders as further described in Condition 5(d)(C) (*Mandatory Redemption in Full*) or the Class A Loan Note Agreement.

Consequently, this may result in the Debt not being redeemed prior to its legal maturity.

The sale of the Mortgage Pool Option Loans by means of a Mortgage Pool Auction will depend on:

- (a) whether the Issuer is able to appoint a suitable Mortgage Pool Auction Manager; and
- (b) the ability of the Seller to pay the fees, costs and expenses due to the Mortgage Pool Auction Manager; and/or
- (c) the ability of the Auction Manager to conduct a successful Mortgage Pool Auction resulting in sufficient funds to repay the Debtholders as further described in Condition 5(d)(C) (*Mandatory Redemption in Full*) or the Class A Loan Note Agreement,

and consequently this may result in the Debt not being redeemed prior to its legal maturity.

It should, however, be noted that if the Debt is redeemed prior to the Final Maturity Date, Debtholders may not be able to invest the amounts received as a result of the premature redemption of the Debt on conditions similar to or better than those of the Debt.

4 RISKS RELATED TO CHANGES TO THE STRUCTURE AND DOCUMENTS

Meetings of Noteholders and Certificateholders, Modification and Waiver

The Note Conditions and the Certificate Conditions contain provisions for calling meetings of (or other means of seeking consent from) 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 requisite majority for such vote.

The Trust Deed provides that, without the consent or sanction of the Noteholders, the Certificateholders or any of the other Secured Creditors, the Note Trustee may (but subject, in each case, to the more detailed provisions of the Trust Deed):

- (a) concur with the Issuer and/or any other person party thereto, in making any modification to the Note Conditions, the Certificate Conditions, the Notes, the Certificates or the other Transaction Documents in relation to which its consent is required:
 - (i) which, in the opinion of the Note Trustee, is of a formal, minor or technical nature, or is to correct a manifest error; or
 - (ii) (other than a Debt Basic Terms Modification or a Certificates Basic Terms Modification) which, in the opinion of the Note Trustee, will not be materially prejudicial to the interests of the holders of the Most Senior Class outstanding;
- (b) authorise or waive, on such terms and conditions (if any) as it may decide, any proposed breach or breach of any Transaction Document, if in the Note Trustee's opinion, the interests of the holders of the Most Senior Class outstanding will not be materially prejudiced thereby; and
- (c) determine that a specified Event of Default shall not be treated as such, if in the Note Trustee's opinion, the interests of the holders of the Most Senior Class outstanding will not be materially prejudiced thereby,

provided always that the Note Trustee shall not exercise any powers under paragraph (i) or (ii) above in contravention of any express direction given by an Extraordinary Resolution of the holders of the Most Senior Class then outstanding or of a request or direction in writing made by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Debt then outstanding (or, if there are no Debt outstanding, not less than 25 per cent. by number of the holders of the Certificates then in issue) (but no such direction or request shall affect: (i) any authorisation, waiver or determination previously given or made; or (ii) shall authorise or waive any proposed breach or breach relating to a Debt Basic Terms Modification or a Certificates Basic Terms Modification unless the holders of each Class of outstanding Debt and/or the outstanding Certificates then in issue, have by Extraordinary Resolution, so authorised its exercise).

The Note Trustee (subject to the Note Trustee being indemnified and/or secured and/or pre-funded to its satisfaction) is also obliged, in certain circumstances, to agree to amendments to the Conditions, the Certificate Conditions or the Transaction Documents for, among other reasons, the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time without the consent of Noteholders following a request for consent having been given to the Noteholders or the Certificateholders but an insufficient number of Noteholders or Certificateholders notifying the Issuer or the Principal Paying Agent that they do not consent to such amendments. Noteholders and Certificateholders should be aware that such amendments may, therefore, be effected regardless of their objections, if the number of objecting Noteholders or Certificateholders are insufficient.

The Note Trustee and the Security Trustee are not obliged to act in certain circumstances

Upon the occurrence of an Event of Default, the Note Trustee in its absolute discretion may, and if so directed by the holders of the Most Senior Class (if they hold at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class or if they pass an Extraordinary Resolution) shall give an Enforcement Notice to the Issuer pursuant to which each Class of Debt shall become immediately due and repayable at its respective Principal Amount Outstanding together with any Accrued Interest and the Note Trustee shall give such Enforcement Notice to the Issuer subject to the Note Trustee being indemnified and/or secured and/or pre-funded to its satisfaction.

At any time after an Enforcement Notice has been served, the Note Trustee may, in its absolute discretion and without further notice, take such proceedings and/or other action or steps against or in relation to the Issuer or any other person as it may think fit to enforce the provisions of the Debt, the Trust Deed, the Note Conditions and the other Transaction Documents to which it is a party, but it shall not be bound to do so unless:

- (a) it shall have been directed by a notice in writing by holders of Debt outstanding constituting at least 25 per cent. of the aggregate in Principal Amount Outstanding of the Most Senior Class; and
- (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

No Debtholder shall be entitled to proceed directly against the Issuer unless the Note Trustee (or as the case may be, the Security Trustee), having become bound so to do, fails or is unable to do so within 60 days and such failure or inability shall be continuing.

See further “*Terms and Conditions of the Notes – Note Condition 10 (Enforcement of Security, Limited Recourse and Non-Petition)*” below or clause 15 (*Events of Default*) of the Class A Loan Note Agreement.

In addition, the Note 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 Debt.

In relation to the covenant to be given by the Seller to the Issuer, the Security Trustee and the Note Trustee in the Transaction Documents in accordance with the EU Securitisation Regulation and/or the UK Securitisation Regulation regarding the material net economic interest to be retained by it and certain requirements as to providing investor information in connection therewith, neither the Note Trustee nor the Security Trustee will be under any obligation to monitor the compliance by the Seller with such covenant and will not be under any obligation to take any action in relation to non-compliance with such covenant.

Conflict between Debtholders, Certificateholders and other Secured Creditors

So long as any of the Debt is outstanding, the Note Trustee will have regard solely to the interests of the Debtholders and shall not have regard to the interests of the Certificateholders or other Secured Creditors, subject to the provisions of the Trust Deed. If there is no Debt outstanding, the Note Trustee is to have sole regard to the interest of the Certificateholders and shall not have regard to the interests of the other Secured Creditors, subject to the provisions of the Trust Deed.

Conflict between Debtholders

The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Debtholders and Certificateholders equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise).

If, in the Note Trustee’s opinion, there is a conflict between the interests of:

- (a) (i) the Class A Debtholders and (ii) the B Noteholders, the C Noteholders, the D Noteholders, the E Noteholders, the Z Noteholders, the X Noteholders and/or the Certificateholders, the Note Trustee shall give priority to the interests of the A Debtholders whose interests shall prevail;

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- (b) (i) the B Noteholders and (ii) the C Noteholders, the D Noteholders, the E Noteholders, the Z Noteholders, the X Noteholders and/or the Certificateholders, the Note Trustee shall give priority to the interests of the B Noteholders whose interests shall prevail;
- (c) (i) the C Noteholders and (ii) the D Noteholders, the E Noteholders, the Z Noteholders, the X Noteholders and/or the Certificateholders, the Note Trustee shall give priority to the interests of the C Noteholders whose interests shall prevail;
- (d) (i) the D Noteholders and (ii) the E Noteholders, the Z Noteholders, the X Noteholders and/or the Certificateholders, the Note Trustee shall give priority to the interests of the D Noteholders whose interests shall prevail;
- (e) (i) the E Noteholders and (ii) the Z Noteholders, the X Noteholders and/or the Certificateholders, the Note Trustee shall give priority to the interests of the E Noteholders whose interests shall prevail;
- (f) (i) the Z Noteholders and (ii) the X Noteholders and/or the Certificateholders, the Note Trustee shall give priority to the interests of the Z Noteholders whose interests shall prevail; and
- (g) (i) the X Noteholders and (ii) the Certificateholders, the Note Trustee shall give priority to the interests of the X Noteholders whose interests shall prevail

Certain material interests

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 Co-Arrangers and the Joint Lead Managers and their respective related entities, associates, officers or employees (each a “**Joint Lead Managers Related Person**”) may:

- (a) from time to time be a Debtholder and/or Certificateholder or have other interests with respect to the Debt or Certificates and they may also have interests relating to other arrangements with respect to a Debtholder or the Debt, a Certificateholder or a Certificate, or any other Transaction Party;
- (b) receive (and will not have to account to any person for) fees, brokerage and commissions or other benefits and act as principal with respect to any dealing with respect to any Notes or Certificates;
- (c) purchase all or some of the Notes or Certificates and resell them in individually negotiated transactions with varying terms; and
- (d) 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 Debt, 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.

Prospective investors should be aware that:

- (a) each Joint Lead Managers Related Person in the course of its business (including in respect of interests described above) may act independently of any other Joint Lead Managers Related Person or Transaction Party;

- (b) to the maximum extent permitted by applicable law, the duties of each Joint Lead Managers Related Person in respect of the Debt and/or Certificates are limited to the relevant contractual obligations set out in the Transaction Documents (if any) and, in particular, no advisory or fiduciary duty is owed to any person. No Joint Lead Managers Related Person shall have any obligation to account to the Issuer, any Transaction Party or any Debtholder for any profit as a result of any other business that it may conduct with either the Issuer or any Transaction Party;
- (c) a Joint Lead Managers Related Person may have or come into possession of information not contained in this Prospectus that may be relevant to any Debtholder or Certificateholder or to any decision by a prospective investor to acquire the Debt or Certificates and which may or may not be publicly available to prospective investors (“**Relevant Information**”);
- (d) to the maximum extent permitted by applicable law no Joint Lead Managers Related Person is under any obligation to disclose any Relevant Information to any other Joint Lead Managers Related Person, to any Transaction Party or to any prospective investor and this Prospectus and any subsequent conduct by a Joint Lead Managers Related Person should not be construed as implying that such person is not in possession of such Relevant Information; and
- (e) each Joint Lead Managers Related Person may have various potential and actual conflicts of interest arising in the ordinary course of its businesses, including in respect of the interests described above. For example, a Joint Lead Managers Related Person’s dealings with respect to a Note and/or a Certificate, the Issuer or a Transaction Party, may affect the value of a Note or Certificate.

Prospective investors should note that certain Joint Lead Managers Related Persons have provided financing indirectly to the Seller through certain warehousing vehicles. As such, the proceeds of the issuance of the Debt will be used on or about the Issue Date to refinance such financing by the Seller using a portion of the initial purchase price in respect of the Loans and Mortgage Rights in the Mortgage Pool to purchase the relevant Loans from the warehousing vehicles before on-selling such part of the Mortgage Pool to the Issuer. The warehousing vehicles will ultimately use such funds to repay certain Joint Lead Managers Related Persons. Other than where required in accordance with applicable law, the Joint Lead Managers Related Persons have no obligation to act in any particular manner as a result of their prior, indirect involvement with the Mortgage Pool and any information in relation thereto. With respect to the refinancing, each of the Joint Lead Managers Related Persons will act in its own commercial interest.

These interests may conflict with the interests of a Debtholder or Certificateholder, and the Debtholder or Certificateholder may suffer loss as a result. To the maximum extent permitted by applicable law, a Joint Lead Managers Related Person is not restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents, the Debt, the Certificates, or the interests described above and may otherwise continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Debtholders, the Certificateholders, and the Joint Lead Managers Related Persons may in so doing so act in its own commercial interests and without notice to, and without regard to, the interests of any such person.

For certain purposes, including the determination as to whether any of the Debt is deemed outstanding or Certificates are deemed in issue, for the purposes of convening a meeting of Noteholders or Certificateholders, the Debt or Certificates (if any) which are for the time being held by or on behalf of or for the benefit of the Seller or any of its affiliates (each such entity a “**Relevant Person**”), in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding or in issue, except where all of the Debt of any Classes or all of the Certificates are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such Classes of Debt (the “**Relevant Class of Debt**”) or such Certificates shall be deemed to remain outstanding or in issue (as the case may be), except that, if there is any other Class of Debt ranking *pari passu* with, or junior to, the Relevant Class of Debt and one or more Relevant Persons are not the beneficial owners of all the Debt of such Class, then the Relevant Class of Debt shall be deemed not to remain

outstanding and provided that in relation to a matter relating to a Basic Terms Modification any Debt or the Certificates which are for the time being held by or on behalf of or for the benefit of a Relevant Person, in each case as beneficial owner, shall be deemed to remain outstanding or in issue, as applicable.

The Seller as Debtholder and Certificateholder

The Seller has a right to purchase and hold any Debt or Certificates. As holder of any Debt or Certificates, the Seller will have a right to vote on any resolution or determination put to Debtholders or Certificateholders and the interests of the Seller may differ from those of other Debtholders or Certificateholders.

5 COUNTERPARTY RISK

Early termination payments under the Swap Transactions in certain circumstances

Subject to the following, the Swap Agreement will provide that, upon the occurrence of certain events, the Interest Rate Swap(s) may terminate and a termination payment by either the Issuer or the Swap Counterparty may be payable, depending on, among other things, the terms of the Swap Agreement and the cost of entering into a replacement transaction at the time. Any termination payment due by the Issuer (other than any Swap Excluded Payable Amounts, any Swap Subordinated Amounts or, in certain circumstances and/or to a limited extent, any excess collateral amounts standing to the credit of the Swap Collateral Account) will rank prior to payments in respect of the Debt. If any termination amount is payable, payment of such termination amounts may affect amounts available to pay interest and principal on the Debt.

If a termination payment is due by the Swap Counterparty to the Issuer, no assurance can be given that any Swap Collateral standing to the credit of the Swap Collateral Account would be sufficient to cover such termination payment.

Any additional amounts required to be paid by the Issuer following termination of the Interest Rate Swap(s) (including any extra costs incurred in entering into any replacement interest rate swap) will also rank prior to payments in respect of the Debt. This may affect amounts available to pay interest on the Debt and, following service of an Enforcement Notice on the Issuer (which has not been revoked), interest and principal on the Debt.

No assurance can be given as to the ability of the Issuer to enter into one or more replacement transactions, or if one or more replacement transactions are entered into, as to the credit rating or creditworthiness of the interest rate swap counterparty for the replacement transactions.

Change of Counterparties

In addition, in the event that the rating by any of the Rating Agencies of the Collection Account Provider or the Account Bank or the Swap Collateral Account Bank or the Swap Counterparty is downgraded, it is possible that such Collection Account Provider, Account Bank, Swap Collateral Account Bank or the Swap Counterparty (as the case may be) may no longer meet the rating requirements as set out in the sections entitled “*Rights of Debtholders and Certificateholders and Relationship with Other Secured Creditors – Triggers Tables – Rating Triggers Table – Collection Account Provider*” and “*Rights of Debtholders and Certificateholders and Relationship with Other Secured Creditors – Triggers Tables – Rating Triggers Table – Account Bank, Swap Collateral Account Bank and Swap Counterparty*”. There can be no assurance that the Account Bank, the Swap Collateral Account Bank, the Swap Counterparty or the Issuer will be able to procure that the Collection Account Provider, the Account Bank, the Swap Collateral Account Bank or the Swap Counterparty (as applicable) be replaced within 30 days or, in respect of the Collection Account Provider and the Account Bank and the Swap Collateral Account Bank, within 35 calendar days (in the case of Moody’s) or 60 calendar days (in the case of Fitch) of the downgrade of the relevant entity and there is therefore a risk that the Rated Debt will be downgraded in such circumstances.

Investors should note that upon the occurrence of a Servicer Termination Event, the Issuer (prior to the service of an Enforcement Notice and with the consent of the Security Trustee) or the Security Trustee (after the service of an Enforcement Notice) may terminate the agency (and, simultaneously, the rights) of the Servicer. If a

Service Termination Event occurs, the Issuer (prior to the service of an Enforcement Notice and with the consent of the Security Trustee) or the Security Trustee (after the service of an Enforcement Notice) shall (as soon as practicable after such event has come to its attention) give notice in writing to the Servicer (with a copy to the Back-Up Servicer Facilitator) of such occurrence and terminate the appointment of the Servicer. If, following the occurrence of a Service Termination Event, the Issuer (prior to the service of an Enforcement Notice and with the consent of the Security Trustee) or, the Security Trustee (following delivery of an Enforcement Notice), so requests in writing, the Servicer shall (if it is able to do so) continue to provide the Services under the Servicing Agreement until a replacement Servicer is appointed and such replacement Servicer has assumed performance of all the Services. No assurance can be given that a replacement Servicer can be identified upon the occurrence of a Service Termination Event.

In addition, the Issuer, at the direction of the Servicing Committee (on a minimum of 6 months' notice) may terminate the appointment of the Servicer at any time without cause.

Accordingly, the identity of the Servicer may change, and consequently, the counterparty exposure of the Issuer, the Debtholders and the Certificateholders to the Servicer will also change.

As a result of the risk highlighted in the preceding paragraph, the inclusion of this right of replacement may mean that the value of the Debt or Certificates from time to time may be lower than their value would otherwise have been had no such replacement right been included.

Issuer Reliance on Other Third Parties

The Issuer has engaged CHL to administer the Mortgage Pool pursuant to the Servicing Agreement. While CHL is under contract to perform certain mortgage settlement and related administration services under the Servicing Agreement, there can be no assurance that they will be willing or able to perform these services in the future. In the event CHL is replaced as Servicer, there may be losses or delays in processing payments on the Mortgage Pool due to a disruption in Servicing during a transfer to a successor Servicer. This may cause delays in payments or losses under the Debt.

The servicing of the Loans will be carried out by the Servicer (or any delegate or replacement thereof, as the case may be). The holders of Debt or Certificates will have no right to consent to, or approve of, any actions set forth in the servicing agreement. The Servicer has the ability under the Servicing Agreement to sub-contract its obligations. Notwithstanding any such sub-contracting to any party or delegation of the performance of any of its obligations under the Servicing Agreement, the Servicer will (subject to certain qualifications) (see "*Servicing of the Mortgage Pool, the Servicer*") remain responsible for the performance of such obligations under the Servicing Agreement.

The Servicer has no obligation to advance payments that Borrowers fail to make in a timely fashion.

The Issuer is party to contracts with a number of other third parties who have agreed to perform services in relation to the Debt and the Certificates. In particular, but without limitation, the Cash Manager under the Cash Management Agreement, the Account Bank under the Bank Agreement, the Principal Paying Agent, the Agent Bank and the Registrar under the Agency Agreement, the Swap Counterparty under the Interest Rate Swaps and the Corporate Services Provider under the Corporate Services Agreement have all agreed to provide services or perform obligations with respect to the Debt and the Certificates. If any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party (including any failure arising from circumstances beyond their control, such as epidemics or pandemics) or were to resign from their appointment or if their appointment under the agreements to which they are a party were to be terminated (in each case, without being replaced), Debtholders and/or the Certificateholders may be adversely affected. It should also be noted that the liability of a number of these parties, including the Servicer and the Cash Manager, is limited in accordance with the terms of their relevant agreements.

The performance of any such third parties may also be affected by economic, social, political and other factors, such as changes in the national or international economic climate, regional economic conditions, changes in

laws, political developments and government policies, natural disasters, illness (including illnesses from epidemics or pandemics) and widespread health crises or the fear of such crises (such as coronavirus (including COVID-19), measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu, or other epidemic diseases), which may result in a material delay or default in the performance of certain services in relation to the Loans by such third parties.

Interest Rate Risk

The Issuer is subject to the risk of the contractual interest rates on the Loans (including Loans with a fixed rate of interest and rates of interest linked to external benchmark rates) being lower than that required by the Issuer in order to meet its commitments under the Debt, the Certificates, and its other obligations. In addition, the Issuer is subject to the risk of a mismatch resulting from the contractual interest rates on the Loans and the interest rates under the Debt (save for the Z Notes) being set on different days.

To hedge its interest rate exposure in respect of the Fixed Rate Loans in the Mortgage Pool and the amounts payable under the Debt, the Issuer will enter into one or more Interest Rate Swaps with the Swap Counterparty on or around the Issue Date (see “*Credit Structure — Interest Rate Risk for the Debt*” and “*Credit Structure – Swap Agreement*” below). The Effective Date (as defined in the Swap Agreement) of each Interest Rate Swap is the Issue Date. The Termination Date (as defined in the Swap Agreement) of each Interest Rate Swap is 24 December 2029.

A failure by the Swap Counterparty to make timely payments of amounts due under the Swap Agreement will constitute a default thereunder (subject to any applicable grace period). The Swap Agreement provides that the Sterling amounts owed by the Swap Counterparty on any payment date under the Interest Rate Swap (which corresponds to an Interest Payment Date) may be netted against the Sterling amounts owed by the Issuer on the same payment date. Accordingly, if the amounts owed by the Issuer to the Swap Counterparty on a payment date are greater than the amounts owed by the Swap Counterparty to the Issuer on the same payment date, then the Issuer will pay the difference to the Swap Counterparty on such payment date; if the amounts owed by the Swap Counterparty to the Issuer on a payment date are greater than the amounts owed by the Issuer to the Swap Counterparty on the same payment date, then the Swap Counterparty will pay the difference to the Issuer on such payment date; and if the amounts owed by both parties are equal on a payment date, neither party will make a payment to the other on such payment date. To the extent that the Swap Counterparty defaults on its obligations under the Swap Agreement to make payments to the Issuer in Sterling on any payment date under the Interest Rate Swap (which corresponds to an Interest Payment Date), the Issuer will be exposed to the possible variance between the fixed rates payable on the Fixed Rate Loans in the Mortgage Pool and Compounded Daily SONIA. Unless one or more comparable replacement interest rate swaps are entered into, the Issuer may have insufficient funds to make payments due on the Debt.

The Fixed Rate Notional Amount is set on the trade date of each Interest Rate Swap by reference to an agreed schedule of notional amounts (as specified in the Swap Agreement) calculated by applying a pre-determined constant annualised prepayment rate to the projected amortisation profile of the relevant Fixed Rate Loans on the Issue Date. Any amendments or changes to the terms of the Loans (including, but not limited to, the term of a loan, the payment frequency, the interest rate type, the loan maturity date and the repayment method) shall be deemed not to have been made or occurred when determining the relevant Fixed Rate Notional Amount. As such, the Fixed Rate Loan balance and the notional amount under the swap may be different.

If the Swap Counterparty posts any Swap Collateral, such Swap Collateral will be utilised solely for the purpose of supporting the Swap Counterparty’s obligations under the Swap Agreement and shall be returned directly to the Swap Counterparty (and not in accordance with the relevant Priority of Payments) in accordance with the terms of the Swap Agreement. Following the termination of the Swap Agreement, any Swap Collateral or the liquidation proceeds thereof which are not returned to the Swap Counterparty as part of the termination payment shall constitute Available Revenue Funds unless applied in acquiring a replacement swap. Depending on the circumstances prevailing at the time of termination (and, if applicable, the terms of any replacement swap

agreement), any such termination payment could be substantial and may adversely affect the funds available to pay amounts due to the Debtholders (see “*Credit Structure — The Swap Agreement*” below).

Fluctuations in the value or the method of calculation of BBR and SONIA could potentially result in (a) the contractual interest rates on the Loans being lower than that required by the Issuer in order to meet its commitments under the Debt and its other obligations and (b) the risk that any cash held by or on behalf of the Issuer (including the Pre-Funding Initial Amount) may earn a rate of return below the rate of interest payable on the Debt or a negative rate of interest.

Insolvency of the Swap Counterparty

In the event of the insolvency of the Swap Counterparty, the Issuer will be treated as a general creditor of such Swap Counterparty. Consequently, the Issuer will be subject to the credit risk of the Swap Counterparty. To mitigate this risk, under the terms of the Swap Agreement, in the event that the relevant ratings of the Swap Counterparty fail to meet the relevant required ratings, the Swap Counterparty will, in accordance with the terms of the Swap Agreement, be required to elect to take certain remedial measures within the applicable time frame stipulated in the Swap Agreement (at its own cost), which may include providing Swap Collateral for its obligations under the Swap Agreement, arranging for its obligations under the Swap Agreement to be transferred to an entity with the relevant required ratings, procuring another entity with the required ratings to become co-obligor or guarantor, as applicable, in respect of its obligations under the Swap Agreement, or taking such other action (which may include inaction) as would result in the Rating Agencies maintaining the then current rating of the Most Senior Class of Rated Debt. However, no assurance can be given that, at the time that such actions are required, the Swap Counterparty will be able to provide collateral or that another entity with the required ratings will be available to become a replacement Swap Counterparty, co-obligor or guarantor or that the Swap Counterparty will be able to take the requisite other action.

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

Risk relating to Swap Counterparty Consent for Modification

The prior written consent (such consent not to be unreasonably withheld) of the Swap Counterparty is required to modify or supplement any provision of the Transaction Documents, the Note Conditions or the Certificate Conditions if the Swap Counterparty determines that such modification or supplement would: (a) cause, in the reasonable opinion of the Swap Counterparty, (A) the Swap Counterparty to pay more or receive less under the Swap Agreement, (B) a decrease (from the Swap Counterparty’s perspective) in the value of an Interest Rate Swap to which it is a party, (C) a change in the timing of any payments or deliveries to be made by or to the Swap Counterparty or (D) a change in the date of maturity of the Debt; (b) result in any of the Issuer’s obligations to the Swap Counterparty under the Swap Agreement to be further contractually subordinated, relative to the level of subordination of such obligations as of the Issue Date, to the Issuer’s obligations to any other Secured Creditor; (c) if, the Swap Counterparty were to replace itself as swap counterparty under the Swap Agreement, require the Swap Counterparty to pay more or receive less in the reasonable opinion of the Swap Counterparty, in connection with such replacement, as compared to what the Swap Counterparty would have been required to pay or would have received had such modification or amendment not been made; (d) cause any modification to the Swap 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 Security Trustee on behalf of the Secured Creditors pursuant to the Deed of Charge; (e) result in an amendment of Note Condition 11(f) (*Swap Counterparty Consent for Modification*) or Clause 18.3 (*Swap Counterparty Consent for Modification*) of the Trust Deed; or (f) result in an amendment to, or waiver of the undertakings of the Issuer as set out in, Clause 14.2.6 (*Disposal of Assets*) of the Trust Deed related to a

refinancing, sale, transfer or disposal of assets of the Issuer with a view to prematurely redeeming the Notes in circumstances not expressly permitted or provided for in the Transaction Documents as at the Issue Date, unless such modification, amendment, consent or waiver is in relation to a Reference Rate Modification made in accordance with Note Condition 11(c)(viii) or Certificate Condition 8(c)(viii).

Risks relating to the Cash Manager and incorrect payments

The Conditions provide that if, for whatever reason, an incorrect payment is made to any party entitled thereto (including the Debtholders of any Class and/or the Certificateholders) pursuant to the Pre-Enforcement Priority of Payments, the Cash Manager will, to the extent the same is possible, use reasonable endeavours to rectify the same by increasing or reducing payments to such party (including the Debtholders of any Class), as appropriate, on each subsequent Interest Payment Date or Interest Payment Dates to the extent required to correct the same (as set out in the Cash Management Agreement). Accordingly, increased or reduced payments may be made to Debtholders and/or Certificateholders.

In circumstances where the Monthly Report or other relevant information is not available, such that the Cash Manager cannot determine the Revenue Collections and Principal Collections in respect of any Determination Period, the amount of Revenue Receipts and Principal Receipts for the purposes of such determination shall be estimated by reference to the 3 most recent Monthly Reports.

If a Monthly Report is subsequently delivered in respect of any subsequent Determination Period and for the Determination Periods where no such information was available, then: (i) the Revenue Collections and the Principal Collections will be calculated on the basis of the information in such Monthly Report; and (ii) one or more reconciliation payments in respect of a Reconciliation Amount may be required to be made by the Issuer on the related and subsequent Interest Payment Dates in order to account for any overpayment(s) and/or underpayment(s) made on any Interest Payment Date during the Relevant Period of estimations in accordance with Note Condition 4(j) (*Determinations and Reconciliation*) and the Cash Management Agreement.

6 MACRO-ECONOMIC AND MARKET RISKS

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

The ability of the Issuer to redeem all of the Notes in full, including following the occurrence of an Event of Default in relation to the Notes while any of the Loans are still outstanding, may depend upon whether the Loans can be realised to obtain an amount sufficient to redeem the Notes.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. There is not, at present, an active and liquid secondary market for the Notes, and there can be no assurance that a secondary market for the Notes will develop. To date, none of the Joint Lead Managers have indicated that they intend to establish a secondary market in the Notes. Any investor in the Notes must be prepared to hold their Notes for an indefinite period of time or until the Final Maturity Date or, alternatively, such investor may only be able to sell the Notes at a discount to the original purchase price of those Notes.

The secondary market for mortgage-backed securities has in the past experienced significant disruptions resulting from, among other things, reduced investor demand for such securities. This has resulted in the secondary market for mortgage-backed securities similar to the Notes experiencing very limited liquidity during such severe disruptions. Limited liquidity in the secondary market could have a material adverse effect on the market value of mortgage-backed securities including the Notes issued by the Issuer, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. It is not known whether such disruptions to the market will reoccur.

In addition, prospective investors should be aware that global markets have recently been negatively impacted by the then prevailing global credit market conditions and reduced growth expectations for the Organisation for

Economic Co-operation and Development economies, which could affect any secondary market for instruments similar to the Notes. In particular, at the date of this Prospectus, as well as the current challenges facing the European macro-economic environment, certain European governments are in discussions with other countries in the Eurozone, the International Monetary Fund and other creditors and are in the process of establishing or have already established and are implementing an austerity programme. It is unclear what the effect of these discussions will be on the Eurozone economy. This uncertainty may have implications for the liquidity of the Notes in the secondary market.

Increases in prevailing market interest rates and other economic effects may adversely affect the performance and market value of the Debt

Borrowers with a Loan with a Variable Rate Loan may be exposed to increased monthly payments if the related mortgage interest rate adjusts upward (or, in the case of a Fixed Rate Loan with an initial fixed rate period, at the end of the relevant fixed rate period). This increase in Borrowers' monthly payments may result in higher delinquency rates and losses in the future. As of the Provisional Pool Reference Date, the Provisional Mortgage Pool comprises Loans paying a variable rate, Loans paying a fixed rate and Loans in respect of which the initial fixed rate period has expired.

Borrowers seeking to avoid increased monthly payments (caused by, for example, the expiry of an initial fixed term introductory rate or a rise in the related mortgage interest rates) by refinancing their mortgage loans may no longer be able to find available replacement loans at comparably low interest rates. Any decline in housing prices may also leave Borrowers with insufficient equity in their homes to permit them to refinance, especially borrowers with higher current LTVs.

Other factors in Borrowers' and tenants' individual, personal or financial circumstances may affect the ability of Borrowers to repay the Loans. Unemployment, loss of earnings, illness (including illness arising in connection with an epidemic, pandemic or health crises), divorce and other similar factors may lead to an increase in delinquencies by and bankruptcies of Borrowers and could ultimately have an adverse impact on the ability of Borrowers to repay the Loans. In addition, the ability of a Borrower to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time.

These events, alone or in combination, may contribute to higher delinquency rates, slower prepayment rates and higher losses on the Mortgage Pool, which in turn may adversely affect the ability of the Issuer to make payments of interest and principal on the Debt and amounts due in respect of the Certificates.

Bank of England funding scheme eligibility

Certain investors in the A Notes may wish to consider the use of the A Notes as eligible securities for the purposes of schemes such as the Bank of England's Discount Window Facility or Sterling Monetary Framework and the European Central Bank's liquidity scheme. Whilst such central bank schemes provide an important source of liquidity in respect of eligible securities, further restrictions in respect of the relevant eligibility criteria for eligible collateral in the future are likely to adversely impact secondary market liquidity for mortgage-backed securities in general, regardless of whether the Notes are eligible securities. Recognition of the A Notes as eligible securities for the purposes of these schemes will depend upon satisfaction of the eligibility criteria as specified by, and at the discretion of, the Bank of England or (as applicable) the European Central Bank. If the A Notes do not satisfy such criteria, there is a risk that the A Notes will not be eligible collateral under such schemes. None of the Issuer, the Joint Lead Managers, the Co-Arrangers, the Seller, the Note Trustee, the Security Trustee, the Agents, the Class A Loan Note Agents, the Cash Manager, the Back-Up Cash Manager Facilitator, CMI, the Legal Title Holder, the Servicer, the Registrar, the Swap Counterparty, the Servicer, the Corporate Services Provider or the Back-up Servicer Facilitator, or the Swap Collateral Account Bank makes any representation, warranty, confirmation or guarantee to any investor in the A Notes that the A Notes will, either upon issue, or at any time during their life, satisfy all or any requirements for eligibility and be recognised

as eligible collateral for such schemes. Any potential investor in the A Notes should make its own determinations and seek its own advice with respect to whether or not the A Notes constitute eligible collateral for such schemes. No assurance can be given that the A Notes will be eligible securities for the purposes of these schemes and no assurance can be given that any of the relevant parties have taken any steps to register such collateral.

Changes or uncertainty in respect of SONIA may affect the value of Loans, the Debt and the payment of interest thereunder

Various interest rates and other indices which are deemed to be “benchmarks”, including SONIA, are the subject of recent national, international and other regulatory reforms and proposals for reform. Some of these reforms are already effective while others are still to be implemented, including the BMR.

Under the BMR, which came into force from 1 January 2018, in general, new requirements will apply with respect to the provision of a wide range of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the BMR, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevents certain uses by EU-supervised entities of benchmarks that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

Such benchmarks may disappear entirely or perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Interest rate benchmarks (including SONIA) may perform differently over time (as a result of a change in methodology or otherwise) or be otherwise affected by factors (including international or national reforms or other initiatives or investigations) which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) triggering changes in the rules or methodologies used in the benchmark and/or (ii) 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 Debt. Based on the foregoing, prospective investors should in particular be aware that:

- (a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including SONIA) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;
- (b) while an amendment may be made under Note Condition 11(c) (*Additional Right of Modification*) to change the SONIA rate on the Notes to an alternative rate under certain circumstances broadly related to SONIA disruption or discontinuation and subject to certain conditions, there can be no assurance that any such amendment will be made or, if made, that it will (i) fully or effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes or (ii) be made prior to any date on which any of the risks described in this risk factor may become relevant; and
- (c) if SONIA is discontinued, and whether or not an amendment is made under Note Condition 11(c) (*Additional Right of Modification*) to change the SONIA rate on the Notes as described in paragraph (b) above, there can be no assurance that the applicable fall-back provisions under the Swap Agreement would operate so as to ensure that the base floating interest rate used to determine payments under the relevant Interest Rate Swap is the same as that used to determine interest payments under the Notes, or that any such amendment made under Note Condition 11(c) (*Additional Right of Modification*) would allow the relevant Interest Rate Swap 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.

Investors should note the various circumstances under which a Reference Rate Modification may be made, which are specified in Note Condition 11(c) (*Additional Right of Modification*). As noted above, these events broadly relate to SONIA's disruption or discontinuation, but also include, *inter alia*, any public statements by the SONIA administrator or its supervisor to that effect, and a Reference Rate Modification may also be made if the Servicer (on behalf of the Issuer) reasonably expects any of these events to occur within six months of the proposed effective date of such Reference Rate Modification. A Reference Rate Modification may also be made if an alternative means of calculating a SONIA-based base rate is introduced which becomes a standard means of calculating interest for similar transactions. Investors should also note the various options permitted as an Alternative Reference Rate as set out in Note Condition 11(c) (*Additional Right of Modification*), which include, *inter alia*, a base rate utilised in a publicly-listed new issue of sterling-denominated asset-backed floating rate notes where the originator of the relevant assets is an affiliate of CHL or such other base rate as the Servicer (on behalf of the Issuer) reasonably determines. Investors should also note the negative consent requirements in relation to a Reference Rate Modification.

When implementing any Reference Rate Modification, the Note Trustee shall not consider the interests of the Debtholders, any other Secured Creditor or any other person, and shall act and rely solely and without further investigation on any certificate (including, but not limited to, a Reference Rate Modification Certificate) or other evidence (including, but not limited to, a ratings confirmation) provided to it by the Issuer or the Servicer, as the case may be, pursuant to Note Condition 11(c) (*Additional Right of Modification*) and shall not be liable to the Debtholders, 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.

More generally, any of the above matters (including an amendment to change the SONIA rate as described above) or any other significant change to the setting or existence of SONIA could affect the ability of the Issuer to meet its obligations under the Debt and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Debt. Changes in the manner of administration of SONIA could result in adjustment to the Conditions, early redemption, delisting or other consequence in relation to the Notes. No assurance may be provided that relevant changes will not be made to SONIA or any other relevant benchmark rate and/or that such benchmarks will continue to exist. Investors should consider these matters when making their investment decision with respect to the Notes.

The impact of the United Kingdom's withdrawal from the European Union may affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or liquidity of the Notes in the secondary market

Following the UK's withdrawal from the European Union, due to the ongoing political uncertainty as regards the structure of the future relationship, it is not possible to determine the precise impact on general economic conditions in the UK, including the performance of the UK housing market. It is also not possible to determine the precise impact that these matters will have on the business of the Issuer (including the performance of the underlying Loans), any other party to the Transaction Documents and/or any Borrower in respect of the underlying Loans, or on the regulatory position of any such entity or of the transactions contemplated by the Transaction Documents under European Union regulation or more generally. No assurance can be given that any of the matters outlined above would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and the Certificates and/or the market value and/or liquidity of the Notes and the Certificates in the secondary market.

Ratings of the Rated Debt and confirmation of ratings

The ratings assigned to the Rated Debt are based on the Loans, the Security, the Mortgage Pool and relevant structural features of the transaction, which may include, among other things, the short-term unsecured, unguaranteed and unsubordinated debt ratings and the long-term ratings of the Account Bank, the Swap Collateral Account Bank and the Swap Counterparty. These ratings reflect only the views of the Rating Agencies in respect of the Rated Debt.

RISK FACTORS

The ratings assigned to the Rated Debt by each Rating Agency have been provided on the basis that funds standing to the credit of the Pre-Funding Principal Ledger (but excluding the Light Refurbishment Loans Retained Amount) will be utilised to purchase Additional Mortgage Loans after the Issue Date.

Any Rating Agency may also lower or withdraw its rating with respect to either Swap Counterparty. Under the terms of any Swap Agreement that may be entered into in respect of the Debt, if the relevant credit rating of the Swap Counterparty is withdrawn or reduced below certain thresholds, such Swap Counterparty shall be required to:

- (a) provide collateral in support of its obligations under the Swap Agreement;
- (b) procure a guarantee of its obligations under the Swap Agreement;
- (c) procure an appropriately rated replacement counterparty; or
- (d) take such other action (which may include inaction) necessary so that the rating of the Most Senior Class of Rated Debt following such action will be rated no lower than the Most Senior Class of Rated Debt would be rated but for the downgrade of the Swap Counterparty.

It cannot be assured, however, that the Swap Counterparty would be able to take any of the above actions upon the occurrence of this event or that the ratings of the Rated Debt will not be lowered or withdrawn upon the occurrence of this event.

The ratings that are assigned to the Rated Debt do not represent any assessment of the yield to maturity that a holder of Rated Debt may experience.

The ratings assigned to the Rated Debt by each Rating Agency address, *inter alia*:

- (a) subject to paragraphs (b) and (c) below, the likelihood of full and timely payment of interest due to the holders of the Rated Debt on each Interest Payment Date;
- (b) in respect of the ratings assigned by Moody's to the Rated Debt (excluding the Class A Debt and the B Notes), the likelihood of full and ultimate payment of interest due to the holders of the C Notes, the D Notes and the E Notes by or on the Final Maturity Date;
- (c) in respect of the ratings assigned by Fitch to the Rated Debt (excluding the Class A Debt and the B Notes), the likelihood of full and ultimate payment of interest due to the holders of the C Notes, the D Notes and the E Notes by or on the Final Maturity Date; and
- (d) the likelihood of full and ultimate payment of principal to the holders of the Rated Debt by or on the Final Maturity Date.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the other ratings, the market value and/or the liquidity of the Rated Debt.

Credit rating agencies other than Moody's or Fitch could seek to rate the Rated Debt without having been requested to do so by the Issuer and, if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Debt by Moody's and/or Fitch those unsolicited ratings could have an adverse effect on the market value and/or liquidity of the Rated Debt. In addition, the mere possibility that a rating could be issued may affect price levels in any secondary market that may develop. In this Prospectus, all references to ratings are to ratings assigned by the relevant Rating Agencies.

A Rating Agency may lower, withdraw or qualify its rating if, in the sole judgement of that Rating Agency, the credit quality of the Rated Debt has declined or is in question. A Rating Agency may also change its criteria and/or methodology at any time and the application of its revised criteria and/or methodology may lead it to lower, withdraw or qualify its rating of the Rated Debt. If any rating assigned to the Rated Debt is downgraded or withdrawn, the market value and/or liquidity of the Rated Debt may be reduced.

Rating Agencies' confirmations

Where it is necessary for the Security Trustee or the Note Trustee to determine, in its opinion, for the purposes of exercising any right, power, trust, authority, duty or discretion under or in relation to the Debt, the Conditions or any of the Transaction Documents, whether or not such exercise will be materially prejudicial to the interests of the Debtholders or any Class of Debtholders, the Note Trustee and the Security Trustee shall be entitled, in making such a determination, to take into account any other things it may, in its absolute discretion, consider necessary and/or appropriate, any confirmation by a Rating Agency (if available) that the then current ratings of the Rated Debt or, as the case may be, the Rated Debt of such Class will not be downgraded, withdrawn or qualified, and that, where any original rating of the Rated Debt or, as the case may be, the Rated Debt of such Class has been and continues to be downgraded, restoration of such original rating would not be prevented, as a result of such exercise. For the avoidance of doubt, such rating confirmation shall not be construed to mean that any such exercise by the Note Trustee and the Security Trustee of any right, power, trust, authority, duty or discretion under or in relation to the Rated Debt, the Conditions or any of the Transaction Documents is not materially prejudicial to the interests of the holders of the Rated Debt or, as the case may be, the Rated Debt of the relevant Class; and the non-receipt of such rating confirmation shall not be construed to mean that any such exercise by the Note Trustee and the Security Trustee as aforesaid is materially prejudicial to the interests of the holders of the Rated Debt or, as the case may be, the Rated Debt of the relevant Class.

No assurance can be given that any or all of the Rating Agencies will provide any such confirmation or that, depending on the timing of the delivery of the request and any information needed to be provided, it may be the case that the Rating Agencies cannot provide their confirmation in the time available and, in either case, the Rating Agencies will not be responsible for the consequences thereof. However, if a confirmation is provided, it should be noted that a Rating Agency's decision to reconfirm a particular rating may be made on the basis of a variety of factors. In particular, the holders of Rated Debt should be aware that the Rating Agencies owe no duties whatsoever to any parties to the transaction (including the Debtholders) in providing any confirmation of ratings. No assurance can be given that a requirement to seek ratings confirmation will not have a subsequent impact upon the business of the Borrowers. In addition, it should be noted that any confirmation of ratings:

- (a) only addresses the effect of any relevant event, matter or circumstance on the current ratings assigned by the relevant Rating Agency to the Rated Debt;
- (b) does not address whether any relevant event, matter or circumstance is permitted by the Transaction Documents and the Subscription Agreement; and
- (c) does not address whether any relevant event, matter or circumstance is in the best interests of, or prejudicial to, some or all of the Debtholders or other Secured Creditors.

No assurance can be given that any such reconfirmation will not be given in circumstances where the relevant proposed matter would materially adversely affect the interests of Debtholders of a particular Class.

The Rating Agencies, in assigning credit ratings, do not comment upon the interests of the holders of securities (such as the Rated Debt).

The implementation of certain matters pursuant to the Transaction Documents is subject to the receipt of written confirmation from each Rating Agency (or certification from the Issuer to the Note Trustee and the Security Trustee that the Issuer has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that such modification would not result in the then current ratings of each Class of Debt rated thereby being qualified, downgraded, suspended or withdrawn, or such Rating Agency placing any of the Debt on rating watch negative (or equivalent) and, if relevant, the Issuer delivers a copy of each such confirmation to the Note Trustee and the Security Trustee (a "**Rating Agency Confirmation**"). It is possible that, in certain circumstances, amendments are made to the Transaction Documents notwithstanding the fact that a Rating Agency Confirmation is not obtained.

Limited Secondary Market for Loans

While the Issuer primarily expects to apply amounts of principal and interest received on the Loans in order to meet its payments on the Debt, in certain circumstances the ability of the Issuer to redeem all of the Debt in full, including following the occurrence of an Event of Default while any of the Loans are still outstanding, may depend upon whether the Loans can be realised to obtain an amount sufficient to redeem the Debt. There is not, at present, an active and liquid secondary market for mortgage loans of this type in the United Kingdom. There can be no assurance that a secondary market for the Loans will develop or, if a secondary market does develop, that it will provide sufficient liquidity of investment for the Loans to be realised or that if it does develop it will continue for the life of the Debt. The Issuer, and following the occurrence of an Event of Default, the Security Trustee, may not, therefore, be able to sell the Loans for an amount sufficient to discharge amounts due to the Secured Creditors (including the Debtholders) in full should they be required to do so.

7 LEGAL AND REGULATORY RISKS RELATING TO THE STRUCTURE AND THE DEBT***Debtholders' interests may be adversely affected by a change of law***

The structure of the transaction and, *inter alia*, the issue of the Debt, the Certificates, and the ratings which are to be assigned to the Rated Debt is based on the relevant law, tax, accounting, regulatory and administrative requirements and practice, in effect as at the date of this Prospectus and having due 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 the relevant law, tax, regulatory, accounting (and any change in regulation which may occur without a change in primary legislation), administrative 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 Debt or Certificates.

Regulatory initiatives may have an adverse impact on the regulatory treatment of the Debt

Regulatory initiatives may result in increased regulatory capital requirements for certain investors and/or decreased liquidity in respect of the Notes and Certificates. In Europe, the U.S. and elsewhere there has been increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes and Certificates are responsible for analysing their own regulatory position and none of the Issuer, the Co-Arrangers, the Joint Lead Managers or the Seller makes any representation to any prospective investor or purchaser of the Notes or Certificates regarding the regulatory capital treatment of their investment (or the liquidity of such investment as a result thereof) on the Issue Date or at any time in the future.

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

Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Notes. Investors should note in particular that the Basel Committee on Banking Supervision ("BCBS") 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 reforms were implemented in the EEA through EU CRR and EU CRD IV which became effective on 1 January 2014. Since 2014, various updates have been made to EU CRR and EU CRD, including in response to the Basel Committee's revisions to the securitisation framework and the banking reform package of EU CRR 2 and EU CRD V introduced in 2019. A new prudential regulatory regime for EU investment firms was also introduced on 26 June 2021 by EU IFR and EU IFD. As both EU CRD V and EU IFD allow certain national discretions, the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation.

In the UK, the EUWA onshored the directly applicable elements of EU CRD IV on 31 December 2020 and preserved existing UK law implementing EU CRD IV. Elements of EU CRR 2, including revisions to the leverage ratio, counterparty risk capital requirements and the net stable funding ratio, were implemented in the UK on 1 January 2022.

Further reforms under so-called Basel IV, including changes to the standards for credit risk and operational risk, the quantification of credit valuation adjustment risk and the internal ratings-based approach, were intended to be implemented on 1 January 2023. However, both the EU and UK have indicated that they expect to apply implementing measures from 1 January 2025. The EU is implementing Basel IV through proposed EU CRR 3 and EU CRD VI, which were published in October 2021 and continue to make their way through the EU legislative process. In the UK, the PRA's consultation on implementation of the "Basel 3.1 standards" (CP 16/22) closed on 31 March 2023 and has since been followed by a "Near-final part 1 policy statement" (PS 17/23) and a draft Near-final PRA Rulebook: CRR Firms (CRR) Instrument [2024]. It can be expected that both in the EU and the UK amendments to capital requirements will continue to develop before final rules are approved.

These Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements were made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe. 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.

The EU Securitisation Regulation regime applies to the Notes and non-compliance with this regime may have an adverse impact on the regulatory treatment of Notes and/or decrease liquidity of the Notes

The EU Securitisation Regulation applies in general (subject to certain grandfathering) from 1 January 2019 and, from 9 April 2021, the EU Securitisation Regulation applies as amended by Regulation (EU) 2021/557.

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. Moreover, it is expected that in due course the EU Securitisation Regulation regime will be amended as a result of the wider review of the functioning of the EU Securitisation Regulation regime, on which the European Commission published a report on 10 October 2022, outlining a number of areas where legislative changes may be introduced in due course.

The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recasting of pre-1 January 2019 risk retention and investor due diligence regimes).

The EU Securitisation Regulation has direct effect in member states of the EU and is to be implemented in due course in other countries in the EEA.

The EU Securitisation Regulation requirements apply to the Notes. As such, certain European-regulated institutional investors, including 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 under Article 5 of the EU Securitisation Regulation with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements. If the relevant European-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital

requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors. Aspects of the requirements of the EU Securitisation Regulation and what is or will be required to demonstrate compliance to national regulators remain unclear. Prospective investors should therefore make themselves aware of requirements applicable to them 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 under the EU Securitisation Regulation.

Various parties to the securitisation transaction described in this Prospectus (including the Seller) are also subject to the requirements of the EU Securitisation Regulation. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to national regulators. Prospective investors are referred to the section of the Prospectus headed "Regulatory Disclosure" for further details and should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with Article 7 of the EU Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation.

Prospective investors in the Notes are responsible for analysing their own regulatory position and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with Article 5 of the EU Securitisation Regulation, and should consult their own advisers in these respects.

The UK Securitisation Regulation regime applies to the Notes and non-compliance with this regime may have an adverse impact on the regulatory treatment of Notes and/or decrease liquidity of the Notes

Pursuant to the EUWA, from 11pm (GMT) on 31 December 2020 (the "**IP Completion Date**"), EU regulations (including the EU Securitisation Regulation) which previously had direct effect in the UK by virtue of the European Communities Act 1972 were transposed into domestic law. Like the EU Securitisation Regulation, the UK Securitisation Regulation also includes risk retention and transparency requirements (imposed variously on the issuer, originator, sponsor and/or original lender of a securitisation) and due diligence requirements which are imposed, under the UK Securitisation Regulation, on UK Affected Investors in a securitisation. If the due diligence requirements under the UK Securitisation Regulation are not satisfied then, depending on the regulatory requirements applicable to such UK Affected Investor, an additional risk weight, regulatory capital charge and/or other regulatory sanction may be applied to such securitisation investment and/or imposed on the UK Affected Investor.

The currently applicable UK Securitisation Regulation will be revoked and replaced in due course with the legislative reforms introduced as the "Edinburgh Reforms" of UK financial services unveiled on 9 December 2022 and the UK post-Brexit move to "A Smarter Regulatory Framework for financial services" through the Financial Services and Markets Act 2000 regime, as amended by the Financial Services and Markets Act 2023 ("**FSMA 2023**") and related thereto (i) the Securitisation Regulations 2024 (SI 2024/102) made on 29 January 2024 ("**2024 UK SR SI**"); (ii) as well as the Prudential Regulation Authority ("**PRA**") and FCA consultations published in the summer 2023, including the FCA consultation addendum of October 2023, ("**PRA/FCA 2023 Consultations**") on the exercise of their rulemaking powers and the amendments to their rulebooks that were published on 30 April 2024 which (together with the FSMA 2023 and the 2024 UK SR SI) recast (with various changes that result in further divergence from the EU Securitisation Regulation) currently applicable UK Securitisation Regulation requirements. It should be noted that the implementation of the UK Securitisation Regulation reforms is a protracted process and will be introduced in phases. It is expected that in this phase one the proposed amendments will be finalised and will become applicable on 1 November 2024 and it is also expected that, in Q3/Q4 2024, there will be a phase two to the reforms whereby the UK government, the PRA and the FCA will consult on further changes including, but not limited to, the recast of the transparency and reporting requirements. Note that these reforms will impact on new securitisations closed after the relevant date of application and they also have potential implications for securitisations in-scope of the UK Securitisation

Regulation that closed prior to such date, although it is not expected that the reforms will have retrospective effect. Therefore, at this stage, the timing and all of the details for the implementation of these reforms are not yet fully known and the outcome of ongoing and any new consultations on such reforms will be unfolding in the course of this year and beyond. Please note that some divergence between EU and UK regimes exists already. While the UK Securitisation Regulation reforms propose some alignment with the EU regime, these reforms also introduce new points of divergence and the risk of further divergence between EU and UK regimes cannot be ruled out in the longer term as it is not known at this stage how the ongoing reforms or any future reforms will be finalised and implemented in the UK or the EU.

The PRA's policy statement on internal ratings based on UK mortgage risk weights, published on 6 July 2021, withdrew the proposed 7 per cent. minimum risk weight expectation on individual UK mortgage exposures. The PRA confirmed that calibration of the incoming Basel 3.1 standards on probability of default and loss given default parameter floors would be considered instead. Therefore, mortgage risk weight calibration may be adjusted, for example, to be in line with Basel standards, in future. The timetable for Basel 3.1 implementation is not yet certain. It should also be noted that changes to regulatory capital 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.

The UK Securitisation Regulation requirements apply to the Notes. As such, UK Affected Investors are required to comply under Article 5 of the UK Securitisation Regulation with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such UK Affected Investors are required to verify certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements.

Note that under the reforms to the UK Securitisation Regulation mentioned above, the recast of the investor due diligence provisions will result in a more fragmented implementation of such requirements so that different types of UK institutional investors (depending on how and by which UK regulator they are authorised or supervised) will need to refer to either the provisions on investor due diligence in the 2024 UK SR SI, or such provisions in the PRA Rulebook or the FCA Handbook. While the recast of the requirements (which broadly builds on the existing requirements of Article 5 but with some material divergence from the EU Article 5 requirements, in particular around due diligence on transparency and the delegation of the investment decision to another investor) is fragmented, it is intended to ensure coherence of the overall framework. However, the final position is yet to be confirmed.

If a UK Affected Investor elects to acquire or holds the Notes having failed to comply with one or more of the requirements, this may result in the imposition of a regulatory capital charge on the Notes for UK Affected Investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors. Aspects of the requirements of the UK Securitisation Regulation (including certain aspects of the UK reforms) and what is or will be required to demonstrate compliance to the relevant UK regulators remain unclear. Prospective investors should therefore make themselves aware of requirements (including any changes arising as a result of the reforms) applicable to them 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 under the UK Securitisation Regulation.

The Issuer is also subject to the requirements of the UK Securitisation Regulation. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to the relevant UK regulators. Prospective investors are referred to the section of the Prospectus headed "*Regulatory Disclosure*" for further details and should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with Article 7 of the UK Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the UK Securitisation Regulation.

Prospective investors in the Notes are responsible for analysing their own regulatory position and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with Article 5 of the UK Securitisation Regulation, and should consult their own advisers in these respects.

“UK Affected Investor” means CRR firms as defined by Article 4(1)(2A) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 as it forms part of domestic law in the United Kingdom by virtue of the EUWA, certain alternative investment fund managers which manage or market alternative investment funds in the UK, UK regulated insurers or reinsurers, certain management companies as defined in section 237(2) of the FSMA, UCITS as defined by section 236A of FSMA which is an authorised open ended investment company as defined in section 237(3) of FSMA and occupational pension schemes as defined in section 1(1) of the Pension Schemes Act 1993.

Legal considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or to review or regulation by certain authorities. Each prospective investor should consult its legal advisers to determine whether and to what extent (a) the Notes or Certificates are legal investments for it, (b) the Notes or Certificates can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes or Certificates. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Potential effects of any additional regulatory changes

No assurance can be given that action and rules and regulations, additional to those discussed above, from any regulatory authority will not be implemented with regard to the mortgage market in the United Kingdom generally, the particular sector in that market in which the Seller operates or specifically in relation to the Seller. Any such action or developments, in particular, but not limited to, the cost of compliance, may have a material adverse effect on the Loans, the Seller and the Issuer and their respective businesses and operations. This may adversely affect the Issuer’s ability to make payments to the Debtholders and Certificateholders.

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, recent cases have focused on provisions involving the subordination of the Swap Counterparty’s payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty. Such provisions are similar in effect to the terms which will be included in the Transaction Documents, including those relating to the Swap Subordinated Amounts.

The UK Supreme Court has affirmed that such a subordination provision is valid under English law. Contrary to the determination of the UK Supreme Court, the US Bankruptcy Court recently held that such a subordination provision is unenforceable under US 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 US bankruptcy of the counterparty.

Based on the findings of the US Bankruptcy Court, there is a risk that a Secured Creditor in US debtor-in-possession bankruptcy proceedings could successfully challenge the subordination provisions contemplated by the Deed of Charge to the extent that such provisions provide for certain payment rights of a creditor to be conditional upon whether or not an Event of Default related to the commencement of insolvency or bankruptcy proceedings or a deterioration of financial condition has occurred with respect to that creditor.

If a creditor of the Issuer (such as the Swap Counterparty) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited to, the US), and it is owed

a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the Transaction Documents. Laws may be relevant in certain circumstances with respect to a range of entities, including US established entities and certain non-US established entities with assets or operations in the US (although the scope of any such proceedings may be limited if the relevant non-US entity is a bank with a licensed branch in a US state). In general, if a subordination provision included in the Transaction Documents (such as the subordination of the Swap Subordinated Amounts) 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 Debtholders, the Certificateholders, the market value of the Debt, the Certificates, and/or the ability of the Issuer to satisfy its obligations under the Debt or Certificates.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of the payments due to certain parties in certain circumstances post-enforcement, 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 Debt. If any rating assigned to the Debt is lowered, the market value of the Debt may be adversely affected.

Company voluntary arrangement and small companies moratorium

The ability to realise the Security granted may be delayed if an administrator is appointed or in the context of a company voluntary arrangement in respect of the Issuer. In this regard, it should be noted that:

- (a) in general, an administrator may not be appointed in respect of a company if an administrative receiver is in office. Amendments were made to the Insolvency Act 1986 in September 2003 which restrict the right of the holder of a floating charge to appoint an administrative receiver, unless an exception applies. Significantly, one of the exceptions allows for the appointment of an administrative receiver in relation to certain transactions in the capital markets. While it is anticipated that the requirements of this exception will be met, it should be noted that the Secretary of State for Business, Energy and Industrial Strategy may by regulation modify the capital market exception and/or provide that the exception shall cease to have effect; and
- (b) under the Insolvency Act 1986 (as amended by the Insolvency Act 2002), certain “small” companies (which are defined by reference to certain financial and other tests) are entitled to seek protection from their creditors for a limited period for the purposes of putting together a company voluntary arrangement. The position as to whether or not a company is a small company may change from time to time and consequently no assurance can be given that the Issuer will not, at any given time, be determined to be a small company. However, certain companies are excluded from the optional moratorium provisions, including a company which is party to certain transactions in the capital markets and/or which has a liability in excess of a certain amount. While the Issuer should fall within the current exceptions, it should be noted that the Secretary of State for Business, Energy and Industrial Strategy may by regulation modify these exceptions.

Accordingly, the provisions described above will serve to limit the Security Trustee’s ability to enforce the Security to the extent that: firstly, if the Issuer falls within the criteria for eligibility for a moratorium at the time a moratorium is sought; secondly, if the directors of the Issuer seek a moratorium in advance of a company voluntary arrangement; and, thirdly, if the Issuer is considered not to fall within the capital market exception (as expressed or modified at the relevant time) or any other applicable exception at the relevant time; in those circumstances, the enforcement of any security by the Security Trustee will be for a period as prohibited by the imposition of the moratorium. In addition, the other effects resulting from the imposition of a moratorium described above may impact the transaction in a manner detrimental to the Debtholders.

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 Debt and Certificates. In certain circumstances, including the occurrence of certain insolvency events in respect of the Issuer, the ability to realise the Security may be delayed and/or the value of the Security impaired. In particular, it should be noted that significant changes to the UK insolvency regime have been enacted under the Corporate Insolvency and Governance Act 2020. The changes include, among other things: (i) the introduction of a new moratorium regime that certain eligible companies can obtain which will prevent creditors taking certain action against the company for a specified period; (ii) a ban on 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 regulation provide for exclusion of certain companies providing financial services and the UK government has expressly provided for changes to the Restructuring Plan to be effected through secondary legislation, particularly in relation to the cross-class cram-down procedure. It is therefore possible that aspects of the legislation may change. While the transaction structure is designed to minimise the likelihood of the Issuer becoming insolvent and/or subject to pre-insolvency restructuring proceedings, no assurance can be given that any modification of the exceptions from the application of the new insolvency reforms referred to above will not be detrimental to the interests of the Debtholders and, there can be no assurance that the Issuer will not become insolvent and/or the subject of insolvency or pre-insolvency restructuring proceedings and/or that the Debtholders and/or the Certificateholders would not be adversely affected by the application of insolvency laws (including English insolvency laws or the laws affecting the creditors’ rights generally).

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of sections 174A, 176ZA and 176A of the Insolvency Act 1986, certain floating charge realisations which would otherwise be available to satisfy the expenses of the insolvency proceeding, any claims of secured creditors or creditors who otherwise take priority over floating charge recoveries 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 question of fact as to whether the Issuer has any other such creditors at any time. There can be no assurance that the Debtholders and Certificateholders will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security. (See “*Liquidation Expenses*” below).

Fixed charges may take effect under English law as floating charges

Pursuant to the terms of the Deed of Charge, the Issuer has purported to grant fixed charges over, amongst other things, its interests in the Loans and their related Mortgage Rights and its rights and benefits in the Bank Accounts, and its beneficial interests in the Collection Account.

The law in England and Wales relating to the characterisation of fixed charges is not settled. The fixed charges purported to be granted by the Issuer may take effect under English law as floating charges only, if, for example, it is determined that the Security Trustee does not exert sufficient control over the charged property for the security to be said to “fix” over those assets. It should be assumed by Debtholders that the fixed charges will take effect as floating charges. If the charges take effect as floating charges instead of fixed charges, then, as a

matter of law, certain claims would have priority over the claims of the Security Trustee in respect of the floating charge assets. In particular, the expenses of any administration, and the claims of any preferential creditors and the claims of unsecured creditors would rank ahead of the claims of the Security Trustee in this regard. The Enterprise Act 2002 abolished the preferential status of certain Crown debts (including the claims of the United Kingdom tax authorities). However, certain employee claims (in respect of contributions to pension schemes and wages) still have preferential status. In this regard, it should be noted that the Issuer has agreed in the Transaction Documents not to have any employees.

In addition, any administrative receiver, administrator or liquidator appointed in respect of the Issuer will be required to set aside the prescribed percentage or percentages of the floating charge realisations in respect of the floating charges contained in the Deed of Charge (as described in more detail above under “*English law security and insolvency considerations*”).

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

On 6 April 2008, a provision in the Insolvency Act 1986 came into force which effectively reversed by statute the House of Lords’ decision in the case of *Leyland Daf* in 2004. Accordingly, it is now the case that, in general the costs and expenses of a liquidation (including certain tax charges) will be payable out of floating charge assets in priority to the claims of the floating charge-holder. In respect of certain litigation expenses of the liquidator only, this is subject to approval of the amount of such expenses by the floating charge-holder (or, in certain circumstances, the court) pursuant to provisions set out in the Insolvency Rules 2016.

On this basis and as a result of the changes described above, in a winding-up of the Issuer, floating charge realisations which would otherwise be available to satisfy the claims of Secured Creditors under the Deed of Charge may be reduced by at least a significant proportion of any liquidation expenses. There can be no assurance that the holders of the Debt and Certificates will not be adversely affected by such a reduction in floating charge realisations.

Banking Act 2009

Under the Banking Act 2009 (the “**Banking Act**”), substantial powers have been granted to HM Treasury, the Bank of England and the FCA and the PRA, as part of the special resolution regime (the “**SRR**”). These powers (which apply regardless of any contractual provisions) enable the above authorities to deal with and stabilise United Kingdom-incorporated institutions with permission to accept deposits pursuant to Part 4A of the FSMA (such as the Account Bank, the Collection Account Provider, the Swap Counterparty and the Swap Collateral Account Bank) (each a “**relevant entity**”) that are failing or are likely to fail to satisfy the threshold conditions (within the meaning of Section 41 of the FSMA). The SRR consists of 5 stabilisation options: (i) transfer of all or part of the business of the relevant entity or the shares of the relevant entity to a private sector purchaser; (ii) transfer of all or part of the business of the relevant entity to a “bridge bank” wholly-owned by the Bank of England; (iii) temporary public ownership of the relevant entity; (iv) writing down (including to zero) certain claims of unsecured creditors of the relevant entity (including Notes) and/or converting certain unsecured debt claims (including Notes) to equity (the bail-in option), which equity could also be subject to any cancellation, transfer or dilution; and (v) transfer of all or part of the business of the relevant entity to an asset management vehicle owned and controlled by the Bank of England or HM Treasury. HM Treasury may also take a parent company of a relevant entity into temporary public ownership where certain conditions are met. In general, there is considerable uncertainty about the scope of the powers afforded to the Authorities under the Banking Act and how the Authorities may choose to exercise them. Further, UK authorities have a wide discretion in exercising their powers under the special resolution regime, including modifying or setting aside any Act of Parliament by order of HM Treasury to facilitate its Banking Act objectives. Certain ancillary powers include the power to modify certain contractual arrangements in certain circumstances. It is possible that one of the stabilisation options could be exercised prior to the point at which any application for an insolvency or administration order with respect to the relevant entity could be made.

In general, the Banking Act requires the 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 transfer instruments and orders made under it.

If an instrument or order were to be made under the Banking Act in respect of a relevant entity, such instrument or order may (amongst other things) affect the ability of such entity to satisfy its obligations under the Transaction Documents and/or result in modifications to such documents. In particular, modifications may be made pursuant to powers permitting certain trust arrangements to be removed or modified and/or via powers which permit provision to be included in an instrument or order such that the relevant instrument or order (and certain related events) is required to be disregarded in determining whether certain widely defined “default events” have occurred (which events would include certain trigger events included in the Transaction Documents in respect of the relevant entity, including termination and acceleration events). As a result, the making of an instrument or order in respect of a relevant entity may affect the ability of the Issuer to meet its obligations in respect of the Debt. While there is provision for compensation in certain circumstances under the Banking Act, there can be no assurance that Debtholders would recover compensation promptly and equal to any loss actually incurred.

This regime was amended to ensure that it is compliant with the EU’s Bank Recovery and Resolution Directive (2014/59/EU) (the “**Directive**”). The Directive was published in the Official Journal of the EU on 12 June 2014 and came into force on 2 July 2014. Amongst other things, the Directive provides for the introduction of a package of minimum early intervention and resolution-related tools and powers for relevant authorities (including a bail-in tool) and for special rules for cross-border groups. The Directive was implemented in the UK via the Bank Recovery and Resolution Order 2014 (“**BRRD Order**”), which came into force on 1 January 2015, and its related legislation.

At present, the Authorities have not made an instrument or order under the Banking Act or the BRRD Order in respect of the relevant entities referred to above and there has been no indication that it will make any such instrument or order, but there can be no assurance that this will not change and/or that Debtholders will not be adversely affected by any such instrument or order if made.

Withholding Tax under the Debt

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), 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. Please see “*United Kingdom Taxation*” below for further commentary on the United Kingdom withholding tax implications 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 Debt, neither the Issuer, the Principal Paying Agent nor any other person is obliged to gross up or otherwise compensate the Debtholders for such withholding or deduction. However, in such circumstances, the Issuer may redeem all (but not some only) of the Notes and all (but not some only) of the Class A Loan Notes subject to the requirements of and in accordance with Note Condition 5(e) (*Optional Redemption for Taxation or Other Reasons*) and clause 9.5 (*Optional Redemption of the Class A Loan Note in whole for taxation reasons*) of the Class A Loan Note Agreement if the Issuer has sufficient funds available, thereby shortening the average lives of the Notes.

The Class A Loan Note Agreement contains certain representations relating to the tax status of any Class A Loan Noteholder to ensure there is no withholding or deduction for, or on account of United Kingdom income tax on payments of interest under the Class A Loan Note. If any of the representations and confirmations in the Class A Loan Note Agreement are not correct, complete and accurate or if there is a change of law, this may

cause payments made to the Class A Loan Noteholder to be subject to withholding or deduction for, or on account of United Kingdom income tax.

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 (the “**Taxation of Securitisation Regulations**”)), and as such should be taxed only on the amount of its “retained profit” (as that term is defined in the Taxation of Securitisation Regulations) for so long as it satisfies the conditions of the Taxation of Securitisation Regulations. However, if the Issuer does not in fact satisfy the conditions to be taxed in accordance with the Taxation of Securitisation Regulations (or subsequently ceases to satisfy those conditions), then the Issuer may be subject to tax liabilities not contemplated in the cashflows for the transaction described in this 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.

Effects of the Volcker Rule on the Issuer

Section 619 of the Dodd-Frank Act of 2010 added a new section 13 to the Bank Holding Company Act of 1956, commonly referred to as the “Volcker Rule”. The Volcker Rule and its related regulations generally prohibit “banking entities” broadly defined to include U.S. banks, bank holding companies and foreign banking organisations, together with their respective subsidiaries and other affiliates, from (i) engaging in proprietary trading in financial instruments, (ii) acquiring or retaining any “ownership interest” in, or in “sponsoring”, a “covered fund” and (iii) entering into certain transactions with such funds subject to certain exemptions and exclusions.

The Issuer has been structured so as not to constitute a “covered fund” for purposes of the Volcker Rule and its implementing regulations. If the Issuer is considered a “covered fund”, the liquidity of the market for the Notes may be materially and adversely affected, since banking entities could be prohibited from, or face restrictions in, investing in the Notes. See “*Volcker Rule*” below for more detail.

There is limited interpretive guidance regarding the Volcker Rule and its implementing regulations. The lack of interpretive guidance could negatively impact the liquidity and value of the Notes and the Certificates. Any entity that is considering an investment in the Notes and the Certificates should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each investor must determine for itself whether it is a “banking entity” subject to regulation under the Volcker Rule. None of the Issuer, the Joint Lead Managers or any other person makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes and the Certificates, now or at any time in the future.

U.S. Risk Retention Requirements

The U.S. Risk Retention Rules generally require “securitizers” to retain not less than 5 per cent. of the credit risk of a securitisation and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The transaction will not involve risk retention by a sponsor for the purposes of the U.S. Risk Retention Rules, but rather will be made in reliance on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to Risk Retention U.S. Persons or for the account or benefit of Risk Retention U.S. Persons; (3) neither the sponsor nor the issuer of the securitisation transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4)

no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Transaction provides that the Notes may not be purchased by Risk Retention U.S. Persons except in accordance with the exemption under Section 20 and with the prior written consent of the Seller. Prospective investors should note that the definition of “U.S. person” in the U.S. Risk Retention Rules is different from the definition of U.S. person under Regulation S and that an investor could be a Risk Retention U.S. Person but not a “U.S. person” under Regulation S.

The consequences of non-compliance with the U.S. Risk Retention Rules are unclear, but investors should note could adversely affect the liquidity and/or value of the Notes.

UK EMIR and EU EMIR

The derivatives markets are subject to extensive regulation in a number of jurisdictions, including in the EU pursuant to Regulation (EU) No 648/2012 of the European Parliament and Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (as amended by Regulation (EU) No 2019/834) (“**EU EMIR**”), and in the UK under the EU EMIR as it forms part of domestic law by virtue of the EUWA (“**UK EMIR**”). UK EMIR and EU EMIR impose certain obligations on parties to “over the counter” (“**OTC**”) derivative contracts including a mandatory clearing obligation (the “**Clearing Obligation**”), margin posting (the “**Collateral Obligation**”) and other risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty (the “**Risk Mitigation Requirements**”), and reporting and record-keeping requirements.

Under UK EMIR and EU EMIR, counterparties can be classified as: (i) financial counterparties (“**FCs**”) (which includes a sub-category of small FCs (“**SFCs**”)), and (ii) 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.

The Issuer is currently considered an NFC- for the purposes of UK EMIR and a third country equivalent to an NFC- (a “**TCE NFC**”) for the purposes of EU EMIR, although a change in its position cannot be ruled out. Should the status of the Issuer change to an NFC+ or FC for the purposes of UK EMIR and/or a third country equivalent to a FC or NFC+ (a “**TCE FC**” or a “**TCE NFC+**”, respectively) for the purposes of EU EMIR, this may result in the application of the relevant Clearing Obligation or (more likely) the relevant Collateral Obligation and relevant daily valuation obligation under the Risk Mitigation Requirements, as it seems unlikely that the Interest Rate Swaps would be relevant types of OTC derivative contract that would be subject to the Clearing Obligation under UK EMIR and EU EMIR to date.

Regulatory changes arising from UK EMIR and EU EMIR or applicability of the Clearing Obligations or the Collateral Obligations on the Issuer may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to the Swap Agreement or to enter into derivative transactions 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 adversely impact sufficiency of funds to make the required payments on the Debt.

Equitable interest

Legal title to the Mortgages in the Mortgage Pool is, or is in the course of being, registered in the name of the CHL as Legal Title Holder, and will remain with the Legal Title Holder. The sale by the Seller to the Issuer of the Loans will take effect in equity only, such that only the beneficial interest in the Loans will be sold to the Issuer on the Issue Date or, in relation to any Additional Mortgage Loans, on the relevant Additional Mortgage Loan Purchase Date. Save in the circumstances set out in “*Set-Off Risk*” above, no application will be made to

the Land Registry to register the Issuer as legal owner of such Mortgages. Neither the Issuer nor the Security Trustee will apply to the Land Registry to register their interest in such Mortgages. See “*Seller to initially retain legal title to the Loans and risks relating to set-off*” above.

As a consequence of neither the Issuer nor the Security Trustee obtaining legal title to the Mortgages by not registering or recording their respective interest in the Land Registry (where applicable), a *bona fide* purchaser from the Legal Title Holder for value of any of such Mortgages without notice of any of the interests of the Legal Title Holder, the Issuer or the Security Trustee (and certain similar third parties) might obtain a good title free of any such interest. Further, the rights of the Issuer and the Security Trustee may be or become subject to equities (for example, rights of set-off as between the relevant Borrowers or insurance companies and the Legal Title Holder). However, the risk of third party claims obtaining priority to the interests of the Legal Title Holder, the Issuer or the Security Trustee would be likely to be limited to circumstances arising from a breach by the Legal Title Holder or the Servicer (or any delegate or replacement thereof, as the case may be) of its contractual obligations, representations or warranties or fraud, negligence or mistake on the part of the Legal Title Holder or the Servicer (or any delegate or replacement thereof, as the case may be) or their respective personnel or agents. (See “*Seller to initially retain legal title to the Loans and risks relating to set-off*” above). Furthermore, for so long as neither the Issuer nor the Security Trustee have obtained legal title, they must join the Legal Title Holder as a party to any legal proceedings which they may wish to take against any Borrower or in relation to the enforcement of any Mortgage. In this regard, the Legal Title Holder will undertake, for the benefit of the Issuer and the Security Trustee, that it will lend its name to, and take such other steps as may reasonably be required by the Issuer or may be required by the Security Trustee in relation to, any legal proceedings in respect of any Mortgage. In the event that the Seller is in administration, discretionary leave of the court may be required to join the Legal Title Holder as a party to such proceedings.

Effect of the sale of the Mortgage Pool

The Issuer has considered whether the transfer of the Loans and the related Mortgage Rights pursuant to the terms of the Mortgage Sale Agreement is effective to transfer to the Issuer the beneficial ownership of (but not, without further steps being taken, the legal estate in or title to) the Loans, Mortgages and Mortgage Rights. The Issuer has been advised that, subject to certain assumptions and qualifications, on the basis of the principles set out in *Re George Inglefield* [1933] Ch 1, as considered and applied by the Court of Appeal in *Welsh Development Agency v Export Finance Co. Ltd.* [1992] BCC 270, an English court would find the transfer was not made by way of security and therefore would not be void against a liquidator, administrator or creditor of the Seller. If a court were to find otherwise, investors could be adversely affected.

Simple, Transparent and Standardised Securitisations

The EU Securitisation Regulation makes provision for a securitisation transaction to be designated a simple, transparent and standardised transaction (a “**EU STS Securitisation**”). In order to obtain this designation, a transaction is required to comply with the requirements set out in Articles 20, 21 and 22 of the EU Securitisation Regulation (the “**EU STS Criteria**”) and one of the originator or sponsor in relation to such transaction is required to file an EU STS Notification to ESMA confirming the compliance of the relevant transaction with the EU STS Criteria (an “**EU STS Notification**”). No EU STS Notification will be filed in relation to the Notes as at the Issue Date and there is no intention that such a notification will be filed at any point during the life of the Notes.

The UK Securitisation Regulation makes provision for a securitisation transaction to be designated a simple, transparent and standardised transaction (a “**UK STS Securitisation**”). In order to obtain this designation, a transaction is required to comply with the requirements set out in Articles 20, 21 and 22 of the UK Securitisation Regulation (the “**UK STS Criteria**”) and one of the originator or sponsor in relation to such transaction is required to file an UK STS Notification to FCA confirming the compliance of the relevant transaction with the UK STS Criteria. No UK STS Notification will be filed in relation to the Notes as at the Issue Date and there is no intention that such a notification will be filed at any point during the life of the Notes.

Investors should consider the consequence from a regulatory perspective of the Notes not being considered an EU STS Securitisation or UK STS Securitisation, including (but not limited to) that the lack of such designation may negatively affect the regulatory position of the Notes and, in addition, have a negative effect on the price and liquidity of the Notes in the secondary market.

Raising of financing by the Seller against Debt held by it for risk retention

On or after the Issue Date, the Risk Retention Holder may directly or indirectly obtain funding to finance its economic exposure to some or all of the Debt required to be retained by it (either directly or through a directly or indirectly wholly-owned entity (or entities)) in order to satisfy the Retention Requirement on the Issue Date through secured funding arrangements permitted by the EU Securitisation Regulation and the UK Securitisation Regulation. Such financing may be by way of a repurchase agreement (providing for transfer of title to the relevant Risk Retention Notes to the repo counterparty, subject to the terms of the repurchase agreement) and/or require the grant of a security interest over such financed Notes and result in the financing counterparty having enforcement rights and remedies in case of an event of default which may include the right to appropriate or sell the Debt (any such arrangement, “**Retention Financing Arrangements**”).

If the Retention Financing Arrangements were to take place by way of title transfer, the Risk Retention Holder would retain the economic risk in the Risk Retention Notes but not legal ownership of them. None of the Issuer, the Co-Arrangers, the Joint Lead Managers, the Agents or the Trustee or any of their respective Affiliates make any representation, warranty or guarantee that such Retention Financing Arrangements will comply with the EU Securitisation Regulation and/or the UK Securitisation Regulation.

Furthermore, should the Risk Retention Holder default in the performance of its obligations under the Retention Financing Arrangements, the lender (or the security trustee, the security agent or transferee, as the case may be) thereunder would have the right to enforce to take recourse on the Risk Retention Notes. In case the Retention Financing Arrangements are by way of title transfer, should either the Risk Retention Holder or the repo counterparty default in the performance of its obligations under the Retention Financing Arrangements and the non-defaulting party elects to terminate the Retention Financing Arrangements, then the Risk Retention Holder would not be entitled to have the Risk Retention Notes returned to it.

In exercising its rights pursuant to any Retention Financing Arrangements, any lender (or the security trustee, the security agent or transferee, as the case may be) would not be required to have regard to the EU Securitisation Regulation, the UK Securitisation Regulation or the interests of the Debtholders, and any such sale may therefore cause the transaction described in this Prospectus to be non-compliant with the EU Securitisation Regulation and/or the UK Securitisation Regulation or be detrimental to Debtholders, which may affect the liquidity of the Debt, and Debt held by other investors could be subject to increased regulatory capital charges levied by a relevant regulator with jurisdiction over any such investors.

The term of any Retention Financing Arrangements may be the same as or could be considerably shorter than the effective term of the Debt, and separately, or as of the result of other terms of the Retention Financing Arrangements may require the Risk Retention Holder to repay or refinance the Retention Financing Arrangements whilst some or all Classes of Debt are outstanding. If refinancing opportunities were limited at such time and the Risk Retention Holder was unable to repay the retention financing from its own resources, the Risk Retention Holder (or, upon its insolvency, any receiver acting in a similar manner) could be forced to sell some or all of the Risk Retention Notes in order to obtain funds to repay the retention financing without regard to the EU Securitisation Regulation or the UK Securitisation Regulation or any undertakings of the Issuer with respect to its compliance with such EU Securitisation Regulation and/or the UK Securitisation Regulation, and such sales may therefore cause the transaction described in this Prospectus to be non-compliant with the EU Securitisation Regulation and/or the UK Securitisation Regulation.

Alternatively, in case of a Retention Financing Arrangement by way of title transfer where the Risk Retention Holder was unable to repurchase the Risk Retention Notes, such inability to repurchase the Risk Retention Notes may cause the transaction described in this Prospectus to be non-compliant with the EU Securitisation

Regulation and/or the UK Securitisation Regulation. In each such an event, with respect to the EU Securitisation Regulation or UK Securitisation Regulation, Debt held by investors could be subject to an increased regulatory capital charge levied by a relevant regulator with jurisdiction over any such investor and any such non-compliance with the EU Securitisation Regulation and/or the UK Securitisation Regulation could adversely impact the value and liquidity of the Debt due to their inability to be able to sell to any investor that has to carry out compliance with the EU Securitisation Regulation and/or the UK Securitisation Regulation.

Debtholders should also be aware that any incurrence of debt by the Risk Retention Holder, including that used to finance the acquisition of the Risk Retention Notes through the Retention Financing Arrangements, could potentially lead to an increased risk of the Risk Retention Holder becoming insolvent and therefore unable to fulfil its obligations in its capacity as Seller and Retention Holder.

Debtholders should also be aware that the terms of any Retention Financing Arrangements could be such that certain parties to it would benefit from a situation where credit losses are incurred on the Risk Retention Notes.

Such parties may not otherwise be parties to the Transaction Documents and, as such, have no direct rights to control or influence the performance of the transactions contemplated by the Transaction Documents.

Furthermore, when exercising its rights in connection with the Retention Financing Arrangements, the relevant parties would have no duties or obligations to consider the effect of any such actions to the Debtholders.

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

In Europe, the United States and elsewhere there is increased political and regulatory scrutiny of both the asset-backed securities (“ABS”) and mortgage-backed securities (“MBS”) markets. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in ABS/MBS securitisation exposures and/or the incentives for certain investors to such securities and may thereby have a negative impact on such investors liquidity in such instruments. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Joint Lead Managers, the Co-Arrangers, the Seller, CMI, the Note Trustee, the Security Trustee, the Agents, the Class A Loan Note Agents, the Cash Manager, the Registrar, the Swap Counterparty, the Servicer, the Corporate Services Provider or the Back-up Servicer Facilitator, or the Swap Collateral Account Bank makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the Issue Date or at any time in the future.

8 RISKS RELATING TO THE CHARACTERISTICS OF THE NOTES

The minimum denomination of the Notes may adversely affect payments on the Notes if issued in definitive form

If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum authorised denomination may be illiquid and difficult to trade.

Book-Entry Interests

Unless and until Definitive Notes are issued in exchange for Book-Entry Interests, holders and beneficial owners of Book-Entry Interests will not be considered the legal owners or holders of the Notes. After payment to the Principal Paying Agent, the Issuer will not have responsibility or liability for the payment of interest, principal or other amounts to Euroclear or Clearstream, Luxembourg or to holders or to beneficial owners of Book-Entry Interests.

A nominee for the Common Safekeeper will be considered the registered holder of the Notes as shown in the records of Euroclear or Clearstream, Luxembourg and will be the sole legal holder of the Global Notes under the Trust Deed while the Notes are represented by the Global Notes. Accordingly, each person owning a Book-Entry Interest must rely on the relevant procedures of Euroclear and Clearstream, Luxembourg and, if

such person is not a participant in such entities, on the procedures of the participant through which such person owns its interest, to exercise any right of a Noteholder under the Trust Deed.

Except as noted in the previous paragraph, payments of principal and interest on, and other amounts due in respect of, the Global Notes will be made by the Principal Paying Agent to a nominee of the Common Safekeeper. Upon receipt of any payment from the relevant Paying Agent, Euroclear and Clearstream, Luxembourg, as applicable, will promptly credit participants' accounts with payment in amounts proportionate to their respective ownership of Book-Entry Interests as shown on their records. The Issuer expects that payments by participants or indirect payments to owners of 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 registered in "street name", and will be the responsibility of such participants or indirect participants. None of the Issuer, the Note Trustee the Security Trustee, the Cash Manager, the Back-Up Cash Manager Facilitator, the Legal Title Holder, CMI, the Servicer, any Agent or any of their respective agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

Unlike Noteholders, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by or on behalf of the Issuer for consents or requests by or on behalf of 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 Notes, holders of Book-Entry Interests will be restricted to acting through Euroclear and Clearstream, Luxembourg unless and until Definitive Notes are issued in accordance with the relevant provisions described herein under "*Terms and Conditions of the Notes*". There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests among participants of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Agents, the Cash Manager, the Back-Up Cash Manager Facilitator, the Legal Title Holder, CMI, the Servicer, the Note Trustee or the Security Trustee or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants of their respective obligations under the rules and procedures governing their operations.

The lack of Notes in physical form could also make it difficult for a Noteholder to pledge such Notes if Notes in physical form are required by the party demanding the pledge and hinder the ability of the Noteholder to recall such Notes because some investors may be unwilling to buy Notes that are not in physical form.

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

The Issuer believes that the risks described above are the principal risks inherent in the transaction for the Noteholders and Certificateholders, but the inability of the Borrowers to pay interest, principal or other amounts on the Loans and consequently the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes and Certificates may occur for other reasons and the Issuer does not represent that the statements above regarding the risks of holding the Notes and Certificates are exhaustive. Although the Issuer believes that the various structural elements described in this Prospectus lessen some of the risks for the Noteholders and Certificateholders, there can be no assurance that these measures will be

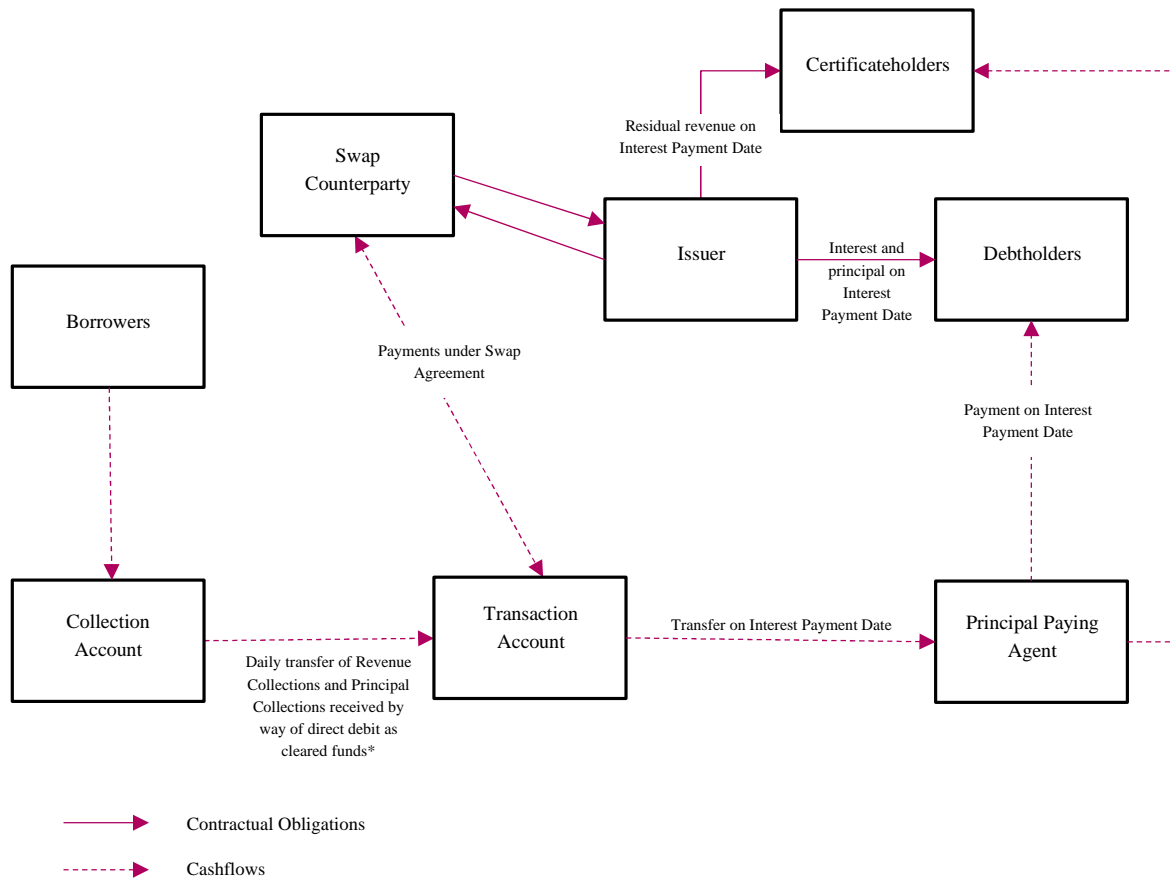
sufficient to ensure payment to the Noteholders and Certificateholders of interest, principal or any other amounts on or in connection with the Notes and Certificates on a timely basis or at all.

DIAGRAMMATIC OVERVIEW OF THE TRANSACTION



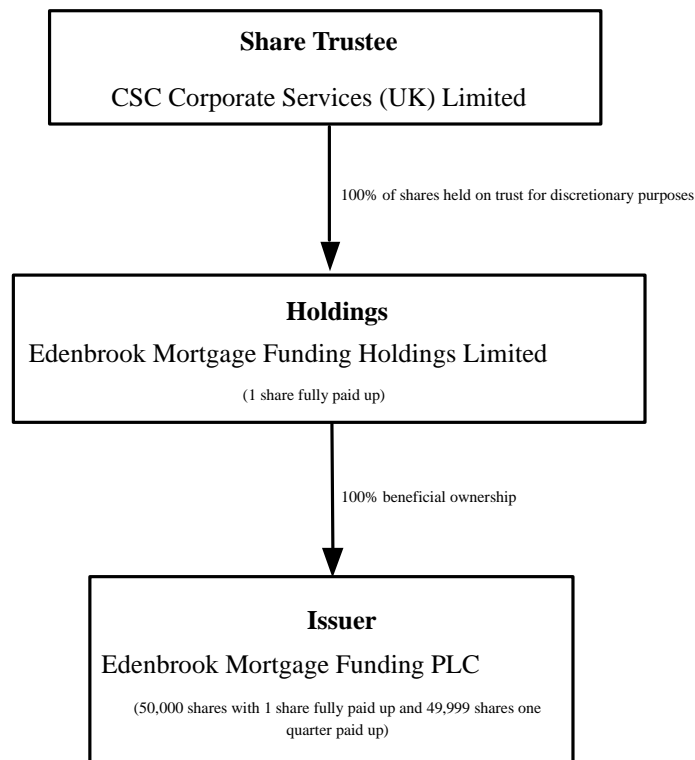
DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE

DIAGRAMMATIC OVERVIEW OF ONGOING CASH FLOW



*Where Revenue Collections or Principal Collections are received other than by way of direct debit, such amounts will be transferred to the Transaction Account within 3 Business Days of receipt as cleared funds into the Collection Account.

DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE



The entire issued share capital of the Issuer is owned by Holdings. The Issuer is legally and beneficially owned and controlled directly by Holdings. The rights of Holdings as a shareholder in the Issuer are contained in the articles of association and the memorandum of association of the Issuer and the Issuer will be managed in accordance with those articles and with the provisions of English law.

The entire issued share capital of Holdings is held on trust by the Share Trustee under the terms of a discretionary trust, the benefit of which is expressed to be for discretionary purposes.

None of the Issuer, Holdings or the Share Trustee is either owned, controlled, managed, directed or instructed, whether directly or indirectly, by the Seller or any member of the group of companies containing the Seller.

DESCRIPTION OF THE TRANSACTION PARTIES ON THE ISSUE DATE

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

Party	Name	Address	Document under which appointed/Further information
Co-Arrangers	Barclays Bank PLC	1 Churchill Place, London, E14 5HP, United Kingdom	N/A.
	BNP Paribas	16 boulevard des Italiens, 75009 Paris, France	N/A.
Joint Lead Managers in respect of the Rated Notes	Barclays Bank PLC	1 Churchill Place, London, E14 5HP, United Kingdom	Subscription Agreement
	BNP Paribas	16 boulevard des Italiens, 75009 Paris, France	Subscription Agreement
	Merrill Lynch International	Bank of America Merrill Lynch Financial Centre 2 King Edward Street London EC1A 1HQ	Subscription Agreement
Issuer	Edenbrook Mortgage Funding PLC	10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU	N/A
Holdings	Edenbrook Mortgage Funding Holdings Limited	10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU	N/A.
UK Repository	EuroABS Limited	4 Rectory Lane, Sidcup, Kent DA14 4QE	N/A.
EU Repository	SecRep B.V.	Corkstraat 46, 3047 AC, Rotterdam, The Netherlands	N/A.
Share Trustee	CSC Corporate Services (UK) Limited	5 Churchill Place, 10th Floor, London, England, E14 5HU	N/A.
Seller, Risk Retention Holder	Barossa Asset Purchaser SARL	13, rue Edward Steichen – 4th floor, L-2540 Luxembourg, Grand Duchy of Luxembourg	N/A.

DESCRIPTION OF THE TRANSACTION PARTIES ON THE ISSUE DATE

Legal Title Holder	Capital Home Loans Limited	Admiral House, Harlington Way, Fleet, Hampshire GU51 4YA	N/A.
CMI	CHL Mortgages for Intermediaries Limited	Admiral House, Harlington Way, Fleet, Hampshire GU51 4YA	N/A.
Servicer	Capital Home Loans Limited	Admiral House, Harlington Way, Fleet, Hampshire GU51 4YA	Servicing Agreement. See the sections entitled “ <i>Description of the Legal Title Holder, Cash Manager and Servicer</i> ” and “ <i>Servicing</i> ” for further information.
Back-up Servicer Facilitator	CSC Capital Markets UK Limited	5 Churchill Place, 10th Floor, London, England, E14 5HU	Servicing Agreement. See the section entitled “ <i>Servicing</i> ” for further information.
Note Trustee and Security Trustee	U.S. Bank Trustees Limited	125 Old Broad Street, Fifth Floor, London EC2N 1AR	Trust Deed and Deed of Charge. See the Note Conditions for further information.
Corporate Services Provider	CSC Capital Markets UK Limited	5 Churchill Place, 10th Floor, London, England, E14 5HU	Corporate Services Agreement.
Cash Manager	Capital Home Loans Limited	Admiral House, Harlington Way, Fleet, Hampshire GU51 4YA	Cash Management Agreement. See the section entitled “ <i>The Legal Title Holder, Cash Manager and Servicer</i> ” for further information.
Back-Up Cash Manager Facilitator	CSC Capital Markets UK Limited	5 Churchill Place, 10th Floor, London, England, E14 5HU	Cash Management Agreement. See the section entitled “ <i>The Corporate Services Provider, the Back-Up Servicer Facilitator and the Back-Up Cash Manager Facilitator</i> ” for further information.
Class A Loan Note Agent	U.S. Bank Global Corporate Trust Limited	125 Old Broad Street, Fifth Floor, London, EC2N 1AR, United Kingdom	Class A Loan Note Agreement. See the section entitled “ <i>The Class A Loan Note Agent</i> ” for further information.
Class A Loan Note Registrar	Elavon Financial Services DAC, UK Branch	125 Old Broad Street, Fifth Floor, London, EC2N 1AR, United Kingdom	Class A Loan Note Agreement. See the section entitled “ <i>The Agent Bank, the Principal Paying Agent, the Registrar and the</i> ”

DESCRIPTION OF THE TRANSACTION PARTIES ON THE ISSUE DATE

				<i>Class A Loan Note Registrar</i> ” for further information.
Original Class A Loan Noteholder	Bank of America National Association, London Branch	2 King Edward Street, London EC1A 1HQ		Class A Loan Note Agreement
Swap Counterparty	BNP Paribas	16 boulevard des Italiens, 75009 Paris, France		Swap Agreement. See the sections entitled “ <i>The Swap Agreement</i> ” and “ <i>The Swap Counterparty</i> ” for further information.
Account Bank	Barclays Bank PLC	1 Churchill Place, London, E14 5HP		Bank Agreement. See the section entitled “ <i>The Account Bank, the Collection Account Provider and Swap Collateral Account Bank</i> ” for further information.
Collection Account Provider	Barclays Bank PLC	1 Churchill Place, London, E14 5HP, United Kingdom		Collection Account Agreement. See the section entitled “ <i>The Account Bank, the Collection Account Provider and Swap Collateral Account Bank</i> ” for further information.
Swap Collateral Account Bank	Barclays Bank PLC	1 Churchill Place, London, E14 5HP, United Kingdom		Bank Agreement. See the section entitled “ <i>The Account Bank, the Collection Account Provider and Swap Collateral Account Bank</i> ” for further information.
Principal Agent	Paying Elavon Financial Services DAC, UK Branch	125 Old Broad Street, Fifth Floor, London EC2N 1AR, United Kingdom		Paying Agency Agreement. See the section entitled “ <i>The Agent Bank, the Principal Paying Agent, the Registrar and the Class A Loan Note Registrar</i> ” for further information.
Agent Bank	Elavon Financial Services DAC, UK Branch	125 Old Broad Street, Fifth Floor, London EC2N 1AR, United Kingdom		Paying Agency Agreement. See the section entitled “ <i>The Agent Bank, the Principal Paying Agent, the Registrar and the Class A Loan Note</i> ”

DESCRIPTION OF THE TRANSACTION PARTIES ON THE ISSUE DATE

Registrar	Elavon Financial Services DAC, UK Branch	125 Old Broad Street, Fifth Floor, London EC2N 1AR, United Kingdom	<i>Registrar</i> ” for further information. Paying Agency Agreement. See the section entitled “ <i>The Agent Bank, the Principal Paying Agent, the Registrar and the Class A Loan Note Registrar</i> ” for further information.
Listing Agent	Arthur Cox Listing Services Limited	Ten Earlsfort Terrace, Dublin 2, DO2 T380	N/A.
Listing Authority and Stock Exchange	Euronext Dublin	28 Anglesea Street, Dublin 2, Ireland	N/A.
Clearing Systems	Euroclear SA/NV	1 Boulevard du Roi Albert II, 1210 Brussels, Belgium	N/A.
	Clearstream Luxembourg	42 Avenue JF Kennedy, L-1855 Luxembourg	N/A.
Rating Agencies	Moody’s Investors Service Limited	One Canada Square, London E14 5FA	N/A.
	Fitch Ratings Ltd	30 North Colonnade London E14 5GN	N/A.
Auditors	MacIntyre Hudson LLP	2 London Wall Place, London EC2Y 5AU	N/A.

DESCRIPTION OF THE MORTGAGE POOL AND SERVICING

Please refer to the sections entitled “*Constitution of the Mortgage Pool*”, “*Title to the Mortgage Pool*” and “*Sale of the Mortgage Pool*” for further detail in respect of the characteristics of the Mortgage Pool and the sale and the servicing arrangements in respect of the Mortgage Pool.

Mortgage Pool:

The Mortgage Pool comprises Loans secured over properties located in England and Wales.

The Loans and their related Mortgage Rights are governed by English law.

Sale of Mortgage Pool

The Mortgage Pool will consist of the Loans, the Mortgage Rights, and all monies derived therein from time to time, which will be (i) sold by the Seller to the Issuer on the Issue Date, or (ii) in respect of any Additional Mortgage Loans, originated by CMI and sold to the Seller on or before the relevant Additional Mortgage Loan Purchase Date and which the Seller will on-sell to the Issuer on such Additional Mortgage Loan Purchase Date, in each case pursuant to the Mortgage Sale Agreement.

The Loans forming part of the Mortgage Pool were originated by CMI and, immediately prior to their sale by the Seller to the Issuer on the Issue Date, were or immediately prior to the relevant Additional Mortgage Loan Purchase Date, will be beneficially owned by the Seller.

As at the date of origination, legal title to the Loans was held by CMI. However, shortly after such origination, legal title to the Loans was or will be transferred from CMI to CHL. The process of transferring the registration of the Mortgages at the Land Registry from CMI to CHL is either complete or under way. Immediately following the transfer of the registration of the Mortgages to all of the Mortgage Pool, CMI will be released from any further obligations (other than in respect of antecedent breaches) under the Transaction Documents.

See the section entitled “*Sale of the Mortgage Pool*” for further information.

Features of Loans

The following is a summary of certain features of the Loans as at the Provisional Pool Reference Date and investors should refer to, and carefully consider, further details in respect of the Loans set out in “*Characteristics of the Provisional Mortgage Pool*”.

Type of Loan:	95.79% Interest Only
Charge ranking:	First charge mortgages only
Buy-to-let Loans:	100%
Number of Loans:	1,973
Loans to Borrowers with CCJs:	0.35%
Loans to Borrowers subject to bankruptcy/IVA:	0%

DESCRIPTION OF THE MORTGAGE POOL AND SERVICING

See the section entitled “*Characteristics of the Provisional Mortgage Pool*” for further information.

Consideration for purchase

The consideration payable by the Issuer in respect of the purchase of the Mortgage Pool shall be, (i) in respect of the Completion Mortgage Pool, the Initial Cash Purchase Price payable on the Issue Date, together with the granting of the Mortgage Pool Option to the Seller, or a nominee of the Seller, and delivery of, and the right to Residual Payments under, the Certificates, and (ii) in respect of each Additional Mortgage Loan, the Additional Mortgage Loan Purchase Price.

Proceeds of the Debt

The proceeds of the Debt plus the Issue Date Swap Amounts (if any) will be used to purchase the Completion Mortgage Pool and: (i) fund the Pre-Funding Initial Amount for the purchase of Additional Mortgage Loans; (ii) with respect to the Z Notes, fund the Liquidity Reserve Fund on the Issue Date; (iii) fund the Retention Advances on Light Refurbishment Loans prior to the third Interest Payment Date; (iv) pay the Issue Date Swap Premium (if any) and (v) following the funding and payment of items (i) to (iv) (inclusive), pay the remainder of the proceeds of the Debt to the Seller as Excess Consideration.

Representations and Warranties

The Seller will make the Warranties to the Issuer, the Note Trustee and the Security Trustee on (i) the Issue Date, in relation to the relevant Loans in the Completion Mortgage Pool, and (ii) each Additional Mortgage Loans Purchase Date, in relation to each Additional Mortgage Loan purchased by the Issuer on such Additional Mortgage Loan Purchase Date.

See the section entitled “*Sale of the Mortgage Pool—Warranties and Repurchase*” for further information.

Repurchase of the Loans and Mortgage Rights or Indemnity Payment for breach of Warranty

The Seller shall repurchase (or procure that an affiliate purchases) the Loans and their Related Security or, in respect of a breach of Warranty or the occurrence of an Arrears Event only, may instead indemnify and keep indemnified the Issuer, in the following circumstances:

- in respect of the Loans only, upon an unremedied breach of any of the Warranties which has or would have a material adverse effect on the value of such Loan or its Related Security, which has not been remedied by the Seller within 30 Business Days of being notified by the Issuer of such breach;
- if the Legal Title Holder wishes to make Further Advances;
- if the Legal Title Holder wishes to make a Product Switch; or
- upon the occurrence of an Arrears Event.

See the Section entitled “*Sale of the Mortgage Pool – Warranties, Repurchase and Indemnification*” for further information.

Product Switches and Further Advances

From time to time a Borrower may request, or the Legal Title Holder may offer and the Borrower may accept, in limited

DESCRIPTION OF THE MORTGAGE POOL AND SERVICING

circumstances, a Product Switch or a Further Advance from time to time.

Should a Product Switch be agreed between the Servicer (acting on the instructions of the Legal Title Holder) and a Borrower, the Servicer shall notify the Seller and the Issuer of such agreement, and the Seller shall be required to repurchase (or procure that an affiliate purchases) the relevant Loan from the Issuer on or prior to the date such Product Switch is effected.

Should a Further Advance be agreed between the Servicer (acting on the instructions of the Legal Title Holder and lender of record) and a Borrower, the Servicer shall notify the Seller and the Issuer, and the Seller shall be required to repurchase (or procure that an affiliate purchases) the relevant Loan from the Issuer.

Investors should note that the BTL Conditions confirm that the Borrower has no right to borrow any more money from the lender under the relevant Loan and that the lender is under no obligation to lend the Borrower any more money and, as at the date of this Prospectus, the Legal Title Holder does not offer Further Advances or Product Switches to Borrowers.

Consideration payable by the Seller in respect of the repurchase of any relevant Loans and their Mortgage Rights shall be a cash payment to the Issuer by the Legal Title Holder equal to the Repurchase Price.

See *“Sale of the Mortgage Pool – Product Switches and Further Advances”*.

Pre-Funding Initial Amount

On the Issue Date, it is expected that the Issuer will credit an amount equal to the Pre-Funding Initial Amount to the Pre-Funding Principal Ledger of the Transaction Account. The Pre-Funding Initial Amount shall be funded from the proceeds of the issue of the Debt.

The Issuer will only be entitled to apply amounts (if any) standing to the credit of the Pre-Funding Principal Ledger (but excluding the Light Refurbishment Loans Retained Amount) prior to the Additional Mortgage Loans Final Sale Date in purchasing Additional Mortgage Loans on an Additional Mortgage Loans Purchase Date provided certain conditions are met.

The consideration payable by the Issuer to the Seller in respect of each Additional Mortgage Loan shall be the Current Balance of the Additional Mortgage Loan as at the relevant Additional Mortgage Loan Cut-Off Date in cash (the **“Additional Mortgage Loan Purchase Price”**), in accordance with the Mortgage Sale Agreement.

The Principal Collections and Revenue Collections received in respect of each Additional Mortgage Loan between the relevant Additional Mortgage Loan Cut-Off Date and the relevant Additional Mortgage Loan Purchase Date shall be for the account of the Issuer.

DESCRIPTION OF THE MORTGAGE POOL AND SERVICING

Any unused amount of the Pre-Funding Initial Amount standing to the credit of the Pre-Funding Principal Ledger as at the Additional Mortgage Loans Final Sale Date (but excluding the Light Refurbishment Loans Retained Amount) shall be applied as Available Principal Funds in accordance with the relevant Priority of Payments on the First Interest Payment Date.

Perfection Events

Legal title to the Loans will be vested in and held by the Legal Title Holder and will not be vested in or held by the Issuer until certain perfection events occur under the terms of the Mortgage Sale Agreement (“**Perfection Events**”). Prior to the completion of the transfer of the legal title to the Loans, the Issuer will be subject to certain risks as set out in the sections entitled “*Risk Factors – Set-off risk*” and “*Risk Factors – Equitable interest*”.

See “*Perfection Events*” in the section entitled “*Rights of Debtholders and Certificateholders and Relationship with Other Secured Creditors—Triggers Tables—Non Rating Triggers Table*” below.

Servicing of the Mortgage Pool, the Servicer

The Servicer agrees to service the Loans on behalf of the Issuer and the Legal Title Holder in accordance with the Servicing Agreement.

In respect of certain specified items, such as the discretionary, as opposed to the procedural, aspects of the enforcement of Loans and their Mortgage Rights against Borrowers in default and other discretionary matters, the Issuer and the Legal Title Holder have delegated certain decision-making powers to the Servicer, who will retain those discretionary powers and exercise such discretionary powers pursuant to and in accordance with the Servicing Agreement.

Under the Servicing Agreement, the Issuer and the Legal Title Holder will grant the Servicer full right, liberty and authority from time to time to determine and set the rate or rates of interest applicable to the Loans in accordance with the terms of such Loans and subject to the terms and conditions of the Servicing Agreement.

See the sections entitled “*Description of the Legal Title Holder, Cash Manager and Servicer*” and “*Servicing*”.

Upon the occurrence of a Servicer Termination Event, the Issuer (prior to the service of an Enforcement Notice and with the consent of the Security Trustee) or the Security Trustee (after the service of an Enforcement Notice) may terminate the agency (and, simultaneously, the rights) of the Servicer (such termination to be effective once a replacement Servicer is appointed). If a Servicer Termination Event occurs the Issuer (prior to the service of an Enforcement Notice and with the consent of the Security Trustee) or the Security Trustee (after the service of an Enforcement Notice) shall (as soon as practicable after such event has come to its attention) give notice in writing to the Servicer (with a copy to the Back-Up Servicer Facilitator)

DESCRIPTION OF THE MORTGAGE POOL AND SERVICING

of such occurrence and terminate the appointment of the Servicer.

A Perfection Event will occur upon the service of a termination notice following the occurrence of a Servicer Termination Event and the appointment of the Servicer be will be terminated.

If, following the occurrence of a Servicer Termination Event, the Issuer (prior to the service of an Enforcement Notice and with the consent of the Security Trustee) or the Security Trustee (following delivery of an Enforcement Notice), so requests in writing, the Servicer shall (if it is able to do so) continue to provide the Services under the Servicing Agreement until a replacement Servicer is appointed and such replacement Servicer has assumed performance of all the Services.

In addition, the Issuer, at the direction of the Servicing Committee (on a minimum of 6 months' notice) may terminate the appointment of the Servicer at any time without cause. The Servicer may also resign upon giving 6 months' notice provided, *inter alia*, a substitute Servicer has been appointed.

See “*Servicer Termination Events*” in the section entitled “*Rights of Debtholders and Certificateholders and Relationship with Other Secured Creditors – Triggers Tables – Non-Rating Triggers Table*” below.

FULL CAPITAL STRUCTURE OF THE DEBT AND CERTIFICATES

FULL CAPITAL STRUCTURE OF THE DEBT AND CERTIFICATES

Please refer to the section entitled “*Terms and Conditions of the Notes*” for further detail in respect of the terms of the Notes and refer to the section entitled “*Terms and Conditions of the Certificates*” for further detail in respect of the terms of the Certificates.

	Class A Loan Note	Class A	Class B	Class C	Class D	Class E	Class Z	Class X	Certificates
Currency	£	£	£	£	£	£	£	£	£
Initial Principal Amount	£125,000,000	£277,776,000	£23,016,000	£20,714,000	£9,206,000	£4,603,000	£6,387,000	£4,603,000	N/A
Credit Enhancement	Overcollateralisation funded by the B Notes, C Notes, D Notes, E Notes and Z Notes; Revenue Collections; Following service of an Enforcement Notice, the Liquidity Reserve Fund.	Overcollateralisation funded by the B Notes, C Notes, D Notes, E Notes and Z Notes; Revenue Collections; Following service of an Enforcement Notice, the Liquidity Reserve Fund.	Overcollateralisation funded by the C Notes, D Notes, E Notes and Z Notes; Revenue Collections; Following service of an Enforcement Notice, the Liquidity Reserve Fund.	Overcollateralisation funded by the D Notes, E Notes and Z Notes; Revenue Collections; Following service of an Enforcement Notice, the Liquidity Reserve Fund.	Overcollateralisation funded by the E Notes and Z Notes; Revenue Collections; Following service of an Enforcement Notice, the Liquidity Reserve Fund.	Overcollateralisation funded by Z Notes; Revenue Collections; Following service of an Enforcement Notice, the Liquidity Reserve Fund.	Revenue Collections; Following service of an Enforcement Notice, the Liquidity Reserve Fund.	Revenue Collections; Following service of an Enforcement Notice, the Liquidity Reserve Fund.	N/A
Liquidity Support	Subordination in payment of the Rated Debt (other than the Class A Debt), the Z Notes and the X Notes; Liquidity Reserve Fund and Available Principal Funds to make up Further Revenue Shortfall or Revenue Shortfall.	Subordination in payment of the Rated Debt (other than the Class A Debt), the Z Notes and the X Notes; Liquidity Reserve Fund and Available Principal Funds to make up Further Revenue Shortfall or Revenue Shortfall.	Subordination in payment of the Rated Debt (other than the Class A Debt and the B Notes), the Z Notes and the X Notes; Liquidity Reserve Fund and Available Principal Funds to make up Further Revenue Shortfall or Revenue Shortfall.	Subordination in payment of the Rated Debt (other than the Class A Debt, the B Notes and the C Notes), the Z Notes and the X Notes; Available Principal Funds to make up Further Revenue Shortfall.	Subordination in payment of the Rated Debt (other than the Class A Debt, the B Notes, the C Notes and the D Notes), the Z Notes and the X Notes; Available Principal Funds to make up Further Revenue Shortfall.	Subordination in payment of the Z Notes and the X Notes. Available Principal Funds to make up Further Revenue Shortfall.	Subordination in payment of the X Notes.	Available Principal Funds to make up Further Revenue Shortfall.	N/A
Issue Price	100%	100%	100%	100%	100%	100%	100%	100%	N/A
Interest Reference Rate on Floating Rate Debt	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

FULL CAPITAL STRUCTURE OF THE DEBT AND CERTIFICATES

	Class A Loan Note	Class A	Class B	Class C	Class D	Class E	Class Z	Class X	Certificates
Relevant Margin prior to Step-Up Date	0.87%	0.87%	1.35%	1.95%	2.55%	3.50%	0%	4.00%	N/A
Relevant Margin on and following Step-Up Date	1.305%	1.305%	2.025%	2.925%	3.55%	4.50%	0%	4.00%	N/A
Step-Up Date	June 2028	June 2028	June 2028	June 2028	June 2028	June 2028	N/A	N/A	N/A
Interest Accrual Method	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	N/A	N/A
Interest Payment Dates	Interest will be payable in respect of the Notes quarterly in arrear on 22 nd of March, June, September and December						N/A	N/A	
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 September 2024	The Interest Payment Date falling in September 2024	The Interest Payment Date falling in September 2024	The Interest Payment Date falling in September 2024	The Interest Payment Date falling in September 2024	The Interest Payment Date falling in September 2024	N/A	The Interest Payment Date falling in September 2024	N/A
Pre-Enforcement Redemption Profile	Sequential pass through redemption. Please refer to Note Condition 5 (<i>Redemption</i>), with the X Notes redeemed through the Pre-Enforcement Revenue Priority of Payments								N/A
Post-Enforcement Redemption Profile	Pass-through redemption in accordance with the Post-Enforcement Priority of Payments. Please refer to Note Condition 2(d) (<i>Post-Enforcement Priority of Payments</i>)								
Call Option Date	Any Interest Payment Date falling on or after the Interest Date falling in June 2028								
Call Option	On the Step-Up Date and on any Interest Payment Date thereafter, the Issuer may redeem the Debt with the proceeds of a sale of the Charged Property pursuant to the Deed Poll provided that such sale proceeds, together with amounts standing to the credit of the Bank Accounts and any other funds available to the Issuer, are sufficient to (I) redeem all of the Debt then outstanding in full together with accrued and unpaid interest on such Debt and, (II) pay amounts required under the Post-Enforcement Priority of Payments to be paid in priority to or <i>pari passu</i> with the Rated Debt on such Interest Payment Date, and (III) any other costs associated with the exercise of the optional call. See Note Condition 5(d)(i) (<i>Mandatory Redemption in Full</i>).								
Clean Up Call	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable
Pre-Call Redemption Profile	Sequential pass through redemption. Please refer to Note Condition 5 (<i>Redemption</i>), with the X Notes redeemed through the Pre-Enforcement Revenue Priority of Payments								
Post-Call Redemption Profile	Sequential pass through redemption. Please refer to Note Condition 5 (<i>Redemption</i>), with the X Notes redeemed through the Pre-Enforcement Revenue Priority of Payments								
Other Early Redemption in Full Events	Tax call. Please refer to Note Condition 5(e) (<i>Optional Redemption for Taxation or Other Reasons</i>) and clause 9.5 (<i>Optional Redemption of the Class A Loan Note in whole for taxation reasons</i>) of the Class A Loan Note Agreement.								
Risk Retention Regulatory Change Option	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable
Final Maturity Date	The Interest Payment Date	The Interest Payment Date	The Interest Payment Date	The Interest Payment Date	The Interest Payment Date	The Interest Payment Date	The Interest Payment Date	The Interest Payment Date	N/A

FULL CAPITAL STRUCTURE OF THE DEBT AND CERTIFICATES

	Class A Loan Note	Class A	Class B	Class C	Class D	Class E	Class Z	Class X	Certificates
	falling in March 2057	falling in March 2057	falling in March 2057	falling in March 2057	falling in March 2057	falling in March 2057	falling in March 2057	falling in March 2057	
Form of the Debt	Registered Definitive Notes	Registered Global Notes	Registered Global Notes	Registered Global Notes	Registered Global Notes	Registered Global Notes	Registered Global Notes	Registered Global Notes	N/A
Application for Listing	N/A	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	N/A
Reg S ISIN	N/A	XS2843264156	XS2843264313	XS2843264586	XS2843264743	XS2843265047	XS2843267175	XS2843265120	N/A
Reg S Common Code	N/A	284326415	284326431	284326458	284326474	284326504	284326717	284326512	N/A
Clearance/Settlement	N/A	Euroclear/ Clearstream, Luxembourg	Euroclear/ Clearstream, Luxembourg	Euroclear/ Clearstream, Luxembourg	Euroclear/ Clearstream, Luxembourg	Euroclear/ Clearstream, Luxembourg	Euroclear/ Clearstream, Luxembourg	Euroclear/ Clearstream, Luxembourg	N/A
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

DESCRIPTION OF THE TERMS AND CONDITIONS OF THE DEBT AND CERTIFICATES

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

Form, registration and transfer of the Notes

The Notes of each Class will be represented on issue by beneficial interests in one or more Global Notes in fully registered form, without interest or principal receipts.

The Notes will be deposited on or about the Issue 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 will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear, Clearstream, Luxembourg and their respective participants. See “*Description of the Notes in Global Form*” below.

Except in the limited circumstances described herein, Notes in definitive, certificated, fully registered form (“**Definitive Notes**”) will not be issued in exchange for beneficial interests. See “*Form of the Notes - Exchange for Definitive Notes*”.

Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See “*Form of the Notes*” and “*Book Entry Clearance Procedures*”. Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Note Condition 1(b) (*Title and Transfer*).

Class A Loan Note

On the Issue Date, the Issuer will enter into a Class A Loan Note agreement (the “**Class A Loan Note Agreement**”) pursuant to which the Class A Loan Noteholder will make available to the Issuer a Class A Loan Note facility in the amount of £125,000,000, and the Issuer will issue, and the Class A Loan Noteholder will subscribe for, a Class A Loan Note (the “**Class A Loan Note**” and, together with the A Notes and Class the “**Class A Debt**”). The Class A Loan Note will be issued in definitive registered form. The Class A Debt, the B Notes, the C Notes, the D Notes and the E Notes are collectively the “**Rated Debt**”.

The Class A Loan Note will be fully drawn on the Issue Date and may not be subsequently redrawn at any time.

Class A Loan Note Conversion

Subject to certain conditions set out in the Class A Loan Note Agreement, the Trust Deed and the Note Conditions, on request from a Class A Loan Noteholder (the “**Converting Class A Loan Noteholder**”), all, or any part in excess of the Minimum

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Denomination, of the Principal Amount Outstanding of the Class A Loan Note (the "**Converted Amount**") held by that Converting Class A Loan Noteholder shall be converted into A Notes on any Interest Payment Date by the Issuer issuing further A Notes to that Converting Class A Loan Noteholder (reflected as a Book-Entry Interest in respect of the A Global Note) in an amount equal to the Converted Amount at a subscription price equal to 100 per cent. of the Converted Amount. The Issuer shall use the proceeds of that issuance to redeem all or part of the Principal Amount Outstanding of the Class A Loan Note held by that Class A Loan Noteholder in an amount equal to the Converted Amount in accordance with Condition 16 (*Conversion of the Class A Loan Note*) and the Class A Loan Note Agreement (a "**Class A Conversion**").

The proceeds of any such issuance of further A Notes shall be applied solely in redemption of the Class A Loan Note and will not form part of Available Revenue Funds or Available Principal Funds or be applied in accordance with the Priority of Payments. If further A Notes are issued following a Class A Conversion, the Issuer will promptly (i) advise the Central Bank and Euronext Dublin accordingly, (ii) procure the publication of a notice of the issue in accordance with Note Condition 13 (Notice to Noteholders) and Certificate Condition 11 (Notice to Certificateholders) and (iii) and to the extent required, prepare a prospectus in respect of those A Notes.

Upon each Class A Conversion, the relevant Converted Amount will be reflected as a Book-Entry Interest in respect of the A Global Note, the Issuer will instruct (a) the Registrar to update the Register to reflect the increase in the Principal Amount Outstanding of the Class A Notes and to endorse the A Global Note with the Principal Amount Outstanding of the A Notes issued in connection with that Class A Conversion, and (b) the Loan Note Registrar to update the Loan Note Register to reflect the reduction in the Principal Amount Outstanding of the Class A Loan Note, such that the aggregate Principal Amount Outstanding of the Class A Debt shall remain unchanged.

No Class of Debt or Certificates shall have the right to object, or be required to consent, to any Class A Conversion, or to any amendment, modification or removal of the right to conduct a Class A Conversion as may be agreed by the Class A Debtholders in accordance with the terms of the Class A Loan Note Agreement and the Trust Deed.

For the avoidance of doubt, no A Notes may be converted into any interest in the Class A Loan Note.

Ranking

The Debt within each Class will rank *pari passu* and rateably without any preference or priority among themselves as to payment of interest and principal at all times.

The Class A Debt will rank senior to the other Classes of Notes as to payments of interest at all times and senior to the other

DESCRIPTION OF THE TERMS AND CONDITIONS OF THE NOTES AND CERTIFICATES

Classes of Notes (other than the X Notes) as to payments of principal. Prior to the service of an Enforcement Notice, interest and principal on the X Notes shall be repaid out of the Available Revenue Funds under and in accordance with the Pre-Enforcement Revenue Priority of Payments. Following service of an Enforcement Notice, the Class A Debt will rank senior to all other Classes of Notes as to payments of principal.

The Most Senior Class is:

- (a) the Class A Debt whilst it remains outstanding;
- (b) thereafter the B Notes whilst they remain outstanding;
- (c) thereafter the C Notes whilst they remain outstanding;
- (d) thereafter the D Notes whilst they remain outstanding;
- (e) thereafter the E Notes whilst they remain outstanding;
- (f) thereafter the Z Notes whilst they remain outstanding;
- (g) thereafter the X Notes whilst they remain outstanding; and
- (h) thereafter the Certificates whilst they remain outstanding.

Ranking of Payments of Interest

Payments of interest on the Debt will be made in the following order of priority:

- (a) *first*, to the Class A Debt;
- (b) *second*, to the B Notes;
- (c) *third*, to the C Notes;
- (d) *fourth*, to the D Notes;
- (e) *fifth*, to the E Notes; and
- (f) *sixth*, to the X Notes.

See Note Condition 4 (*Interest*) for further information.

Ranking of Payments of Principal

Payments of principal on the Debt will be made in the following order of priority:

- (a) *first*, to the Class A Debt;
- (b) *second*, to the B Notes;
- (c) *third*, to the C Notes;
- (d) *fourth*, to the D Notes;
- (e) *fifth*, to the E Notes;
- (f) *fifth*, to the Z Notes; and
- (g) *sixth*, to the X Notes.

Redemption Event

Payments of interest and principal on the Debt will be made in accordance with the Post-Enforcement Priority of Payments from (and including) (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable, (ii) the Final Maturity Date, (iii) the Interest Payment Date on which the relevant Debt is redeemed in accordance with Note Condition 5(d) (*Mandatory Redemption in Full*), Note Condition 5(e) (*Optional Redemption for Taxation or Other Reasons*) or Note Condition 5(f) (*Mandatory Redemption of the Debt following the exercise of a Risk Retention Regulatory Change Option*) or clause 9.4 (*Optional Redemption of the Class*

DESCRIPTION OF THE TERMS AND CONDITIONS OF THE NOTES AND CERTIFICATES

A Loan Note in whole), clause 9.7 (*Mandatory Redemption of the Class A Loan Note following the exercise of the Mortgage Pool Option or Mortgage Pool Auction*), clause 9.5 (*Optional Redemption of the Class A Loan Note in whole for taxation reasons*) or clause 9.6 (*Mandatory Redemption of the Class A Loan Note following the exercise of a Risk Retention Regulatory Change Option*) of the Class A Loan Note Agreement and (iv) the date on which the E Notes have been redeemed in full (each such date referred to in items (ii) to (iv) above (inclusive), a “**Redemption Event**”). See Note Condition 5 (*Redemption*) for further information.

Payments on the X Notes

Investors in the X Notes should also be aware that prior to (a) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Notes to be due and repayable or (b) the occurrence of a Redemption Event, payments of principal and interest in respect of the X Notes shall be payable out of Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments.

Following (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, payments in respect of the X Notes will be made in accordance with the Post-Enforcement Priority of Payments.

Payments in respect of the X Notes will only be payable to the extent there are residual funds under the relevant Priority of Payments.

Payments on the Certificates

Each Certificate represents a *pro rata* entitlement to receive any residual balance following payment of all senior items in the relevant Priority of Payments by way of deferred consideration for the purchase by the Issuer of the Completion Mortgage Pool. Payments in respect of the Certificates shall be payable out of residual Available Revenue Funds under the Pre-Enforcement Revenue Priority of Payments (or after (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, under the Post-Enforcement Priority of Payments). For the avoidance of doubt any residual balance following payment of all senior items in the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments will first be payable to the holders of the Z Notes and the X Notes.

Payments in respect of the Certificates will only be payable to the extent there are residual funds remaining under the relevant Priority of Payments.

Security

The Debt and Certificates are secured and will share the Security with other Secured Creditors as set out in, and created pursuant

DESCRIPTION OF THE TERMS AND CONDITIONS OF THE NOTES AND CERTIFICATES

to, the Deed of Charge described in Note Condition 2(b) (*Security*). The Security granted by the Issuer pursuant to the Deed of Charge includes:

- (a) first fixed equitable charges and security in favour of the Security Trustee over the Issuer's present and future right, title, benefit and interest present and future in, to and under the Loans, the Mortgages and their related Mortgage Rights;
- (b) an equitable assignment in favour of the Security Trustee of the Issuer's interests in the Insurance Contracts to the extent that they relate to the Loans;
- (c) an assignment in favour of the Security Trustee of the Issuer's right, title, interest and benefit in, to and under the Charged Obligation Documents;
- (d) a first fixed charge in favour of the Security Trustee over (i) the Issuer's interest in the Bank Accounts and any Authorised Investments, (ii) the Issuer's beneficial interest in the trust declared over the Collection Account pursuant to the Collection Account Declaration of Trust, (iii) the Issuer's interest in the Swap Collateral Account and (iv) the Issuer's interest in any other accounts with any bank or financial institution in which the Issuer now or in the future has an interest (to the extent of its interest); and
- (e) a first floating charge in favour of the Security Trustee (ranking after the security referred to in (a) to (d) (inclusive) above) over the whole of the undertaking, property, assets and rights of the Issuer.

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

See also the Risk Factor "*Risk Factors—Fixed charges may take effect under English law as floating charges*".

Interest Provisions

Please refer to "*Full Capital Structure of the Notes and Certificates*" and Note Condition 4 (*Interest*).

Interest Deferral

To the extent that, on any Interest Payment Date, the Issuer does not have sufficient funds to pay in full interest due on the C Notes, the D Notes or the E Notes, this payment may, provided such Class is not the Most Senior Class, be deferred. To the extent that, on any Interest Payment Date, the Issuer does not have sufficient funds to pay in full interest on the X Notes, this payment may be deferred. Any amounts of Interest Shortfall will accrue additional interest as described in Note Condition 4(j) (*Deferral of Interest*) and payment of any additional interest will also be deferred. The non-payment of any deferred interest on any of the C Notes to E Notes (inclusive) will not be an Event of Default unless such Notes are the Most Senior Class at the time of non-payment. No Event of Default prior to the Final Maturity

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Date will occur if there is a non-payment of deferred interest on the X Notes.

Provided the relevant Class is not the Most Senior Class, payment of any Interest Shortfall and such additional interest will be deferred until the first Interest Payment Date on which the Issuer has sufficient funds, **provided further that** the payment of such shortfall shall not be deferred beyond the Final Maturity Date, as described in Note Condition 4(j) (*Deferral of Interest*). On the Final Maturity Date, any amount which has not by then been paid in full shall become due and payable.

Gross-up

None of the Issuer, the Principal Paying Agent, any other Paying Agent nor any other person will be obliged to gross up payments to the Debtholders or Certificateholders if there is any withholding or deduction for or on account of taxes, or in connection with FATCA, from any payments made to the Debtholders or Certificateholders.

Redemption

The Debt is subject to the following optional or mandatory redemption events:

- (a) mandatory redemption in whole on the Final Maturity Date, as fully set out in Note Condition 5(a) (*Final Redemption of the Debt*) and clause 9.1 (*Final Redemption*) of the Class A Loan Note Agreement;
- (b) mandatory redemption in part on any Interest Payment Date commencing on the First Interest Payment Date, (i) subject to the availability of Available Principal Funds on the basis of sequential pass through redemption, as fully set out in Note Condition 5(b) (*Mandatory Redemption of the Debt*), and (ii) subject to the availability of Available Revenue Funds on the basis of sequential pass through redemption, as fully set out in Note Condition 2(c) (*Pre-Enforcement Revenue Priority of Payments*) and clause 17 (*Application of Available Funds*) of the Class A Loan Note Agreement;
- (c) in the event the option set out in the Deed Poll is exercised, mandatory redemption of the Debt in whole (but not in part) on the Step-Up Date or any Interest Payment Date thereafter (the “**Call Option Date**”) with the proceeds of a sale of the Charged Property pursuant to the Deed Poll (together with any amounts then standing to the credit of the Bank Accounts and any other funds available to the Issuer) (as fully set out in Note Condition 5(d)(i) (*Mandatory Redemption in Full*) and clause 9.7 (*Redemption of the Class A Loan Note following the exercise of the Mortgage Pool Option or Mortgage Pool Auction*) of the Class A Loan Note Agreement);
- (d) mandatory redemption in whole with the proceeds of a sale of the Charged Property to the Certificateholders or their nominee (together with any amounts then standing to the credit of the Transaction Account and any other funds available to the Issuer), if the aggregate Principal Amount

DESCRIPTION OF THE TERMS AND CONDITIONS OF THE NOTES AND CERTIFICATES

Outstanding of the Rated Debt is less than or equal to 10 per cent. of the aggregate Principal Amount Outstanding of the Debt (other than the X Notes) upon issue, as fully set out in Note Condition 5(d)(ii) (*Mandatory Redemption in Full*) and clause 9.4 (*Optional Redemption of the Class A Loan Note in whole*) of the Class A Loan Note Agreement;

- (e) optional redemption exercisable by the Issuer in whole (but not in part) for tax reasons, as fully set out in Note Condition 5(e) (*Optional Redemption for Taxation or Other Reasons*) and clause 9.5 (*Optional Redemption for Taxation or Other Reasons*) of the Class A Loan Note Agreement; and
- (f) mandatory redemption exercisable by the Seller in whole (but not in part) on or following the occurrence of a Risk Retention Regulatory Change Event, as fully set out in Note Condition 5(f) (*Mandatory Redemption of the Debt following the exercise of a Risk Retention Regulatory Change Option*) and clause 9.6 (*Mandatory Redemption of the Class A Loan Note following the exercise of a Risk Retention Regulatory Change Option*) of the Class A Loan Note Agreement.

Any Debt redeemed pursuant to the above redemption provisions will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Debt together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Debt to be redeemed, in each case up to (but excluding) the date of redemption.

Relevant Dates and Periods

Issue Date:	The date of initial issuance for the Debt and the Certificates will be 17 July 2024 (or such other date as the Issuer and the Joint Lead Managers may agree).
Interest Payment Date:	Each interest-bearing Note will bear interest on its Principal Amount Outstanding from, and including, the Issue Date. Interest will be payable in respect of the Notes quarterly in arrear on January, April, July and October in each year unless such day is not a Business Day, in which case interest shall be payable on the following Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. The first Interest Payment Date in respect of the Notes will be the Interest Payment Date falling in September 2024 (the “ First Interest Payment Date ”).
Interest Period:	The period from (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date provided that the first

DESCRIPTION OF THE TERMS AND CONDITIONS OF THE NOTES AND CERTIFICATES

	Interest Period shall be the period from (and including) the Issue Date to (but excluding) the First Interest Payment Date.
Business Day:	A day on which commercial banks and foreign exchange markets settle payments in London.
Determination Date:	<p>The Business Day which falls 3 Business Days prior to an Interest Payment Date.</p> <p>The Determination Date is the date on which the Cash Manager will be required to calculate, among other things, the amounts required to pay interest and principal in respect of the Debt (as set out in the Cash Management Agreement).</p>
Determination Period:	The quarterly period commencing on (and including) a Determination Period Start Date and ending on (and including) the Determination Period End Date, except that the first Determination Period will commence on (and including) 1 June 2024 and end on (and including) the Determination Period End Date falling in August 2024.
Determination Period Start Date:	The first calendar day immediately following the preceding Determination Period End Date.
Determination Period End Date:	The last calendar day of the calendar month immediately preceding the month in which a Determination Date falls.
Interest Determination Date:	The Agent Bank will as soon as practicable on the fifth London Banking Day before the Interest Payment Date for which the relevant Rate of Interest will apply, determine the rate of SONIA applicable to, and calculate the amount of interest payable on, the relevant Debt for the Interest Period which ends immediately following such Interest Determination Date.

Events of Default

As fully set out in Note Condition 9 (*Events of Default*) and clause 15 (*Events of Default*) of the Class A Loan Note Agreement, which broadly include (where relevant subject to the applicable grace period):

- (a) non-payment by the Issuer of interest or principal due in respect of the A Notes or the B Notes or (following the redemption of the A Notes and the B Notes) the Most Senior Class (other than the Z Notes and the X Notes) and such default continues for a period of (i) 7 Business Days in respect of principal; or (ii) 14 Business Days in respect of interest, on the A Notes or the B Notes or (following the

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- redemption of the A Notes and the B Notes) Most Senior Class (other than the Z Notes and the X Notes);
- (b) breach of contractual obligations by the Issuer under the Debt, the Notes Conditions, the Trust Deed or any other Transaction Documents where such failure continues for a period of 30 days;
- (c) certain insolvency events of the Issuer (as more fully set out in Note Conditions 9(iii) to (v) (*Events of Default*)); or
- (d) it is or will become unlawful for the Issuer to perform or comply with its obligations,

provided that, in respect of (b) above, the Note Trustee shall have certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Most Senior Class.

Enforcement

The Security Trustee will not, and will not be bound to take any steps to, institute any proceedings, exercise its rights and/or to take any other action under or in connection with any of the Transaction Documents unless the Security Trustee is directed to do so by the Note Trustee or, if there are no Notes outstanding, the Secured Creditors in accordance with their priority under the Priority of Payments. Upon being so directed, the Security Trustee will, subject to being indemnified and/or secured and/or pre-funded to its satisfaction, be bound to take the relevant action(s) in the manner directed by the Note Trustee or the Secured Creditors (as the case may be).

The Note Trustee may, at any time while any Notes are outstanding, at its discretion and without notice, take (or instruct the Security Trustee to take) such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of (in the case of the Note Trustee) the Debt, the Certificates or the Trust Deed (including these Conditions and the Class A Loan Note Agreement) or (in the case of the Security Trustee) the Deed of Charge or (in either case) any of the other Transaction Documents to which it is a party and, at any time after the service of an Enforcement Notice, the Security Trustee may, at its discretion and without notice, take such steps as it may think fit to enforce the Security, but neither of them shall be bound to take any such proceedings, action or steps unless:

- (a) the Note Trustee shall have been directed by a notice in writing by holders of Debt outstanding constituting at least 25 per cent. of the aggregate in Principal Amount Outstanding of the Most Senior Class; and
- (b) in all cases it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

No Debtholder shall be entitled to proceed directly against the Issuer unless the Note Trustee (or as the case may be, the Security Trustee), having become bound so to do, fails or is unable to do

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so within a 60 day period and such failure or inability shall be continuing.

Limited Recourse

The Debt and Certificates are limited recourse obligations of the Issuer and, if the Issuer has insufficient funds to pay amounts in full, amounts outstanding will cease to be due and payable as described in more detail in Note Condition 10(b) (*Limited Recourse*), clause 37.1 (*Limited Recourse*) of the Class A Loan Note Agreement and Certificate Condition 7(b) (*Limited Recourse*).

Non-Petition

The Debtholders or Certificateholders shall not be entitled to take any corporate action or other steps or legal proceedings for the winding-up, dissolution, arrangement or compromise, reconstruction or reorganisation of the Issuer unless the Note Trustee or, as the case may be, the Security Trustee, having become bound to do so, fails or is unable to do so within a 60 day period and such failure or inability is continuing. Please see Note Condition 10(c) (*Non-Petition*), clause 37.2 (*Non-Petition*) of the Class A Loan Note Agreement and Certificate Condition 7(c) (*Non-Petition*).

Governing Law

English law.

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Please refer to the section entitled “*Terms and Conditions of the Notes*” and “*Terms and Conditions of the Certificates*” for further detail in respect of the rights of Debtholders and Certificateholders, conditions for exercising such rights and relationships with other Secured Creditors.

Convening a meeting

The Issuer or the Note Trustee may convene Noteholder meetings (at the cost of the Issuer) for any purpose, including consideration of Extraordinary Resolutions and Ordinary Resolutions and the Note Trustee shall be obliged to do so, subject to it being indemnified and/or secured and/or pre-funded to its satisfaction, upon the request in writing of a Class or Classes of Debtholders holding not less than 10 per cent. of the aggregate Principal Amount Outstanding of the Debt then outstanding of the relevant Class or Classes.

However, the Debtholders are not entitled to instruct or direct the Issuer to take any action, either directly or through the Note Trustee, without the consent of the Issuer and, if applicable, certain other Transaction Parties, unless the Issuer has an obligation to take such action under the relevant Transaction Documents.

Right to direct the Note Trustee to give an Enforcement Notice

If an Event of Default occurs and is continuing, the holders of the Most Senior Class of Debt may, if they hold in aggregate at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class of Debt or an Extraordinary Resolution of the Most Senior Class of Debt is passed, direct the Note Trustee to give an Enforcement Notice to the Issuer pursuant to which each Class of Debt shall become immediately due and repayable at their respective Principal Amount Outstanding together with any accrued interest and the Note Trustee shall give such Enforcement Notice to the Issuer subject to the Note Trustee being indemnified and/or secured and/or pre-funded to its satisfaction.

Noteholders Meeting Provisions

	Initial Meeting	Adjourned Meeting
Notice period:	21 clear days for the initial meeting.	10 days for meeting adjourned through want of quorum. Adjourned meeting must be convened not less than 14 nor more than 40 clear days later than the initial meeting.

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Quorum Ordinary Resolution:	for	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Debt outstanding for the initial meeting.	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 10 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Debt outstanding for the adjourned meeting.
Quorum Certificates Ordinary Resolution:	for	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 25 per cent. of the outstanding Certificates for the initial meeting.	One or more persons holding or representing any proportion of the Certificates which the person constituting the quorum is holding or representing for the adjourned meeting.
Quorum Extraordinary Resolution (other than to approve a Debt Basic Terms Modification):	for	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 50 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Debt outstanding for the initial meeting.	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Debt outstanding for the adjourned meeting.

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Quorum for Certificates Extraordinary Resolution (other than to approve a Certificates Basic Terms Modification):	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 50 per cent. of the outstanding Certificates for the initial meeting.	One or more persons holding or representing any proportion of the Certificates which the person constituting the quorum is holding or representing for the adjourned meeting.
Quorum for Extraordinary Resolution to approve a Debt Basic Terms Modification:	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Debt outstanding for the initial meeting.	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 50 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Debt outstanding for the adjourned meeting.
Quorum for Extraordinary Resolution to approve a Certificates Basic Terms Modification:	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 75 per cent. of the outstanding Certificates for the initial meeting.	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 25 per cent. of the outstanding Certificates for the adjourned meeting.
Consent provisions:	Required majority for Ordinary Resolution:	Consent given to the Note Trustee by or on behalf of the Debtholders representing at least 25 per cent. of the aggregate Principal Amount

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	Outstanding of the relevant Class of Debt.
Required majority for Extraordinary Resolution (other than to approve a Debt Basic Terms Modification):	Consent given to the Note Trustee by or on behalf of the Debtholders representing at least 50 per cent. of the aggregate Principal Amount Outstanding of the relevant Class of Debt.
Written Resolution of the Debtholders:	In the case of an Extraordinary Resolution which is a Debt Basic Terms Modification, not less than 75 per cent. of the Principal Amount Outstanding of the relevant Class of Debt. In the case of an Extraordinary Resolution which is not a Debt Basic Terms Modification, not less than 50 per cent. of the Principal Amount Outstanding of the relevant Class of Debt. In the case of an Ordinary Resolution, not less than 25 per cent. of the Principal Amount Outstanding of the relevant Class of Debt. A written resolution has the same effect as an Ordinary Resolution or an Extraordinary Resolution (as applicable). There is no requirement as to the minimum number of Debtholders who must vote in favour of a written resolution.
Electronic Consents:	Debtholders (but not the Class A Loan Noteholder) may also pass an Extraordinary Resolution or Ordinary Resolution by way of electronic consents communicated through the electronic communications systems of the clearing system(s) to the Principal Paying Agent or another specified agent in accordance with the operating rules and procedures of the relevant clearing system(s) (“ Electronic Consent ”). A resolution passed by such means has the same effect as an Extraordinary Resolution.

Debt Basic Terms Modification

Any amendment to the following matters would be a Debt Basic Terms Modification which requires an Extraordinary Resolution of each Class of Debt and a Certificates Extraordinary Resolution (if such Class of Debt or Certificates is affected, economically or otherwise):

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- (a) the maturity of the Debt or the dates on which interest is payable in respect of the Debt;
- (b) the amount due in respect of, or cancellation of the principal amount of or interest on or any other payment in respect of the Debt, or variation of the method of calculating the Floating Rate of Interest on the Floating Rate Debt (other than any Reference Rate Modification made in accordance with Note Condition 11(c)(viii));
- (c) the priority of payment of interest or principal on the Debt;
- (d) the currency of payment of the Debt;
- (e) the Priority of Payments in respect of the Debt or the Certificates;
- (f) the exchange, conversion or substitution of the Debt of any Class or the Certificates for, or the conversion of such Debt or Certificates into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (g) the Call Option Date;
- (h) the terms of the Deed Poll or the early redemption rights or conditions;
- (i) the provisions concerning the limited recourse or non-petition obligations of the Issuer;
- (j) the definition of Debt Basic Terms Modification; or
- (k) the provisions concerning the quorum required at any meeting of Noteholders or the majority required to effect a Debt Basic Terms Modification or to pass an Extraordinary Resolution.

Certificates Basic Terms Modification

Any amendment to the following matters would be a Certificates Basic Terms Modification which requires a Certificates Extraordinary Resolution:

- (a) the priority of Residual Payments payable on the Certificates;
- (b) the currency of payment of the Certificates;
- (c) the Priority of Payments in respect of the Certificates;
- (d) the exchange, conversion or substitution of the Debt of any Class or the Certificates for, or the conversion of such Debt or Certificates into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (e) the Call Option Date;
- (f) the terms of the Deed Poll or the early redemption rights or conditions;
- (g) the provisions concerning the limited recourse or non-petition obligations of the Issuer;
- (h) the definition of Certificates Basic Terms Modification;

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			<ul style="list-style-type: none"> (i) the provisions concerning the quorum required at any meeting of Certificateholders or the majority required to effect a Certificates Basic Terms Modification or to pass a Certificates Extraordinary Resolution; or (j) the definition of Debt Basic Terms Modification.
Matters Requiring Extraordinary Resolution			<p>The following matters require an Extraordinary Resolution or a Certificates Extraordinary Resolution unless otherwise specified or contemplated in the Transaction Documents:</p> <ul style="list-style-type: none"> (a) a Debt Basic Terms Modification or a Certificates Basic Terms Modification; (b) a modification of the Transaction Documents; (c) a modification of the Conditions; (d) directing the Note Trustee to serve an Enforcement Notice; (e) removing the Note Trustee and/or the Security Trustee; (f) approving the appointment of a new Note Trustee and/or Security Trustee; and (g) sanctioning any scheme or proposal for the exchange, sale, conversion or cancellation of the Notes or the Certificates for or partly or wholly in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company or partly or wholly in consideration of cash.
Relationship between Classes of Debtholders and Certificateholders			<p>Subject to the provisions in respect of a Debt Basic Terms Modification, a resolution of Debtholders of the Most Senior Class shall be binding on all other Classes and the Certificates and would override any resolutions to the contrary of the Classes ranking behind such Most Senior Class and the Certificates in the Post-Enforcement Priority of Payments.</p> <p>A Debt Basic Terms Modification requires an Extraordinary Resolution of each relevant affected Class of Debt then outstanding and a Certificates Extraordinary Resolution (if applicable).</p>
Seller as Noteholder or Certificateholder			<p>For certain purposes, including the determination as to whether Notes are deemed outstanding or Certificates are deemed in issue, for the purposes of convening a meeting of Noteholders or Certificateholders, those Notes or Certificates (if any) which are for the time being held by or on behalf of or for the benefit of the Seller or any of its affiliates (each such entity a “Relevant Person”), in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding or in issue, except where all of the Notes of any Classes or all of the Certificates are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such Classes of Notes (the “Relevant Class of Notes”) and such Certificates shall be deemed to remain outstanding or in issue (as the case may be), except that, if there is any other Class of Notes ranking <i>pari</i></p>

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passu with, or junior to, the Relevant Class of Notes and one or more Relevant Persons are not the beneficial owners of all the Notes of such Class, then the Relevant Class of Notes shall be deemed not to remain outstanding and provided that in relation to a matter relating to a Basic Terms Modification, any Notes or the Certificates which are for the time being held by or on behalf of or for the benefit of a Relevant Person, in each case as beneficial owner, shall be deemed to remain outstanding or in issue, as applicable.

Relationship between Debtholders, Certificateholders and other Secured Creditors

So long as any Debt is outstanding and there is a conflict between the interests of the Debtholders, the Certificateholders and the other Secured Creditors, the Note Trustee will have regard only to the interests of the Debtholders and none of the Certificateholders or the other Secured Creditors shall have any claim against the Note Trustee for so doing. After the Debt has been redeemed in full and so long as there are any Certificates outstanding and there is a conflict between the interest of the Certificateholders and the other Secured Creditors, the Note Trustee will have regard solely to the interests of the Certificateholders and shall have regard to the interests of the other Secured Creditors only to pay such parties any monies received and payable to it and to act is in accordance with the applicable Priority of Payments and the Secured Creditors shall have no claim against the Note Trustee for doing so.

Provision of Information to the Debtholders and Certificateholders

The Cash Manager will provide an Investor Report on a monthly basis containing information in relation to the Debt and Certificates including, but not limited to, loan level information on the underlying Mortgage Pool, ratings of the Rated Debt and (if relevant) amounts paid by the Issuer pursuant to the relevant Priority of Payments in respect of the Relevant Period (as set out in the Cash Management Agreement).

Mandatory Modification

Pursuant to Note Condition 11(c) (*Additional Right of Modification*), the Note Trustee shall be obliged, without any consent or sanction of the Debtholders or any of the other Secured Creditors, or, (subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified or who would need to be a party to a new, supplemental or additional agreement, or which, as a result of the relevant amendment, would be further contractually subordinated to any Secured Creditor than would otherwise have been the case prior to such amendment) to concur with the Issuer and any other relevant parties in making any modification (other than in respect of a Debt Basic Terms Modification, Certificates Basic Terms Modification or any provisions of the Trust Documents referred to in the definition of Debt Basic Terms Modification or Certificates Basic Terms Modification) to the Note Conditions and/or any other Transaction Document to which it is a party or in relation to which it holds security or enter

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into any new, supplemental or additional documents that the Issuer considers necessary for the purpose of:

- (a) 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;
- (b) facilitating the appointment of a replacement Cash Manager;
- (c) complying with requirements applicable to it under EU EMIR or UK EMIR;
- (d) complying with certain risk retention legislation, regulations or official guidance in relation thereto;
- (e) enabling the Rated Notes to be (or to remain) listed on Euronext Dublin or for the purpose of clause 29 (*Modification of the Class A Loan Note or this Agreement*) of the Class A Loan Note Agreement;
- (f) complying with any disclosure or reporting requirements under the Securitisation Regulations;
- (g) enabling the Issuer or any of the other Transaction Parties to comply with FATCA;
- (h) complying with any changes in the requirements of the EU CRA Regulation and UK CRA Regulation after the Issue Date; and
- (i) amending the reference rate of the Floating Rate Debt where SONIA is no longer a suitable reference rate,

without the consent of Debtholders pursuant to and in accordance with the detailed provisions of Note Condition 11(c) (*Additional Right of Modification*) and the terms of the Class A Loan Note Agreement.

In relation to any such Proposed Amendment pursuant to Note Condition 11(c) (*Additional Right of Modification*) (other than certain Proposed Amendments relating to EU EMIR or UK EMIR), the Issuer is required to, amongst other things, give at least 30 calendar days' notice to the Debtholders of the proposed modification in accordance with Note Condition 13 (*Notice to Noteholders*) and the Class A Loan Note Agreement (as applicable) and by publication on Bloomberg on the "Company News" screen relating to the Notes. However, Debtholders should be aware that, in relation to each Proposed Amendment, unless Debtholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Debt then outstanding have contacted the Note Trustee or the Class A Loan Note Agent (as applicable) in writing (or otherwise in accordance with the Class A Loan Note Agreement or the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Note Trustee or the Class A Loan Note Agent (as applicable) that such Debtholders do not consent to the

modification, the modification can be made without Noteholder consent.

Optional Modification

The Note Trustee may, without the consent or sanction of any of, or any liability to, the Debtholders or Certificateholders:

- (a) concur with the Issuer and any other relevant parties in making or sanctioning:
 - (i) any modification of any of the provisions of the Trust Deed, the Conditions or any of the other Transaction Documents which is, in the opinion of the Note Trustee, of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law or regulation; or
 - (ii) any other modification (excluding a Debt Basic Terms Modification or a Certificates Basic Terms Modification), and any waiver or authorisation of any breach or proposed breach of the Debt of such Class, of any of the provisions of the Trust Deed, the Conditions or any of the other Transaction Documents which is in the opinion of the Note Trustee not materially prejudicial to the interests of the holders of the Most Senior Class (other than any Debtholders of the Most Senior Class who have confirmed their consent in writing to the relevant modification, waiver or authorisation);
- (b) determine that an Event of Default or Potential Event of Default will not be treated as such where in the opinion of the Note Trustee such waiver, authorisation or determination is not materially prejudicial to the interests of the holders of the Most Senior Class (other than any Debtholders of the Most Senior Class who have confirmed their consent in writing to the relevant waiver, authorisation or determination),

provided that the Note Trustee will not do so in contravention of an express direction given by an Extraordinary Resolution of holders of the Most Senior Class or a request made pursuant to Note Condition 9 (*Events of Default*) and Certificate Condition 6 (*Events of Default*).

Any such modifications permitted above shall be binding on the Debtholders, Certificateholders or other Secured Creditors and, unless the Note Trustee otherwise agrees, the Issuer shall cause such modification to be notified to the Debtholders and Certificateholders as soon as practicable thereafter in accordance with Note Condition 13 (*Notice to Noteholders*) and Certificate Condition 11 (*Notice to Certificateholders*). So long as the Rated Debt, or any of it, is rated by the Rating Agencies the Issuer shall notify each of the Rating Agencies of any modification made by

it in accordance with the above as soon as reasonably practicable thereafter.

Neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification of the Trust Deed, the Conditions or any other Transaction Document which (in the sole opinion of the Note Trustee or the Security Trustee (as applicable)) would have the effect of: (x) exposing it to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction; or (y) increasing the obligations or duties, or decreasing the protections of the Note Trustee or Security Trustee (as applicable) in the Transaction Documents, the Trust Deed and/or the Conditions.

Communication with Noteholders

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

- (a) for so long as the Notes are in global form:
 - (i) through the regulated information service maintained or recognised by Euronext Dublin (and any notice containing material, non-public information will be given in this manner); and
 - (ii) by delivery to Euroclear and/or Clearstream, Luxembourg for communication by them to their participants and for communication by such participants to entitled account holders; and
 - (iii) by delivery to the electronic communications systems maintained by Bloomberg L.P. for publication on the relevant page for the Notes (or such other medium for electronic display of data as may be approved in writing by the Note Trustee); or
- (b) if the Notes are in definitive form, if published in a leading daily newspaper printed in the English language and with general circulation in Ireland (which is expected to be *The Irish Times*);
- (c) the Note Trustee shall be at liberty to sanction any method of giving notice to the holders of the Z Notes and the X Notes, in its opinion, such method is reasonable having regard to market practice then prevailing and provided that notice of such other method is given to the holders of the Z Notes and the X Notes in such manner as the Note Trustee shall deem appropriate.

A copy of each notice given in accordance with Note Condition 13 (*Notice to Noteholders*) will be provided to (for so long as any Rated Note is outstanding) the Rating Agencies.

The Issuer will give notice to the Noteholders in accordance with Note Condition 13 (*Notice to Noteholders*) of any additions to, deletions from or alterations to such methods from time to time.

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The Note Trustee shall be at liberty to sanction some other method where, in its sole opinion, the use of such other method would be reasonable having regard to market practice then prevailing and to the requirements of the stock exchanges, competent listing authorities and/or the quotation systems on or by which the Notes are then listed, quoted and/or traded and provided that notice of such other method is given to Noteholders in such manner as the Note Trustee shall require.

Rating Agency Confirmation and Non-Responsive Rating Agencies

The implementation of certain matters will, pursuant to the Transaction Documents, be subject to the receipt of written confirmation from each Rating Agency that such modification would not result in the then current ratings of each Class of Debt rated thereby being qualified, downgraded, suspended or withdrawn, or such Rating Agency placing any Debt on rating watch negative (or equivalent).

The Note 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, and (i) (A) one Rating Agency (such Rating Agency, a “**Non-Responsive Rating Agency**”) indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response; or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received, and (ii) one Rating Agency gives such Rating Agency Confirmation or response based on the same facts, then, subject to certain certifications to be made by the Issuer, such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from a Non-Responsive Rating Agency. See Note Condition 15 (*Non-Responsive Rating Agency*) for further details.

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Please refer to sections entitled “*Credit Structure*” and “*Cash Management*” for further detail in respect of the credit structure and cash flows of the transaction.

Available Funds of the Issuer

The Issuer expects to have Available Revenue Funds and Available Principal Funds for the purposes of making interest and principal payments under the Debt and the other Transaction Documents.

“**Available Revenue Funds**” will include the following amounts:

- (a) interest (if any) earned on the amounts in the Bank Accounts (other than the Swap Collateral Account) for the Determination Period immediately preceding the relevant Determination Date;
- (b) the Revenue Collections received for the Determination Period immediately preceding the relevant Determination Date, other than in respect of an Interest Payment Date immediately following an Estimation Period;
- (c) any amounts received by the Issuer under the Swap Agreement or any replacement Swap Agreement(s) on the relevant Interest Payment Date (excluding Swap Excluded Receivable Amounts, any amounts credited to the Swap Collateral Account and any excess Swap Collateral (and any interest thereto) in the Swap Collateral Account);
- (d) amounts (which would otherwise constitute Available Principal Funds) determined to be applied as Available Revenue Funds in accordance with item (ix) of the Pre-Enforcement Principal Priority of Payment;
- (e) for so long as there is any Class A Debt or B Notes outstanding (including on the Interest Payment Date on which the Class A Debt and the B Notes are redeemed in full), such amount equal to any Revenue Shortfall standing to the credit of the Liquidity Reserve Fund Ledger if and to the extent there will be a Revenue Shortfall on the relevant Interest Payment Date;
- (f) subject to the PDL Condition in respect of any Debt that is not the Most Senior Class, any Principal Addition Amounts if and to the extent there will be a Further Revenue Shortfall on the immediately following Interest Payment Date to be applied to items (i) to (vi) and the relevant item corresponding to the payment of amounts (other than in respect of principal) in respect of each Class of Debt, in each case of the Pre-Enforcement Revenue Priority of Payments;
- (g) in respect of an Interest Payment Date immediately following an Estimation Period, any Revenue Receipts and, if the Reconciliation Amount in respect of the relevant Estimation Period is a negative number, an amount equal to the absolute value of such Reconciliation Amount, each as

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determined in accordance with Note Condition 4(j) (*Determinations and Reconciliation*);

- (h) any amounts credited to the Transaction Account on the previous Interest Payment Date in accordance with item (xix) of the Pre-Enforcement Revenue Priority of Payments;
- (i) in respect of the Call Option Date in respect of which the Mortgage Pool Option is exercised or a sale, assignment and transfer of the Mortgage Pool Option Loans pursuant to the Mortgage Pool Auction completes, the proportion of the Mortgage Pool Purchase Price or the Mortgage Pool Auction Purchase Price (as applicable) allocable to revenue;
- (j) income from any Authorised Investments in respect of the Determination Period ending immediately prior to the relevant Determination Date;
- (k) any Liquidity Reserve Fund Excess Amount; and
- (l) in respect of the Interest Payment Date on which the B Notes are redeemed in full (and, prior to the service of an Enforcement Notice, after the application of Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments), all amounts standing to the credit of the Liquidity Reserve Fund Ledger,

less any Third Party Amounts and any amounts which are to be applied as item (b) of Available Principal Funds on the relevant Interest Payment Date.

“Third Party Amounts” will include amounts (which would otherwise constitute Available Revenue Funds) applied from time to time during the immediately preceding Determination Period in making payment of certain monies which properly belong to third parties (including the Seller) such as (but not limited to):

- (a) certain costs and expenses incurred by the Servicer in respect of its servicing of the Loans including payments of ground rent, service charges, agent fees, general fees, occupancy checks, receivership set up fees, security, solicitors costs, tradesmen and utilities payments, but other than the fee payable to such Servicer and not otherwise covered by the items below;
- (b) payments of certain insurance premiums in respect of the insurance policies (to the extent referable to the Loans);
- (c) amounts under a direct debit which are repaid to the bank making the payment if such bank is unable to recoup or recall such amount itself from its customer’s account or is required to refund an amount previously debited; and
- (d) any amount received from a Borrower for the express purpose of payment being made to a third party for the provision of a service to that Borrower.

“Available Principal Funds” will include the following amounts:

DESCRIPTION OF THE CREDIT STRUCTURE AND CASH FLOW

- (a) the Principal Collections received for the preceding Determination Period other than in respect of an Interest Payment Date following an Estimation Period;
- (b) the amount (if any) calculated on that Determination Date pursuant to the Pre-Enforcement Revenue Priority of Payments to be the amount by which the debit balance on any of the Principal Deficiency Ledgers is expected to be reduced by the application of the Available Revenue Funds on the immediately succeeding Interest Payment Date;
- (c) in respect of an Interest Payment Date immediately following an Estimation Period, any Principal Receipts and if the Reconciliation Amount in respect of the relevant Estimation Period is a positive number, an amount equal to such Reconciliation Amount, as determined in accordance with Note Condition 4(j) (*Determinations and Reconciliation*);
- (d) on the Call Option Date in respect of which the Mortgage Pool Option is exercised or a sale, assignment and transfer of the Mortgage Pool Option Loans pursuant to the Mortgage Pool Auction completes, the proportion of the Mortgage Pool Purchase Price or the Mortgage Pool Auction Purchase Price (as applicable) allocable to principal;
- (e) on the First Interest Payment Date, all amounts standing to the credit of the Pre-Funding Principal Ledger (excluding the Light Refurbishment Loans Retained Amount) as at the Determination Date immediately prior to the Additional Mortgage Loans Final Sale Date that have not or will not be used to purchase Additional Mortgage Loans on or before the Additional Mortgage Loans Final Sale Date (such date being an Additional Mortgage Loan Purchase Date);
- (f) on the third Interest Payment Date, any unutilised Light Refurbishment Loans Retained Amount standing to the credit of the Pre-Funding Principal Ledger; and
- (g) on and after the Step-Up Date until the redemption in full of the Rated Debt, any Available Revenue Funds applied as Available Principal Funds in accordance with item (xvii) of the Pre-Enforcement Revenue Priority of Payments.

“Revenue Shortfall” means an amount, if greater than zero, by which the required payment pursuant to items (i) to (vi) (inclusive) and (viii) of the Pre-Enforcement Revenue Priority of Payments exceeds all Available Revenue Funds (excluding items (e) and (f) of the definition thereof).

“Further Revenue Shortfall” means an amount, if greater than zero, by which the aggregate amounts required to pay items (i) to (vi) of the Pre-Enforcement Revenue Priority of Payments and any interest payment due on each Class of Debt exceeds all Available Revenue Funds (excluding item (f)).

DESCRIPTION OF THE CREDIT STRUCTURE AND CASH FLOW

Summary of Priority of Payments

Below is a summary of the Priority of Payments prior to the service of an Enforcement Notice or on the occurrence of a Redemption Event. Full details of the Pre-Enforcement Revenue Priority of Payments are set out in Note Condition 2(c) (*Pre-Enforcement Revenue Priority of Payments*). Full details of the Pre-Enforcement Principal Priority of Payments are set out in Note Condition 5(b) (*Mandatory Redemption of the Debt*). Full details of the Post-Enforcement Priority of Payments are set out in Note Condition 2(d) (*Post-Enforcement Priority of Payments*).

PRIORITY OF PAYMENTS

PRIORITY OF PAYMENTS

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priority of Payments	Post-Enforcement Priority of Payments
Trustee fees and expenses	On the First Interest Payment Date, any unused amount of the Pre-Funding Initial Amount (excluding Light Refurbishment Loans Retained Amount) and on the third Interest Payment Date, any unused Light Refurbishment Loans Retained Amount, in each case, towards principal on the Notes on a <i>pro rata</i> and <i>pari passu</i> basis.	Trustee and receiver fees and expenses
Transaction Parties' fees and expenses		Transaction Parties' fees and expenses
Other senior expenses incurred by the Issuer		Issuer Profit Amount
Issuer Profit Amount		Certain amounts due to Swap Counterparty
Certain amounts due to Swap Counterparty		A Debt interest and principal
Interest on A Debt	Principal Addition Amounts (subject to the PDL Condition)	B Notes interest and principal
A Principal Deficiency Sub-Ledger	Principal on A Debt	C Notes interest and principal
Interest on B Notes	Principal on B Notes	D Notes interest and principal
Funding the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount	Principal on C Notes	E Notes interest and principal
B Principal Deficiency Sub-Ledger	Principal on D Notes	Z Notes interest and principal
Interest on C Notes	Principal on E Notes	Amounts owing to third parties
C Principal Deficiency Sub-Ledger	Applied as Available Revenue Funds	Swap Subordinated Amounts
Interest on D Notes		X Notes interest and principal
D Principal Deficiency Sub-Ledger		Surplus to Certificateholders
Interest on E Notes		
E Principal Deficiency Sub-Ledger		
On and after the Step-Up Date until the redemption in full of the Rated Notes and the Z Notes, all remaining Available Revenue Funds to be applied as Available Principal Funds until the redemption in full of the Rated Notes and the Z Notes		
Swap Subordinated Amounts		
On an Interest Payment Date immediately following an Estimation Period, retaining all remaining amounts		
Interest and Principal on X Notes		
Surplus to Certificateholders		
Principal on Z Notes		

DESCRIPTION OF THE CREDIT STRUCTURE AND CASH FLOW

General Credit Structure

The general credit structure of the transaction includes the following elements:

- (a) availability of the Liquidity Reserve Fund in the event there is a Revenue Shortfall. See the section entitled “*Credit Structure – Application of the Liquidity Reserve Fund and Principal Addition Amounts – Revenue Shortfall and Further Revenue Shortfall*” below for limitations on availability of the use of the Liquidity Reserve Fund; and
- (b) availability of Available Principal Funds in the event there is a Further Revenue Shortfall. See the section entitled “*Credit Structure – Application of the Liquidity Reserve Fund and Principal Addition Amounts – Revenue Shortfall and Further Revenue Shortfall*” below for limitations on availability of the use of Available Principal Funds.

Liquidity Reserve Fund

The Liquidity Reserve Fund will be funded (a) on the Issue Date, from the proceeds of the issue of the Z Notes and (b) on each Interest Payment Date prior to an Enforcement Notice being served on the Issuer, from the Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments, in each case until the amount standing to the credit of the Liquidity Reserve Fund Ledger is equal to the Liquidity Reserve Fund Required Amount on such day.

The Liquidity Reserve Fund Required Amount shall be calculated as follows:

- (a) (i) on the Issue Date and (ii) on each Interest Payment Date while the Class A Debt or the B Notes remain outstanding, an amount equal to 1.50 per cent. of the aggregate Principal Amount Outstanding of the Class A Debt and the B Notes on such day; and
- (b) on and after the Interest Payment Date on which the Class A Debt and the B Notes are to be redeemed in full, zero.

The Liquidity Reserve Fund shall be maintained until the Interest Payment Date on which the B Notes are to be redeemed in full. On the Interest Payment Date on which the B Notes are redeemed in full, following application of the Liquidity Reserve Fund to cover any Revenue Shortfall, any remaining balance in the Liquidity Reserve Fund shall be applied as Available Revenue Funds in accordance with the relevant Priority of Payments.

In addition, the Liquidity Reserve Fund Excess Amount shall be applied as Available Revenue Funds in accordance with the relevant Priority of Payments.

Application of Liquidity Reserve Funds and Principal Addition Amounts

Where there is a Revenue Shortfall, the Issuer shall pay or provide for that Revenue Shortfall to the extent of such Revenue Shortfall by drawing amounts from the Liquidity Reserve Fund and applying such amounts as Available Revenue Funds to certain items in the Pre-Enforcement Revenue Priority of Payment.

DESCRIPTION OF THE CREDIT STRUCTURE AND CASH FLOW

Thereafter, if there remains a Further Revenue Shortfall, the Issuer shall pay or provide for such Further Revenue Shortfall to the extent of such Further Revenue Shortfall by applying Principal Addition Amounts (subject to the PDL Condition in respect of any Debt that is not the Most Senior Class) as Available Revenue Funds to certain items in the Pre-Enforcement Revenue Priority of Payments.

Principal Deficiency Ledger

The Principal Deficiency Ledger comprises a number of sub-ledgers, known as the A Principal Deficiency Sub-Ledger, the B Principal Deficiency Sub-Ledger, the C Principal Deficiency Sub-Ledger, the D Principal Deficiency Sub-Ledger and the E Principal Deficiency Sub-Ledger which will be established to record as a debit any Losses and/or the use of any Available Principal Funds as Available Revenue Funds pursuant to the Pre-Enforcement Principal Priority of Payments.

Available Revenue Funds will be credited to the sub-ledgers of the Principal Deficiency Ledger on each Interest Payment Date to reduce the debit balance of the Principal Deficiency Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments.

Any Losses and the application of any Principal Addition Amounts to meet a Further Revenue Shortfall will be recorded as a debit to the Principal Deficiency Ledger on each Determination Date as follows:

- (a) *firstly*, to the E Principal Deficiency Sub-Ledger (up to an amount (including all other debits to the E Principal Deficiency Sub-Ledger) equal to the aggregate Principal Amount Outstanding of the E Notes) (as calculated on the immediately preceding Determination Date);
- (b) *secondly*, to the D Principal Deficiency Sub-Ledger (up to an amount (including all other debits to the D Principal Deficiency Sub-Ledger) equal to the aggregate Principal Amount Outstanding of the D Notes) (as calculated on the immediately preceding Determination Date);
- (c) *thirdly*, to the C Principal Deficiency Sub-Ledger (up to an amount (including all other debits to the C Principal Deficiency Sub-Ledger) equal to the aggregate Principal Amount Outstanding of the C Notes) (as calculated on the immediately preceding Determination Date);
- (d) *fourthly*, to the B Principal Deficiency Sub-Ledger (up to an amount (including all other debits to the B Principal Deficiency Sub-Ledger) equal to the Principal Amount Outstanding of the B Notes) (as calculated on the immediately preceding Determination Date); and
- (e) *fifthly*, to the A Principal Deficiency Sub-Ledger (up to an amount (including all other debits to the A Principal Deficiency Sub-Ledger) equal to the aggregate Principal

DESCRIPTION OF THE CREDIT STRUCTURE AND CASH FLOW

Amount Outstanding of the Class A Debt) (as calculated on the immediately preceding Determination Date).

Collection Account and Transaction Account

All Revenue Collections and Principal Collections in respect of the Loans are received by the Seller in the Collection Account.

On or about the Issue Date, the Seller will declare the Collection Account Declaration of Trust in favour of the Issuer over amounts credited to the Collection Account.

The Servicer is obliged to instruct the Collection Account Provider to transfer from the Collection Account to the Transaction Account on a daily basis all amounts received via direct debit credited in cleared funds to the Collection Account in respect of the Loans during the previous Business Day, and where amounts had been received other than by way of direct debit, the Servicer shall procure that such amounts received in cleared funds are transferred from the Collection Account to the Transaction Account within 3 Business Days of such cleared funds being credited to the Collection Account.

TRIGGER TABLES

Rating Triggers Table Transaction party	Required Ratings	Possible effects of Ratings Trigger being breached include the following:
Account Bank	<p>(a) Moody's: a short-term deposit rating of at least "P1" by Moody's and a long-term, unsecured, unguaranteed and unsubordinated debt obligation rating of at least "A3" by Moody's;</p> <p>(b) Fitch: a short-term deposit rating (or, if a short-term deposit rating is not available, a short-term issuer default rating) of at least "F1" or a long-term deposit rating (or, if a long-term deposit rating is not available, a long-term issuer default rating) of at least "A" by Fitch; and</p> <p>(c) alternatively to each of the above, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Debt.</p>	<p>The consequences for the Account Bank of a breach of the Required Ratings as set out in this section "<i>Triggers Tables</i>" (the "Account Bank Required Ratings") under the Bank Agreement include a requirement for the Issuer to use reasonable endeavours to replace the Account Bank within 60 calendar days (but not less than 35 calendar days) of the downgrade of the relevant entity.</p>
Swap Collateral Account Bank	<p>(a) Moody's: a short-term deposit rating of at least "P1" by Moody's and a long-term unsecured, unguaranteed and unsubordinated debt obligation rating of at least "A3" by Moody's;</p> <p>(b) Fitch: a short-term deposit rating (or, if a short-term deposit rating is not available, a short-term issuer default rating) of at least "F1" or a long-term</p>	<p>The consequences for the Swap Collateral Account Bank of a breach of the Required Ratings as set out in this section "<i>Triggers Tables</i>" (the "Swap Collateral Account Bank Required Ratings") under the Bank Agreement include a requirement for the Issuer to use reasonable endeavours to replace the Swap Collateral Account Bank within 60 calendar days (but not less than 35 calendar</p>

Rating Triggers Table
Transaction party

Required Ratings

Possible effects of Ratings
Trigger being breached
include the following:

	<p>deposit rating (or, if a long-term deposit rating is not available, a long-term issuer default rating) of at least "A" by Fitch; and</p> <p>(c) alternatively to each of the above, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Debt.</p>	<p>days) of the downgrade of the relevant entity.</p>
Collection Account Provider	<p>(a) Moody's: a long-term, unsecured, unguaranteed and unsubordinated debt obligation rating of at least "Baa3" by Moody's;</p> <p>(b) Fitch: a short-term deposit rating (or, if a short-term deposit rating is not available, a short-term issuer default rating) of at least "F2" or a long-term deposit rating (or, if a long-term deposit rating is not available, a long-term issuer default rating) of at least "BBB" by Fitch; and</p> <p>(c) alternatively to each of the above, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Debt.</p>	<p>If the Collection Account Provider fails or is unable to maintain the Required Ratings as set out in this section "<i>Triggers Tables</i>" (the "Collection Account Required Ratings") (such failure a "Collection Account Provider Downgrade Event"), the Issuer will use its commercially reasonable endeavours to procure that the Collection Account shall be transferred to another institution authorised under FSMA which has the Collection Account Rating Agency Required Ratings pursuant to an agreement with such institution in substantially the form of the Collection Account Agreement as soon as possible but within 60 calendar days (or such longer period as the Security Trustee and the Rating Agencies may agree, provided that such transfer and replacement is not required to take place within 35 calendar days of the relevant Collection Account Provider Downgrade Event) from the date on which such downgrade occurs, and the Collection Account Provider will, at the request and cost of the</p>

TRIGGER TABLES

Rating Triggers Table

Transaction party

Required Ratings

Possible effects of Ratings Trigger being breached include the following:

Issuer, use its commercially reasonable endeavours to assist with the same.

Swap Counterparty Required Ratings**Moody's required ratings**

The Swap Counterparty, or any additional guarantor, must have the Moody's counterparty risk assessment of "A3(cr)" or, if a counterparty risk assessment is not available for such entity, the long-term unsecured and unsubordinated debt obligations must be rated at least "A3" by Moody's.

Fitch's required ratings

(a) The Swap Counterparty, or any applicable credit support provider, must have the Unsupported Minimum Counterparty Rating (as defined below) (the "**Initial Fitch Rating Event**").

(b) The Swap Counterparty, or any applicable credit support provider, must have the Supported Minimum Counterparty Rating (as defined below) (the "**Subsequent Fitch Rating Event**").

Possible effects of Ratings Trigger being breached include the following:

The Swap Counterparty must within 30 business days (i) provide collateral to the extent required (depending on the value of the relevant Interest Rate Swap(s) to each of the parties at such time) or (ii) procure a transfer to an eligible replacement or (iii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement or (iv) take such other action (which could include posting collateral or taking no action) as will result in the rating of the Most Senior Class of Rated Debt following the taking of such action being maintained at, or restored to, the level at which it was immediately prior to the relevant rating event.

The Issuer may terminate the Swap Agreement if the Swap Counterparty fails to provide collateral in respect of the Swap Agreement within the relevant time period (to the extent that the Swap Counterparty is required to do so) and such failure is not remedied on or before the third Business Day after notice of such failure is given to the Swap Counterparty.

(a) Upon the occurrence of an Initial Fitch Rating Event and for so long as such Initial Fitch Rating Event is continuing, the Swap Counterparty is required to provide collateral within 14 calendar days (or 60 calendar days if Fitch High Rating Thresholds apply) 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 Swap 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 Swap 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 Rated Debt rated by Fitch corresponding to the relevant Interest Rate Swap.

The Fitch High Rating Thresholds shall apply with respect to Party A:

(i) unless (and until) Party A notifies Party B that the Fitch High Rating Thresholds are not to apply; and

(ii) if, subsequent to the Fitch High Rating Thresholds ceasing to apply, upon Party A giving notice under limb (i) immediately above, the short-term issuer default rating of Party A is at least F1+ or the long-term issuer default rating or, if assigned, the derivative counterparty rating of Party A is at least AA-, from the date on which Party A notifies Party B that the Fitch High Rating Thresholds are to apply.

(b) Upon the occurrence of a Subsequent Fitch Rating Event and for so long as such Subsequent Fitch Rating Event is continuing, the Swap Counterparty is required to provide collateral within 60 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 Swap 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 Swap 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 Rated Debt rated by Fitch corresponding to the relevant Interest Rate Swap.

A failure by a Swap Counterparty or any credit support provider of the Swap Counterparty to take such steps will, in certain circumstances, allow the Issuer to terminate the Swap Agreement. In circumstances where the Swap Agreement is terminated as a result of the failure of the Swap Counterparty or any credit support provider of the Swap Counterparty to take such steps, the Issuer will endeavour to enter into a replacement Swap Agreement on terms similar to, and providing a similar level of protection against interest rate risk as the Swap Agreement which has been terminated.

Fitch Minimum Counterparty Ratings:

Current Fitch rating of Fitch relevant notes	Unsupported Minimum Counterparty Rating	Supported Minimum Counterparty Rating	Supported Minimum Counterparty Rating (adjusted) ¹
AAAsf	A or F1	BBB- or F3	BBB+ or F2
AA+sf, AAAsf, 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-

¹ If the Swap 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.

"Fitch High Rating Thresholds" means a long-term issuer default rating (or, if assigned, derivative counterparty rating) from Fitch of AA- or a short-term issuer default rating from Fitch of F1+.

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

"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 Debt Fitch Rating in respect of the relevant entity indicated in the "Supported Minimum Counterparty Rating" column of the above table.

"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 Debt Fitch Rating in respect of the relevant entity indicated in the "Unsupported Minimum Counterparty Rating" column of the above table.

Non-Rating Triggers Table

Nature of Trigger	Description of Trigger	Consequence of Trigger
Perfection Events	<p>The occurrence of any of the following:</p> <ul style="list-style-type: none"> (a) an Enforcement Notice having been delivered by the Security Trustee; (b) the Legal Title Holder being required to perfect legal title to the Loans and their Related Security by an order of a court of competent jurisdiction or by a regulatory authority which has jurisdiction over the Legal Title Holder; (c) it becoming necessary by law to perfect legal title to the Loans and their Related Security; (d) (for as long as CHL is the Servicer) the termination of the appointment of the Servicer or resignation of the Servicer; (e) the Charged Property or any material part of the Charged Property being, in the opinion of the Security Trustee, in jeopardy (including due to the possible insolvency of the Legal Title Holder); or (f) an Insolvency Event having occurred in relation to the Legal Title Holder, or any other entity in which legal title to any Loan is vested. 	<p>Borrowers will be notified of the sale of the Loans to the Issuer and legal title to the Mortgage Pool will be transferred to the Issuer.</p>
Cash Manager Termination Events	<ul style="list-style-type: none"> (a) Cash Manager payment default; (b) Failure to provide the Investor Report; (c) Failure to comply with any other of its material covenants or obligations (d) Failure to instruct the Principal Paying Agent; 	<p>Replacement cash manager to be appointed.</p> <p>See section entitled “<i>Removal or Resignation of the Cash Manager</i>” for further information.</p>

Non-Rating Triggers Table

Nature of Trigger	Description of Trigger	Consequence of Trigger
	<ul style="list-style-type: none"> (e) It becomes unlawful for the Cash Manager to perform or comply with any of its obligations; or (f) Insolvency event in relation to the Cash Manager 	
<p>Servicer Termination Events</p>	<ul style="list-style-type: none"> (a) Servicer payment default (b) Failure to comply with any of its other material covenants or obligations; (c) Failure to maintain licenses; (d) Insolvency Event in relation to the Servicer; or (e) Perfection Event <p>The Issuer may also terminate the appointment of the Servicer, at the direction of the Servicing Committee at any time without cause on six months' written notice to the Servicer</p>	<p>Upon the delivery of a written notice to the Servicer following the occurrence of a Servicer Termination Event, the Back-up Servicer Facilitator (on behalf of the Issuer) will be required to use its best efforts to appoint a successor servicer which satisfies the conditions set out in the Servicing Agreement</p>

FEES

The following table sets out the ongoing fees to be paid by the Issuer to the Transaction Parties.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Servicer fees	<p>The Issuer shall pay to the Servicer:</p> <p>(a) a servicer fee equal to 0.20 per cent. (exclusive of any applicable VAT) of the average aggregate Current Balance of each of the Loans (other than the Shortfall Loans) in the Mortgage Pool as at the start of the Determination Period immediately preceding the relevant Interest Payment Date (the “Base Servicing Fee”);</p> <p>(b) for any Shortfall Loan, 30% of any monies recovered in relation to such loan (exclusive of VAT);</p> <p>(c) in respect of any repossessed Properties, an amount equal to 25 per cent. of the total amount of VAT received or recovered from HMRC (exclusive of VAT);</p> <p>(d) an arrears management fee of £40 (exclusive of VAT) per calendar month in respect of any Loan (other than any Shortfall Loan) in the Mortgage Pool which is either (i) one month or more in arrears or (ii) (without double counting) past its scheduled maturity date, in each case as at the last calendar day of each calendar month or such other amount as the Issuer and the Servicer may agree from time to time;</p> <p>(e) an accounting fee of £15,000 per annum (exclusive of VAT), (together, the “Servicing Fees”);</p> <p>(f) a one-off securitisation assistance fee of £100,000 (exclusive of VAT); and</p> <p>(g) any fees and charges set out in the tariff of mortgage charges payable by a Borrower (other than the monthly arrears fee) and which</p>	Ahead of all outstanding Debt.	Payable on each Interest Payment Date

TRIGGER TABLES

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
	are added to the Current Balance of that Borrower's Loan. The Servicing Fees shall be adjusted for each twelve (12) month period on each anniversary of the Issue Date to reflect any increase in the Retail Prices Index for the prior twelve (12) month period (the " RPI Adjustments ") (provided that the RPI Adjustments shall not exceed 2 per cent. per annum by reference to the Servicing Fee immediately prior to the adjustment.		
Other fees and expenses, including fees paid to the Security Trustee, Note Trustee, the Agents, Class A Loan Note Agents, the Account Bank, the Swap Collateral Account Bank, the Cash Manager, the Back-Up Cash Manager Facilitator, the Corporate Services Provider and the Back-up Servicer Facilitator.	An estimated annual fee of £155,000 (inclusive of any applicable VAT).	Ahead of all outstanding Debt.	Payable on each Interest Payment Date
Expenses related to the admission to trading of the Notes	An estimated initial fixed fee of €14,840 (exclusive of any applicable VAT). Thereafter an annual fixed fee of €3,500 (exclusive of any applicable VAT).	Not Available.	On or about the Issue Date. Payable annually.

FURTHER INFORMATION RELATING TO REGULATION OF BUY-TO-LET MORTGAGES IN THE UK

Regulation of buy-to-let mortgages

Buy-to-let mortgage loans can fall under several different regulatory regimes. They can be:

- unregulated;
- regulated by the Consumer Credit Act 1974 (the “CCA”) as a regulated credit agreement – as defined by article 60B of the RAO (a “**Regulated Credit Agreement**”);
- regulated by the FSMA as a regulated mortgage contract - as defined by article 61 RAO (a “**Regulated Mortgage Contract**”); or
- regulated as a consumer buy-to-let mortgage contract under the consumer buy-to-let regime – as defined by the Mortgage Credit Directive Order 2015 (a “**Consumer Buy-to-Let Loan**”).

The Mortgage Pool comprises Loans that the Seller believes are unregulated buy-to-let mortgages. The Seller has given warranties in the Mortgage Sale Agreement that no agreement for any Loan is in whole or in part a Regulated Credit Agreement or a Regulated Mortgage Contract (“**Regulated Agreements**”). If any of the Loans are in fact Regulated Agreements, then breach of the relevant regulations could give rise to a number of consequences (as applicable), including but not limited to: unenforceability of the Loans, interest payable under the Loans being irrecoverable for certain periods of time, Borrowers being entitled to cancel the Loans under the Distance Marketing Regulations or Borrowers being entitled to claim damages for losses suffered and being entitled to set off the amount of their claims against the amount owing by the borrower under the Loans, all of which may adversely affect the ability of the Issuer to make payments in full on the Debt when due.

In addition, pursuant to the Lending Criteria, no loans were considered for origination where such loan would have been a Consumer Buy-to-Let Loan. If any of the Loans are in fact Consumer Buy-to-Let Loans, then breach of the relevant regulations could give rise to a number of consequences, including but not limited to: unenforceability of the Loans and the exercise of other powers under FSMA including orders for injunctions or restitution. These and other consequences may adversely affect the ability of the Issuer to make full payment on the Debt and/or Certificates when due.

Unregulated buy-to-let mortgage loans

Many buy-to-let mortgage loans will be unregulated because they do not meet the criteria for a Regulated Credit Agreement, Regulated Mortgage Contract or Consumer Buy-to-Let Loan. There are, however, still some regulated activities that apply to unregulated buy-to-let mortgage loans. The relevant activities in respect of the Loans being debt administration and debt collection. The Servicer (and the Issuer in the event that it becomes Legal Title Holder) will be excluded as lender from the regulated activities of debt administration and debt collection in respect of any unregulated loan by virtue of being Legal Title Holder.

Regulation of residential secured lending under the Mortgage Credit Directive

The United Kingdom implemented the Mortgage Credit Directive (2014/17/EU) (“MCD”) via the Mortgage Credit Directive Order 2015 (“MCD Order”). This: (i) put in place a new regulatory regime for consumer buy-to-let mortgages (“CBTL”); (ii) widened the definition of a Regulated Mortgage Contract to include second mortgages, and mortgages over secured land located within the EEA (rather than just the UK), timeshare accommodation and equitable mortgages; and (iii) transferred the regulation of some existing regulated credit agreements (e.g. second charge loans) from the consumer credit regime to the Regulated Mortgage Contract regime. The new requirements became mandatory on 21 March 2016.

FURTHER INFORMATION RELATING TO REGULATION OF BUY-TO-LET MORTGAGES IN THE UK

Registered lenders, brokers or administrators of CBTL mortgage contracts are subject to a number of obligations under the MCD Order. These include conduct of business standards, requirements for the provision of information and for practices preliminary to the conclusion of the CBTL mortgage contract, and other obligations pertaining, amongst others, to property valuation, the calculation of the annual percentage rate of charge, the assessment of the creditworthiness of the borrower or the sound execution of CBTL contracts and related rights.

The MCD Order also provides the FCA with appropriate powers to supervise and enforce this framework. These powers apply or mirror the FCA's investigative and sanctioning powers under FSMA and include the power to issue a public censure and to impose a penalty or a suspension under the MCD Order.

Following Brexit, the UK government intends to repeal and, where appropriate, replace retained EU law relating to financial services. The MCD Order is part of the subordinate legislation that will be revoked by the FSMA 2023. The UK government has not yet published a formal deadline by which it intends to complete this process.

In the event that any of the Loans are CBTL mortgage contracts, any further changes in the regulatory framework for lending and mortgages may adversely affect the Loans, the Legal Title Holder, the Seller, the Issuer, and/or the Servicer and their respective businesses and operations.

FCA response to the cost of living crisis

On 16 June 2022, the FCA sent a "Dear CEO" letter which stated that the FCA consider that the Mortgages Tailored Support Guidance published on 25 March 2021 (the "**Mortgages Tailored Support Guidance**") which was issued to address exceptional circumstances arising out of coronavirus, is also relevant for Borrowers in financial difficulties due to other circumstances such as the rising cost of living. Therefore, if a Borrower indicates that they are experiencing or reasonably expect to experience payment difficulties due to the rising cost of living, the FCA have said that lenders should offer prospective forbearance to enable them to avoid, reduce, or manage any payment shortfall that would otherwise arise. This includes Borrowers who have not yet missed a payment.

The Mortgages Tailored Support Guidance emphasises the MCOB requirement that a lender must not repossess a property unless all other reasonable attempts to resolve the position have failed. It further states that mortgage lenders must also establish and implement clear, effective and appropriate policies and procedures for the fair and appropriate treatment of Borrowers whom the lender understands, or reasonably suspects, to be particularly vulnerable. The Mortgages Tailored Support Guidance also confirms the FCA's expectation that action to seek possession should be a last resort.

In addition, the FCA proposed that lenders considering or resuming possession proceedings, should support and enable borrowers to disclose circumstances that might make them particularly vulnerable to repossession action at this time - and to consider whether additional care may be required as a result.

In March 2023, the FCA published finalised guidance: "Guidance for firms supporting their existing mortgage borrowers impacted by the rising cost of living" (FG23/2). The FCA stated that the purpose of the finalised guidance was to ensure that lenders are clear about the effect of the FCA rules and the range of options lenders have to support their customers including those who are facing higher interest rates alongside the rising cost of living. The FCA have said that the guidance clarifies the effect of their existing rules and principles and is not intended to set new expectations or requirements of lenders or to repeat the position set out in other documents such as the expectations around repossessions or the treatment of vulnerable customers. It explains how lenders can support Borrowers in, or at risk of, payment difficulty and confirms the flexibility lenders have under FCA rules and guidance to support Borrowers in different ways. On 10 April 2024, the FCA published updated guidance (FG24/2) which will replace FG23/2 with effect from 4 November 2024.

The FCA makes clear in the Mortgage Tailored Support Guidance that it expects lenders of both owner-occupied and buy-to-let mortgage loans to act in a manner consistent with the guidance.

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In March 2021, the FCA stated that as the more immediate impacts of coronavirus begin to subside, they were considering whether they will need to make any permanent changes to their forbearance regimes for mortgages and credit in light of the Mortgages Tailored Support Guidance. This could include updating the rules and guidance in MCOB and incorporating elements of the Mortgages Tailored Support Guidance. On 25 May 2023, the FCA launched consultation CP23/13 setting out how they plan to incorporate aspects of the Mortgages Tailored Support Guidance into MCOB and withdraw the Mortgages Tailored Support Guidance. The FCA also proposed targeted additional changes to support consumers in financial difficulty. On 10 April 2024, the FCA published PS24/2 setting out its final rules for strengthening protections for borrowers in financial difficulty. The majority of the rules and guidance are being finalised broadly as they were consulted upon but there are certain amendments, including, transparency on how any proposed payment arrangements will be reported on the credit file explanation on the meaning of priority debts, provision of information required for mortgage arrear statements and transparency on the range of forbearance options that may be considered. The new rules will come into force on 4 November 2024 at which time the Mortgages Tailored Support Guidance will be withdrawn.

There can be no assurance that the FCA, or other UK government or regulatory bodies, will not take further steps in response to the rising cost of living in the UK which may impact the performance of the Loans, including further amending and extending the scope of the above guidance.

Mortgage Charter

On 26 June 2023, HM Treasury published the “Mortgage Charter” in light of the current pressures on households following interest rate rises and the cost-of-living crisis. The Mortgage Charter states that the UK’s largest mortgage lenders and the FCA have agreed with the Chancellor a set of standards that they will adopt when helping their regulated mortgage borrowers worried about high interest rates (the Mortgage Charter). In addition, lenders will permit borrowers who are up to date with their payments to: (i) switch to interest-only payments for six months (the “**MC Interest-only Agreement**”); or (ii) extend their mortgage term to reduce their monthly payments and give borrowers the option to revert to their original term within six months by contacting their lender (the “**MC Extension Agreement**”). These options can be taken by borrowers who are up to date with their payments without a new affordability check or affecting their credit score.

The Mortgage Charter commitments do not apply to buy-to-let mortgages, however, there can be no assurance that the FCA or other UK government or regulatory bodies will not take further steps in response to the rising cost of living in the UK which may impact the performance of the Loans, including further amending and extending the scope of the Mortgage Charter or related rules. Such developments may adversely affect the ability of the Issuer to make payments in full on the Debt when due.

Unfair Relationships

Under the Consumer Credit Act 1974, the “extortionate credit” regime was replaced by an “unfair relationship” test. The “unfair relationship” test applies to all existing and new credit agreements, except Regulated Mortgage Contracts and regulated home purchase plans under the FSMA. If the court makes a determination that the relationship between a lender and a borrower is unfair, then it may make an order, among other things, requiring CMI, or any assignee such as the Legal Title Holder or the Issuer, to repay amounts received from such borrower. In applying the “unfair relationship” test, the courts are able to consider a wider range of circumstances surrounding the transaction, including the conduct of the creditor (or anyone acting on behalf of the creditor) before and after making the agreement. There is no statutory definition of the word “unfair” in the CCA as the intention is for the test to be flexible and subject to judicial discretion and it is therefore difficult to predict whether a court would find a relationship “unfair”. However, the word “unfair” is not an unfamiliar term in UK legislation due to the Unfair Terms in Consumer Contracts Regulations 1994 and 1999 (the “**UTCCR**”) and the CRA (see below). The courts may, but are not obliged to, look solely to the CCA for guidance. The principle of “treating customers fairly” under the FSMA, and guidance published by the Financial Services

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Authority and, as of 1 April 2013, the FCA on that principle and by the Office of Fair Trading on the unfair relationship test, may also be relevant. Under the CCA, once the debtor alleges that an “unfair relationship” exists, the burden of proof is on the creditor to prove the contrary.

Plevin v Paragon [2014] UKSC 61, a Supreme Court judgment, has clarified that compliance with the relevant regulatory rules by the creditor (or a person acting on behalf of the creditor) does not preclude a finding of unfairness, as a wider range of considerations may be relevant to the fairness of the relationship than those which would be relevant to the application of the rules.

A more recent Supreme Court decision in *Smith and Burrell v Royal Bank of Scotland Plc* [2023] UKSC 34 further clarified that in judging unfairness, the Court must consider the whole history of the relationship and have regard to any matter that it thinks relevant: including not only the entering into of the credit agreement, but also any relevant act or omission of the creditor before the making of that agreement or any related agreement.

If a court determines that there was an unfair relationship between the creditor and a Borrower in respect of the Loans and orders that financial redress be made in respect of such Loan, such redress may adversely affect the ultimate amount received by the Issuer in respect of the relevant Loan and the realisable value of the Mortgage Pool and/or the Issuer’s ability to make payment in full on the Debt when due.

Repossessions policy

The pre-action protocol for repossessions based on mortgage or home purchase plan arrears in respect of residential property in England and Wales sets out steps that judges expect any lender to take before starting a claim.

The Mortgage Repossession (Protection of Tenants etc.) Act 2010 (the “**Repossession Act 2010**”) came into force on 1 October 2010. The Repossession Act 2010 gives courts in England and Wales the same power to postpone and suspend repossession for up to two months on application by an unauthorised tenant (i.e. a tenant in possession without the lender’s consent) as generally exists on application by an authorised tenant. Additionally, under the Dwelling Houses (Execution of Possession Orders by Mortgagees) Regulations 2010, the lender has to serve at least 14 days’ notice of its intention to execute a possession order over residential premises which have been let.

There can be no assurance that any delay in starting and/or completing repossession or enforcement actions by the Legal Title Holder would not result in the amounts recovered being less than if there had not been any such delays (which may ultimately adversely affect the ability of the Issuer to make payment in full on the Debt when due). The protocol in the Repossession Act 2010 may have adverse effects in markets experiencing above average levels of possession claims. Delays in the initiation of responsive action in respect of the Loans may result in delayed or lower recoveries and a lower repayment rate on the Debt.

The Renting Homes (Wales) Act 2016

The Renting Home (Wales) Act 2016 (the “**Renting Homes (Wales) Act**”) fully entered into force on 1 December 2022. The Renting Homes (Wales) Act has converted the majority of existing residential tenancies in Wales into an “occupation contract” with retrospective effect. Subject to certain criteria being met, residential lettings and tenancies granted on or after 1 December 2022 will be “occupation contracts”. Under the Renting Homes (Wales) Act, a landlord must, within the requisite time period set out in the act, serve a written statement on the tenant of an occupation contract which sets out certain terms of the occupation contract which are specified in the Renting Homes (Wales) Act. Where a tenant has breached the occupation contract the minimum notice that must be given to the tenant by the landlord of termination of the contract is one month. The notice period can be shorter where it relates to acts of anti-social behaviour or serious rent arrears. Where a “no fault” notice is issued, the minimum notice that must be given to a tenant is six months. The Renting Homes (Wales)

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Act (which only has effect in Wales) does not contain an equivalent mandatory ground for possession that a lender had under the Housing Act 1988 where a property was subject to a mortgage granted before the beginning of the tenancy and the lender required possession in order to dispose of the property with vacant possession. The Renting Homes (Wales) Act may result in lower recoveries in relation to buy-to-let mortgage loans over Properties in Wales and may affect the ability of the Issuer to make payments under the Debt.

Assured Shorthold Tenancy (AST)

Depending on the level of ground rent payable at any one time it is possible that a long leasehold in England and Wales may also be an Assured Tenancy (“AT”) or Assured Shorthold Tenancy (“AST”) under the Housing Act 1988 (“HA 1988”). If it is, this could have the consequences set out below.

- (a) A tenancy or lease will be an AT if granted after 15 January 1989 and:
 - (i) the tenant or, as the case may be, each of the joint tenants is an individual;
 - (ii) the tenant or, as the case may be, at least one of the joint tenants occupies the dwelling-house as their only or principal home; and
- (b) if granted before 1 April 1990:
 - (i) the property had a rateable value at 31 March 1990 lower than £1,500 in Greater London or £750 elsewhere; and
 - (ii) the rent payable for the time being is greater than 2/3rds of the rateable value at 31 March 1990;
 - (iii) if granted on or after 1 April 1990 the rent payable for the time being is between £251 and £100,000 inclusive (or between £1,001 and £100,000 inclusive in Greater London).

There is no maximum term for an AT and therefore any lease can constitute an AT if it satisfies the relevant criteria.

Since 28 February 1997 all ATs will automatically be ASTs (unless the landlord serves notice to the contrary) which gives landlords the right to recover the property at the end of the term of the tenancy. The HA 1988 also entitles a landlord to obtain an order for possession and terminate an AT/AST during its fixed term on proving one of the grounds for possession specified in section 7(6) of the HA 1988. The ground for possession of most concern in relation to long leaseholds is Ground 8 – namely that if the rent is payable yearly (as most ground rents are), at least three months’ rent is more than three months in arrears both at the date of service of the landlord’s notice and the date of the hearing.

Most leases in England and Wales give the landlord a right to forfeit the lease if rent is unpaid for a certain period of time but the courts normally have power to grant relief, cancelling the forfeiture as long as the arrears are paid off. There are also statutory protections in place to protect long leaseholders from unjustified forfeiture action. However, an action for possession under Ground 8 is not the same as a forfeiture action and the court’s power to grant relief does not apply to Ground 8. In order to obtain possession, the landlord will have to follow the notice procedure in section 8 of the HA 1988 and, if the tenant does not leave on expiry of the notice, apply for a court order. However, as ground 8 is a mandatory ground, the court will have no discretion and will be obliged to grant the order if the relevant conditions are satisfied. There is government consultation underway to review residential leasehold law in England and Wales generally and it is anticipated that this issue will be addressed as part of any resulting reforms.

Currently, however, there is a risk that where:

- (a) a long lease is also an AT/AST due to the level of the ground rent;
- (b) the tenant is in arrears of ground rent for more than 3 months;
- (c) the landlord chooses to use the HA 1988 route to seek possession under Ground 8; and

- (d) the tenant does not manage to reduce the arrears to below 3 months' ground rent by the date of the court hearing,

the long lease will come to an end and the landlord will be able to re-enter the relevant property.

Energy Efficiency Regulations 2015

From 1 April 2018, landlords of relevant domestic properties in England and Wales may not grant a tenancy to new or existing tenants if their property has an EPC rating of band F or G (as shown on a valid Energy Performance Certificate for the property) and from 1 April 2020, landlords must not continue letting a relevant domestic property which is already let if that property has an EPC rating of band F or G (as shown on a valid Energy Performance Certificate for the property). In both cases described above this is referred to in the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (the "**Energy Efficiency Regulations 2015**") as the prohibition on letting substandard property. Where a landlord wishes to continue letting property which is currently substandard, they will need to ensure that energy efficiency improvements are made which raise the EPC rating to a minimum of E. In certain circumstances landlords may be able to claim an exemption from this prohibition on letting substandard property. This includes situations where the landlord is unable to obtain funding to cover the cost of making improvements, or where all improvements which can be made have been made, and the property remains below an EPC rating of Band E. Local authorities will enforce compliance with the domestic minimum level of energy efficiency. They may check whether a property meets the minimum level of energy efficiency, and may issue a compliance notice requesting information where it appears to them that a property has been let in breach of the Energy Efficiency Regulations 2015 (or an invalid exemption has been registered in respect of it). Where a local authority is satisfied that a property has been let in breach of the Energy Efficiency Regulations 2015 it may serve a notice on the landlord imposing financial penalties. In September 2020, the Department for Business, Energy & Industrial Strategy issued a consultation titled "*Improving the energy performance of privately rented homes in England and Wales*" regarding, among other things, the proposal to raise energy performance standards for the domestic private rented sector to an EPC rating band of C. The consultation period closed on 8 January 2021. No publication date for the results of the consultation has yet been announced by the UK Government. However, if proposals to require new tenancies in England and Wales to have an EPC rating of at least C or higher from 2025 (and for existing tenancies from 2028) were enacted, this could result in increasing arrears within the Mortgage Pool. On 20 September 2023, the government published a press release which set out certain changes to the government's net zero targets and commitments. This press release provided, among other things, that under revised plans, the government will scrap policies to force landlords to upgrade the energy efficiency of their properties, but instead continue to encourage households to do so where they can. It is currently unclear whether the Energy Efficiency Regulations 2015 will be amended and, if they are, to what extent.

Consumer Rights Act 2015

The CRA applies to contracts entered into between traders and consumers in respect of contracts made on or after 1 October 2015. The CRA defines a consumer as an individual acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession. It is therefore possible that some of the borrowers in relation to the Loans may be classified as consumers where they are not commercial landlords.

The main provisions of the CRA came into force on 1 October 2015. The CRA significantly reforms and consolidates consumer law in the UK. The CRA involves the creation of a single regime out of the Unfair Contract Terms Act 1977 (which essentially deals with attempts to limit liability for breach of contract) and UTCCR. The CRA is only applicable to contracts that (a) were entered into on or after 1 October 2015; or (b) were, since 1 October 2015, subject to a material variation such that they are treated as new contracts falling within the scope of the CRA. The CRA is also applicable on or after 1 October 2015, to notices of variation, such as variation of interest rate under contracts. All of the Loans were originated on or after 1 October 2015.

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Under Part 2 of the CRA an unfair term of a consumer contract (a contract between a trader and a consumer) is not binding on a consumer (an individual acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession). Additionally, an unfair notice is not binding on a consumer, although a consumer may rely on the term or notice if the consumer chooses to do so. A term will be unfair where, contrary to the requirement of good faith, it causes significant imbalance in the parties' rights and obligations under the contract to the detriment of the consumer. In determining whether a term is fair it is necessary to: (i) take into account the nature of the subject matter of the contract; (ii) refer to all the circumstances existing when the term was agreed; and (iii) refer to all of the other terms of the contract or any other contract on which it depends.

Schedule 2 of the CRA contains an indicative and non-exhaustive "grey list" of terms of consumer contracts that may be regarded as unfair. Notably, paragraph 11 lists "a term which has the object or effect of enabling the trader to alter the terms of the contract unilaterally without a valid reason which is specified in the contract" although paragraph 22 of Schedule 2 provides that this does not include a term by which a supplier of financial services reserves the right to alter the rate of interest payable by or due to the consumer, or the amount of other charges for financial services without notice where there is a valid reason if the supplier is required to inform the consumer of the alteration at the earliest opportunity and the consumer is free to dissolve the contract immediately.

A term of a consumer contract which is not on the "grey list" may nevertheless be regarded unfair.

Where a term of a consumer contract is "unfair" it will not bind the consumer. However, the remainder of the contract, will, so far as practicable, continue to have effect in every other respect. Where a term in a consumer contract is susceptible of multiple different meanings, the meaning most favourable to the consumer will prevail. It is the duty of the court to consider the fairness of any given term. This can be done even where neither of the parties to proceedings have explicitly raised the issue of fairness.

The Standard Documentation includes affirmations by Borrowers that they are entering into the Loans wholly or predominantly for the purposes of a business carried on or intended to be carried on by them. However, the question of whether a borrower taking out a Loan will be regarded as acting within the course of a trade, business, craft or profession (thereby bringing the Loan out of the scope of scrutiny under the CRA) will depend on the facts of each case and a number of factors will be taken into consideration. A statement in the Loan documentation that the loan is made for commercial purposes will not, in and of itself, be effective to bring a loan outside the scope of scrutiny under the CRA and therefore there is a risk that the CRA might apply in certain circumstances. If the CRA were to apply, a borrower may have a right of recourse against the Legal Title Holder if any of the terms of the Loan were unfair, which would be a matter for a court to determine if a case was brought.

Regulatory Developments

In July 2019, the FCA and the Competition and Markets Authority (the "CMA") entered into a memorandum of understanding in relation to consumer protection (the "MoU") which replaced the original memorandum of understanding entered into between the FCA and the CMA on 12 January 2016. The MoU states that the FCA will consider fairness within the meaning of the CRA, of standard terms, and within the meaning of the CRA of negotiated terms, in financial services contracts entered into by authorised firms or appointed representatives and within the meaning of the CPUTR, of commercial practices in financial services and claims management services of an authorised firm or appointed representative. In the MoU "authorised" includes having an interim permission and a "relevant permission" includes an interim permission.

The FCA's consideration of fairness under the CRA will include contracts for:

- mortgages and the selling of mortgages;
- insurance and the selling of insurance;
- bank, building society and credit union accounts;

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- life assurance;
- pensions;
- investments;
- consumer credit;
- consumer hire;
- other credit related regulated activities; and
- claims management services.

The broad and general wording of the CRA makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a term would be held by a court to be unfair. It is therefore possible that if any of the Loans made to Borrowers are within the scope of the CRA, they may contain unfair terms which may result in the possible unenforceability of the terms of the underlying loans.

On 19 December 2018, the FCA published finalised guidance: “*Fairness of variation terms in financial services consumer contracts under the Consumer Rights Act 2015*” (FG 18/7), outlining factors the FCA consider firms should have regard to when drafting and reviewing variation terms in consumer contracts. This follows developments in case law, including at the Court of Justice of the EU. The finalised guidance relates to all financial services consumer contracts entered into since 1 July 1995. The FCA stated that firms should consider both this guidance and other rules that apply when they draft and use variation terms in their consumer contracts. The FCA stated that the finalised guidance will apply to FCA authorised persons and their appointed representative in relation to any consumer contracts which contain variation terms.

The Unfair Contract Terms and Consumer Notices Regulation Guide (UNFCOG in the FCA handbook) explains the FCA’s policy on how it uses its powers under the CRA and the CMA published guidance on the unfair terms provisions in the CRA on 31 July 2015 (the “**CMA Guidance**”). The CMA indicated in the CMA Guidance that the fairness and transparency provisions of the CRA are regarded to be “effectively the same as those of the UTCCR”. The document further notes that “the extent of continuity in unfair terms legislation means that existing case law generally, and that of the Court of Justice of the European Union particularly, is for the most part as relevant to the Act as it was the UTCCRs”.

In general, there is little reported case law on the CRA and the interpretation of each is open to some doubt. The broad and general wording of the CRA makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a term would be held by a court to be unfair. It is therefore possible that any Loans which have been made to Borrowers covered by the CRA may contain unfair terms which may result in the possible unenforceability of the terms of the underlying loans. If any term is found to be unfair for the purpose of the CRA, this may reduce the amounts available to meet the payments due in respect of the Debt. 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 Issuer and/or the Servicer and their respective businesses and operations. There can be no assurance that any such changes (including changes in regulators’ responsibilities) will not affect the Loans.

Consumer Protection from Unfair Trading Regulations 2008

On 11 May 2005, the European Parliament and Council adopted a directive on unfair business-to-consumer commercial practices (the “**Unfair Practices Directive**”). Generally, this directive applies full harmonisation, which means that Member States may not impose more stringent provisions in the fields to which full harmonisation applies. By way of exception, the Unfair Practices Directive permits Member States to impose more stringent provisions in the fields of financial services and immovable property, such as mortgage loans.

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The Unfair Practices Directive provides that enforcement bodies may take administrative action or legal proceedings against a commercial practice on the basis that it is “unfair” within the Unfair Practices Directive. The Unfair Practices Directive is intended to protect only collective interests of consumers, and so is not intended to give any claim, defence or right of set off to an individual consumer.

The Unfair Practices Directive was implemented into United Kingdom law through the CPUTR, which came into effect on 26 May 2008. The CPUTR prohibit certain practices which are deemed “unfair” within the terms of the CPUTR. Breach of the CPUTR does not (of itself) render an agreement void or unenforceable, but is a criminal offence punishable by a fine and/or imprisonment. The possible liabilities for misrepresentation or breach of contract in relation to the underlying credit agreements may result in irrecoverable losses on amounts to which such agreements apply. The CPUTR do not provide consumers with a private act of redress. Instead, consumers must rely on existing private law remedies based on the law of misrepresentation and duress. The Consumer Protection (Amendment) Regulations 2014 (SI No.2014/870) was laid before Parliament on 1 April 2014 and came into force on 1 October 2014. These amendments to the CPUTR give consumers a right to redress for misleading or aggressive commercial practices (as defined in the CPUTR), including a right to unwind agreements.

In March 2013, the European Commission published a report on the application of the Unfair Practices Directive, which indicated (among other things) that there is no case for further harmonisation in the fields of financial services and immovable property.

The effect (if any) of the CPUTRs on the Loans, the Legal Title Holder, the Originator, the Servicer or the Issuer and their respective businesses and operations will depend on whether those entities engage in any of the practices described in the CPUTRs. Whilst engaging in an unfair commercial practice does not render a contract void or unenforceable, to do so is an offence punishable by a fine and/or imprisonment. The possible liabilities for misrepresentation or breach of contract in relation to the underlying credit agreement may also result in irrecoverable losses on amounts to which such agreements apply. In practical terms, the CPUTRs have not added significantly to the regulatory requirements already in place, such as treating customers fairly and conduct of business rules.

No assurance can be given that the implementation of the Unfair Practices Directive into law in the UK will not have a material adverse effect on the Loans or the manner in which they are serviced and accordingly on the ability of the Issuer to make payments to Debtholders.

Financial Ombudsman Service

Under FSMA, the Financial Ombudsman Service (the “FOS”), an independent adjudicator, is required to make decisions on, among other things, complaints relating to activities and transactions under its jurisdiction on the basis of what, in the FOS’s opinion, would be fair and reasonable in all circumstances of the case, taking into account, among other things, law and guidance rather than strictly on the basis of compliance with law.

Complaints properly brought before the FOS 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 FOS. As the FOS is required to make decisions on the basis of, among other things, the principles of fairness, and may order a money award to a complaining borrower, it is not possible to predict whether any future decision of the FOS may have an adverse effect on the Loans, the Issuer, the Servicer and their respective businesses and operations and such decision may affect the ability of the Issuer to make payments to Debtholders.

As at 1 April 2024, the maximum award limits are (a) £430,000 for complaints referred to the FOS on or after 1 April 2024 about acts or omissions by firms on or after 1 April 2019 and (b) £195,000 for complaints referred to FOS on or after 1 April 2024 about acts or omissions by firms before 1 April 2019.

Breathing Space Regulations

The Breathing Space Regulations (which came into force on 4 May 2021) gives eligible individuals in England and Wales the right to legal protection from their creditors, including almost all enforcement action, during a period of "breathing space". A standard breathing space will give an individual in England and Wales with problem debt legal protection from creditor action for up to 60 days; and a mental health crisis breathing space will give an individual in England and Wales protection from creditor action for the duration of their mental health crisis treatment (which is not limited in duration) plus an additional 30 days.

However, the Breathing Space Regulations do not apply to mortgages, except for arrears which are uncapitalised at the date of the application under the Breathing Space Regulations. Interest can still be charged on the principal secured debt during the breathing space period, but not on the arrears. Any mortgage arrears incurred during any breathing space period are not protected from creditor action. The Borrower must continue to make mortgage payments in respect of any mortgage secured against its primary residence (save in respect of arrears accrued prior to the moratorium) during the breathing space period, otherwise the relevant debt adviser may cancel the breathing space period.

General

No assurance can be given that additional regulations or guidance from the FCA, the PRA, the FOS, the CMA or any other regulatory authority will not arise with regard to the mortgage market in the United Kingdom generally. At present the FCA is engaging with industry representatives in light of the Consumer Duty to update its existing guidance on supporting borrowers with Interest Only Mortgage Loans to repay their loans.

Potential effects of any additional regulatory changes

In the United Kingdom and elsewhere, there is continuing political and regulatory scrutiny of the banking industry and, in particular, retail banking. In the United Kingdom, regulators such as the CMA, the PRA and the FCA have recently carried out, or are currently conducting, several enquiries into the effectiveness of those retail banking markets from both competition and consumer protection perspectives. No assurance can be given that changes will not be made to the regulatory regime and developments described above in respect of the mortgage market in the United Kingdom generally, the EU/UK Retention Holders' particular sectors in that market or specifically in relation to the EU/UK Retention Holders. This includes, but is not limited to, any changes to the CBTL framework in light of the planned revocation of the MCD Order by the FSMA 2023. Any such action or developments, in particular, but not limited to the cost of compliance, may have a material adverse effect on the EU/UK Retention Holders, their affiliates and their businesses and operations.

CERTAIN REGULATORY REQUIREMENTS

Investor Due Diligence

Pursuant to Article 5 of the UK Securitisation Regulation or Article 5 of the EU Securitisation Regulation (as applicable), together with in each case, any corresponding national measures which may be relevant to investors, institutional investors are required to verify or assess certain due diligence matters prior to holding a securitisation position, including, amongst others:

- (a) compliance with the risk retention requirements pursuant to Article 6 of the UK Securitisation Regulation or Article 6 of the EU Securitisation Regulation (as applicable) – as to which, see the section below entitled “*Risk retention requirements under the Securitisation Regulations*”;
- (b) compliance with the reporting requirements pursuant to Article 7 of the UK Securitisation Regulation or Article 7 of the EU Securitisation Regulation (as applicable) – as to which, see the sections below entitled “*Servicing*” and “*Cash Management*”; and
- (c) the risk characteristics of the individual securitisation position and of the underlying exposures – as to which see the section above entitled “*Risk Factors*”.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above, and none of the Issuer, the Note Trustee, the Seller, the Co-Arranger, the Joint Lead Managers 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.

Retention Requirements under the Securitisation Regulations

The Risk Retention Holder will, in its capacity as originator for the purposes of the UK Securitisation Regulation and the EU Securitisation Regulation, undertake to the Issuer and the Security Trustee, on behalf of the Debtholders, that it has retained and will continue to retain, on an ongoing basis a material net economic interest in the securitisation of not less than 5 per cent. in accordance with the Retention Requirements.

As at the Issue Date, such retention of a material net economic interest will comprise the retention (either directly or through a directly or indirectly wholly-owned entity (or entities)) of the economic exposure to the Risk Retention Notes, being not less than 5 per cent. of the nominal value of each of the tranches sold or transferred to investors, the E Notes and the Z Notes, being the Debt (excluding the X Notes), in accordance with Article 6(3)(a) of the UK Securitisation Regulation and Article 6(3)(a) of the EU Securitisation Regulation.

The Risk Retention Holder will confirm its ongoing retention of the material net economic interest described above in the monthly Investor Reports and any change to the manner in which such interest is held will be notified to the Note Trustee and the Debtholders including, without limitation, through disclosure in the Investor Reports pursuant to: (a) Article 7(1)(e)(iii) of the UK Securitisation Regulation; and (b) Article 7(1)(e)(iii) of the EU Securitisation Regulation. The first Investor Report shall be published within one month of the first Interest Payment Date, and thereafter shall be published on a quarterly basis on the website of (i) EuroABS (in its capacity as UK Securitisation Repository) at <http://www.euroabs.com> and (ii) SecRep (in its capacity as EU Securitisation Repository) at <https://www.secprep.eu/>, in each case, as required by the UK Securitisation Regulation and the EU Securitisation Regulation (as the case may be)

The Risk Retention Holder has provided a corresponding undertaking with respect to: (i) the provision of such investor information as specified in the paragraph above; and (ii) the interest to be retained by the Risk Retention Holder as specified in the introductory paragraph above to the Joint Lead Managers and Co-Arrangers in the Subscription Agreement.

In accordance with Article 5 of the UK Securitisation Regulation and Article 5 of the EU Securitisation Regulation, each prospective Noteholder that is an institutional investor is required independently to assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with its obligations under Article 5 of the UK Securitisation Regulation or Article 5 of the EU Securitisation Regulation, as applicable. None of the Issuer, the Seller, CMI, the Note Trustee, the Co-Arrangers, the Joint Lead Managers nor any of the other 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 any implementing provisions of Article 5 of the UK Securitisation Regulation or Article 5 of the EU Securitisation Regulation, as applicable, 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.

For further information please refer to the Risk Factor entitled “*Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes*”.

On or after the Issue Date, the Risk Retention Holder may enter into Retention Financing Arrangements to finance its economic exposure to some or all of the Risk Retention Notes. Such financing may be by way of a repurchase agreement (providing for a transfer of the Risk Retention Notes to the repo counterparty, subject to the terms of the repurchase agreement) may require the grant of a security interest over such financed Risk Retention Notes and the posting of a daily mark-to-market margin by the Risk Retention Holder and may result in the financing counterparty having enforcement rights and remedies in case of an event of default (including but not limited to failure to post any daily margin) which may include the right to appropriate or sell such Risk Retention Notes. In carrying out any such appropriation or sale, the financing counterparty would not be required to have regard for the provisions of the Securitisation Regulations described above, and any such sale may therefore cause the Risk Retention Holder no longer to comply with such requirements. For the avoidance of doubt, the retention, financing and hedging limitations set forth in the Securitisation Regulations will not apply to any Notes held by the Risk Retention Holder that do not constitute Notes it is required to retain pursuant to the Retention Requirements.

Designated Entity

The Issuer has been designated pursuant to Article 7(2) of the UK Securitisation Regulation and Article 7(2) of the EU Securitisation Regulation, to fulfil the information requirements pursuant to Articles 7(1)(a), (e), (f) and (g) of the UK Securitisation Regulation and Articles 7(1)(a), (e), (f) and (g) of the EU Securitisation Regulation, and the Issuer has appointed the Servicer and the Cash Manager (as applicable and in accordance with the Servicing Agreement and the Cash Management Agreement) to assist it in satisfying the Issuer’s obligations pursuant to Articles 7(1)(a), (e), (f) and (g) of the UK Securitisation Regulation and Article 7(1)(a), (e), (f) and (g) of the EU Securitisation Regulation. The Servicer’s ability to provide such assistance, including by providing the required information in the prescribed formats, is subject to the operation of the Servicer’s systems and the availability of relevant data.

Pursuant to an opinion released by the Joint Committee of the European Supervisory Authorities (the “**ESA**”) dated 25 March 2021 (the “**ESA Opinion**”), the ESA has made a number of proposals for the European Commission’s consideration. The proposal set out in the ESA Opinion, if adopted the European Commission, may require, inter alia, the entity designated pursuant to Article 7(2) of the EU Securitisation Regulation to be an entity established within the EU. The Servicer will, upon reasonable request of the Issuer, (and at the expense of the Issuer), use reasonable endeavours to provide such information as may be reasonably requested by the Issuer for the purposes of enabling the Issuer, as the entity designated pursuant to Article 7(2) of the EU Securitisation Regulation or Article 7(2) of the UK Securitisation Regulation to comply with its obligations pursuant to Article 7 of the EU Securitisation Regulation or Article 7 of the UK Securitisation Regulation.

EU CRA Regulation and UK CRA Regulation

Prospective investors are responsible for ensuring that an investment in the Notes or Certificates is compliant with all applicable investment guidelines and requirements and in particular any requirements relating to ratings. In this context, prospective investors should note the provisions of the EU CRA Regulation which became effective on 20 June 2013.

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 EMSA 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. The UK CRA Regulation may require, among other things, issuers or related third parties intending to solicit a credit rating of a structured finance instrument to appoint at least two credit rating agencies to provide credit ratings independently of each other. 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 (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) 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-2022 ratings, provided the relevant conditions are satisfied. Additionally, the UK CRA Regulation requires certain additional disclosure to be made in respect of structured finance transactions. The credit ratings included or referred to in this Prospectus are expected to be issued by Fitch and Moody's, each of which is established in the UK and is registered under the UK CRA Regulation.

Certain of the credit ratings in respect of the Rated Debt specified in this Prospectus, if obtained on the Issue Date, are expected to be issued by, Fitch Ratings Ltd and Moody's Investors Service Limited, each of which is established in the United Kingdom and included on the list of registered and certified credit rating agencies that is maintained by the FCA pursuant to the UK CRA Regulation. In the EU, pursuant to the EU CRA Regulation, such credit ratings (if issued) are expected to be endorsed by Fitch Ratings Ireland Limited and Moody's Deutschland GmbH, as applicable, each being a credit rating agency established in the EU and registered by ESMA pursuant to the EU CRA Regulation.

Volcker Rule

The Issuer has structured the transaction so that it is not now, and immediately following the issuance of the Debt and the application of the proceeds thereof it will not be, a "covered fund" under a final rule (the "**Final Rule**") implementing Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the "**Volcker Rule**". It was noted that the Company would not be considered a Covered Fund under the Volcker Rule because it would be excluded from the definition thereof by virtue of the Loan Securitisation

Exception established under the Final Rule. Any prospective investor in the Debt, including a bank or subsidiary or other affiliate thereof, should consult its own legal advisors regarding the Volcker Rule and its effects.

U.S. Risk Retention Rules

The Seller, as the sponsor under the U.S. Risk Retention Rules, does not intend to retain at least 5 per cent. of the credit risk of the securitized assets for purposes of compliance with 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 certain foreign-related transactions. Such foreign-related transactions must meet certain requirements, including that: (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the “ABS interests” (as defined in Section 2 of the U.S. Risk Retention Rules) are issued) of all classes of ABS interests issued in the securitization transaction are sold or transferred to, or for the account or benefit of, U.S. persons (as defined in the U.S. Risk Retention Rules); (3) neither the sponsor nor the Issuer of the securitization transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

Prior to any Notes and Certificates which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Joint Lead Managers that it is a Risk Retention U.S. Person and obtain the written consent of the Seller (“**U.S. Risk Retention Consent**”). 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” under Regulation S under the Securities Act, and that persons who are not “U.S. persons” under Regulation S under the Securities Act may be U.S. persons under the U.S. Risk Retention Rules. The definition of “U.S. person” in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to paragraphs (b) and (h)(ii), which are different than comparable provisions from Regulation S under the Securities Act.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, “U.S. person” (and “**Risk Retention U.S. Person**” as used in this Prospectus) means any of the following:

- (a) any natural person resident in the United States;
- (b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States;²
- (c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organisation or entity if:
 - (i) organised or incorporated under the laws of any foreign jurisdiction; and

² The comparable provision from Regulation S is “(ii) any Partnership or corporation organised or incorporated under the laws of the United States”.

- (ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.³

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding certain foreign-related transactions will be available. The Seller, the Issuer, the Co-Arrangers and the Joint Lead Managers have agreed that none of the Co-Arrangers, the Joint Lead Managers or any person who controls any of them or any director, officer, employee, agent or affiliate of the Joint Lead Managers shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section 20 of the U.S. Risk Retention Rules, and none of the Co-Arrangers, the Joint Lead Managers or any person who controls them or any director, officer, employee, agent or affiliate of the Joint Lead Managers accepts any liability or responsibility whatsoever for any such determination. In particular, the Seller may not be successful in limiting investment by Risk Retention U.S. Persons to no more than 10 per cent. This may result from misidentification of Risk Retention U.S. Person investors as non-Risk Retention U.S. Person investors, or may result from market movements or other matters that affect the calculation of the 10 per cent. value on the Issue Date.

Furthermore, there can be no assurance that the requirement to request the Seller to give its prior written consent to any Note which is offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons. In addition, no assurance can be given as to whether a failure by the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or the market value of the Notes. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by the Seller to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

Eurosystem Eligibility

The Notes are intended to be held in a manner which would allow Eurosystem Eligibility.

³ The comparable provision from Regulation S is “(vii)(B) formed by a U S person principally for the purpose of investing in securities not registered under the [Securities Act], unless it is organised or incorporated, and owned, by accredited investors (as defined in [17 CFR §230.501(a)]) who are not natural persons estates or trusts.”

USE OF PROCEEDS

The net proceeds of the issue of the Debt are expected to amount to approximately £471,305,000. The net proceeds of the Debt will be used to:

- (a) fund the purchase by the Issuer from the Seller of the Completion Mortgage Pool on the Issue Date at an amount equal to the Initial Cash Purchase Price;
- (b) fund the Pre-Funding Initial Amount on the Issue Date for the purchase of Additional Mortgage Loans;
- (c) with respect to the Z Notes, fund the Liquidity Reserve Fund on the Issue Date.
- (d) fund the Retention Advances on Light Refurbishment Loans prior to the third Interest Payment Date;
- (e) fund the Issue Date Swap Premium (if any); and
- (f) pay the remainder of the proceeds of the Debt to the Seller as Excess Consideration.

THE ISSUER

Introduction

Edenbrook Mortgage Funding PLC (the “**Issuer**”) (which previously changed its name from Edenbrook Mortgage Funding 2022-1 PLC to Edenbrook Mortgage Funding 2023-1 PLC on 16 December 2022 and from Edenbrook Mortgage Funding 2023-1 PLC to Edenbrook Mortgage Funding PLC on 1 May 2024) was incorporated and registered under the laws of England and Wales under the Companies Act 2006 with limited liability as a public limited company on 10 June 2022 with registered number 14163445. The issued share capital of the Issuer comprises 50,000 ordinary shares of £1.00 each (one of which is fully paid and 49,999 of which are one-quarter paid up), held by Edenbrook Mortgage Funding Holdings Limited (“**Holdings**”). The entire issued share capital of Holdings is held on trust by CSC Corporate Services (UK) Limited under the terms of a share trust deed. The Issuer has no subsidiaries.

Directors

The directors of the Issuer and their respective business addresses and principal activities outside the Issuer are:

Name	Business Address	Principal Activities/Position
Aline Sternberg	10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU	Company Director
CSC Directors (No.1) Limited	10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU	Company Director
CSC Directors (No.2) Limited	10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU	Company Director

The directors of CSC Directors (No.1) Limited and CSC Directors (No.2) Limited and their respective occupations are:

Name	Business Address	Business Occupation
J-P Nowacki	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Jonathan Hanly	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Raheel Khan	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Paivi Whitaker	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Alasdair Watson	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Debra Parsall	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director

Name	Business Address	Business Occupation
Aline Sternberg	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Catherine McGrath	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Jordina Walker	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Charmaine De Castro	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Oskari Tammenmaa	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Renda Manyika	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director

The accounting reference date of the Issuer is 31 December.

The company secretary of the Issuer is CSC Corporate Services (UK) Limited (registered number 10831084).

The registered office of the Issuer is at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU.

The telephone number of the Issuer is +44 (0) 203 855 0285.

Activities

The Issuer has been established as a special purpose vehicle to acquire portfolios of residential mortgage loans and issue asset-backed securities. Its activities will be restricted by the terms and conditions of the Transaction Documents and will be limited to the issue of the Debt and the Certificates, the ownership of the Loans and their Mortgage Rights 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 (a) the collection of all payments of principal and interest due from Borrowers on Loans; (b) the operation of arrears procedures and (c) the enforcement of Loans and their Mortgage Rights against Borrowers in default. Substantially all of the above activities will be carried on by the Servicer on an agency basis under the Servicing Agreement. In respect of certain specified items, such as the discretionary, as opposed to the procedural, aspects of the enforcement of Loans and their Mortgage Rights against Borrowers in default and other discretionary matters, the Issuer has delegated certain decision-making powers to the Servicer pursuant to the Servicing Agreement.

Additionally, the Cash Manager (as set out in the Cash Management Agreement), will provide cash management and bond reporting services to the Issuer pursuant to the Cash Management Agreement, as the case may be.

The Issuer may terminate the agency (and, simultaneously, the rights) of the Servicer or the Cash Manager upon the occurrence of certain events of default or insolvency or similar events in relation to the Servicer or the Cash Manager or, in certain circumstances, following an Event of Default in relation to the Debt or Certificates. Following such an event as aforesaid, the Issuer (with the consent of the Security Trustee) or the Security Trustee may, subject to certain conditions, appoint substitute administrators.

If a Servicer Termination Event occurs the Issuer (prior to the service of an Enforcement Notice and with the consent of the Security Trustee) or the Security Trustee (after the service of an Enforcement Notice) shall (as soon as practicable after such event has come to its attention) give notice in writing to the Servicer (with a copy to the Back-Up Servicer Facilitator) of such occurrence and terminate the appointment of the Servicer. In addition, the Issuer, at the direction of the Servicing Committee (on a minimum of 6 months' notice) may terminate the appointment of the Servicer at any time without cause. If, following the occurrence of a Servicer

Termination Event, the Issuer (prior to the service of an Enforcement Notice and with the consent of the Security Trustee) or the Security Trustee (following delivery of an Enforcement Notice), so requests in writing, the Servicer shall (if it is able to do so) continue to provide the Services under the Servicing Agreement until a replacement Servicer is appointed and such replacement Servicer has assumed performance of all the Services.

The principal objects of the Issuer are unrestricted in its Memorandum and Articles of Association.

Since its incorporation, the Issuer has not produced any accounts and has not engaged in any material activities other than those incidental to its registration as a public company, the authorisation of the issue of the Debt and Certificates, the matters contemplated in this Prospectus, the authorisation of the Transaction Documents referred to in this Prospectus in connection with the issue of the Debt, the Certificates and other matters which are incidental or ancillary to those activities. The Issuer has no employees.

Issuer profit

Subject to the availability of funds for such purpose, (i) £10,000 per Determination Period for the Determination Periods ending on August 2024 and November 2024, and (ii) £1,500 on each Determination Period thereafter, shall be retained by the Issuer on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments and, after the service of an Enforcement Notice, the Post-Enforcement Priority of Payments and will be recognised in the accounts of the Issuer as profit for the relevant accounting year. Any such amount so applied shall be credited to the Issuer Profit Ledger and applied in satisfaction of the Issuer's obligations in respect of United Kingdom corporation tax and in payment of dividends.

Auditors

The independent auditor of the Issuer is MacIntyre Hudson LLP whose office is located at 2 London Wall Place, London EC2Y 5AU.

HOLDINGS

Edenbrook Mortgage Funding Holdings Limited (“**Holdings**”) (which previously changed its name from Edenbrook Mortgage Funding 2022-1 Holdings Limited to Edenbrook Mortgage Funding 2023-1 Holdings Limited on 16 December 2022 and from Edenbrook Mortgage Funding 2023-1 Holdings Limited to Edenbrook Mortgage Funding Holdings Limited on 1 May 2024) was incorporated in England and Wales on 9 June 2022 (registered number 14162505) 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 telephone number of Holdings’ registered office is +44 (0) 203 855 0285.

The issued share capital of Holdings comprises one ordinary share of £1 (which is fully paid up).

The entire beneficial interest in the share of Holdings is beneficially owned by CSC Corporate Services (UK) Limited (the “**Share Trustee**”) on a discretionary trust.

Holdings holds the entire beneficial interest in the issued share capital of the Issuer.

Barossa does not own directly or indirectly any of the share capital of Holdings and neither Barossa nor any company connected with Barossa can direct the Share Trustee and none of such companies has any control, direct or indirect, over Holdings or the Issuer or any other similar vehicle.

The principal objects of Holdings are, among other things, to acquire and hold, by way of investments or otherwise, and deal in or exploit, in such manner as may from time to time be considered expedient, all or any part of any securities or other interests of or in the Issuer or any other similar vehicle.

Holdings has not engaged in any other activities since its incorporation other than those incidental to the authorising of the Transaction Documents to which it is or will be a party and other matters which are incidental to those activities. Holdings has no employees.

Directors

The directors of Holdings and their respective business addresses and occupations are:

Name	Business Address	Business Occupation
Aline Sternberg	10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU	Company Director
CSC Directors (No.1) Limited	10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU	Company Director
CSC Directors (No.2) Limited	10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU	Company Director

The directors of CSC Directors (No.1) Limited and CSC Directors (No.2) Limited and their respective occupations are:

Name	Business Address	Business Occupation
J-P Nowacki	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director

HOLDINGS

Name	Business Address	Business Occupation
Jonathan Hanly	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Raheel Khan	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Paivi Whitaker	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Alasdair Watson	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Debra Parsall	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Aline Sternberg	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Catherine McGrath	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Jordina Walker	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Charmaine De Castro	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Oskari Tammenmaa	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director
Renda Manyika	10th Floor, 5 Churchill Place, London, England, E14 5HU	Company Director

The company secretary of Holdings is CSC Corporate Services (UK) Limited whose registered office is at 5 Churchill Place, 10th Floor, London, England, E14 5HU.

The accounting reference date of Holdings is 31 December.

THE SELLER AND THE RISK RETENTION HOLDER

Barossa Asset Purchaser SARL

Barossa Asset Purchaser SARL (“**Barossa**”, the “**Seller**” and the “**Risk Retention Holder**”), a private limited liability company (*société à responsabilité limitée*), having its registered office at 13 rue Edward Steichen – 4th floor, L-2540 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg register of commerce and companies (*Registre de commerce et des sociétés, Luxembourg*) under number B251154. Barossa Asset Purchaser SARL was incorporated on 20 January 2021. Barossa Asset Purchaser SARL is indirectly owned by funds and/or accounts managed by affiliates of Cerberus Capital Management, L.P. (“**Cerberus**”). Barossa has no employees.

Pursuant to the Mortgage Sale Agreement, in certain circumstances, the Seller will be required to repurchase or indemnify the Issuer in respect of certain Loans and their Related Security from the Issuer. See “*Sale of the Mortgage Pool*”.

On the Issue Date, the Risk Retention Holder will undertake to retain (either directly or through a directly or indirectly wholly-owned entity (or entities)) the economic exposure to the Risk Retention Notes issued by the Issuer for the purposes of complying with the Retention Requirements. The Risk Retention Holder will, in its capacity as originator for the purposes of the UK Securitisation Regulation and the EU Securitisation Regulation, undertake to the Issuer and the Security Trustee, on behalf of the Debtholders, that it has retained and will continue to retain, on an ongoing basis, a material net economic interest in the securitisation of not less than 5 per cent. as required by the Retention Requirements, comprising the retention by the Risk Retention Holder (either directly or through a directly or indirectly wholly-owned entity (or entities)) of the economic exposure to the Risk Retention Notes. On the Issue Date, the aggregate Principal Amount Outstanding of the Risk Retention Notes is expected to be £23,338,000, being not less than 5 per cent. of the nominal value of each of the tranches sold or transferred to investors, the E Notes and the Z Notes, being the Debt (excluding the X Notes). Please refer to the section entitled “*Certain Regulatory Requirements - Retention Requirements under the Securitisation Regulations*” for further information.

On 20 May 2024, Barossa sold CMI to Chetwood Financial Limited.

THE LEGAL TITLE HOLDER, CASH MANAGER AND SERVICER

Capital Home Loans Limited (“**CHL**” and the “**Servicer**”) is a limited company incorporated in England and Wales on 6 October 1987, under the Companies Act 1985 and 1989. CHL began trading on 2 May 1989. CHL has no subsidiaries.

CHL was formed as a result of a joint venture between Credit Foncier de France and Société Generale. Société Generale’s 51 per cent. holding in CHL was later purchased by Credit Foncier de France on 23 October 1992. CHL was acquired from Credit Foncier de France by Permanent TSB p.l.c. (“**PTSB**”) on 22 October 1996 and was sold by PTSB to Promontoria (Lansdowne) Limited, an affiliate of Cerberus Capital Management L.P. (“**Cerberus**”) and an indirect subsidiary of the Seller on 31 July 2015. Cerberus acquired both the CHL servicing platform as well as circa £2.5 billion of buy-to-let and an approximately £96 million portfolio of regulated home loans from PTSB. Cerberus acquired the remaining approximately £2.25 billion of buy-to-let loans from PTSB in November 2016.

CHL is authorised and regulated by the Financial Conduct Authority (Firm Reference Number: 307798).

CHL is engaged in the business of purchasing and selling (including for investment) and managing residential mortgage loans and residential investment mortgage loans (including third party administration) secured on properties in the United Kingdom. As of 31 December 2023, CHL held a mortgage portfolio of approximately £1.0 billion, some of which has been securitised.

As of 31 December 2023, CHL had total assets (audited) of £1.03 billion and a total net worth (audited) of £13 million. CHL made a loss (audited) of £3.8 million for the year ended 31 December 2023, attributable to its ultimate parent.

CMI

CHL Mortgages for Intermediaries Limited (“**CMI**”) is a limited company incorporated in England and Wales on 15 October 2020, under the Companies Act 2006. CMI has no subsidiaries.

CMI is engaged in the business of originating specialist buy-to-let mortgage loans secured on properties in the United Kingdom.

CMI does not have any FCA permissions as it is not a regulated entity. It does not sell, arrange or administer any regulated mortgage contracts. It provides unregulated mortgage contracts only. CMI is, however, supervised by the Financial Conduct Authority for anti-money laundering purposes only (Reference: 947696).

As of 31 December 2022, CMI had total assets (audited) of £2.8 million and a total net worth (audited) of £0.6 million. CMI made a loss (audited) of £23,000 for the year ended 31 December 2022, attributable to its ultimate parent.

On 20 May 2024, CMI was sold to Chetwood Financial Limited by Barossa Asset Purchaser SARL.

THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

U.S. Bank Trustees Limited is a limited liability company incorporated under the laws of England and Wales with its registered office at 125 Old Broad Street, Fifth Floor, London, EC2N 1AR, United Kingdom.

U.S. Bank Trustees Limited is a U.S. Bancorp group company that is dedicated to the provision of trustee and other fiduciary services in Europe as part of U.S. Bank Global Corporate Trust. Together with Elavon Financial Services DAC (the legal entity through which U.S. Bank Global Corporate Trust provides regulated banking services in Europe), U.S. Bank Global Corporate Trust Limited (the legal entity through which U.S. Bank Global Corporate Trust primarily provides agency services in Europe) and U.S. Bank, National Association and U.S. Bank Trust Company, National Association, (the legal entities through which the U.S. Bank Global Corporate Trust primarily conducts business in the United States), U.S. Bank Global Corporate Trust is one of the world's largest providers of trustee services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds; providing a wide range of trust and agency services such as calculation/paying agent, collateral administration and document custody through its network of more than 50 U.S.-based offices and European offices in London and Dublin.

U.S. Bancorp (NYSE: USB) is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. Visit U.S. Bancorp on the web at www.usbank.com.

THE SWAP COUNTERPARTY –

BNP Paribas

BNP Paribas is a French multinational bank and financial services company with its registered office located at 16 boulevard des Italiens 75009 Paris, France, and its corporate website in English is <http://www.bnpparibas.com/en>.

**THE AGENT BANK, THE PRINCIPAL PAYING AGENT, THE REGISTRAR AND THE
CLASS A LOAN NOTE REGISTRAR**

U.S. Bank Global Corporate Trust is a trading name under which a number of U.S. Bancorp group companies, including Elavon Financial Services DAC provide corporate trust services on a worldwide basis. Regulated banking services provided by U.S. Bank Global Corporate Trust in Europe are contracted through the head office of Elavon Financial Services DAC in Dublin or through its UK Branch from its offices in London at 125 Old Broad Street, London EC2N 1AR, United Kingdom according to applicable regulatory requirements.

Elavon Financial Services DAC is a bank incorporated in Ireland and an indirect wholly owned subsidiary of U.S. Bank National Association. Elavon Financial Services DAC is regulated by the Central Bank of Ireland. and the activities of its UK Branch are authorised by the Central Bank of Ireland and the Prudential Regulation. The UK Branch is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.

In the United States, U.S. Bank Global Corporate Trust provides trust services through U.S. Bank Trust Company, National Association and deposit and custody services through U.S. Bank National Association, both of which are banks regulated by the Office of the Comptroller of the Currency and in combination with its European operations is one of the world's largest providers of trustee services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds; providing a wide range of trust and agency services such as calculation/paying agent, collateral administration and document custody through its network of more than 50 U.S.-based offices and European offices in London and Dublin.

U.S. Bancorp (NYSE: USB) is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. Visit U.S. Bancorp on the web at www.usbank.com.

THE CLASS A LOAN NOTE AGENT

U.S. Bank Global Corporate Trust Limited is a limited liability company incorporated under the laws of England and Wales with its registered office at 125 Old Broad Street, Fifth Floor, London, EC2N 1AR, United Kingdom.

U.S. Bank Global Corporate Trust Limited is a U.S. Bancorp group company that is dedicated to the provision of agency services in Europe as part of U.S. Bank Global Corporate Trust. Together with Elavon Financial Services DAC (the legal entity through which U.S. Bank Global Corporate Trust provides regulated banking services in Europe), U.S. Bank Trustees Limited (the legal entity through which U.S. Bank Global Corporate Trust primarily provides trustee and other fiduciary services in Europe) and U.S. Bank, National Association and U.S. Bank Trust Company, National Association (the legal entities through which the U.S. Bank Global Corporate Trust primarily conducts business in the United States), U.S. Bank Global Corporate Trust is one of the world's largest providers of trustee services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds; providing a wide range of trust and agency services such as calculation/paying agent, collateral administration and document custody through its network of more than 50 U.S.-based offices and European offices in London and Dublin.

U.S. Bancorp (NYSE: USB) is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. Visit U.S. Bancorp on the web at www.usbank.com.

THE ACCOUNT BANK AND THE COLLECTION ACCOUNT PROVIDER

Barclays Bank PLC (the “**Bank**”, and together with its subsidiary undertakings, the “**Barclays Bank Group**”) is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered head office at 1 Churchill Place, London E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from ‘Barclays Bank International Limited’ to ‘Barclays Bank PLC’. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC. Barclays PLC (together with its subsidiary undertakings, the Group or Barclays) is the ultimate holding company of the Group. The Bank’s principal activity is to offer products and services designed for larger corporate, private bank and wealth management, wholesale and international banking clients.

The remaining divisions broadly represent the businesses that sit within the non-ring fenced bank, the Bank and its subsidiaries. Barclays UK Corporate Bank offers lending, trade and working capital, liquidity, payments and FX solutions for corporate clients with turnover from £6.5m (excluding those that form part of the FTSE 350). Barclays Private Bank and Wealth Management comprises the Private Bank, Wealth Management and Investments businesses. Barclays Investment Bank incorporates the Global Markets, Investment Banking and International Corporate Banking businesses, serving FTSE350, multinationals and financial institution clients that are regular users of Investment Bank services. Barclays US Consumer Bank represents the US credit card business, focused in the partnership market, as well as an online deposit franchise.

The short term unsecured obligations of the Bank are rated A-1 by S&P Global Ratings UK Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Ltd and the unsecured unsubordinated long term obligations of the Bank are rated A+ by S&P Global Ratings UK Limited, A1 by Moody's Investors Service Ltd. and A+ by Fitch Ratings Ltd. The Bank’s credit ratings included or referred to in this Prospectus will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended (the UK CRA Regulation) as having been issued by Fitch Ratings Ltd (Fitch), Moody’s Investors Service Ltd. (Moody's) and S&P Global Ratings UK Limited (S&P), each of which is established in the United Kingdom and has been registered under the UK CRA Regulation. As such, each of S&P, Moody’s and Fitch appears on the latest update of the list of registered credit rating agencies (as of the date of this Prospectus on the FCA’s Financial Services Register). The ratings each of Fitch, Moody's and S&P have given in relation to the Bank are endorsed by Fitch Ratings Ireland Limited, Moody's Deutschland GmbH and S&P Global Ratings Europe Limited respectively, each of which is established in the European Economic Area (EEA) and registered under Regulation (EU) No 1060/2009 on credit rating agencies (as amended, the EU CRA Regulation).

Based on the Barclays Bank Group’s audited financial information for the year ended 31 December 2023, the Barclays Bank Group had total assets of £1,185,166m (December 2022: £1,203,537m), total loans and advances, debt securities at amortised cost of £185,247m (December 2022: £182,507m), total deposits at amortised cost of £301,798m (December 2022: £291,579m), and total equity of £60,504m (December 2022: £58,953m). The profit before tax of the Barclays Bank Group for the year ended 31 December 2023 was £4,223m (December 2022: £4,867m) after credit impairment charges of £1,578m (December 2022: credit impairment charges of £933m). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Bank for the year ended 31 December 2023.

THE CORPORATE SERVICES PROVIDER, THE BACK-UP SERVICER FACILITATOR AND THE BACK-UP
CASH MANAGER FACILITATOR

**THE CORPORATE SERVICES PROVIDER, THE BACK-UP SERVICER FACILITATOR
AND THE BACK-UP CASH MANAGER FACILITATOR**

CSC Capital Markets UK Limited (registered number 10780001), having its principal address at 5 Churchill Place, 10th Floor, London, England, E14 5HU will be appointed to provide corporate services to the Issuer and Holdings pursuant to the Corporate Services Agreement, to provide back-up servicer facilitator services to the Issuer pursuant to the Servicing Agreement and to provide back-up cash manager facilitator services to the Issuer pursuant to the Cash Management Agreement. CSC Capital Markets UK Limited has served and is currently serving as corporate services provider, Back-up Servicer Facilitator and Back-Up Cash Manager Facilitator for securitisation transactions.

CONSTITUTION OF THE MORTGAGE POOL

The Mortgage Pool

The Mortgage Pool will comprise Loans advanced to the Borrowers upon the security of residential buy-to-let property situated in England and Wales, such Loans having been acquired by the Issuer pursuant to the Mortgage Sale Agreement, other than Loans which have been repaid in full or repurchased from the Issuer pursuant to the Mortgage Sale Agreement.

At the Issue Date, the Mortgage Pool will comprise the Completion Mortgage Pool, which comprises Loans selected from the Provisional Completion Mortgage Pool prior to the Issue Date (excluding loans which have been repaid in full in the period from (and including) the Provisional Pool Reference Date up to (but excluding) the Cut-Off Date, and such loans that do not comply with the Warranties given in respect of the Loans in the Mortgage Pool in the period from (and including) the Provisional Pool Reference Date up to (but excluding) the Cut-Off Date).

On each Additional Mortgage Loan Purchase Date, the Issuer may purchase the beneficial title to Additional Mortgage Loans from the Seller in accordance with the Mortgage Sale Agreement.

Please see the section below entitled “*Characteristics of the Provisional Mortgage Pool*” for further details on the Provisional Mortgage Pool.

Origination of the Mortgage Pool

The Mortgage Pool comprises of Loans originated by CMI on or after 30 June 2021. CMI originates mortgage loans indirectly through a number of channels including directly authorised brokers, broker networks, packagers, and other mortgage intermediaries.

Repayment Terms

Repayment terms under each type of Loan differ according to the repayment type (see Table 9 (*Distribution of Loans by Repayment Method*) under “*Characteristics of the Provisional Mortgage Pool*” below). The following repayment types are included in the Provisional Mortgage Pool:

- (a) Repayment Loans; and
- (b) Interest Only Loans;

Each Repayment Loan and Interest Only Loan is a Loan which is secured by a first ranking legal mortgage.

Interest Rate Type

Each Loan (including each Additional Mortgage Loan) will be either:

- (a) a Fixed Rate Loan; or
- (b) a Variable Rate Loan.

Interest Rate Floors

Under the terms and conditions set out in the Standard Documentation (the “**BTL Conditions**”), the interest rate is based upon the BBR, which will vary in line with changes to the applicable BBR. If applicable to Buy-to-Let Loans, the applicable BBR is less than 0% at any time, the applicable BBR will be deemed to be 0%.

Lending Criteria

Subject to limited exceptions, the following criteria are a summary consolidating certain of the lending criteria applied in relation to the Loans (the “**Lending Criteria**”) which will form the Mortgage Pool at the Issue Date.

Security

Each Loan must be secured by a first ranking legal mortgage (a “**Mortgage**”) over a Property.

The following types of Property are usually considered unacceptable:

- (a) Properties with more than one kitchen (or, in the case of HMO’s, two kitchens) unless the valuer states it has no negative impact on resaleability;
- (b) flats on any floor, above certain commercial premises where the valuer confirms this has a negative impact on the Security property;
- (c) flats located above 5 storeys without a lift;
- (d) Properties with shared services unless the valuer considers the potential cost of separating the services and the overall impact on value and saleability within their valuation;
- (e) Properties with agricultural restrictions/farms/small holdings or any other planning/occupation restrictions;
- (f) any Properties with any element of commercial usage;
- (g) Properties which require underpinning or have been underpinned within the last 3 years
- (h) Properties with continuing structural movement, or movement that requires monitoring
- (i) Grade I & Grade II* listed buildings
- (j) Properties which constitute units where someone lives and works;
- (k) Properties affected by dry rot without suitable guarantees being in place;
- (l) Properties affected by Japanese knotweed where the Valuer confirms it impacts saleability or marketability (excluding Light Refurbishment Loans where the proposed works will address the issue);
- (m) house boats, caravans, park homes or mobile homes;
- (n) freehold coach houses and gatehouses built prior to 1980;
- (o) “monkey puzzle” style houses;
- (p) Properties with more than 1 acre of land where the original LTV exceeds 60%;
- (q) Properties with any form of restrictive covenants that materially adversely affect the value of the property of its future marketability;
- (r) affordable housing;
- (s) landlocked or ransom strip properties;
- (t) uninsurable Properties;
- (u) Properties with outstanding enforcement notices or government grants;
- (v) Properties without planning permission/building regulations;
- (w) Properties with split titles;
- (x) Properties with flying freehold greater than 20%;

CONSTITUTION OF THE MORTGAGE POOL

- (y) Properties with an EPC rating of F or G (excluding properties on the exemption register or Light Refurbishment Loans where the proposed works will achieve the minimum required EPC ratings for letting);
- (z) unregistered land (excluding Properties the subject to first registration at the Land Registry e.g. new builds);
- (aa) purpose-built student accommodation/HMOs;
- (bb) Non-modern method steel framed houses;
- (cc) Houses of concrete construction built before 2000 or pre-fabricated reinforced concrete construction;
- (dd) Timber framed properties built pre-1960;
- (ee) Any property designated as being defective under the Housing Act 1985 (including repaired);
- (ff) Properties of mundic construction;
- (gg) Properties with thatched roofs where the Valuer confirms it is unsuitable security for mortgage purposes;
- (hh) Properties with 100% standard (non-modern method) flat roof (with the exception of security within a block of flats) where the Valuer confirms it is unsuitable security for mortgage purposes; and
- (ii) Properties with 100% felt (non-modern method) flat roof (with the exception of security within a block of flats) where the Valuer confirms it is unsuitable security for mortgage purposes.

Loan Amount

The maximum loan amount is based on the maximum loan affordable based on the lower of the assessed Interest Cover Ratio and the Maximum LTV based on the product/scheme.

Loan to Value

All LTV calculations are based on the loan amount excluding any fees as a percentage of the lower of the purchase price or valuation.

The maximum permitted LTV on a single loan is:

- (a) 80 per cent. where the loan amount is up to £750,000;
- (b) 75 per cent. where the loan amount is up to £1,000,000;
- (c) 70 per cent. where the loan amount is up to £1,500,000;
- (d) 65 per cent where the loan amount is up to £2,500,000; and
- (e) for loans with loan amounts over £2,500,000, subject to mandate holder approval.

Interest Cover Ratio Assessment

In all instances the monthly payment in the Interest Cover Ratio calculation is on an Interest Only basis. Additionally, should a borrower choose a repayment mortgage the gross monthly rental income should also be equal to or greater than the monthly payment, unless the underwriter has evidence and a suitable rationale to explain why the shortfall is affordable.

The minimum interest cover ratio is 125% other than for an individual borrower who is a higher rate taxpayer, where it is 140%. Subject to mandate holder approval excess rental (up to a sustainable market

rental confirmed by a valuer) from other properties owned by the borrower subject to mortgages originated by the Originator can be included.

Term

A loan term of between 5 and 30 years can be considered.

Borrowers

A minimum of one and a maximum of four Borrowers are allowed to be parties to the Loan.

At least one of the Borrowers of the Loan must be at least 21 years of age at the time of application and all the Borrowers must be at least 18 years of age. The maximum age of any Borrower who is a natural person must not exceed 86 years of age at the end of the mortgage term.

Corporate Borrowers are permitted where it is a limited company or LLP with no more than 4 directors/members. Other partnerships are unacceptable.

Occupancy

The Property must not be rented out or occupied by the applicants or any guarantor, their close family members or any director, member or shareholder of a Corporate Borrower.

Porting

The Loans are not portable.

Changes to Lending Criteria, Administration and Servicing

The Lending Criteria provides for CMI or (following the transfer of legal title) the Legal Title Holder to make exceptions to the Lending Criteria on a case-by-case basis, acting as a Prudent Mortgage Lender. Further, CMI or (following the transfer of legal title) the Legal Title Holder as lender of record and the Servicer may on an ongoing basis, vary the relevant Lending Criteria or the basis on which consents or approvals are given to Borrowers from time to time and CMI or (following the transfer of legal title) the Legal Title Holder may vary the service specification and collection policies and, in each case, in doing so they must act as a reasonably prudent mortgage lender of residential buy-to-let mortgage loans and their collateral security in respect of Residential Property in England and Wales (a “**Prudent Mortgage Lender**”).

Insurance

In respect of Loans comprising the Mortgage Pool, the Property to be offered as security must be comprehensively insured as stated in the Mortgage Terms & Conditions for not less than the full reinstatement figure recommended by the valuer as shown on the property valuation report. Insurance should be maintained on either a first named payee on any pay out or jointly insured basis.

Borrowers must arrange their own insurance prior to completion and, in all cases, a valid buildings insurance policy must be checked by a solicitor to ensure appropriate cover is in place.

The Legal Title Holder currently maintains contingency insurance, lender interest only cover and Properties in Possession Cover.

Valuation

CMI will rely on the professional opinion of the appointed panel valuers as to the Property’s saleability, market value and market rent and will only accept valuations undertaken by a suitably qualified surveyor (FRICS/MRICS or Assoc RICS) who represents a company that is on CMI’s approved valuers panel.

The valuation must be undertaken by a valuer whose office is situated within a 25 mile radius of the Property. For Properties within the M25, the radius should be no more than 5 miles. The valuer must, in addition, have a good local knowledge of the area.

CONSTITUTION OF THE MORTGAGE POOL

The valuer must submit a photograph of the front, rear, kitchen, bathroom and street view of the security with the valuation report.

Basic details contained within the valuation report must be completed in full by the valuer and the property must be considered suitable security and lettable for loan purposes. Where further specialist reports are recommended by the valuer these must be obtained and acted upon either by way of retention or by way of an applicant's undertaking. Where a structural engineer's report details anything that would negatively impact the value, marketability or saleability of the property then the case will be declined (e.g. properties with continuing structural movement, or movement that requires monitoring).

If the valuer states falling sale prices or poor demand (after any required works in the case of Light Refurbishment Loans), then appropriate mandate holder approval is required.

There has been no revaluation of the Properties (other than in respect of Light Refurbishment Loans) for the purpose of the issue, and the valuations quoted are as at the date of the original mortgage loan origination. A revaluation of the Properties in respect of certain Light Refurbishment Loans will occur after the Issue Date for the purpose of the Retention Advances.

Payments

The Loans require monthly payments.

Overpayments

Overpayments are allowed although an early repayment charge may be payable during the initial fixed rate period.

Interest Rate Setting for Loans

The initial rate of interest (for Fixed Rate Loans) or the initial margin over the BBR (for Variable Rate Loans) applicable for the initial term, and the margin over the BBR which the interest rate will revert to after the initial term.

If the interest rate is based upon the BBR, it will vary in line with changes to the applicable BBR. If the applicable BBR is less than 0% at any time, the applicable BBR will be deemed to be 0%.

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

The statistical and other information contained in this Prospectus has largely been compiled by reference to Loans in the provisional Mortgage Pool as at 31 March 2024 (the “**Provisional Pool Reference Date**”) (the “**Provisional Mortgage Pool**”). This statistical information does not include any information with respect to any future Additional Mortgage Loans. The Provisional Mortgage Pool has the aggregate characteristics indicated in the Tables below. The first Investor Report delivered after the Issue Date will reflect the Loans in the Completion Mortgage Pool which will include Loans completed after the Provisional Pool Reference Date as well as Additional Mortgage Loans.

The information contained in these tables has been extracted from information provided by the Servicer (which information has been subject to rounding and therefore columns of percentages may not add up to 100 per cent.). Investors should note that the Servicer is not providing any representations or warranties in respect of this information.

Each of the Co-Arrangers and the Joint Lead Managers are entitled to assume that all information provided to them by the Servicer for the purpose of reporting on the arithmetic or other accuracy is true and correct and is complete and not misleading and are not required to conduct an audit or other similar examination in respect of or otherwise take steps to verify the accuracy or completeness of such information save that the Servicer will be required to advise the Joint Lead Managers if they have not been provided with any of those figures which it is required to provide.

Further information in respect of anonymised individual loan level data may be obtained on the following website: <http://www.chlmortgages.co.uk/>. For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.

A loan will be removed from the Provisional Mortgage Pool if, in the period from (and including) the Provisional Pool Reference Date up to (but excluding) the date on which the Completion Mortgage Pool is confirmed, such loan is repaid in full, or if, in the period from (and including) the Provisional Pool Reference Date up to (but excluding) the Cut-Off Date, such loan does not comply with the Warranties given in respect of the Loans in the Mortgage Pool. Similarly, loans may be added to the Provisional Mortgage Pool, in the period from (and including) the Provisional Pool Reference Date up to (but excluding) the date on which the Completion Mortgage Pool is confirmed.

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Pool Stratification

Summary Characteristics

Portfolio Reference Date	31 March 2024
Originator	CMI
Principal Outstanding Balance (£)	450,249,484
Original Outstanding Balance (£)	450,683,528
Number of Loans	1,973
Average Loan Balance (£)	228,206
Maximum Loan Balance (£)	1,499,859
Weighted Average Original Loan to Value (%)	72.51%
Weighted Average Indexed Loan to Value (%)	73.44%
Weighted Average Interest Rate (%)	3.53%
Weighted Average Seasoning (months)	20.80
Weighted Average Remaining Term (Years)	20.04
Weighted Average DSCR (%)	202.34%
Fixed Interest Rate (%)	99.32%
Interest Only Mortgage Loans (%)	97.39%
Weighted Average Revised Interest Rate Margin (%)	4.50%
1 Month in Arrears (%)	0.78%
2 Months in Arrears (%)	0.06%
3+ Months in Arrears (%)	0.37%
Re-mortgages (%)	62.91%
Self-Employed Borrowers (%)	23.91%
Satisfied CCJs (Primary/Secondary Borrower)	0.25%
Unsatisfied CCJs (Primary/Secondary Borrower)	0.00%
Bankruptcy/IVA (Primary/Secondary Borrower)	0.00%
HMO/MUFB (%)	19.77%

1)

Principal Outstanding Balance	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
<= 50,000	4	0.20%	157,151.38	0.03%
>50,000 <= 100,000	369	18.70%	29,751,774.09	6.61%
>100,000 <= 150,000	385	19.51%	47,861,878.69	10.63%
>150,000 <= 200,000	331	16.78%	58,215,618.33	12.93%
>200,000 <= 250,000	267	13.53%	60,112,778.67	13.35%
>250,000 <= 300,000	178	9.02%	48,901,584.05	10.86%
>300,000 <= 350,000	125	6.34%	40,238,254.26	8.94%

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Principal Outstanding Balance	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
>350,000 <= 400,000	73	3.70%	27,392,266.22	6.08%
>400,000 <= 450,000	62	3.14%	26,233,752.26	5.83%
>450,000 <= 500,000	45	2.28%	21,267,573.97	4.72%
>500,000 <= 550,000	35	1.77%	18,314,946.46	4.07%
>550,000 <= 600,000	23	1.17%	13,149,266.35	2.92%
>600,000 <= 650,000	17	0.86%	10,522,874.73	2.34%
>650,000 <= 700,000	14	0.71%	9,465,830.92	2.10%
>700,000 <= 750,000	12	0.61%	8,625,235.54	1.92%
>750,000 <= 800,000	8	0.41%	6,181,278.00	1.37%
>800,000 <= 850,000	6	0.30%	4,964,592.35	1.10%
>850,000 <= 900,000	6	0.30%	5,292,819.07	1.18%
> 900,000	13	0.66%	13,600,008.71	3.02%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	£35,535.98			
Maximum	£1,499,859.09			
Average	£228,205.52			

2)

Original Outstanding Balance	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
<= 50,000	5	0.25%	214,691.32	0.05%
>50,000 <= 100,000	367	18.60%	29,612,769.62	6.58%
>100,000 <= 150,000	381	19.31%	47,261,015.77	10.50%
>150,000 <= 200,000	333	16.88%	58,425,686.55	12.98%
>200,000 <= 250,000	270	13.68%	60,750,697.73	13.49%
>250,000 <= 300,000	178	9.02%	48,909,044.21	10.86%
>300,000 <= 350,000	125	6.34%	40,288,110.16	8.95%
>350,000 <= 400,000	72	3.65%	26,771,794.41	5.95%
>400,000 <= 450,000	62	3.14%	26,192,298.24	5.82%
>450,000 <= 500,000	46	2.33%	21,706,523.91	4.82%
>500,000 <= 550,000	35	1.77%	18,314,946.46	4.07%
>550,000 <= 600,000	23	1.17%	13,149,266.35	2.92%
>600,000 <= 650,000	17	0.86%	10,522,874.73	2.34%
>650,000 <= 700,000	14	0.71%	9,465,830.92	2.10%
>700,000 <= 750,000	14	0.71%	10,125,316.18	2.25%
>750,000 <= 800,000	6	0.30%	4,681,197.36	1.04%
>800,000 <= 850,000	6	0.30%	4,964,592.35	1.10%

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Original Outstanding Balance	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
>850,000 <= 900,000	6	0.30%	5,292,819.07	1.18%
> 900,000	13	0.66%	13,600,008.71	3.02%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	£36,050.00			
Maximum	£1,500,000.00			
Average	£228,425.51			

3)

Original LTV	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
<= 30%	4	0.20%	411,486.10	0.09%
>30% <= 40%	15	0.76%	2,604,459.00	0.58%
>40% <= 50%	38	1.93%	7,657,980.36	1.70%
>50% <= 60%	96	4.87%	22,806,263.20	5.07%
>60% <= 70%	239	12.11%	54,950,174.98	12.20%
>70% <= 75%	350	17.74%	88,818,998.26	19.73%
>75% <= 80%	1,192	60.42%	265,872,441.78	59.05%
>80% <= 85%	39	1.98%	7,127,680.37	1.58%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	21.85%			
Maximum	81.60%			
Weighted Average	72.51%			

4)

Current Indexed LTV	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
<= 30%	5	0.25%	538,173.60	0.12%
>30% <= 40%	13	0.66%	1,929,979.07	0.43%
>40% <= 50%	43	2.18%	8,741,839.56	1.94%
>50% <= 60%	92	4.66%	22,058,081.38	4.90%
>60% <= 70%	252	12.77%	58,504,357.03	12.99%
>70% <= 75%	448	22.71%	102,698,792.41	22.81%
>75% <= 80%	897	45.46%	204,230,868.04	45.36%
>80% <= 85%	209	10.59%	49,102,901.89	10.91%
> 85%	14	0.71%	2,444,491.07	0.54%
Total	1,973	100.00%	450,249,484.05	100.00%

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Current Indexed LTV	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
Minimum	21.22%			
Maximum	87.05%			
Weighted Average	73.44%			

5)

Origination Year	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
2021	163	8.26%	42,670,276.99	9.48%
2022	1,602	81.20%	368,254,397.64	81.79%
2023	175	8.87%	31,760,232.55	7.05%
2024	33	1.67%	7,564,576.87	1.68%
Total	1,973	100.00%	450,249,484.05	100.00%

6)

Original Term (Years)	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
<= 5	1	0.05%	133,880.73	0.03%
>5 <= 10	211	10.69%	52,219,951.71	11.60%
>10 <= 15	173	8.77%	35,341,286.30	7.85%
>15 <= 20	354	17.94%	78,958,682.34	17.54%
>20 <= 25	1,019	51.65%	233,145,576.75	51.78%
>25 <= 30	215	10.90%	50,450,106.22	11.20%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	5.00			
Maximum	30.00			
Weighted Average	21.77			

7)

Remaining Term (Years)	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
<= 5	16	0.81%	3,173,708.14	0.70%
>5 <= 10	202	10.24%	50,723,769.22	11.27%
>10 <= 15	197	9.98%	38,348,763.69	8.52%
>15 <= 20	336	17.03%	76,645,051.22	17.02%
>20 <= 25	1,021	51.75%	234,222,605.71	52.02%
>25 <= 30	201	10.19%	47,135,586.07	10.47%

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Remaining Term (Years)	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
>30 <= 35	0	0.00%	0.00	0.00%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	3.25			
Maximum	29.99			
Weighted Average	20.04			

8)

Repayment Type	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
Principal and Interest	83	4.21%	11,738,144.87	2.61%
Interest Only	1,890	95.79%	438,511,339.18	97.39%
Total	1,973	100.00%	450,249,484.05	100.00%

9)

Current Interest Rate	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
>2.5% <= 3.0%	850	43.08%	187,384,194.08	41.62%
>3.0% <= 3.5%	464	23.52%	120,081,685.98	26.67%
>3.5% <= 4.0%	252	12.77%	66,025,040.33	14.66%
>4.0% <= 4.5%	86	4.36%	17,125,614.14	3.80%
>4.5% <= 5.0%	109	5.52%	20,336,872.92	4.52%
>5.0% <= 5.5%	53	2.69%	10,074,133.91	2.24%
>5.5% <= 6.0%	53	2.69%	10,803,682.79	2.40%
>6.0%	106	5.37%	18,418,259.90	4.09%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	2.69%			
Maximum	9.75%			
Weighted Average	3.53%			

10)

Loan Purpose	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
Purchase	789	39.99%	162,831,885.61	36.16%
Re-mortgage	1,157	58.64%	283,241,473.33	62.91%
Renovation	27	1.37%	4,176,125.11	0.93%
Total	1,973	100.00%	450,249,484.05	100.00%

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

11)

Region	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
London	484	24.53%	177,773,748.50	39.48%
South East	429	21.74%	107,789,389.88	23.94%
South West	180	9.12%	35,879,534.06	7.97%
East Midlands	190	9.63%	28,152,453.13	6.25%
North West	192	9.73%	27,373,413.05	6.08%
West Midlands	155	7.86%	23,303,661.38	5.18%
East of England	81	4.11%	17,730,343.80	3.94%
Yorkshire and the Humber	123	6.23%	15,592,376.37	3.46%
Wales	68	3.45%	9,551,191.00	2.12%
North East	71	3.60%	7,103,372.88	1.58%
Total	1,973	100.00%	450,249,484.05	100.00%

12)

Seasoning (months)	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
<= 5	47	2.38%	10,627,195.19	2.36%
>5 <= 10	70	3.55%	12,750,209.64	2.83%
>10 <= 15	91	4.61%	15,947,404.59	3.54%
>15 <= 20	575	29.14%	127,946,684.44	28.42%
>20 <= 25	833	42.22%	187,233,155.16	41.58%
>25 <= 30	332	16.83%	88,415,300.05	19.64%
>30 <= 35	25	1.27%	7,329,534.98	1.63%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	0.10			
Maximum	33.02			
Weighted Average	20.80			

13)

Employment Status (Primary Borrower)	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
Employed	164	8.31%	42,054,905.35	9.34%
Unemployed	7	0.35%	2,061,665.18	0.46%
Self-employed	403	20.43%	107,656,261.63	23.91%

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Employment Status (Primary Borrower)	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
No employment, borrower is legal entity	1,364	69.13%	291,257,571.70	64.69%
Pensioner	34	1.72%	6,852,506.66	1.52%
No Data	1	0.05%	366,573.53	0.08%
Total	1,973	100.00%	450,249,484.05	100.00%

14)

Property Type	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
House, detached or semi-detached	458	23.21%	122,460,728.84	27.20%
Flat/Apartment	737	37.35%	151,722,900.49	33.70%
Bungalow	36	1.82%	9,931,541.32	2.21%
Terraced House	632	32.03%	116,342,554.89	25.84%
Multifamily house	20	1.01%	10,494,445.03	2.33%
Other	90	4.56%	39,297,313.48	8.73%
Total	1,973	100.00%	450,249,484.05	100.00%

15)

Original Valuation Type	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
Full Valuation	1,973	100.00%	450,249,484.05	100.00%
AVM	0	0.00%	0.00	0.00%
Desktop	0	0.00%	0.00	0.00%
Total	1,973	100.00%	450,249,484.05	100.00%

16)

Debt Service Coverage Ratio	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
<=100%	27	1.37%	4,979,133.86	1.11%
>100% <= 150%	283	14.34%	79,379,431.92	17.63%
>150% <= 200%	612	31.02%	174,934,125.13	38.85%
>200% <= 250%	533	27.01%	109,314,179.12	24.28%
>250% <= 300%	278	14.09%	47,257,469.39	10.50%
>300% <= 350%	139	7.05%	19,760,223.57	4.39%
>350% <= 400%	60	3.04%	8,589,889.45	1.91%

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Debt Service Coverage Ratio	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
>400%	41	2.08%	6,035,031.61	1.34%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	0.00%			
Maximum	923.46%			
Weighted Average	202.34%			

17)

Maturity Year	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
2027	1	0.05%	133,880.73	0.03%
2028	15	0.76%	3,039,827.41	0.68%
2029	1	0.05%	204,011.38	0.05%
2030	3	0.15%	1,732,104.90	0.38%
2031	19	0.96%	3,053,012.88	0.68%
2032	151	7.65%	38,759,667.76	8.61%
2033	20	1.01%	5,362,578.23	1.19%
2034	19	0.96%	4,187,898.59	0.93%
2035	15	0.76%	3,452,434.24	0.77%
2036	36	1.82%	6,659,594.93	1.48%
2037	88	4.46%	18,005,706.62	4.00%
2038	38	1.93%	5,161,169.95	1.15%
2039	26	1.32%	7,641,748.88	1.70%
2040	31	1.57%	5,995,972.39	1.33%
2041	57	2.89%	11,534,842.95	2.56%
2042	194	9.83%	46,466,590.63	10.32%
2043	34	1.72%	6,520,086.30	1.45%
2044	23	1.17%	5,412,875.19	1.20%
2045	34	1.72%	6,638,267.65	1.47%
2046	105	5.32%	28,664,150.27	6.37%
2047	775	39.28%	178,116,353.02	39.56%
2048	78	3.95%	13,976,028.35	3.10%
2049	17	0.86%	4,723,947.72	1.05%
2050	18	0.91%	4,766,450.49	1.06%
2051	18	0.91%	5,572,630.91	1.24%
2052	143	7.25%	32,193,666.60	7.15%
2053	10	0.51%	1,515,650.48	0.34%
2054	4	0.20%	758,334.60	0.17%

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Maturity Year	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
Total	1,973	100.00%	450,249,484.05	100.00%

18)

Reversion Margin	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
4.50%	1,955	99.09%	447,193,376.35	99.32%
Variable Rate	18	0.91%	3,056,107.70	0.68%
Total	1,973	100.00%	450,249,484.05	100.00%
Minimum	4.50%			
Maximum	4.50%			
Weighted Average	4.50%			

19)

Interest Rate Reversion Year	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
2024	10	0.51%	1,788,013.67	0.40%
2025	9	0.46%	910,954.76	0.20%
2026	161	8.16%	42,306,401.22	9.40%
2027	1,548	78.46%	357,388,894.69	79.38%
2028	164	8.31%	30,437,119.48	6.76%
2029	63	3.19%	14,361,992.53	3.19%
Variable Rate	18	0.91%	3,056,107.70	0.68%
Total	1,973	100.00%	450,249,484.05	100.00%

20)

Borrower Type	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
Individual	609	30.87%	158,991,912.35	35.31%
Limited Company	1,364	69.13%	291,257,571.70	64.69%
Total	1,973	100.00%	450,249,484.05	100.00%

21)

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE POOL

Product Type	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
Fixed Rate reverting to BBR	1,955	99.09%	447,193,376.35	99.32%
Floating for Life	18	0.91%	3,056,107.70	0.68%
Total	1,973	100.00%	450,249,484.05	100.00%

22)

Number of CCJs (Primary & Secondary Borrower)	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
0	1,966	99.65%	449,115,105.36	99.75%
1	6	0.30%	982,138.07	0.22%
2	1	0.05%	152,240.62	0.03%
Total	1,973	100.00%	450,249,484.05	100.00%

23)

Multifamily Houses Type	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
HMO	157	7.96%	47,405,382.66	10.53%
MUFB	90	4.56%	41,598,770.97	9.24%
Not Multifamily House	1,726	87.48%	361,245,330.42	80.23%
Total	1,973	100.00%	450,249,484.05	100.00%

24)

Months In Arrears	Number of Loans	Number of Loans (%)	Total Current Balance (£)	Total Current Balance (%)
0	1,957	99.19%	444,810,307.18	98.79%
1	11	0.56%	3,509,223.98	0.78%
2	2	0.10%	264,607.64	0.06%
3+	3	0.15%	1,665,345.25	0.37%
Total	1,973	100.00%	450,249,484.05	100.00%

TITLE TO THE MORTGAGE POOL

The Loans and the Mortgage Rights will be sold by the Seller to the Issuer. The Seller shall transfer the equitable interest in the Loans and their related Mortgage Rights to the Issuer as at the Issue Date or with respect to the Additional Mortgage Loans, as at each Additional Mortgage Loan Purchase Date. Legal title to all Loans and Mortgage Rights is held by the Legal Title Holder and the process of recording the legal title of the Mortgages at the Land Registry in the name of CMI is under way. With respect to the Additional Mortgage Loans, the process of transferring of legal title of the relevant Mortgages from CMI to CHL will be underway prior to the relevant Additional Mortgage Loan Purchase Date notwithstanding that the transfer of legal title may take place following the relevant Additional Mortgage Loan Purchase Date. The Issuer will grant a first fixed equitable charge in favour of the Security Trustee over its interests in the Loans, the Mortgages and their related Mortgage Rights. Immediately following the transfer of the registration of the Mortgages to all of the Mortgage Pool from CMI to CHL and the delivery of a certificate by CHL to the Security Trustee confirming the same, CMI will be released from any further obligations under the Transaction Documents.

The Servicer is required under the terms of the Servicing Agreement to ensure the safe custody of title deeds (other than those which are dematerialised). The Servicer will have custody of title deeds in respect of the Loans and the Mortgage Rights as agent of the Issuer and, following any enforcement action by the Security Trustee against the Issuer, the Security Trustee.

Save as mentioned below, neither the Issuer nor the Security Trustee will effect any registration at the Land Registry to protect the sale of the Loans and the Mortgage Rights by the Seller to the Issuer or the charge of them by the Issuer in favour of the Security Trustee nor, save as mentioned below, will they be entitled to obtain possession of the title deeds to the Properties or the Loans and their related Mortgages.

Save as mentioned below, notice of the sale to the Issuer and the equitable charge in favour of the Security Trustee will not be given to the Borrowers.

Under the Mortgage Sale Agreement and the Deed of Charge, the Issuer (with the consent of the Security Trustee) or the Security Trustee will each be entitled to effect such registrations, recordings and give such notices as it considers necessary to protect and perfect the interests respectively of the Issuer (as purchaser) and the Security Trustee (as chargee or security holder) in the Loans and the Mortgage Rights upon the occurrence of a Perfection Event. These rights are supported by irrevocable powers of attorney given by the Issuer and the Legal Title Holder and CMI in favour of the Security Trustee. Immediately following the transfer of the legal title of the Mortgages to all of the Loans from CMI to CHL, the power of attorney given by CMI will be terminated.

The effect of (i) not giving notice to the Borrowers of the sale of the relevant Loans and their Mortgage Rights to the Issuer and the charging of the Issuer's interest in the Loans and their Mortgage Rights to the Security Trustee and (ii) the charge of the Issuer's rights thereto in favour of the Security Trustee pursuant to the Deed of Charge taking effect in equity, only, is that the rights of the Issuer and the Security Trustee may be, or may become, subject to equities as well as to the interests of third parties who perfect a legal interest or title prior to the Issuer or the Security Trustee acquiring and perfecting a legal interest or title (such as, in the case of Loans over unregistered land, a third party acquiring a legal interest in the relevant Mortgage without notice of the Issuer's or the Security Trustee's interests or, in the case of Mortgages over registered land, a third party acquiring a legal interest or title by registration or recording prior to the registration or recording of the Issuer's or the Security Trustee's interests).

The risk of such equities and other interests leading to third party claims obtaining priority to the interests of the Issuer or the Security Trustee in the Loans and the Mortgage Rights is likely to be limited to circumstances arising from a breach by the Seller or the Issuer of its or their contractual or other obligations or fraud or mistake on the part of the Seller or the Issuer or their respective officers, employees or agents (if any).

SALE OF THE MORTGAGE POOL

Acquisition of Loans on the Issue Date

On the Issue Date, the Seller will agree to sell its interest in the Completion Mortgage Pool to the Issuer for (A) an immediate cash payment equal to the Initial Cash Purchase Price payable on the Issue Date and (B) deferred consideration consisting of Residual Payments, the right to such Residual Payments being represented by the Certificates. This amount may be settled by way of set-off in the event the Seller agrees to subscribe for some or all of the Debt.

The Legal Title Holder will retain legal title to the Mortgage Pool as at the Issue Date, and will undertake to transfer legal title when required under the terms of the Mortgage Sale Agreement, as described under “*Perfection Events*” in the section entitled “*Rights of Debtholders and Certificateholders and Relationship with Other Secured Creditors—Triggers Tables—Non Rating Triggers Table*”, and will provide certain further assurances to the Issuer and the Security Trustee.

Acquisition of Additional Mortgage Loans and their Related Security following the Issue Date

On each Additional Mortgage Loan Purchase Date, the Seller shall sell to the Issuer further Loans, to the extent that the relevant conditions to purchase in the Mortgage Sale Agreement are satisfied (such Loans being “**Additional Mortgage Loans**”).

The Issuer shall, provided certain conditions are met, purchase Additional Mortgage Loans using amounts standing to the credit of the Pre-Funding Principal Ledger (but excluding the Light Refurbishment Loans Retained Amount). The Pre-Funding Principal Ledger shall include the Pre-Funding Initial Amount credited to it on the Issue Date.

The Servicer shall, no later than 1 Business Day prior to each Additional Mortgage Loan Purchase Date, deliver an Additional Mortgage Loan Sale Notice to the Issuer and the Seller (copying the Cash Manager) specifying which Additional Mortgage Loans are to be sold to the Issuer from the Seller on such Additional Mortgage Loan Purchase Date. The last date on which the Servicer may deliver an Additional Mortgage Loan Sale Notice is the Additional Mortgage Loans Final Sale Date.

The consideration, in respect of each Additional Mortgage Loan, shall be the Current Balance of the Additional Mortgage Loan as at the relevant Additional Mortgage Loan Cut-Off Date (the “**Additional Mortgage Loan Purchase Price**”), in payment to the Seller in respect of the sale and purchase of the Additional Mortgage Loans, in accordance with the Mortgage Sale Agreement. The Additional Mortgage Loan Purchase Price shall be paid to or as instructed by the Seller by the Issuer on the relevant Additional Mortgage Loan Purchase Date.

The Principal Collections and Revenue Collections received in respect of each Additional Mortgage Loan between the relevant Additional Mortgage Loan Cut-Off Date and the relevant Additional Mortgage Loan Purchase Date shall be for the account of the Issuer.

Any amounts standing to the credit of the Pre-Funding Principal Ledger (but excluding the Light Refurbishment Loans Retained Amount) as at the Additional Mortgage Loans Final Sale Date that have not been used to purchase Additional Mortgage Loans on an Additional Mortgage Loan Purchase Date shall be applied as Available Principal Funds in accordance with the relevant Priority of Payments on the Additional Mortgage Loans Final Sale Date.

On the third Interest Payment Date, any unutilised Light Refurbishment Loans Retained Amount standing to the credit of the Pre-Funding Principal Ledger shall be applied as Available Principal Funds in accordance with the relevant Priority of Payments on the following Interest Payment Date.

Conditions to purchase Additional Mortgage Loans

Each purchase of Additional Mortgage Loans by the Issuer will be subject to (amongst other things):

- (a) the provision, by each of the Issuer and the Seller, of solvency certificates dated within 30 days of the date of such purchase, signed by an authorised officer of the relevant company;
- (b) no Enforcement Notice having been served;
- (c) no Perfection Event having occurred;
- (d) no Potential Event of Default continuing; and
- (e) the relevant Additional Mortgage Loans satisfying the Warranties on the relevant Additional Mortgage Loan Purchase Date (together, the “**Additional Mortgage Loan Purchase Conditions**”);

The Seller shall confirm in each Additional Mortgage Loan Sale Notice that the Additional Mortgage Loan Purchase Conditions would be satisfied on the date of the relevant Additional Mortgage Loan Sale Notice Delivery Date if the purchase by the Issuer of the relevant Additional Mortgage Loans pursuant to such Additional Mortgage Loan Sale Notice was to occur on the relevant Additional Mortgage Loan Purchase Date. For the avoidance of doubt, no Additional Mortgage Loans shall be sold to the Issuer if such confirmation is not provided by the Servicer.

Warranties, Repurchase and Indemnification

The Mortgage Sale Agreement contains representations and warranties given by the Seller, in relation to the relevant Loans sold pursuant to the Mortgage Sale Agreement on the Issue Date and in relation to Additional Mortgage Loans, on each relevant Additional Mortgage Loan Purchase Date. No searches, enquiries or independent investigation of title of the type which a prudent purchaser or mortgagee would normally be expected to carry out have been or will be made by the Issuer, the Note Trustee or the Security Trustee, each of whom is relying upon the representations and warranties in the Mortgage Sale Agreement. The Originator shall not give any representations or warranties in connection with the Loans sold to the Issuer and the Issuer shall not have any recourse to the Originator in respect of any breach of such representations and warranties.

If there is an unremedied breach of any of the Warranties which has or would have a material adverse effect on the value of such Loan or its Related Security which has not been remedied by the Seller within 30 Business Days of being notified by the Issuer of such breach, the Seller will be obliged either: (i) to repurchase the relevant Loan and its Related Security for a consideration in cash equal to all sums due or owing thereunder (including Accrued Interest) as at the date of repurchase (after deducting the amount of any interest not then accrued but paid in advance by the relevant mortgagor, which amount will be retained by the Issuer), or (ii) instead, to indemnify and keep indemnified the Issuer against all Liabilities relating to the breach of the representation and warranty in relation to such Loan and its Related Security (such amounts being “**Indemnification Amounts**”). Where the Seller elects to indemnify the Issuer and if at the appropriate time of ascertainment of the quantum of any amount of Liability, the Seller cannot reach any agreement with the Issuer, the Seller shall appoint an auditor of internationally recognised standing within 10 Business Days to determine the amount of such Liability and such auditor’s determination shall be final and binding on the Seller and the Issuer. Performance of such repurchase, or indemnification, will be in full satisfaction of the liabilities of the Seller in respect of the relevant breach.

If the Seller chooses to indemnify and keep indemnified the Issuer against all Liabilities relating to the breach of Warranty, any Indemnification Amount payable by the Seller pursuant to such indemnity shall not exceed the amount that would have been payable by the Seller, if it had repurchased that Loan and its Related Security.

Warranties

The following are the Warranties (or extracts or summaries of certain warranties) given in favour of the Issuer by the Seller in relation to the relevant Loans sold pursuant to the Mortgage Sale Agreement on the Issue Date and in relation to Additional Mortgage Loans, on each Additional Mortgage Loan Purchase Date:

1. Each Loan and its related Mortgage has been made on the terms of the Standard Documentation applicable thereto at the time of origination, subject to such changes as would be acceptable to a Prudent Mortgage Lender.
2. Prior to making an advance under a Loan, the nature and amount of such advance, the circumstances of the relevant Borrower (to the extent applicable) and the origination of such advance satisfied the Lending Criteria (in relation to each Loan) in force at that time in all material respects, subject only to such exceptions and/or waivers as made on a case by case basis as would be acceptable to a Prudent Mortgage Lender.
3. The origination practices employed by the Originator with respect to origination of each Loan have been in all respects consistent with the practice of a Prudent Mortgage Lender.
4. Each Loan is assignable without the Borrower's consent.
5. Each Loan and its related Mortgage and any guarantee given in support of the Borrower's obligations thereunder constitutes a legal, valid and binding obligation of the Borrower and/or the guarantor (as applicable), except that (i) this warranty shall not apply in respect of any early repayment charges, mortgage administration exit fees or charges payable in the event of a Borrower default and (ii) enforceability may be limited by bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the courts' discretion in relation to equitable remedies.
6. Subject to registration at the Land Registry, each Mortgage related to a Loan constitutes a valid and subsisting first ranking legal mortgage over the relevant Property, and secures the repayment of all advances, interest, costs and expenses payable by the Borrower pursuant to the related Loan and any further advances under the related Loan in priority to any other charges registered against the Property (provided that nothing in this paragraph 6 constitutes a representation or warranty as to the sufficiency of any such Property as security for the indebtedness secured on it).
7. Either (a) the registration of each Mortgage has been completed at the Land Registry by an approved solicitor and the Originator or the Legal Title Holder is registered as the legal title holder in respect of each Mortgage, or (b) an application to register the Originator as the legal title holder of the Mortgage has been made to the Land Registry by an approved solicitor and following such registration application will be made to the Land Registry to transfer the legal title of the Mortgage from the Originator to CHL by an approved solicitor.
8. Immediately prior to the transfer of the Loans to the Issuer pursuant to the Mortgage Sale Agreement, the Seller was the absolute beneficial owner of (and holder of the beneficial interest in) the Loans, their related Mortgages and their Related Security, free from all Encumbrances.
9. Each Loan and its related Mortgage is governed by the laws of England and Wales.
10. Each Loan was made to a Borrower who was a United Kingdom resident at the time of origination.
11. Unless a Borrower is a Corporate Borrower and the requirements in paragraph 12 below are satisfied, each Borrower is an individual and at least one Borrower in respect of each Loan is aged 21 years or older at the date of entering into the relevant Loan and all Borrowers are aged 18 years or older at the date of entering into the relevant Loan and the identity of each Borrower has been verified by the Originator in accordance with procedures which would be acceptable to a Prudent Mortgage Lender.

12. In respect of each Loan in respect of which the Borrower is a Corporate Borrower, such Borrower is a private company incorporated with limited liability in England and Wales or a limited liability partnership incorporated in England and Wales and, to the knowledge of the Seller, prior to making of each such Loan:
 - (a) the Originator had not received written notice of any steps having been taken for the liquidation or winding-up of, or the making of an administration order or analogous proceedings in relation to, such Borrower or of any steps having been taken to enforce any security over the assets of such Borrower (including, without limitation, the appointment of any receiver of rent in respect of the Borrower); and
 - (b) prior to making the initial advance to such Borrower, the Originator undertook or instructed solicitors to undertake to conduct a search at Companies House in relation to such Borrower which revealed that no notices of appointment of a liquidator, administrator, administrative receiver or receiver had been filed and that no resolution had been passed to wind up the Borrower; and
 - (c) in relation to such Borrower, the solicitor acting for the Originator satisfied himself that the Borrower had, in accordance with its articles of association or partnership agreement, authorised a designated person or persons to sign all relevant documentation, and such meeting was duly convened and quorate in accordance with the Borrower's articles of association or partnership agreement; and
 - (d) the Originator, acting as a Prudent Mortgage Lender, carried out a company search at the underwriting stage to identify the directors and shareholders or members of the Corporate Borrower, and to establish whether any incidence of default was registered against either the individuals (where such individual was either a director or member of the Corporate Borrower or held 25 per cent. or more of the company's shares) or the Corporate Borrower itself; and
 - (e) the Originator instructed solicitors or conveyancers to register the particulars of the relevant Mortgage with Companies House within 21 days of the date of the grant of the Mortgage.
13. Each Loan was originated by the Originator in the ordinary course of its mortgage lending activities and is denominated in GBP.
14. In respect of each Loan, at the time of completion of the relevant Loan, the Originator or its solicitors took reasonable steps to verify that the relevant Property was insured under a Buildings Policy, and the Originator or the Legal Title Holder was named as joint insured or first loss payee, or the Originator's or the Legal Title Holder's interest had been noted on such Buildings Policy in relation to the relevant Property, in all cases against risks usually covered when advancing money on the security of property of the same nature to an amount not less than the full reinstatement value thereof as determined by the Originator's valuer.
15. At origination of each Loan, monthly direct debit instructions in favour of the Legal Title Holder (or other arrangements acceptable to the Seller to ensure regular payment) were completed in respect thereof.
16. In respect of each Loan, subject to completion of any registration or recording which may be pending at the Land Registry, all title deeds (save for title deeds held at the Land Registry and title deeds existing in dematerialised forms) and Mortgage Loan Files are held by, or to the order of, the Originator or the Legal Title Holder, or the Originator's or the Legal Title Holder's solicitors or licensed conveyancers.
17. As far as the Seller is aware (having made due enquiry of the Originator), no lien, right of set-off, counterclaim or other right of deduction exists between the Legal Title Holder or the Originator and any

Borrower or any other party that would entitle that Borrower to reduce any amount payable under the relevant Loan.

18. Prior to the making of each Loan, the Originator:
 - (a) instructed solicitors or a licensed conveyancer to carry out an investigation of title to the relevant Property and to undertake all investigations, searches and other action and enquiries on behalf of the Originator in accordance with the instructions which the Originator issued to the relevant solicitor or licensed conveyancer including as are set out in the UK Finance Lenders' Handbook for England and Wales or other comparable or successor instructions and/or guidelines as may for the time being be in place, subject only to those variations as would be acceptable to a Prudent Mortgage Lender; and
 - (b) received a certificate of title and/or report on title from the solicitor or licensed conveyancer referred to in paragraph (a) above relating to such Property the contents of which were such as would have been acceptable to a Prudent Mortgage Lender at that time.
19. Each Loan is secured via a Mortgage on a freehold or leasehold residential property in England or Wales.
20. In the case of a Loan secured on a leasehold property, the related leasehold interest expires not less than 30 years after the maturity of the relevant Loan.
21. Not more than 12 months (or a longer period as may be acceptable to a Prudent Mortgage Lender) prior to making an advance to the Borrower, the Property was valued by an independent Qualified Valuer approved by the Originator, the details of which are disclosed in the relevant Mortgage Loan Files relating to such Loan and such valuation or revaluation inspection would have been acceptable to a Prudent Mortgage Lender at the date such valuation or revaluation inspection was performed.
22. As far as the Seller is aware, at the time of the relevant application for a Mortgage in respect of any Loan, no Borrower had filed for bankruptcy, entered into an individual voluntary arrangement or been sequestrated or had a county court judgment or sheriff court decree (save for satisfied county court judgments or sheriff court decrees up to the value of £500 or unsatisfied county court judgments up to the value of £250) entered or awarded against him in the period commencing on the date falling six (6) years prior (or three (3) years prior in relation to county court judgments or sheriff court decrees) to the date they executed the relevant Mortgage.
23. For each Loan, proper accounts, books and records have been kept showing clearly all material transactions, payments, receipts, proceedings and notices relating to that Loan in accordance with applicable law and applicable regulatory guidance or directions and are in all material respects up to date, accurate and in the possession of or the Legal Title Holder.
24. No Loan or its related Mortgage contains a mandatory obligation on the part of the Originator or the Legal Title Holder to make any Further Advance.
25. The Seller is not aware of any fraud in relation to any Loan which could reasonably be expected to result in the value of the Loan or its Related Security being reduced.
26. No Borrower is an employee of the Legal Title Holder or any of its Affiliates.
27. No agreement for any Loan is, in whole or in part, a "regulated credit agreement" under article 60B of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) or treated as such by the CCA or, to the extent that any agreement for any Loan is in whole or in part a regulated credit agreement or consumer credit agreement, the Originator or the Legal Title Holder has complied with all the relevant legal requirements of, and procedures set out in, the CCA and all secondary legislation made pursuant thereto and the FCA Handbook, as applicable, in all material respects and no

such agreement, whether taken alone or with a related agreement, gives rise to an “unfair relationship” between the creditor and the debtor for the purposes of sections 140A to 140D of the CCA.

28. No agreement for any Loan is, in whole or in part, a “regulated mortgage contract” under article 61 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544).
29. There have been no successful claims for redress against the Originator or the Legal Title Holder in relation to any payment protection insurance or similar insurance sold to a Borrower in respect of a Loan.
30. In respect of each Loan in respect of which a payment was made to a third party or intermediary appointed by a Borrower in respect of such Loan by way of a procuration, broker’s or finder’s fee or commission, the existence and amount of such payment was disclosed to the Borrower before the Loan was originated.
31. Interest on each Loan has been charged by the Originator or the Legal Title Holder in accordance with the provisions of the Loan and its related Mortgage.
32. Neither the Originator nor the Legal Title Holder has knowingly waived or acquiesced in any breach of any of its rights in relation to a Loan or a Mortgage other than those undertaken as part of being a Prudent Mortgage Lender.
33. All formal approvals, consents and other steps necessary to permit an assignment or transfer of the beneficial interest in the Loans, the Mortgages and their Related Security have been obtained or taken.
34. In relation to each Loan:
 - (A) to the knowledge of the Seller or the Legal Title Holder, no Property has been let or sub-let otherwise than by way of (i) an assured shorthold tenancy which meets the requirements of Section 19A or Section 20 of the Housing Act 1988, (ii) an occupation contract under the Renting Homes (Wales) Act 2016 or (iii) any other tenancy which would be acceptable to a Prudent Mortgage Lender; and
 - (B) to the extent there was a tenancy agreement in place at the time of origination of such Loan, a solicitor acting for the Originator confirmed that such tenancy agreement was on terms that would be acceptable to a Prudent Mortgage Lender and the Seller is not aware of any material breach of such agreement.
35. Prior to making a Loan to a Borrower, the Originator instructed solicitors to undertake to ensure each relevant guarantor (where a Loan is the subject of a guarantee) executed a deed of guarantee in respect of the repayment by the relevant Borrower of the amounts due under the Loan and its related Mortgage in favour of the mortgagee.
36. Each Borrower has good and marketable title to the relevant Property (subject to registration of the title at the relevant Land Registry) free from any encumbrance (except the Mortgage and any subsequent ranking mortgage) which would materially adversely affect such title.
37. None of the Related Security or Ancillary Rights in respect of a Loan consist of stock or a marketable security (as such terms are defined for the purposes of section 122 of the Stamp Act 1891), a chargeable security (as such term is defined for the purposes of section 99 of the Finance Act 1986) or (save for any Rent Right) a chargeable interest (as such term is defined for the purposes of section 48 of the Finance Act 2003 and section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017).
38. Each Loan is a “financial asset” as defined in International Accounting Standard 32 (IAS32).
39. The brochures, application forms, offers, offer conditions and marketing material distributed by the Originator to the Borrower when offering a Loan to a Borrower do not conflict in any material respect

SALE OF THE MORTGAGE POOL

with the terms applicable to the relevant Loan and its Related Security at the time that the Loan was entered into; and do not conflict with and would not prohibit or otherwise limit the terms of the Transaction Documents or the matters contemplated thereby.

40. Each Loan has been entered into by the Originator and the relevant Borrower in accordance with all applicable laws to the extent that failure to comply with those laws would have a material adverse effect on the enforceability of the collectability of that Loan or its Related Security.
41. The Borrower has confirmed that neither they nor their close family reside in the Property and any person who, at the date upon which a Loan was granted, had attained the age of 17 and who had been notified to the Originator as residing in or about to reside in the relevant Property, has either signed an acceptable assured shorthold tenancy agreement or a consent agreement at the time the Loan was executed.
42. So far as the Seller is aware, neither the Originator nor the Legal Title Holder has received written notice of any litigation, claim, dispute or complaint (excluding any vexatious or frivolous complaint) (in each case, subsisting, threatened or pending) in respect of any Borrower, Property, Loan, Related Security or Buildings Policy which (if adversely determined) might have a material adverse effect on the value of any Loan.
43. (a) At the time of origination, the Originator, in connection with each Loan (other than the Additional Mortgage Loans):
 - (i) carried out the identification and other procedures required under the Money Laundering Regulations 2017 and 2022 (as applicable and the Guidance for the UK financial sector issued by the Joint Money Laundering Steering Group); and
 - (ii) complied with the requirements of the Terrorism Act 2000 and the Proceeds of Crime Act 2002 to the extent (if any) that the same are applicable.(b) So far as the Seller is aware (having made due enquiry of the Originator), at the time of origination of each Additional Mortgage Loan, the Originator, in connection with each such Additional Mortgage Loan:
 - (i) carried out the identification and other procedures required under the Money Laundering Regulations 2017 and 2022 (as applicable and the Guidance for the UK financial sector issued by the Joint Money Laundering Steering Group); and
 - (ii) complied with the requirements of the Terrorism Act 2000 and the Proceeds of Crime Act 2002 to the extent (if any) that the same are applicable.
44. So far as the Seller is aware (having made due enquiry of the Originator and CHL in its capacity as Servicer and current Legal Title Holder of the relevant Loan), immediately prior to the origination of each Loan, no Borrower was a person with whom transactions are prohibited under any sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or His Majesty's Treasury (collectively, "**Sanctions**") and no Borrower was located in a country or territory which was the subject of any Sanctions at that time.
45. The Seller has not, in relation to its ownership of the Loans and their Related Security, and so far as the Seller is aware, the Originator has not, in relation to their origination, engaged in any activity or conduct that has resulted or will result in a violation of:
 - (A) any Anti-Corruption Laws or Anti-Money Laundering Laws; or
 - (B) any applicable laws relating to economic or trade sanctions, including the Sanctions,provided that, if making any representation and warranty in paragraphs (A) to (B) above would result in the Seller breaching or violating or being in conflict with applicable laws, that representation and

warranty shall be deemed not to be given by the Seller, but only to the extent of the breach, and no Party is entitled to the benefit of, nor may rely on, that representation and warranty to that extent.

46. None of the Loans advanced to Corporate Borrowers carries or has carried:
 - (A) a right of conversion (exercisable at any time) into shares or other securities, or to the acquisition of shares or other securities, including a similar loan;
 - (B) a right to interest the amount of which exceeds a reasonable commercial return on the nominal amount of the Loan;
 - (C) a right to interest, the amount of which falls or has fallen to be determined by reference to the results of, or of part of, a business or to the value of any property; or
 - (D) a right of repayment to an amount which exceeds the nominal amount of the Loan.
47. So far as the Seller is aware, (having made due enquiry of the Originator and the Legal Title Holder) there are no complaints in relation to the Loan or Mortgage (whether relating to their origination, servicing or otherwise) made to the Financial Ombudsman Service which have been notified by the Financial Ombudsman Service to the Originator or, as applicable, the Legal Title Holder and which remain outstanding.
48. The Seller is not aware of any pending action or proceeding by the relevant Borrower against the Originator or, as applicable, the Legal Title Holder in respect of the Loan and their Mortgage.
49. Prior to the making of each Loan, the Lending Criteria and all preconditions to the making of any Loan were satisfied in all material respects subject only to such exceptions and waivers as made on a case-by-case basis as would be acceptable to a Prudent Mortgage Lender.
50. Each Borrower has made at least one payment of principal and/or interest on the relevant Loan when fallen due (other than with respect to the Completion Loans and the Additional Mortgage Loans).

Product Switches and Further Advances

From time to time a Borrower may request, or the Legal Title Holder may offer and the Borrower may accept, in limited circumstances, a Product Switch or a Further Advance from time to time.

Should a Product Switch be agreed between the Servicer (acting on the instructions of the Legal Title Holder) and a Borrower, the Servicer shall notify the Seller and the Issuer of such agreement, and the Seller shall be required to repurchase the relevant Loan from the Issuer on or prior to the date such Product Switch is effected.

Should a Further Advance be agreed between the Servicer (acting on the instructions of the Legal Title Holder and lender of record) and a Borrower, the Servicer shall notify the Seller and the Issuer, and the Seller shall be required to repurchase the relevant Loan from the Issuer on or prior to the date such Further Advance is effected.

Investors should note that the BTL Conditions confirm that the Borrower has no right to borrow any more money from CHL under their mortgage and that CHL is under no obligation to lend the Borrower any more money and, as at the date of this Prospectus, the Legal Title Holder does not offer Further Advances or Product Switches to Borrowers.

Notwithstanding the foregoing, the Servicer (acting on the instructions of the Legal Title Holder and lender of record) shall not make an offer, for a Further Advance, Product Switch or Regulated Amendment without first having received confirmation that the Seller will repurchase the relevant Loans together with the Mortgage Rights from the Issuer.

Completion Loans, Additional Mortgage Loans

If any payment of principal and/or interest due on the Completion Loans or Additional Mortgage Loans following the second Monthly Payment Date immediately following the date of origination of such Completion

Loans or Additional Mortgage Loans are two months or more in arrears (an “**Arrears Event**”), the Servicer shall notify the Seller and the Issuer of such circumstance, and the Seller shall be required (i) to repurchase such Loan and its Related Security; or (ii) instead, to indemnify and keep indemnified the Issuer against all Liabilities relating to the occurrence of the Arrears Event in relation to such Loan and its Related Security.

Consideration payable by the Seller in respect of the repurchase of any relevant Loans and their related Mortgage Rights shall be a cash payment to the Issuer by the Seller equal to the Repurchase Price.

Mortgage Pool Option

The Issuer will, by the Deed Poll, grant to the Mortgage Pool Option Holder the option (the “**Mortgage Pool Option**”) to require the Issuer to (a) sell to the Mortgage Pool Option Holder (or to a third party purchaser nominated by the Mortgage Pool Option Holder) the beneficial title to and interest in all Loans in the Mortgage Pool and their related Mortgage Rights and (b) transfer to the Mortgage Pool Option Holder (or a third party purchaser nominated by it) the right to have the legal title to the Mortgage Pool and related Mortgage Rights in the Mortgage Pool transferred to it, in such a manner as to enable the Issuer to redeem the Debt in full on the relevant Call Option Date.

The purchase price for the Mortgage Pool under the Mortgage Pool Option shall be an amount equal to the greater of: (a) the aggregate Current Balance of the Loans (excluding any Enforced Loans) in the Mortgage Pool determined as at the Determination Date immediately preceding the relevant Call Option Date; and (b) the amount which, together with any amounts standing to the credit of the Transaction Account (including the Liquidity Reserve Fund) and/or any other cash held by or on behalf of the Issuer (other than any Swap Excluded Receivable Amounts, Swap Collateral and any Issuer Profit Amount), would be required to pay any amounts required under the Pre-Enforcement Priority of Payments to be paid in priority to or *pari passu* with the Debt on such Interest Payment Date, to redeem all Debt then outstanding in full together with accrued and unpaid interest on such Debt and pay costs associated with the redemption, as calculated on the Determination Date immediately preceding the relevant Call Option Date (the “**Mortgage Pool Purchase Price**”). The Mortgage Pool Option Holder may, within the period which is not more than 60 nor less than 14 calendar days’ prior to the relevant Call Option Date (the “**Exercise Period**”), deliver a notice to the Issuer (with a copy to the Security Trustee, the Servicer and the Cash Manager) that it intends to exercise the Mortgage Pool Option in respect of such Call Option Date (the “**Exercise Notice**”), provided that:

- (i) on or prior to the specified Call Option Date, no Enforcement Notice has been served; and
- (ii) the Mortgage Pool Option Holder has, immediately prior to delivering the Exercise Notice, certified to the Issuer and the Security Trustee that it will have the necessary funds to pay the Mortgage Pool Purchase Price on the specified Call Option Date (such certification to be provided by way of certificate signed by two directors of the Mortgage Pool Option Holder).

If, in respect of any Interest Payment Date after the first Call Option Date, where the aggregate Principal Amount Outstanding of the Rated Debt is (or is projected to be) less than or equal to 10 per cent. of the aggregate Principal Amount Outstanding of the Rated Debt upon issue (each such date, a “**Clean Up Call Date**”) and the Mortgage Pool Option has not already been exercised, the Seller shall deliver an Exercise Notice in respect of any such Clean Up Call Date, during the Exercise Period immediately prior thereto. Following receipt of the Exercise Notice, the Cash Manager, on behalf of the Issuer, shall send to the Mortgage Pool Option Holder a notice specifying the Mortgage Pool Purchase Price (as defined below) (a “**Counter Notice**”). If the Mortgage Pool Option Holder agrees to the Mortgage Pool Purchase Price as set out in the Counter Notice, it will acknowledge and accept the terms of the Counter Notice by counter-signing such notice and delivering such counter-signed notice to the Issuer, the Security Trustee, the Cash Manager and the Principal Paying Agent confirming that the purchase shall take place on the Call Option Date specified in the Exercise Notice.

Following receipt of such acknowledgement and acceptance from the Mortgage Pool Option Holder, the Issuer shall certify to the Security Trustee that it will have the necessary funds to pay all amounts required under the Pre-Enforcement Priority of Payments (a) to be paid in priority to or *pari passu* with the Debt on such Call

Option Date, (b) to redeem all Debt then outstanding in full, together with accrued and unpaid interest on such Debt, and (c) to pay costs associated with the redemption.

On the specified Call Option Date, the Mortgage Pool Option Holder will purchase the Mortgage Pool, the Debt will be redeemed in full and the Certificates will be cancelled.

Mortgage Pool Auction

If the Mortgage Pool Option Holder has not delivered an Exercise Notice in accordance with the Mortgage Pool Option for the purpose of exercising the Mortgage Pool Option on the Call Option Date falling on or before September 2028:

- (a) the Issuer undertakes to use reasonable endeavours to appoint a third party agent (the “**Mortgage Pool Auction Manager**”) (which, for the avoidance of doubt, may be the Seller or its nominee) as soon as practically possible thereafter, who will seek offers from third-parties to purchase and accept assignment and transfer of the Mortgage Pool Option Loans for an amount equal to or greater than the Mortgage Pool Purchase Price (the “**Mortgage Pool Auction**”); and
- (b) the Mortgage Pool Option Holder shall cease to have the right to the exercise of the Mortgage Pool Option until such right is resumed.

The Mortgage Pool Auction Manager shall be appointed on an arm’s length basis and on the basis that it is incentivised to achieve the best price for the sale of the Mortgage Pool Option Loans (which shall be at least the Mortgage Pool Auction Purchase Price) by the Issuer while maximising certainty of execution with respect to such sale (having particular regard to the ability of a prospective auction bidder to finance and complete such sale), and to advise the Issuer and conduct any such sale on behalf of the Issuer.

The terms of the agreement giving effect to the appointment of the Mortgage Pool Auction Manager shall be approved by the Seller (if it is not the Mortgage Pool Option Holder) and the Mortgage Pool Option Holder (such approvals not to be unreasonably withheld or delayed).

If the Mortgage Pool Auction Period has elapsed without a sale, assignment and transfer of the Mortgage Pool Option Loans, the Mortgage Pool Option Holder shall resume the right to exercise the Mortgage Pool Option on any Call Option Date from (but excluding) the Mortgage Pool Auction Period End Date.

The Seller (if it is not the Mortgage Pool Option Holder) and the Mortgage Pool Option Holder shall have the right to submit a bid for the purchase of the Mortgage Pool Option Loans in connection with the Mortgage Pool Auction.

The Mortgage Pool Auction Manager shall procure that each bid under the Mortgage Pool Auction shall be submitted within a timeframe which allows for the terms of the sale, assignment and transfer of the Mortgage Pool Option Loans to be agreed with a preferred auction bidder such that a binding agreement between the Issuer and the preferred auction bidder is reached not less than 14 calendar days prior to the Mortgage Pool Auction Period Start Date, or if the sale of the Mortgage Pool Option Loans does not complete on the Mortgage Pool Auction Period Start Date, the Mortgage Pool Auction Period End Date.

Subject to the specific terms of sale set out in the Deed Poll, the Mortgage Pool Auction Manager may agree the additional terms of the sale of the Mortgage Pool Option Loans by the Issuer (acting at the direction of the Mortgage Pool Auction Manager) pursuant to the Mortgage Pool Auction provided that the sale of the Mortgage Pool Option Loans is for an amount not less than the Mortgage Pool Auction Purchase Price.

Ability of Seller to repurchase the Mortgage Pool in the event of a Risk Retention Regulatory Change Event

The Seller (or any affiliate) shall have the right (but not any obligation) to acquire or re-acquire the entire beneficial interest of the Issuer in the Mortgage Pool upon the occurrence of a Risk Retention Regulatory Change Event in accordance with the terms of Note Condition 5(f) (*Mandatory Redemption of the Debt*

following the exercise of a Risk Retention Regulatory Change Option) and clause 9.6 (*Mandatory Redemption of the Class A Loan Note following the exercise of a Risk Retention Regulatory Change Option*) of the Class A Loan Note Agreement. The price payable by or on behalf of the Seller to the Issuer to acquire the beneficial interest of the entire Mortgage Pool from the Issuer shall be an amount equal to the consideration that would have been paid in respect of the Mortgage Pool Purchase Price.

It will be a condition of the purchase of the beneficial interest in the Loans comprising the Mortgage Pool following the occurrence of a Risk Retention Regulatory Change Event that (A) either (i) the purchaser is resident for tax purposes in the United Kingdom, or (ii) each of the Issuer and the Note Trustee, as applicable, have received tax advice from an appropriately qualified and experienced United Kingdom tax adviser in form and substance satisfactory to it, or such other comfort as may reasonably be required by it (including, without limitation, any clearance or other confirmation granted by HMRC), to confirm that the sale of the Loans should not expose the Issuer or the Legal Title Holder, as applicable, to a risk of loss in consequence of United Kingdom income tax being required to be withheld from amounts paid in respect of the Loans, and (B) each of the Issuer and the Note Trustee has received tax advice from an appropriately qualified and experienced United Kingdom tax adviser in form and substance satisfactory to it, or such other comfort as may reasonably be required by it (including, without limitation, any clearance or other confirmation granted by HMRC), to confirm that any such sale should not cause the Issuer to cease to be taxed in accordance with the Taxation of Securitisation Regulations for times prior to the completion of the sale. The costs relating to such tax advice shall be borne by the Seller.

The purchaser(s) of the Loans comprising the Mortgage Pool will be required to deposit the full amount of the Mortgage Pool Purchase Price in the Transaction Account on the date of sale of the beneficial interest in the Loans no later than the day falling 2 Business Days immediately preceding the Interest Payment Date on which the Debt is to be redeemed, or take such other action agreed with the Note Trustee.

Following exercise of the Risk Retention Regulatory Change Option, the Issuer will give not more than 40 nor less than 14 Business Days' notice to the Noteholders and the Certificateholders in accordance with Condition 13 (*Notice to Noteholders*) and Certificate Condition 11 (*Notice to Certificateholders*) and the Note Trustee stating that the Debt and the Certificates will be redeemed on the Interest Payment Date immediately following the exercise of such option by the Seller.

CREDIT STRUCTURE

The Debt and Certificates will not be obligations of the Account Bank, the Swap Collateral Account Bank, the Collection Account Provider, the Co-Arrangers, the Joint Lead Managers, the Cash Manager, the Corporate Services Provider, the Note Trustee, the Security Trustee, the Swap Counterparty, the Legal Title Holder, CMI, the Servicer, the Back-up Servicer Facilitator, the Seller, the Principal Paying Agent or anyone other than the Issuer and will not be guaranteed by any such party. None of the Swap Collateral Account Bank, the Account Bank, Collection Account Provider, the Co-Arrangers, the Joint Lead Managers, the Cash Manager, the Back-Up Cash Manager Facilitator, the Legal Title Holder, CMI, the Servicer, the Corporate Services Provider, the Note Trustee, the Security Trustee, the Swap Counterparty, the Servicer, the Back-up Servicer Facilitator, the Seller, the Principal Paying Agent nor anyone other than the Issuer will accept any liability whatsoever in respect of any failure to pay any amount due under the Notes and Certificates.

As a condition to the issue of the Notes:

- the Class A Debt is expected to be rated “Aaa” by Moody’s / “AAA” by Fitch;
- the B Notes are expected to be rated “Aa1” by Moody’s / “AA-” by Fitch;
- the C Notes are expected to be rated “A1” by Moody’s / “A-” by Fitch;
- the D Notes are expected to be rated “Baa2” by Moody’s / “BBB” by Fitch; and
- the E Notes are expected to be rated “Ba1” by Moody’s / “BBB-” by Fitch.

None of the Z Notes, the X Notes nor the Certificates will be rated.

The ratings assigned to the Rated Debt by each Rating Agency address, *inter alia*:

- (a) subject to paragraphs (b) and (c) below, the likelihood of full and timely payment of interest due to the holders of the Rated Debt on each Interest Payment Date;
- (b) in respect of the ratings assigned by Moody’s to the Rated Debt (excluding the Class A Debt and the B Notes), the likelihood of full and ultimate payment of interest due to the holders of the C Notes, the D Notes and the E Notes by or on the Final Maturity Date;
- (c) in respect of the ratings assigned by Fitch to the Rated Debt (excluding the Class A Debt and the B Notes), the likelihood of full and ultimate payment of interest due to the holders of the C Notes, the D Notes and the E Notes by or on the Final Maturity Date; and
- (d) the likelihood of full and ultimate payment of principal to the holders of the Rated Debt by or on the Final Maturity Date.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the other ratings, the market value and/or the liquidity of the Rated Debt.

The structure of the credit arrangements may be summarised as follows:

The Notes

The Notes will be issued fully paid on the Issue Date and the proceeds will be used for the purposes described in the section entitled “*Use of Proceeds*”.

Issue Price and Redemption of Notes

On the Issue Date, the Issuer will issue:

- (a) the A Notes at an issue price of 100 per cent. of the principal amount of the A Notes;
- (b) the B Notes at an issue price of 100 per cent. of the principal amount of the B Notes;
- (c) the C Notes at an issue price of 100 per cent. of the principal amount of the C Notes;
- (d) the D Notes at an issue price of 100 per cent. of the principal amount of the D Notes;
- (e) the E Notes at an issue price of 100 per cent. of the principal amount of the E Notes;
- (f) the Z Notes at an issue price of 100 per cent. of the principal amount of the Z Notes; and
- (g) the X Notes at an issue price of 100 per cent. of the principal amount of the X Notes.

On the Issue Date, the Issuer will also issue the Certificates. The Certificates will be initially fully retained by the Seller or transferred to one of its affiliates. Each of the Notes will be redeemed in accordance with Note Condition 5 (*Redemption*).

In addition, on the Issue Date, the Issuer will enter into a Class A Loan Note agreement (the “**Class A Loan Note Agreement**”) pursuant to which the Issuer will issue, and the Original Class A Loan Noteholder will subscribe for, a £125,000,000 Class A Loan Note.

Receipts

The Cash Manager on behalf of the Issuer will calculate on each Determination Date the Available Revenue Funds and the Available Principal Funds of the Issuer for the previous Determination Period (as set out in the Cash Management Agreement). The Cash Manager will on the next Interest Payment Date apply such Available Revenue Funds and Available Principal Funds on behalf of the Issuer to make payments of interest and principal on the Notes as well as certain other amounts under the Pre-Enforcement Priority of Payments.

Credit Support for the Notes Provided by Available Revenue Funds

The interest rates payable by Borrowers in respect of the Loans vary in respect of different Borrowers and different types of Loans. It is anticipated that, on the Issue Date, the weighted average interest rate payable by Borrowers on the Loans will, assuming that all of the Loans are fully performing and that no extraordinary expenses have been incurred by the Issuer, exceed the amounts payable under items (i) to (xv) inclusive of the Pre-Enforcement Revenue Priority of Payments. The actual amount of the excess will vary during the life of the Notes; two of the key factors determining such variations are the level of delinquencies experienced and the weighted average interest rate in each case on the Mortgage Pool. Available Revenue Funds may be applied (after making payments or provisions ranking higher in the Pre-Enforcement Revenue Priority of Payments) on each Interest Payment Date towards reducing any Principal Deficiency.

Liquidity Reserve Fund

In order to provide limited coverage for insufficient funds available to provide for payment of items (i) to (vi) (inclusive) and (viii) of the Pre-Enforcement Revenue Priority of Payments if the Available Revenue Funds (disregarding items (e) and (f) of that definition) are insufficient (such shortfall arising from time to time, a “**Revenue Shortfall**”), the Issuer will establish and maintain the Liquidity Reserve Fund on and from the Issue Date to (and including) the Interest Payment Date on which the B Notes are redeemed in full.

On the Issue Date, the Issuer will establish the Liquidity Reserve Fund. The Cash Manager will, pursuant to the Cash Management Agreement, maintain the Liquidity Reserve Fund Ledger to record the balance from time to time of the Liquidity Reserve Fund (“**Liquidity Reserve Fund Ledger**”).

The Liquidity Reserve Fund will be funded (a) on the Issue Date, from the proceeds of the issue of the Z Notes and (b) on each Interest Payment Date prior to an Enforcement Notice being served on the Issuer, from the Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments, in each case

until the amount standing to the credit of the Liquidity Reserve Fund Ledger is equal to the Liquidity Reserve Fund Required Amount on such day.

The “**Liquidity Reserve Fund Required Amount**” shall be calculated as follows:

- (a) (i) on the Issue Date and (ii) on each Interest Payment Date while the Class A Debt or the B Notes remain outstanding, an amount equal to 1.50 per cent. of the aggregate Principal Amount Outstanding of the Class A Debt and the B Notes on such day; and
- (b) on and after the Interest Payment Date on which the Class A Debt or the B Notes are to be redeemed in full, zero.

If, on any Interest Payment Date, the amounts standing to the credit of the Liquidity Reserve Fund Ledger (after the application of amounts payable pursuant to item (ix) of the Pre-Enforcement Revenue Priority of Payments) exceed the Liquidity Reserve Fund Required Amount (such excess being the “**Liquidity Reserve Fund Excess Amount**”), such Liquidity Reserve Fund Excess Amount will be applied as, and form part of, Available Revenue Funds on such Interest Payment Date.

On the Interest Payment Date on which the B Notes are redeemed in full, any amount standing to the credit of the Liquidity Reserve Fund Ledger shall be credited to the Revenue Ledger and the Liquidity Reserve Fund Required Amount will be reduced to zero.

Application of the Liquidity Reserve Fund and Principal Addition Amounts – Revenue Shortfall and Further Revenue Shortfall

If the Cash Manager determines on the immediately preceding Determination Date that there will be a Revenue Shortfall, the Cash Manager may (as set out in the Cash Management Agreement), on any Interest Payment Date, apply any amounts standing to the credit of the Liquidity Reserve Fund towards a Revenue Shortfall as follows:

- (a) if there is any Class A Debt or B Notes outstanding (including on the Interest Payment Date on which the Class A Debt and the B Notes are redeemed in full), by applying such amount equal to any Revenue Shortfall standing to the credit of the Liquidity Reserve Fund Ledger if and to the extent there will be a Revenue Shortfall on the relevant Interest Payment Date to be applied to items (i) to (vi) and (viii) of the Pre-Enforcement Revenue Priority of Payments; and
- (b) if and to the extent there will be a Further Revenue Shortfall on the immediately following Interest Payment Date, by applying any Principal Addition Amounts (subject to the PDL Condition in respect of any Debt that is not the Most Senior Class) to items (i) to (vi) and the relevant item corresponding to the payment of amounts (other than in respect of principal) in respect of each Class of Debt, of the Pre-Enforcement Revenue Priority of Payments.

“**PDL Condition**” means for each Interest Payment Date (i) in respect of the use of Available Principal Funds to make payments of interest on the B Notes, the debit balance of the B Principal Deficiency Sub-Ledger not exceeding 10 per cent. of the Principal Amount Outstanding of the B Notes (prior to any payments of principal on the B Notes on such Interest Payment Date), (ii) in respect of the use of Available Principal Funds to make payments of interest on the C Notes, the debit balance of the C Principal Deficiency Sub-Ledger not exceeding 10 per cent. of the Principal Amount Outstanding of the C Notes (prior to any payments of principal on the C Notes on such Interest Payment Date); (iii) in respect of the use of Available Principal Funds to make payments of interest on the D Notes, the debit balance of the D Principal Deficiency Sub-Ledger not exceeding 10 per cent. of the Principal Amount Outstanding of the D Notes (prior to any payments of principal on the D Notes on such Interest Payment Date); (iv) in respect of the use of Available Principal Funds to make payments of interest on the E Notes, the debit balance of the E Principal Deficiency Sub-Ledger not exceeding 10 per cent. of the Principal Amount Outstanding of the E Notes (prior to any payments of principal on the E Notes on such Interest Payment Date).

The Notes

Each Class of Notes will be constituted by the Trust Deed and each Class of Debt will share the same security.

- (a) Prior to (i) the service of an Enforcement Notice, or (ii) the occurrence of a Redemption Event:
- (i) the Class A Debt will rank *pari passu* and without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the B Notes, the C Notes, the D Notes, the E Notes and the Z Notes, as to payment of principal;
 - (ii) the B Notes will rank *pari passu* without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the C Notes, the D Notes, the E Notes and the Z Notes, as to payment of principal;
 - (iii) the C Notes will rank *pari passu* without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the D Notes, the E Notes and the Z Notes, as to payment of principal;
 - (iv) the D Notes will rank *pari passu* without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the E Notes and the Z Notes, as to payment of principal;
 - (v) the E Notes will rank *pari passu* without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the Z Notes as to payment of principal;
 - (vi) the Z Notes will rank *pari passu* without preference or priority amongst themselves as to payments of principal but will rank after the Class A Debt, the B Notes, the C Notes, the D Notes and the E Notes as to payment of principal; and
 - (vii) the X Notes will rank *pari passu* without preference or priority amongst themselves for all purposes but will rank after payment of interest on the Class A Debt, the B Notes, the C Notes, the D Notes, the E Notes and the Z Notes.

Each Certificate represents a *pro rata* entitlement to receive any residual balance following payment of all senior items in the relevant Priority of Payments by way of deferred consideration for the purchase by the Issuer of the Completion Mortgage Pool.

- (b) Following (i) the service of an Enforcement Notice, or (ii) the occurrence of a Redemption Event:
- (i) the Class A Debt will rank *pari passu* and without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the B Notes, the C Notes, the D Notes, the E Notes the X Notes and the Z Notes as to payment of interest and principal and the Certificates;
 - (ii) the B Notes will rank *pari passu* and without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the C Notes, the D Notes, the E Notes, the X Notes and the Z Notes as to payment of interest and principal and the Certificates;
 - (iii) the C Notes will rank *pari passu* and without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security*

and Administration) and Note Condition 5 (*Redemption*) below, the D Notes, the E Notes, the X Notes and the Z Notes and as to payment of interest and principal and the Certificates;

- (iv) the D Notes will rank *pari passu* and without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the E Notes, the X Notes and the Z Notes and as to payment of interest and principal and the Certificates;
- (v) the E Notes will rank *pari passu* and without preference or priority amongst themselves for all purposes but will rank in priority to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the X Notes and the Z Notes as to payment of interest and principal and the Certificates;
- (vi) the Z Notes will rank *pari passu* and without preference or priority amongst themselves for all purposes but will rank in priority to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the X Notes as to payment of interest and principal and the Certificates;
- (vii) the X Notes will rank *pari passu* and without preference or priority amongst themselves for all purposes but will rank in priority to, to the extent set out in Note Condition 2 (*Status, Security and Administration*) and Note Condition 5 (*Redemption*) below, the Certificates; and
- (viii) subject as provided below, the Certificates will rank *pari passu* without preference or priority amongst themselves for all purposes but will rank after the Class A Debt, the B Notes, the C Notes, the D Notes, the E Notes, the X Notes and the Z Notes.

Payments in respect of the X Notes and the Certificates will only be payable to the extent there are funds remaining after payment of items ranking in priority thereto.

Interest on the Notes will be payable in arrear as provided in Note Condition 4 (*Interest*).

Principal Deficiency Ledger

A Principal Deficiency Ledger comprising a number of sub-ledgers, being the A Principal Deficiency Sub-Ledger, the B Principal Deficiency Sub-Ledger, the C Principal Deficiency Sub-Ledger, the D Principal Deficiency Sub-Ledger and the E Principal Deficiency Sub-Ledger respectively, will be established in order to record Losses and/or the application of Principal Addition Amounts to pay a Further Revenue Shortfall.

Any Losses and the application of any Principal Addition Amounts to meet a Further Revenue Shortfall shall firstly be debited from the E Principal Deficiency Sub-Ledger (such debit items being recredited at item (xvi) of the Pre-Enforcement Revenue Priority of Payments) up to the Principal Amount Outstanding of the E Notes, and shall then be debited from the D Principal Deficiency Sub-Ledger (such debit items being recredited at item (xiv) of the Pre-Enforcement Revenue Priority of Payments) up to the Principal Amount Outstanding of the D Notes, and shall then be debited from the C Principal Deficiency Sub-Ledger (such debit items being recredited at item (xii) of the Pre-Enforcement Revenue Priority of Payments) up to the Principal Amount Outstanding of the C Notes, and shall then be debited from the B Principal Deficiency Sub-Ledger (such debit items being recredited at item (x) of the Pre-Enforcement Revenue Priority of Payments) up to the Principal Amount Outstanding of the B Notes, and shall then be debited from the A Principal Deficiency Sub-Ledger (such debit items being recredited at item (vii) of the Pre-Enforcement Revenue Priority of Payments).

Collection Account, Bank Accounts and Authorised Investments

Collection Account

Following the Issue Date and unless otherwise agreed in writing by the Issuer and the Security Trustee, payments by Borrowers in respect of amounts due under the Loans will be made by direct debit into an account in the name of the Seller (the “**Collection Account**”) at the Collection Account Provider. One-off payments by

Borrowers in respect of amounts due under the Loans will also be made into the Collection Account. No payments from Borrowers with loans from CHL which are not Loans in the Mortgage Pool should be paid into the Collection Account. CHL will declare a trust over the Collection Account (the “**Collection Account Declaration of Trust**”) in favour of the Issuer.

The Collection Account Provider shall be entitled at any time to deduct from the Collection Account any amounts to satisfy any of their obligations and/or liabilities properly incurred under the Direct Debiting Scheme or in respect of other unpaid sums (including but not limited to cheques and payment reversals) in each case relating to the Borrowers under the Mortgage Pool.

Bank Agreement and Transaction Account

The Issuer will open the Transaction Account with the Account Bank, which will be used as the Issuer’s operational account in respect of the Mortgage Pool and from which the Issuer will make payments in accordance with the applicable Priority of Payments.

All amounts received from Borrowers will, following the Issue Date be credited initially to the Collection Account. The Servicer is obliged to instruct the Collection Account Provider to transfer from the Collection Account to the Transaction Account on a daily basis all amounts received via direct debit credited in cleared funds to the Collection Account in respect of the Loans during the previous Business Day, and where amounts had been received other than by way of direct debit, the Servicer shall procure that such amounts received in cleared funds are transferred from the Collection Account to the Transaction Account within 3 Business Days of such cleared funds being credited to the Collection Account. With respect to the cash standing to the credit of the Transaction Account, and subject to the terms of the Bank Agreement, interest shall accrue from day to day at a rate of interest equal to a rate of interest as agreed between the Issuer and the Account Bank (the “**Transaction Account Interest Rate**”).

Authorised Investments

Funds of the Issuer will be deposited into the Transaction Account and CHL or the Cash Manager, acting on the direction of the Issuer, may invest such funds into Authorised Investments in accordance with applicable laws and regulations (as set out in the Cash Management Agreement).

Termination

The Issuer may (with the prior written consent of the Security Trustee) terminate the appointment of the Account Bank by servicing a written notice of termination on the Account Bank following the occurrence of certain events. Such termination shall not be effective until a replacement financial institution or institutions with all of the Account Bank Required Ratings has entered into an agreement in form and substance similar to the Bank Agreement.

The Account Bank may resign from its appointment in accordance with the terms of the Bank Agreement.

The Swap Agreement

Interest Rate Risk for the Debt

The Fixed Rate Loans in the Mortgage Pool pay a fixed rate of interest for a period of time. However, the interest rate payable by the Issuer with respect to the Floating Rate Debt is an amount calculated by reference to SONIA.

To attempt to provide a hedge against the possible variance between:

- (a) the fixed rates of interest payable on the Fixed Rate Loans in the Mortgage Pool; and
- (b) a rate of interest calculated by reference to SONIA payable on the Floating Rate Debt,

the Issuer will enter into Interest Rate Swaps with the Swap Counterparty on the Issue Date.

The Interest Rate Swaps will be governed by the Swap Agreement.

Swap Agreement

Under the Interest Rate Swap(s), for each Interest Period falling prior to the termination date of the relevant Interest Rate Swap, the following amounts will be calculated:

- (a) the amount produced by applying a rate equal to Compounded Daily SONIA for the relevant Interest Period to the applicable notional amount of the Interest Rate Swap(s) and multiplying the resulting amount by the applicable day count fraction specified in the Swap Agreement (the “**Interest Period Swap Counterparty Amount**”);
- (b) the amount produced by applying 1.754% to the applicable notional amount of the relevant Interest Rate Swap and multiplying the resulting amount by the applicable day count fraction specified in the Swap Agreement (the “**Interest Period Issuer Amount**”);

After these amounts are calculated in relation to an Interest Period, the following payments will be made on the relevant Interest Payment Date:

- (a) if the relevant Interest Period Swap Counterparty Amount for that Interest Payment Date is greater than the relevant Interest Period Issuer Amount for that Interest Payment Date, then the Swap Counterparty will pay the difference to the Issuer;
- (b) if the relevant Interest Period Issuer Amount is greater than the relevant Interest Period Swap Counterparty Amount for that Interest Payment Date, then the Issuer will pay the difference to the Swap Counterparty; and
- (c) if the relevant Interest Period Issuer Amount and the relevant Interest Period Swap Counterparty Amount for that Interest Payment Date are equal, neither party will make a payment to the other.

If a payment is to be made by the Swap Counterparty, that payment will be included in the Available Revenue Funds and will be applied on or about the relevant Interest Payment Date according to the relevant Priority of Payments. If a payment is to be made by the Issuer, it will be made according to the relevant Priority of Payments of the Issuer.

For the purposes of calculating both the relevant Interest Period Swap Counterparty Amount and the relevant Interest Period Issuer Amount, the notional amount (the “**Fixed Rate Notional Amount**”) of the relevant Interest Rate Swap shall be, for the relevant Interest Period, an amount in sterling determined in accordance with an agreed schedule of notional amounts (as set out below) calculated by applying a pre-determined constant annualised prepayment rate to the projected amortisation profile of the relevant Fixed Rate Loans on the Issue Date.

The Effective Date (as defined in the Swap Agreement) of each Interest Rate Swap is the Issue Date. The Termination Date (as defined in the Swap Agreement) of each Interest Rate Swap is 24 December 2029.

Schedule of notional amounts

Period start	Period end	Notional Amount
17/07/2024	23/09/2024	451,015,315.03
23/09/2024	23/12/2024	451,315,392.33
23/12/2024	24/03/2025	451,172,748.33
24/03/2025	23/06/2025	451,116,221.93
23/06/2025	22/09/2025	450,016,221.93
22/09/2025	22/12/2025	450,016,221.93
22/12/2025	23/03/2026	450,016,221.93
23/03/2026	22/06/2026	449,716,221.93
22/06/2026	22/09/2026	449,416,221.93
22/09/2026	22/12/2026	443,843,429.56
22/12/2026	22/03/2027	407,651,356.33
22/03/2027	22/06/2027	336,830,328.19
22/06/2027	22/09/2027	227,593,768.99
22/09/2027	22/12/2027	131,868,362.16
22/12/2027	22/03/2028	51,364,020.52
22/03/2028	22/06/2028	39,123,495.56
22/06/2028	22/09/2028	32,383,240.02
22/09/2028	22/12/2028	24,483,240.02
22/12/2028	22/03/2029	20,183,240.02
22/03/2029	22/06/2029	14,381,640.02
22/06/2029	24/09/2029	6,481,093.13
24/09/2029	24/12/2029	3,900,740.19

Overview of the Swap Agreement

Under the terms of the Swap Agreement, in the event that the relevant rating(s) of the Swap Counterparty (or its guarantor, if applicable) assigned by a Rating Agency is or are below the Swap Counterparty Required Ratings, the Swap Counterparty will, in accordance with the Swap Agreement, be required to take certain remedial measures within the timeframe stipulated in the Swap Agreement and at its own cost which may include providing Swap Collateral for its obligations under the Swap Agreement, arranging for its obligations under the Swap Agreement to be transferred to an entity with the Swap Counterparty Required Ratings, procuring another entity with the Swap Counterparty Required Ratings to become co-obligor or guarantor, as applicable, in respect of its obligations under the Swap Agreement or taking such other action (or inaction) that would result in the rating of the Most Senior Class of Rated Debt being maintained at, or restored to, the level it would have been at prior to such lower rating being assigned by the relevant Rating Agency.

To the extent required to be provided as set out above, Swap Collateral will be provided by the Swap Counterparty to the Issuer under a Credit Support Annex to the Schedule to the Swap Agreement on and from the Issue Date and may take the form of cash in various currencies or eligible securities. The Swap Counterparty will be responsible for determining (in accordance with stipulated parameters) the amount of Swap Collateral which is required to be transferred. Any Swap Collateral provided will be transferred by the Swap Counterparty to the Swap Collateral Account Bank. The Swap Counterparty may from time to time be required to transfer additional Swap Collateral, or may be entitled to require a transfer of equivalent Swap Collateral to it (provided that the Issuer will not be a net transferor of Swap Collateral). In certain circumstances of termination of the Swap Agreement, the value of Swap Collateral then held by the Swap Collateral Account Bank will be taken into account in determining the respective obligations of the parties to the Swap Agreement as described below. Swap Collateral will not form part of Available Revenue Funds.

The Swap Agreement may be terminated in certain circumstances, including, but not limited to, the following, each as more specifically defined in the Swap Agreement (an “**Early Termination Event**”):

- (a) if there is a failure by a party to pay amounts due under the Swap 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 Swap Agreement by the Swap 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;
- (e) if the Swap Counterparty is downgraded below certain ratings and fails to comply with the requirements of the downgrade provisions contained in the Swap Agreement (as described above);
- (f) service by the Note Trustee of an Enforcement Notice on the Issuer pursuant to Condition 9 (*Events of Default*) of the Notes;
- (g) if any Transaction Document, the Note Conditions or the Certificate Conditions is modified or supplemented without the prior written consent of the Swap Counterparty (such consent not to be unreasonably withheld) and such amendment or modification would:
 - (i) cause, in the reasonable opinion of the Swap Counterparty, (A) the Swap Counterparty to pay more or receive less under the Swap Agreement, (B) a decrease (from the Swap Counterparty’s perspective) in the value of the relevant Interest Rate Swap(s), (C) a change in the timing of any payments or deliveries to be made by or to the Swap Counterparty or (D) a change in the date of maturity of the Debt;
 - (ii) result in any of the Issuer’s obligations to the Swap Counterparty under the Swap Agreement to be further contractually subordinated, relative to the level of subordination of such obligations as of the Issue Date, to the Issuer’s obligations to any other Secured Creditor;
 - (iii) if, the Swap Counterparty were to replace itself as swap counterparty under the Swap Agreement, require the Swap Counterparty to pay more or receive less in the reasonable opinion of the Swap Counterparty, in connection with such replacement, as compared to what the Swap Counterparty would have been required to pay or would have received had such modification or amendment not been made;
 - (iv) cause any modification to the Swap 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 Security Trustee on behalf of the Secured Creditors pursuant to the Deed of Charge;

- (v) result in an amendment of Note Condition 11(f) (*Swap Counterparty Consent for Modification*) or Clause 18.3 (*Swap Counterparty Consent for Modification*) of the Trust Deed; or
- (vi) result in an amendment to, or waiver of the undertakings of the Issuer as set out in, Clause 14.2.6 (*Disposal of Assets*) of the Trust Deed related to a refinancing, sale, transfer or disposal of assets of the Issuer with a view to prematurely redeeming the Notes in circumstances not expressly permitted or provided for in the Transaction Documents as at the Issue Date,

provided that, for the avoidance of doubt, any modification, amendment, consent or waiver relating to a Reference Rate Modification made in accordance with Note Condition 11(c)(viii) or Certificate Condition 8(c)(viii) shall not give rise to an Early Termination Event under the Swap Agreement, nor any right of the Swap Counterparty to terminate the Swap Agreement;

- (h) if, as a result of a substitution of the Issuer for taxation reasons pursuant to Note Condition 5(e) (*Optional Redemption for Taxation or other Reasons*), the Swap Counterparty determines that such substitution would, or there is a reasonable likelihood that it would, adversely affect the Swap Counterparty or its rights under any Transaction Document;
- (i) the beneficial title to and interest in all Loans in the Mortgage Pool and their related Mortgage Rights is sold by the Issuer without the proceeds of the sale being applied in accordance with the relevant Priority of Payments;
- (j) if an irrevocable notice is given by or on behalf of the Issuer that redemption of all the Debt will occur pursuant to Note Condition 5(d) (*Mandatory Redemption in Full*), clause 9.7 (*Mandatory of the Class A Loan Note following the exercise of the Mortgage Pool Option or Mortgage Pool Auction*) or clause 9.4 (*Optional Redemption of the Class A Loan Note in whole*) of the Class A Loan Note Agreement, Note Condition 5(e) (*Optional Redemption for Taxation or Other Reasons*) or clause 9.5 (*Optional Redemption of the Class A Loan Note in whole for taxation reasons*) of the Class A Loan Note Agreement, Note Condition 5(f) (*Mandatory Redemption of the Debt following the exercise of a Risk Retention Regulatory Change Option*) or clause 9.6 (*Mandatory Redemption of the Class A Loan Note following the exercise of a Risk Retention Regulatory Change Option*) of the Class A Loan Note Agreement or any other reason (other than in accordance with Note Condition 5(a) (*Final Redemption of the Debt*), clause 9.1 (*Final Redemption*) of the Class A Loan Note Agreement, Note Condition 5(b) (*Mandatory Redemption of the Debt*) or clause 9.2 (*Mandatory Redemption in part*) or clause 9.3 (*Redemption pursuant to a Conversion Notice*) of the Class A Loan Note Agreement, or with the prior written consent of the Swap Counterparty);
- (k) if, in respect of the Floating Rate Debt, the reference rate is changed from Compounded Daily SONIA pursuant to Note Condition 11(c)(ix), and the Alternative Reference Rate agreed with respect to the Floating Rate Debt is different to the Floating Rate Option (as defined in the Swap Agreement), then the Issuer (in consultation with the Seller and the Cash Manager) shall have the right to terminate; and
- (l) if there is a breach by the Issuer of the representations and covenants in respect of Article 7 of the EU Securitisation Regulation, the Swap Counterparty shall have the right to terminate.

Upon an early termination of the relevant Interest Rate Swap(s), depending on the type of Early Termination Event (as defined in the Swap Agreement) and circumstances prevailing at the time of termination, the Issuer or the Swap 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 be based upon a good faith determination of total losses and costs (or gains) and will include any unpaid amounts that became due and payable prior to the date of termination, taking account of any Swap Collateral transferred by the Swap Counterparty to the Issuer.

Depending on the terms of the relevant Interest Rate Swap 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 Debtholders and Certificateholders.

The Swap Counterparty may, subject to certain conditions specified in the Swap Agreement including (without limitation) the satisfaction of certain requirements of the Rating Agencies, transfer its obligations under the Swap Agreement to another entity with the Swap Counterparty Required Ratings.

The Issuer is not obliged, under the Swap Agreement, to gross up payments made by it if a withholding or deduction for or on account of taxes is imposed on payments made under the relevant Interest Rate Swap.

The Swap Counterparty will generally be obliged to gross up payments made by it to the Issuer if a withholding or deduction for, or on account of, tax is imposed on payments made by it under the relevant Interest Rate Swap (other than in respect of any FATCA withholdings). However, if the Swap Counterparty is required to gross up a payment under the relevant Interest Rate Swap due to a change in the law, the Swap Counterparty may terminate the relevant Interest Rate Swap.

The Transaction Documents provide that if any Benchmark Event occurs, the Servicer shall, within 5 Business Days of becoming aware of such Benchmark Event, deliver to the Issuer, the Seller, the Legal Title Holder, the Servicer, the Noteholders (in accordance with Note Condition 13 (*Notice to Noteholders*)), the Note Trustee, the Security Trustee and the Swap Counterparty, a Benchmark Event Notice and the Swap Counterparty shall commence consultation with the Issuer, the Seller, the Legal Title Holder and the Servicer, with a view to the implementation of a Swap Benchmark Rate Adjustment (as defined below). Following such consultation, the Swap Counterparty shall, acting in good faith, determine such adjustments (including any Swap Adjustment Spread, as the case may be) (the “**Swap Benchmark Rate Adjustment**”) to the Swap Agreement as is in its reasonable opinion necessary, having regard to market practice at such time, to ensure the legal and commercial efficacy of any Transaction under the Swap Agreement. If, in the reasonable opinion of the Issuer, acting in good faith (and having consulted with the Seller, the Legal Title Holder and the Servicer), the Swap Counterparty’s determination of the Swap Benchmark Rate Adjustment does not avoid, to the extent reasonably practicable, any transfer of economic value from one party to the other which might otherwise result from such proposed Swap Benchmark Rate Adjustment, the parties shall enter into a consultation period and failing a resolution, the parties shall use reasonable efforts to appoint through a procedure specified in the Transaction Documents, a third party agent acceptable to both parties, which should be an independent leading dealer or other independent professional adviser in the relevant market to determine the Swap Benchmark Rate Adjustment. Such third party agent shall determine the Swap Benchmark Rate Adjustment as soon as reasonably practicable after its appointment, which, subject to further consultation and, if required, adjustment in respect of any calculation error or inaccuracy in respect of such determination, shall be binding on the Issuer and the Swap Counterparty.

The Swap Agreement, and any non-contractual obligations arising out of or in connection with it, will be governed by English law.

SERVICING

Mortgage Servicing

On the Issue Date, Capital Home Loans Limited (as the Servicer) will be appointed by the Issuer under the Servicing Agreement as its agent to administer the Loans and their Related Security. The Servicer will undertake to comply with any proper directions and instructions that the Issuer and (following the delivery of an Enforcement Notice) the Note Trustee may from time to time give to it in accordance with the provisions of the Servicing Agreement. The Servicer will be required to administer the Loans and their Related Security in the following manner:

- (a) in accordance with the Servicing Agreement and Applicable Law; and
- (b) as if the Loans had not been sold to the Issuer but remained on the books of CHL and in accordance with CHL's procedures and administration and enforcement policies as they apply to the Loans from time to time.

The Servicer's actions in servicing of the Loans in accordance with its procedures and the Servicing Agreement will be binding on the Issuer. Following a repurchase event following a Product Switch or a Further Advance or the occurrence of an Arrears Event, in each case, under the terms of the Mortgage Sale Agreement, the Servicer (on behalf of the Issuer) shall notify the Seller of such repurchase event and shall (on behalf of the Issuer) take all action required under the terms of the Mortgage Sale Agreement in connection with any repurchase of the relevant Loans by the Seller.

The Servicer may, in some circumstances, delegate or subcontract some or all of its responsibilities and obligations under the Servicing Agreement. However, the Servicer will remain liable at all times for the servicing of the Loans and for the acts or omissions of any delegate or subcontractor.

Powers

Subject to the guidelines for servicing set forth above, the Servicer will have the power, *inter alia*:

- (a) to exercise the rights, powers and discretions of the Issuer in relation to the Loans and their Related Security and to perform its duties in relation to the Loans and their Related Security; and
- (b) to do or cause to be done any and all other things which it reasonably considers necessary or convenient or incidental to the servicing of the Loans and their Related Security or the exercise of such rights, powers and discretions.

Undertakings by the Servicer

The Servicer will undertake, in relation to the Loans and their Related Security, among other things, that it will:

- (a) administer the relevant Loans and their Related Security as if the same had not been sold to the Issuer but had remained on the books of CHL and in accordance with CHL's procedures and servicing and enforcement policies as they apply to the Loans from time to time;
- (b) provide the services to be undertaken by it under the Servicing Agreement in such manner and with the same level of skill, care and diligence as would a Prudent Mortgage Lender;
- (c) comply with any reasonable and proper directions, orders and instructions which the Issuer and/or the Legal Title Holder and/or the Note Trustee may from time to time give to it in accordance with the provisions of the Servicing Agreement provided that the Servicer shall not be obliged to comply with any directions, orders and/or instructions pursuant to the Servicing Agreement to the extent that doing so would cause it to breach its Regulatory Obligations;

- (d) maintain all approvals, authorisations, permissions, consents and licenses required for itself in connection with the performance of its duties under the Servicing Agreement, and prepare and submit on a timely basis all necessary applications and requests for any further approvals, authorisations, permissions, consents and licenses required for itself in connection with the performance of its duties under the Servicing Agreement;
- (e) not knowingly fail to comply with any legal requirements in the performance of its duties under the Servicing Agreement;
- (f) make all payments required to be made by it pursuant to the Servicing Agreement on the due date for payment thereof in Sterling (or as otherwise required under the Transaction Documents) in immediately available funds for value on such day without set-off (including, without limitation, in respect of any fees owed to it) or counterclaim but subject to any deductions required by law;
- (g) transfer an amount equal to the Daily Mortgage Loan Amount from the Collection Account into the Transaction Account no later than the next Business Day after that Daily Mortgage Loan Amount is identified as received in the Collection Account;
- (h) not without the prior written consent of the Note Trustee amend or terminate any of the Transaction Documents except in accordance with their terms;
- (i) forthwith upon becoming aware of any event which may reasonably give rise to an obligation of the Seller to repurchase and/or indemnify any Loan pursuant to the Mortgage Sale Agreement, notify the Issuer and the Seller in writing of such event;
- (j) not create or permit to subsist any encumbrance in relation to the Collection Accounts, other than that created under the Collection Account Declaration of Trust;
- (k) if at any time the Servicer receives any money (other than sums credited to the Collection Accounts) arising from the Loans and their Related Security, hold such money on trust for the Issuer and shall keep such money separate from other money held by it and shall promptly upon receipt transfer such money to the Transaction Account;
- (l) assist the Cash Manager and the Issuer in preparing for any form, report and/or template required to be provided by the Issuer in its capacity as the designated entity pursuant to Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation, in each case in a manner and form in compliance with all Applicable Laws and regulation, including but not limited to, Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation; and
- (m) notify the Cash Manager and the Issuer of any inside information as required by and in accordance with Article 7(1)(f) of the EU Securitisation Regulation and Article 7(1)(f) of the UK Securitisation Regulation but only to the extent that the Servicer (x) becomes aware of such inside information or significant event; or (y) is notified by the Seller and/or the Issuer of such inside information or significant event.

Servicing Procedures

This section describes the Servicer's servicing procedures based on the current CHL mortgage servicing policies. The Servicer is required to administer the Loans and their Related Security in the Mortgage Pool in accordance with its policies applicable from time to time, but subject to the terms of the Servicing Agreement. The duties of the Servicer include:

- (a) applying the interest rates on the Variable Rate Loans from time to time;
- (b) collecting payments on the Loans and discharging Loans and Related Security upon redemption;

- (c) monitoring and, where appropriate, pursuing arrears and enforcing the Related Security in accordance with its policies applicable from time to time;
- (d) taking all reasonable steps to ensure safe custody of all title deeds and documents in respect of the Loans and their Related Security which are in its possession;
- (e) managing the Issuer's interests in the Insurance Contracts and other Related Security related to the Loans;
- (f) processing transfers of titles, notices of death, forfeitures and irritancies of leases, sale and exchange of land, account conversions, term amendments, deed amendments, compensation and enforcement notices;
- (g) dealing with all types of transactions, posting and refunding fees, setting up direct debits, payment date changes and payment holidays;
- (h) dealing with all customer correspondence on other aspects of Loans once the Loan is drawn down, including changes in customer details and changes on the customer mortgage, including changes of product and repayment terms; and
- (i) dealing with Product Switches in accordance with the Mortgage Sale Agreement.

From and including the Issue Date, subject to the terms of the Servicing Agreement, the Issuer will grant the Servicer full right, liberty and authority from time to time, in accordance with the relevant Mortgage Conditions, to determine and set in relation to the Loans sold by the Seller to the Issuer the variable rate in relation to Variable Rate Loans and any other discretionary rates or margins applicable in relation to the Loans.

Right of Delegation by a Servicer

The Servicer may subcontract or delegate the performance of its duties under the Servicing Agreement, **provided that** it meets particular conditions, including that:

- (a) the Servicer shall use all reasonable skill and care in the selection of any subcontractor or delegate;
- (b) written notification has been given to each of the Issuer, the Note Trustee and the Rating Agencies;
- (c) where the arrangements involve the custody or control of any customer files and/or title information documents, the subcontractor or delegate has executed a written acknowledgement in form and substance acceptable to the Issuer and Note Trustee that those customer files and/or title information documents are and will be held to the order of the Issuer and the Note Trustee;
- (d) where the arrangements involve or may involve the receipt by the subcontractor or delegate of moneys belonging to the Issuer which, in accordance with the Servicing Agreement, are to be paid into the Transaction Account, the subcontractor or delegate holds any such moneys on trust for the Issuer which will be paid forthwith into the Transaction Account in accordance with the terms of the Servicing Agreement and other applicable Transaction Documents;
- (e) the subcontractor or delegate has executed a written waiver of any security interest arising in connection with the delegated services;
- (f) the Issuer and the Note Trustee have no liability for any costs, charges or expenses in relation to the proposed subcontracting or delegation other than in respect of the Issuer any liability which the Issuer would have to the Servicer if such delegation had not occurred; and
- (g) the subcontractor or delegate has confirmed that it has and will maintain all requisite licences, approvals, authorisations and consents, to enable to fulfil its obligations under or in connection with any such arrangements.

The provisos set out in paragraphs (b), (c), (d) and (e) above will not be required in respect of any delegation to (i) a wholly-owned subsidiary of CHL, (ii) persons such as valuers, surveyors, estate agents, property management agents, receivers, solicitors or other relevant professional advisers as such or (iii) any entity that provides a mortgage bureau service for the Servicer.

Notwithstanding any subcontracting or delegation of the performance of its obligations under the Servicing Agreement, the Servicer shall remain responsible for the performance of all of the obligations of the Servicer under the Servicing Agreement, and the performance or non-performance or the manner of performance by any subcontractor or delegate 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 subcontractor or delegate shall, subject to the Servicer being entitled for a period of 20 Business Days from the Servicer becoming aware of or receiving written notice of any breach by any subcontractor or delegate to remedy such breach, be treated as a breach of the Servicing Agreement by the Servicer.

Role of Servicing Committee

Under the Servicing Agreement, the Servicing Committee has a number of material rights. These include, but are not limited to the right to be consulted on or notified of, as applicable:

- (a) any matter which the Servicer reasonably considers may have a material effect on the Mortgage Pool or the liabilities or the costs of the Issuer under the Servicing Agreement, including for the avoidance of doubt any additional or increased fees, costs and expenses payable by the Issuer under the Servicing Agreement;
- (b) subject to complying with relevant Data Protection Legislation, consideration of the outcome of any audit of the Servicer and the right to discuss the outcome of such audit in an annual meeting with the Servicer and, if a Servicer default has occurred as identified in that audit report, the right to notify the Issuer and following the delivery of an Enforcement Notice, the Security Trustee thereof;
- (c) any material issues or claims raised by Borrowers, claims management companies, any proposed material remediation programmes or other actions by a regulator or Borrowers that could trigger material remediation programmes that would be costs of the Issuer or could have a material impact on the Mortgage Pool (subject to any Applicable Law and obligations of confidentiality owed to any third parties); and
- (d) any material changes to the Servicing Procedures.

Replacement of the Collection Account Provider

If at any time the Collection Account Provider ceases to have the Collection Account Required Ratings, the Legal Title Holder or the Servicer (on behalf of the Legal Title Holder) shall on behalf of, and at the sole cost and expense of, the Issuer:

- (a) terminate the appointment of the Collection Account Provider in accordance with the Collection Account Agreement and use commercially reasonable efforts to procure that the funds standing to the credit of the Collection Accounts are promptly transferred from the Collection Accounts and placed on deposit on terms the same or substantially the same (*mutatis mutandis*) as the Collection Account Agreement with an institution:
 - (i) that maintains ratings at least equal to the Collection Account Required Ratings;
 - (ii) that is a bank for the purposes of section 991 of the Income Tax Act 2007 and payments of interest (if any) are made in the ordinary course of its business within the meaning of section 878 of the Income Tax Act 2007; and

- (iii) that is an institution authorised to carry on banking business including accepting deposits under the FSMA; or
- (b) use commercially reasonable endeavours to obtain a guarantee of the Collection Account Provider's obligations under the Collection Account Agreement from a bank with ratings at least equal to the Collection Account Required Ratings,

in each case, within 60 calendar days (or such longer period as the Security Trustee and the Rating Agencies may agree, provided that such transfer and replacement is not required to take place within 35 calendar days of the relevant Collection Account Provider Downgrade Event) of the date on which the Collection Account Provider ceases to have the Collection Account Required Ratings, provided that such period can be extended for up to an additional 60 days if the Legal Title Holder or the Servicer (on behalf of the Legal Title Holder) provides the Note Trustee and the Rating Agencies with a written action plan before expiration of the initial 60 days period including the remedy steps taken and to be taken within such extended period.

Arrears and Default Procedures

CHL has established procedures for managing Loans which are in arrears or where there is an early indication of potential financial distress. These procedures and the attendant policies are reviewed and updated from time to time.

Early contact in order to determine the customer's problem and find a suitable and sustainable solution is the mainstay of the above policy and resultant procedures. Only customers who will not work with CHL are classed as non-cooperating.

The arrears policy sets out, amongst other things, the forbearance measures available for customers who are in arrears or pre-arrears financial distress. The forbearance measures are used as solutions in line with the customers' current circumstances and demonstrated ability to repay thereby effecting a 'full cure' at the end of a period to be assessed and agreed with the customer. Such agreement must be for the shortest time over which the customer can repay in order to minimise the interest impact.

The forbearance measures include concessions (where it can be shown that, at the end of the period the accrued payment shortfall can be repaid), hold arrears (where arrears have already accrued but currently the customer has demonstrated that they have no surplus income), and 'Arrangement to Pay' (where the customer has accrued arrears but has now demonstrated that they have sufficient surplus income to repay sustainably over an agreed period). Where a customer has a repayment mortgage CHL may offer a temporary term on interest only, again where the customer can demonstrate that they will be in a position to pay after the solution period.

Every solution must be fully assessed and supported by relevant documentation or, where this is not available by a fully investigated justification.

Termination

The Issuer (prior to delivery of an Enforcement Notice) with the written consent of the Security Trustee, or the Security Trustee itself (following delivery of an Enforcement Notice), (in the case of (a), (b) or (c) below) shall deliver written notice to the Servicer on becoming aware of the relevant Servicer Termination Event to terminate the Servicer's appointment with effect from the date of receipt of such notice (and in the case of (d) such notice shall be deemed to have been given to terminate the Servicer's appointment as Servicer with immediate effect), failing which the Servicer may deliver written notice to the Issuer and Security Trustee to terminate its appointment with effect from the date of receipt of such notice, if any of the following events (each a "**Servicer Termination Event**") occurs:

- (a) *Non-Payments*: the Servicer defaults in the payment of any amount due under the Servicing Agreement or any other Transaction Documents to which it is party and fails to remedy that default for a period of

15 Business Days after the earlier of the Servicer becoming aware of the default and the Servicer being in receipt of written notice from the Issuer or the Security Trustee (following delivery of an Enforcement Notice) requiring the default to be remedied;

- (b) *Breach of other obligations:* the Servicer fails to comply with any of its other covenants or obligations under the Servicing Agreement or any other Transaction Document to which it is party which in the opinion of the Security Trustee is materially prejudicial to the interests of the holders of the Most Senior Class of Debt and does not remedy that failure within 15 Business Days after the earlier of the Servicer becoming aware of the failure and the Servicer being in receipt of a written notice from the Issuer or the Security Trustee (following delivery of an Enforcement Notice) requiring the failure to be remedied;
- (c) *Licences:* the Servicer fails to maintain required licences, registrations, regulatory approvals and authorisations enabling it to continue servicing the Loans;
- (d) *Insolvency:* an Insolvency Event occurs in relation to the Servicer; or
- (e) *Perfection Event:* a Perfection Event occurs.

In addition, the Issuer, at the direction of the Servicing Committee (on a minimum of 6 months' notice) may terminate the appointment of the Servicer at any time without cause.

The Servicer's and the Legal Title Holder's appointments shall not be terminated until a Successor Servicer and a successor legal title holder have both been appointed. Upon and following the termination of appointment of the Servicer as servicer under the Servicing Agreement and the appointment of the Legal Title Holder, the Back-up Servicer Facilitator (on behalf of the Issuer) will be required to use its best efforts to appoint a successor servicer which satisfies the conditions set out in the Servicing Agreement. The Back-Up Servicer Facilitator and the Issuer will consult with the Servicing Committee when selecting a proposed Successor Servicer and if the Servicing Committee identifies a Successor Servicer which satisfies the requisite conditions that entity shall be selected as the Successor Servicer

Subject to the fulfilment of a number of conditions (including the appointment of a replacement servicer), the Servicer may voluntarily resign (a) immediately upon written notice of termination following the occurrence of a Perfection Event, or (b) upon the expiry of not less than 6 months' notice to the Issuer and the Security Trustee (or by such shorter period of notice as may be agreed between the Servicer, the Issuer, the Legal Title Holder, the Seller and Security Trustee). The substitute servicer is required to have experience of servicing mortgages in England and Wales and to enter into a servicing agreement with the Issuer and the Security Trustee substantially on the same terms as the relevant provisions of the Servicing Agreement and at fees which are consistent with those payable generally at the relevant time for the provision of mortgage loan administration and management services.

If the appointment of the Servicer is terminated, the Servicer must deliver the title information documents and customer files relating to the Loans and Related Security to, or at the direction of, the Issuer.

Where the substitute servicer is appointed following the occurrence of a Servicer Termination Event or the voluntary resignation by the Servicer, the Issuer's costs and expenses associated with the transfer of servicing to the substitute servicer (the "**Transfer Costs**") will be paid by the Servicer. Where the Servicer fails to pay such Transfer Costs, the Issuer shall pay such Transfer Costs in accordance with the Pre-Enforcement Revenue Priority of Payments. Where the substitute servicer is appointed following the termination of the appointment of the Servicer by the Issuer, at the direction of the Servicing Committee without cause, the Transfer Costs will be paid by the Issuer.

Liability of the Servicer and the Legal Title Holder

The Servicer and the Legal Title Holder have each agreed to indemnify each of the Issuer, the Note Trustee and the Security Trustee, on an after tax basis, for any Liabilities suffered or incurred by the Issuer, Note Trustee

and/or the Security Trustee in respect of any Relevant Breach of Duty by the Servicer or the Legal Title Holder (as applicable) under the Servicing Agreement or any other Transaction Document.

Except in respect of:

- (i) the wilful default, fraud, death or personal injury as a result of negligence of either the Legal Title Holder or the Servicer or the Servicer's sub-contractors or delegates;
- (ii) any Liability which cannot be excluded or limited by Applicable Laws; or
- (iii) any sum which either the Legal Title Holder or the Servicer holds or should hold on trust for the Issuer and for which the Legal Title Holder or the Servicer (as applicable) fails to account to the Issuer,

the aggregate liability of the the Legal Title Holder and the Servicer arising out of or in connection with the Servicing Agreement shall be, for all claims arising in the then immediately previous 12 month period, an amount equal to the aggregate of the Servicing Fees in respect of the Mortgage Pool payable in respect of such 12 month period (or in the case of a period of less than 12 months, the Servicing Fees that would otherwise be payable for the full 12-month period),The Issuer has agreed to indemnify the Legal Title Holder on an after tax basis, for any Liabilities suffered or incurred by the Legal Title Holder holding legal title to, or being lender of record for, the Loans, the Mortgages and the Related Security (which includes any act or omission of any originator or any prior holder of a Loan and/or its Related Security, and/or any prior servicer providing mortgage administration or similar services as to a Loan), provided such Liability does not arise as a result of any material breach of its obligations under the Transaction Documents, fraud, wilful default or gross negligence of the Legal Title Holder.

In no event shall the Servicer or Legal Title Holder be liable for any indirect or consequential loss or damage, or any loss of revenue, profits, goodwill or business whether arising in contract or tort (including negligence).

Back-up Servicer Facilitator

Under the Servicing Agreement in the event that the appointment of the Servicer under the Servicing Agreement is terminated, the Back-Up Servicer Facilitator (on behalf of the Issuer) shall use best efforts to identify a suitable successor servicer in accordance with the terms of the Servicing Agreement.

Regulatory Obligations

The parties to the Servicing Agreement agree that CHL (in its capacity as Servicer and Legal Title Holder) has certain regulatory obligations to ensure that borrowers are treated fairly, to act to deliver good outcomes for retail customers and otherwise to comply with all Applicable Laws (its "**Regulatory Obligations**"), that CHL's wider customer base includes borrowers whose loans are Regulated Mortgage Contracts, Regulated Credit Agreements or Consumer Buy-to-Let Loans and that CHL's policies and procedures will reflect its Regulatory Obligations in relation to such customers. Accordingly, CHL shall not be required to perform any of its obligations under the Transaction Documents to the extent such performance (in its reasonable opinion) would result in a breach by it of any Regulatory Obligations nor shall CHL be in breach of the Servicing Agreement to the extent it is required to act by and in accordance with its Regulatory Obligations and in taking any action or failing to perform any obligation it is performing to the standard of a Prudent Mortgage Lender.

CASH MANAGEMENT

Cash Manager

The Issuer has appointed the Cash Manager pursuant to the Cash Management Agreement. Pursuant to the Cash Management Agreement, the Cash Manager will agree to provide certain cash management and other services to the Issuer. The Cash Manager's principal functions will be effecting payments to and from the Transaction Account and making corresponding calculations and determinations on behalf of the Issuer.

The Cash Manager may, with the prior written consent of the Issuer and the Note Trustee, appoint any person as its sub-contractor to carry out all or part of the cash management services subject to certain conditions, including that the Cash Manager shall not be released or discharged from any liability whatsoever under the Cash Management Agreement.

Compensation of the Cash Manager

The Cash Manager will receive a cash management fee for the performance of the cash management services. The Issuer will pay the Cash Manager its cash management fee (plus any applicable VAT) quarterly in arrears on each Interest Payment Date only to the extent that the Issuer has sufficient funds in accordance with the relevant Priority of Payments to pay them. Any unpaid balance will be carried forward until the next Interest Payment Date and, if not paid earlier, will be payable in full on the Final Maturity Date or on any earlier date on which an Enforcement Notice is served by the Note Trustee on the Issuer.

Investor Reports

The Issuer (as the entity designated pursuant to Article 7(2) of the UK Securitisation Regulation and Article 7(2) of the EU Securitisation Regulation to fulfil the information requirements pursuant to Article 7(1)(e) of the UK Securitisation Regulation and Article 7(1)(e) of the EU Securitisation Regulation respectively) has requested that the Cash Manager assists the Issuer in the preparation and publication of the Investor Reports. The Cash Manager will (with the assistance of the Servicer and the Issuer) prepare and publish an Investor Report on a monthly basis in respect of the Mortgage Pool and the Debt containing, *inter alia*, certain aggregated loan data in relation to the Mortgage Pool provided by the Servicer in respect of the relevant Determination Period, information in relation to the Debt including, but not limited to, the ratings of the Debt, amounts paid by the Issuer pursuant to the relevant Priority of Payments, required counterparty information, information about the risk retained, including information on which of the modalities provided for in Article 6(3) have been applied in accordance with Article 6, and confirmation of the Risk Retention Holder's compliance with UK Securitisation Regulation and with Article 6(3) of the EU Securitisation Regulation, in accordance with Article 6 of the UK Securitisation Regulation and Article 6 of the EU Securitisation Regulation as provided by the Seller or the Issuer. The monthly Investor Reports will be published by the Servicer on the website of EuroABS (in its capacity as UK Securitisation Repository) at <http://www.euroabs.com> and SecRep (in its capacity as EU Securitisation Repository) at <https://www.secprep.eu/> and by the Cash Manager on the Cash Manager's website at <http://www.chlmortgages.co.uk/>. The Issuer (with the assistance of the Cash Manager) will publish the Investor Reports on a quarterly basis on the website of (i) EuroABS (in its capacity as UK Securitisation Repository) at <http://www.euroabs.com> and (ii) SecRep (in its capacity as EU Securitisation Repository) at <https://www.secprep.eu/>, in each case, as required by the UK Securitisation Regulation and the EU Securitisation Regulation (as the case may be). In addition, loan level information will be provided at least on a quarterly basis and published by the Servicer on the website of EuroABS (in its capacity as UK Securitisation Repository) at <http://www.euroabs.com> and SecRep (in its capacity as EU Securitisation Repository) at <https://www.secprep.eu/>. For the avoidance of doubt, these websites and the contents thereof do not form part of this Prospectus. The first Investor Report shall be published within one month of the First Interest Payment Date and thereafter shall be published on a quarterly basis on the website of (i) EuroABS (in its capacity as UK

Securitisation Repository) at <http://www.euroabs.com> and (ii) SecRep (in its capacity as EU Securitisation Repository) at <https://www.securep.eu/>, in each case, as required by the UK Securitisation Regulation and the EU Securitisation Regulation (as the case may be).

Removal or Resignation of the Cash Manager

If any of the following events (each a “**Cash Manager Termination Event**”) shall occur:

- (a) *Non-payment*: default is made by the Cash Manager in ensuring the payment on the due date of any payment due and payable by it under the Cash Management Agreement and such default continues (where capable of remedy) unremedied for a period of 3 Business Days from the earlier of (i) the Cash Manager becoming aware of such default or (ii) the receipt by the Cash Manager of written notice from the Issuer (prior to the delivery of an Enforcement Notice) or the Security Trustee (after the delivery of an Enforcement Notice) requiring the default to be remedied;
- (b) *Breach of other obligations*: default is made by the Cash Manager in the performance or observance of any of its other material covenants and obligations under the Cash Management Agreement, which in the opinion of the Issuer is materially prejudicial to the interests of the Debtholders and such default continues unremedied for a period of 20 Business Days after the earlier of the Cash Manager becoming aware of such default (where capable of remedy) and receipt by the Cash Manager of written notice from the Issuer (prior to the delivery of an Enforcement Notice) or the Security Trustee (after delivery of an Enforcement Notice) requiring the same to be remedied (where capable of remedy) **provided that** no period for remedy shall apply in circumstances where in the opinion of the Issuer (prior to the delivery of an Enforcement Notice) or in the opinion of the Security Trustee (after the delivery of an Enforcement Notice) such breach shall be incapable of remedy;
- (c) *Unlawfulness*: it is or will become unlawful for the Cash Manager to perform or comply with any of its obligations under the Cash Management Agreement;
- (d) *Insolvency Event*: an Insolvency Event occurs in relation to the Cash Manager;
- (e) *Investor Report*: the Cash Manager does not provide the Investor Report in accordance with the terms of the Cash Management Agreement; or
- (f) *Paying Agent instructions*: the Cash Manager fails, in respect of an Interest Payment Date, to deliver the required notice to the Principal Paying Agent setting out, among other things, principal and interest to be paid on such Interest Payment Date in accordance with the terms of the Cash Management Agreement,

then the Issuer (prior to the delivery of an Enforcement Notice) or the Security Trustee (following delivery of an Enforcement Notice) shall upon becoming aware of the relevant Cash Manager Termination Event, deliver a notice (a “**Cash Manager Termination Notice**”) of such Cash Manager Termination Event to the Cash Manager (with a copy to the Issuer or the Security Trustee, as applicable, and a copy to the Back-up Cash Manager Facilitator) to terminate its appointment as Cash Manager under the Cash Management Agreement with effect from the date falling 30 days from the date of receipt of such Cash Manager Termination Notice (the “**Cash Manager Termination Date**”) **provided that**, the Cash Manager’s appointment shall not be terminated until a successor Cash Manager has been appointed.

The appointment of the Cash Manager may be terminated upon the expiry of not less than 60 days’ notice of termination given in writing by the Cash Manager to the Issuer, provided that a replacement cash administrator shall be appointed in accordance with the terms of the Cash Management Agreement, such appointment to be effective not later than the date of such termination.

Under the Cash Management Agreement, in the event that the appointment of the Cash Manager is terminated, the Back-Up Cash Manager Facilitator (on behalf of the Issuer) shall use best efforts to identify a suitable replacement cash manager in accordance with the terms of the Cash Management Agreement.

Collections

All payments or Revenue Receipts and Principal Receipts paid by the Borrowers under the Loans will be paid into the non-interest bearing Collection Account held by the Legal Title Holder at the Collection Account Provider on and from the Issue Date in accordance with the relevant collection account agreement. All amounts credited to the Collection Account from (and including) the Issue Date will relate to the Loans (each such aggregate daily amount, a “**Daily Mortgage Loan Amount**”) and the Servicer will submit bank instructions to transfer an amount equal to the Daily Mortgage Loan Amount from the Collection Account into the Transaction Account no later than the next Business Day after that Daily Mortgage Loan Amount is identified as received in the Collection Account.

Borrowers are required to make payments by direct debit or cheque unless otherwise agreed. However, direct debits may be returned unpaid after the due date for payment and, under the Direct Debiting Scheme, a Borrower may make a claim at any time to the Borrower’s bank for a refund of direct debit payments. Similarly, cheques may be returned unpaid by the Borrower’s bank.

The Collection Account Provider shall be entitled at any time to deduct from amounts standing to the credit of the Collection Account any amounts to satisfy any of its obligations and/or liabilities properly incurred under the Direct Debiting Scheme or in respect of other unpaid sums relating to amounts received in respect of the Loans from Borrowers or to pay certain other amounts due or owing to the Collection Account Provider.

The Servicer will be permitted to reclaim from the Transaction Account the corresponding amounts previously credited. If a direct debit is returned unpaid in these circumstances, the usual arrears procedures described in “*Servicing— Arrears and default procedures*” will be taken.

Certain fees and expenses of the Collection Account Provider will be paid by the Issuer, subject to and in accordance with the applicable Priority of Payments.

Collection Account Declaration of Trust

Pursuant to the collection account arrangements in place on the Issue Date, only collections received in respect of the Loans constituting the Mortgage Pool and any Additional Mortgage Loans will be transferred into the Collection Account.

The Legal Title Holder will declare a trust over the Collection Account in favour of the Issuer and itself absolutely as beneficiaries. The Issuer’s trust property (the “**Issuer Trust Property**”) on any date shall be in an amount equal to the aggregate of the Daily Mortgage Loan Amounts paid into the Collection Account from (and including) Issue Date to (and including) such date less an amount equal to the payments made by the Servicer (in accordance with the Servicing Agreement) into the Transaction Account from the Collection Account from (and including) the Issue Date to (and including) such date and any amounts in the Collection Account which do not relate to the Loans constituting the Mortgage Pool. The Legal Title Holder’s trust property on any date shall be that which remains (if anything) after deduction of the Issuer Trust Property.

CLASS A LOAN NOTE

On the Issue Date, the Issuer will enter into the Class A Loan Note Agreement between, amongst others, the Issuer, the Original Class A Loan Noteholder, the Security Trustee and the Note Trustee pursuant to which the Issuer will issue and the Original Class A Loan Noteholder will subscribe for the Class A Loan Note.

The Class A Loan Note issued to the Original Class A Loan Noteholder will be fully subscribed on the Issue Date and will be denominated in Sterling. The Original Class A Loan Noteholder will not be obliged to subscribe for the Class A Loan Note unless, among other things, the Original Class A Loan Noteholder has received, on or prior to the Issue Date, confirmation of a rating of "AAA" by Fitch and "Aaa" by Moody's in respect of the Class A Loan Note.

The Class A Loan Note is not offered pursuant to this Prospectus and the information in this section is included for information purposes only. The Class A Loan Note (or a portion thereof) may, subject to certain conditions set out in the Class A Loan Note Agreement, be converted on any Interest Payment Date into A Notes of an equal aggregate principal amount at the election of the Converting Class A Loan Noteholder.

The Class A Loan Note Agreement contains the terms of the Class A Loan Note. Certain of those terms are summarised in this section.

Form

The Class A Loan Note will be issued in definitive, registered form. The Issuer will maintain a Class A Loan Note Register to be kept on the Issuer's behalf by the Class A Loan Note Registrar, in which the Class A Loan Note will be registered in the name of the relevant Class A Loan Noteholders.

Status and Security

The obligations of the Issuer in respect of the Class A Loan Note constitute direct, secured and limited recourse obligations of the Issuer and rank pro rata and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, and senior to all other Classes of Notes and Certificates (other than the A Notes with which it ranks pro rata and *pari passu* in relation to payment of interest and principal at all times), as provided in the Trust Deed and the other Transaction Documents.

As security for its obligations under, inter alia, the Class A Loan Note, the Issuer has granted the Security in favour of the Security Trustee on trust for itself and the other Secured Creditors (which include the Class A Loan Noteholders).

Transfer

The Class A Loan Noteholders may transfer or assign their interests in the Class A Loan Note subject to the terms of the Class A Loan Note Agreement (which include, in certain cases, obtaining the prior written consent of the Issuer).

Payments under the Class A Loan Note

The Issuer will pay to the Class A Loan Noteholders, on each Interest Payment Date or such other date that payments are made to the Debtholders or Certificateholders, the interest, principal and/or any other amounts due and payable to the Class A Loan Noteholders on such date pursuant to the Class A Loan Note Agreement.

The amount of interest and principal so payable to the Class A Loan Noteholders is set out in this Prospectus and such payments will be made subject to the applicable Priority of Payment.

Payments in respect of the Class A Loan Note shall be made by transfer (by or on behalf of the Issuer) to the class a loan note agent under the Class A Loan Note Agreement (the "**Class A Loan Note Agent**") for onward payment by the Class A Loan Note Agent to the accounts specified by the holders of the Class A Loan Note in accordance with the terms of the Class A Loan Note Agreement.

Interest

Interest in respect of the Class A Loan Note will be determined in accordance with the Class A Loan Note Agreement in a manner that corresponds with the determination of interest in respect of the Debt under Note Condition 4 (*Interest*). On each Interest Payment Date prior to the service of an Enforcement Notice or prior to an Option Completion Date, such interest payments will be made using Available Revenue Funds available for such purpose in accordance with the Pre-Enforcement Priority of Payments.

Principal repayment

On each Interest Payment Date prior to the service of an Enforcement Notice or prior to the exercise of the Mortgage Pool Option, principal repayments shall be made in respect of the Class A Loan Note in an amount equal to the Available Revenue Funds and Available Principal Funds available for such purpose in accordance with the Pre-Enforcement Priority of Payments. Following the service of an Enforcement Notice or the exercise of the Mortgage Pool Option, monies will be applied by the Note Trustee (or the Cash Manager on its behalf) in accordance with the Post-Enforcement Priority of Payments. Any redemption of the Class A Loan Note shall be paid to the Class A Loan Noteholders in proportion to their share of the Principal Amount Outstanding of the Class A Loan Note, or if the Principal Amount Outstanding of the Class A Loan Note is zero, to their share of the Principal Amount Outstanding of the Class A Loan immediately prior to its reduction to zero.

Unless previously redeemed in full or purchased and cancelled or converted as provided below, the Issuer will repay the Class A Loan Note at its Principal Amount Outstanding on the Final Maturity Date. The "**Principal Amount Outstanding**" of the Class A Loan Note on any date shall be £125,000,000 (as may be reduced in accordance with Note Condition 16 (*Conversion of the Class A Loan Note*) and the Class A Loan Note Agreement) less the aggregate amount of all principal payments in respect of the Class A Loan Note which have been made since the Issue Date.

If the conditions set out in Note Condition 5 (*Redemption*) are satisfied with respect to the Notes, then on the date on which the Notes are redeemed pursuant thereto, the Issuer will also be required to repay the Class A Loan Note in accordance with the terms of the Class A Loan Note Agreement.

Conversion to A Notes

A Converting Class A Loan Noteholder may on any Interest Payment Date, subject to the terms set out in the Class A Loan Note Agreement, the Trust Deed and the Note Conditions, convert all, or any part in excess of the Minimum Denomination, of the Principal Amount Outstanding of the Class A Loan Note held by it (the "**Converted Amount**") into A Notes by the Issuer issuing further A Notes to that Converting Class A Loan Noteholder (reflected as a Book-Entry Interest in respect of the A Global Note) in an amount equal to the Converted Amount at a subscription price equal to 100 per cent. of the Converted Amount. The Issuer shall use the proceeds of that issuance to redeem the portion of the Class A Loan Note held by that Converting Class A Loan Noteholder in an amount equal to the Converted Amount in accordance with Note Condition 16 (*Conversion of the Class A Loan Note*) and the Class A Loan Note Agreement (a "**Class A Conversion**").

If further A Notes are issued following a Class A Conversion, the Issuer will promptly (i) advise the Central Bank and Euronext Dublin accordingly, (ii) procure the publication of a notice of the issue in accordance with Note Condition 13 (*Notice to Noteholders*) and Certificate Condition 11 (Notice to Certificateholders) and (iii) to the extent required, prepare a prospectus in respect of those A Notes.

Upon each Class A Conversion, the relevant Converted Amount will be reflected as a Book-Entry Interest in respect of the A Global Note, the Issuer will instruct (a) the Registrar to update the Register to reflect the increase in the Principal Amount Outstanding of the A Notes and to endorse the A Global Note with the Principal Amount Outstanding of the A Notes issued in connection with that Class A Conversion and (b) the Class A Loan Note Registrar to update the Class A Loan Note Register to reflect the reduction in the Principal Amount Outstanding of the Class A Loan Note, such that the aggregate Principal Amount Outstanding of the Class A Debt shall remain unchanged.

No Class of Debt or Certificates shall have the right to object, or be required to consent, to any Class A Conversion, or to any amendment, modification or removal of the right to conduct a Class A Conversion as may be agreed by the Class A Debtholders in accordance with the terms of the Class A Loan Note Agreement and the Trust Deed.

For the avoidance of doubt, no A Notes may be converted into any interest in the Class A Loan Note.

The cost of any Class A Conversion shall be borne by the relevant Converting Class A Loan Noteholder.

Taxation

All amounts payable by or on behalf of the Issuer in respect of the Class A Loan Note are required to be made without withholding or deduction for, or on account of Tax, unless the Issuer is required by applicable law in any jurisdiction to make any payment in respect of the Class A Loan Note subject to any such withholding or deduction. In that event, the Issuer 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. The Issuer shall not be obliged to make any additional payments to the Class A Loan Noteholders in respect of such withholding or deduction on account of Tax.

Events of Default

An Event of Default (as defined in Note Condition 9 (*Events of Default*)) will also constitute an Event of Default under the Class A Loan Note Agreement. Upon the occurrence of an Event of Default and the acceleration of the Issuer's obligations under the Debt pursuant to the terms of Note Condition 9 (*Events of Default*) and Certificate Condition 6 (*Events of Default*), the Principal Amount Outstanding of the Class A Loan Note together with any accrued interest payable in respect thereof and all other amounts payable by the Issuer under the Class A Loan Note Agreement in respect of the Class A Loan Note, will immediately become due and payable by the Issuer, subject to and in accordance with the applicable provisions of the Trust Deed and the Deed of Charge.

The rights and remedies following the occurrence of an Event of Default are granted to the Note Trustee under the Trust Deed and the Security Trustee for the benefit of the Secured Creditors under the Deed of Charge.

Limitations on Enforcement

No Class A Loan Noteholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Note Trustee or, as the case may be, the Security Trustee, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing.

Limited recourse and non-petition

The parties to the Class A Loan Note Agreement will agree that (i) all obligations of the Issuer to such parties in respect of amounts owing to them under the Class A Loan Note Agreement are subject to the limited recourse provisions set out in the Deed of Charge and (ii) they will be bound by the non-petition provisions of the Deed of Charge in relation to any steps, actions or proceedings to procure the winding up, administration or liquidation of the Issuer and the taking of any other proceedings in respect of or concerning the Issuer or the Charged Property.

Modification and Waiver

For so long as the Class A Loan Note is outstanding, it will (together with any A Notes then outstanding) be the Most Senior Class. Amendments, waivers or variations to the Transaction Documents may be approved by Class A Loan Noteholders in accordance with the terms of the Trust Deed and the Class A Loan Note Agreement.

Indemnity and Reimbursement

The provisions of the Class A Loan Note Agreement provide for the indemnification of the Class A Loan Note Agent, the Class A Loan Note Registrar and the Agent Bank in certain circumstances by the Issuer. Any amount owed by the Issuer pursuant to such indemnity shall only fall due and payable and be satisfied from amounts payable by the Issuer under and in accordance with the applicable Priority of Payment.

Governing law

The Class A Loan Note Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

WEIGHTED AVERAGE LIVES OF THE NOTES

Weighted average life refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of amounts distributed in net reduction of principal of such security (assuming no losses). The weighted average lives of the Notes will be influenced by, among other things, the actual rate of redemption of the Loans.

The model used in this Prospectus for the Loans represents an assumed constant per annum rate of prepayment (“CPR”) each month relative to the then outstanding principal balance of a pool of mortgage loans. CPR does not purport to be either an historical description of the prepayment experience of any pool of mortgage loans or a prediction of the expected rate of prepayment of any mortgage loans, including the Mortgages to be included in the Completion Mortgage Pool.

The following tables were prepared based on the characteristics of the Loans to be included in the Mortgage Pool and the following additional assumptions (the “**Modelling Assumptions**”):

- (a) the Provisional Mortgage Pool is assumed to be as of the Cut-Off Date;
- (b) the Issuer exercises its option to redeem the Notes on the Call Option Date, in the first scenario, or the Issuer does not exercise its option to redeem the Notes on or after the Call Option Date, in the second scenario;
- (c) the Loans are assumed to amortise in accordance with the assumed prepayment rate of between 0 per cent. and 30 per cent. per annum (for the avoidance of doubt, excluding scheduled payments) indicated in the table below;
- (d) the Notes are issued on 22 June 2024 and all payments on the Notes are received on the 22nd day (without regard to whether such day is a Business Day) of each month of March, June, September, and December in each year, with the first Interest Payment Date falling on 22 September 2024;
- (e) the Principal Amount Outstanding of the Notes as at the Issue Date is, in respect of the A Notes 87.50 per cent. and, in respect of the B Notes 5.00 per cent. and, in respect of the C Notes 4.50 per cent. and, in respect of the D Notes 2.00 per cent. and, in respect of the E Notes 1.00 per cent. of the aggregate Principal Balance of the Loans on the Issue Date;
- (f) no interest accrues on the Deposit Account;
- (g) Compounded Daily SONIA is equal to 5.19 per cent. per annum;
- (h) The fixed rate under the Swap Agreement is 1.80 per cent. per annum;
- (i) the weighted average margin over SONIA of the Rated Notes is a certain assumed percentage on the Issue Date and from (and including) the Call Option Date, margins over SONIA are increased by the lower of 1.50x and 1.00 per cent. for the A Notes, the B Notes, the C Notes, the D Notes, and the E Notes;
- (j) amounts required to pay items (i) to (iv) of the Pre-Enforcement Revenue Priority of Payments on each Interest Payment Date are:
 - a. £150,000, per annum; and
 - b. 0.20 per cent. of the aggregate Principal Balance of the Loans (excluding any Loans which are subject to enforcement procedures) as at the immediately preceding Determination Period Start Date, per annum, where each quarter consists of the actual number of calendar days in the relevant quarter and 365 days in the relevant year;
- (k) the Swap Agreement is not terminated and the Swap Counterparty fully complies with its obligations under the Swap Agreement;

WEIGHTED AVERAGE LIVES OF THE NOTES

- (l) there are no arrears or enforcements and the Loans continue to be fully performing;
- (m) there is no debit balance on the Principal Deficiency Sub-Ledger on any Interest Payment Date;
- (n) the Seller is not in breach of the terms of the Mortgage Sale Agreement;
- (o) no Loan is repurchased by the Seller;
- (p) the Notes will be redeemed in accordance with the Note Conditions;
- (q) the assets of the Issuer are not sold by the Security Trustee or any Transaction Party except as may be necessary to enable the Issuer to realise sufficient funds to exercise its option to redeem the Notes;
- (r) no Enforcement Notice has been served on the Issuer and no Event of Default has occurred;
- (s) the interest on the Notes is calculated using the day count basis of Actual/360;
- (t) for the weighted average life of each Class of Debt, the day count basis is 30/360;
- (u) for the Interest Rate Swap calculation, the day count basis is Actual/365;
- (v) the Liquidity Reserve Fund is credited up to the Liquidity Reserve Fund Required Amount at the Issue Date and up to an amount equal to 1.50 per cent. of the aggregate current Principal Amount Outstanding of the A Notes and the B Notes from (and including) the Call Option Date;
- (w) items (g), (h) and (j) of the Available Revenue Funds and items (e) and (f) of the Available Principal Funds are assumed to be zero; and
- (x) the Bank of England base rate is equal to 5.25 per cent.

The actual characteristics and performance of the Loans are likely to differ from the assumptions used in constructing the tables set forth below, which are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, it is not expected that the Loans will prepay at a constant rate until maturity, that all of the Loans will prepay at the same rate or that there will be no defaults or delinquencies of the aggregate Current Balance of the Loans under the collections on the Loans. Moreover, the diverse remaining terms to maturity of the Loans could produce slower or faster principal distributions than indicated in the tables at the various percentages of CPR specified, even if the weighted average remaining term to maturity of the Loans is assumed.

Any difference between such assumptions and the actual characteristics and performance of the Loans will cause the weighted average lives of the Notes to differ (which difference could be material) from the corresponding information in the tables for each indicated percentage of CPR.

Weighted Average Life in Years

The weighted average lives shown below were determined by (i) multiplying the net reduction, if any, of the Principal Amount Outstanding of each Class of Notes by the number of years from the date of issue of the Notes to the related Interest Payment Date, (ii) adding the results and (iii) dividing the sum by the aggregate of the net reductions of the Principal Amount Outstanding described in (i) above.

Subject to the foregoing discussion and assumptions, the following tables indicate the weighted average lives of the Notes. The weighted average lives of the Rated Notes have been calculated on an 30/360 basis.

Weighted Average Life in Years (assuming a call option is exercised on the Call Option Date falling in June 2028)

	0.0% CPR	5.0% CPR	10.0% CPR	15.0% CPR	20.0% CPR	25.0% CPR	30.0% CPR	Pricing CPR*
Weighted Average Life								

WEIGHTED AVERAGE LIVES OF THE NOTES

	0.0% CPR	5.0% CPR	10.0% CPR	15.0% CPR	20.0% CPR	25.0% CPR	30.0% CPR	Pricing CPR*
A Notes	3.99	3.58	3.20	2.85	2.53	2.24	1.97	3.10
B Notes.....	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
C Notes.....	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
D Notes	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
E Notes.....	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00

Weighted Average Life in Years (assuming that no call option is exercised on any Call Option Date)

	0.0% CPR	5.0% CPR	10.0% CPR	15.0% CPR	20.0% CPR	25.0% CPR	30.0% CPR	Pricing CPR*
Weighted Average Life								
A Notes	12.21	7.68	5.37	4.01	3.13	2.52	2.08	3.53
B Notes.....	18.51	15.40	12.66	10.36	8.67	7.43	6.26	8.95
C Notes.....	18.85	16.35	13.74	11.82	10.13	8.78	7.70	10.98
D Notes	19.22	16.97	14.63	12.99	11.55	10.31	9.21	12.86
E Notes.....	19.49	17.25	15.07	13.50	12.37	11.37	10.52	13.78

*3% CPR for 27 months, followed by 50% CPR for 18 months, followed by 15% CPR thereafter

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The Global Notes contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this Prospectus. The following is a summary of certain of those provisions:

1 Form

All Notes will be issued in fully registered form and will be represented, on issue, by the Global Notes.

The Notes are not issuable in bearer form.

2 Nominal Amount

The nominal amount of the Global Notes shall be the aggregate amount from time to time entered in the Register, maintained by the Registrar.

The Notes will be issued in the form of new safekeeping structure and are intended upon issue to be deposited with the Common Safekeeper. However, the deposit of the Notes with the Common Safekeeper upon issuance or otherwise does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at issuance or at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

The Global Notes will be issued and held under the new safekeeping structure and are intended upon issue to be deposited with, and registered in the name of a nominee for a common safekeeper on behalf of one of the ICSDs.

The Register shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by the Registrar at any time shall be conclusive evidence of the records of that Register at that time. The Note Trustee will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

3 Issuance of Definitive Notes

Holders of Book-Entry Interests in the Global Notes 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; or
- (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom or of any political sub-division therein or thereof having power to tax or in the interpretation or administration of such legislation which becomes effective on or after the Issue Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form.

In order to receive a 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 Definitive Notes.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

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 Note Condition 1(b) (*Title and Transfer*) 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 not be issued in a denomination that is not an integral multiple of the Minimum Denomination or, for any amount in excess thereof, in integral multiples of £1,000. As the Notes have a denomination consisting of the Minimum Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of £100,000 (or its equivalent) that are not integral multiples of £100,000 (or its equivalent). In such case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the Minimum Denomination may not receive a Definitive Note in respect of such holding (should Definitive Notes be issued) and would need to purchase a principal amount of Notes such that its holding amounts to the Minimum Denomination.

4 Payments

Payments of principal and interest in respect of Notes represented by the Global Note will be made to its holder. The Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant Clearing System and, in the case of payments of principal, the nominal amount of the Notes will be reduced accordingly. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing System shall not affect such discharge. 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.

For the purpose of any payments made in respect of a Global Note, Note Condition 6(d) (*Payments on Business Days*) shall not apply, and all such payments shall be made on a day which is a business day (as defined in Note Condition 6(d) (*Payments on Business Days*)).

5 Book-Entry Interests

Book-Entry Interests in respect of Global Notes will be recorded in denominations of £100,000 and, for so long as the rules of Euroclear or Clearstream, Luxembourg so permit integral multiples of £1,000 in excess thereof (a "**Minimum Denomination**"). Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg or ("**Participants**") or persons that hold interests in the Book-Entry Interests through 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 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 Co-Arrangers. 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).

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

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, 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 and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, the Co-Arrangers, the Joint Lead Managers, the Cash Manager, the Back-Up Cash Manager Facilitator, the Legal Title Holder, CMI, the Servicer, the Agents, the Note Trustee, the Security Trustee, the Swap Counterparty, the Swap Collateral Account Bank or any of their agents 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.

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, as applicable, is the registered holder of the respective Global Notes underlying the Book-Entry Interests, the nominee of the Common Safekeeper will be considered the sole Noteholder of the relevant Global Note for all purposes under the Trust Deed and the Paying Agency Agreement. Except as set forth under "*Issuance of Definitive Notes*" above, 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 "*Action in Respect of the Global Note and the Book-Entry Interests*" below.

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, as the case may be, 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 a nominee 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 respective Global Notes relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Note directly through Euroclear or Clearstream, Luxembourg, 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 respective Global Note, as the case may be, on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

6 Transfer

Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Note Condition 1(b) (*Title and Transfer*).

7 Action in Respect of the Global Notes 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 "*Book-Entry Interests*" above, 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.

8 Trading between Clearing System 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.

9 Notices

So long as the Notes are in global form and held on behalf of a relevant Clearing System, notices to Noteholders may be given by delivery of the relevant notice to that relevant Clearing System for communication by it to entitled accountholders in substitution for publication as required by the Conditions.

10 Prescription

Claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by the Global Notes will become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate relevant date (as defined in Note Condition 7 (*Prescription*)).

11 Meetings

Subject to the provisions of the Trust Deed, the holder of the Global Note shall be treated as a Noteholder for the purposes of constituting a quorum for the purposes of meeting the quorum requirements of a meeting of Noteholders.

12 Purchase and Cancellation

On cancellation of any Note required by the Conditions to be cancelled following its purchase, the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Global Note shall be reduced by the aggregate nominal amount of the Notes so cancelled.

13 Note Trustee's Powers

In considering the interests of Noteholders while the Global Note is held on behalf of a relevant Clearing System, the Note Trustee may have regard to any information provided to it by such relevant Clearing System or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Note and may consider such interests as if such accountholders were the holder of the Global Note.

SUMMARY OF PROVISIONS RELATING TO THE CERTIFICATES WHILE IN GLOBAL FORM

The Global Certificates contain provisions which apply to the Certificates while they are in global form, some of which modify the effect of the terms and conditions of the Certificates set out in this Prospectus. The following is a summary of certain of those provisions:

1 Form

All Certificates will be issued in fully registered form and will be represented, on issue, by the Global Certificates.

The Certificates are not issuable in bearer form.

2 Amount

Each Certificate bears a right to receive a Residual Payment.

The amount of the Global Certificates shall be the aggregate amount from time to time entered in the records of Euroclear, Clearstream, Luxembourg or any alternative clearing system approved by the Note Trustee (each a relevant “**Clearing System**”).

The Certificates are intended upon issue to be deposited with, and registered in the nominee name of, a common depository.

The records of such relevant Clearing System shall be conclusive evidence of the amount of Certificates represented by the Global Certificates and a statement issued by such relevant Clearing System at any time shall be conclusive evidence of the records of that relevant Clearing System at that time. The Note Trustee will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

3 Issuance of Definitive Certificates

Holders of Book-Entry Interests in the Global Certificates will be entitled to receive certificates evidencing definitive certificates in registered form (“**Definitive Certificates**”) 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; 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 therein or thereof having power to tax or in the interpretation or administration of such legislation which becomes effective on or after the Issue Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Certificates which would not be required were the Certificates in definitive form.

In order to receive a Definitive Certificate a person having an interest in a Global Certificate 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 Definitive Certificates.

Any Definitive Certificates issued in exchange for 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

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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 Certificates issued in exchange for Book-Entry Interests in a Global Certificate, as the case may be, will not be entitled to exchange such Definitive Certificate, for 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 Condition 1(b) (*Title*) 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.

4 Payments

Residual Payments in respect of Certificates represented by the Global Certificate will be made to its holder. The Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant Clearing System. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing System shall not affect such discharge. 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 Depositary or its nominees in respect of those Book-Entry Interests.

For the purpose of any payments made in respect of a Global Certificate, Certificates Condition 4(g) (*Payments on business days*) shall not apply, and all such payments shall be made on a day which is a business day (as defined in Certificates Condition 4(g) (*Payments on business days*)).

5 Book-Entry Interests

Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg or ("**Participants**") or persons that hold interests in the Book-Entry Interests through 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 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 Co-Arrangers. 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).

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, 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 Certificateholders for the purposes of making payments to the Certificateholders. The record date, in respect of the Certificates 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 Certificates 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 and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Co-Arrangers, the Joint Lead Managers, the Note Trustee, the Security Trustee, the Swap Counterparty, the Swap Collateral Account Bank, the Cash Manager, the Back-Up Cash Manager Facilitator, CMI, the Legal Title Holder, the Servicer, the Agents or any of their agents will have any

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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.

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 Depositary, as applicable, is the registered holder of the respective Global Certificates underlying the Book-Entry Interests, the nominee of the Common Depositary will be considered the sole Certificateholder of the relevant Global Certificate for all purposes under the Trust Deed and the Paying Agency Agreement. Except as set forth under "*Issuance of Definitive Certificates*" above, 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 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 "*Action in Respect of the Global Certificate and the Book-Entry Interests*" below.

Unlike legal owners or holders of the Certificates, 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 Certificateholders. 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 Certificates, holders of Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg, as the case may be, 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 Book-Entry Interests in the Global Certificates are exchanged for Definitive Certificates, the Global Certificates registered in the name of a nominee of the Common Depositary may not be transferred except as a whole by the Common Depositary to a successor of the Common Depositary.

Purchasers of Book-Entry Interests in a Global Certificate will hold Book-Entry Interests in the respective Global Certificates relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Certificate directly through Euroclear or Clearstream, Luxembourg, 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 respective Global Certificate, as the case may be, on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

6 Transfer

All transfers of Certificate Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants (see the section above entitled "*Book-Entry Interests*"). Beneficial interests in the Global Certificate may be held only through Euroclear or Clearstream, Luxembourg.

7 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 notice in respect of the Global Certificate or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Certificate, 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 Certificate and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear or 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 Certificate in accordance with any instructions set out in such request. Euroclear and Clearstream, Luxembourg are expected to follow the procedures described under the section above entitled “*Book-Entry Interests*”, with respect to soliciting instructions from their respective Participants.

8 Trading between Clearing System participants

Trading between Euroclear and/or Clearstream, Luxembourg participants.

Secondary market sales of Book-Entry Interests in the Certificates held through Euroclear or Clearstream, Luxembourg to purchasers of 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.

9 Notices

So long as the Certificates are in global form and held on behalf of a relevant Clearing System, notices to Certificateholders may be given by delivery of the relevant notice to that relevant Clearing System for communication by it to entitled accountholders in substitution for publication as required by the Certificates Conditions.

10 Meetings

Subject to the provisions of the Trust Deed, the holder of the Global Certificate shall be treated as a Certificateholder for the purposes of constituting a quorum for the purposes of meeting the quorum requirements of a meeting of Certificateholders.

11 Purchase and Cancellation

On cancellation of any Certificate required by the Conditions to be cancelled following its purchase, the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Certificates recorded in the records of the relevant Clearing Systems and represented by the Global Certificate shall be reduced by the aggregate nominal amount of the Certificates so cancelled.

12 Trustee’s Powers

In considering the interests of Certificateholders while the Global Certificate is held on behalf of a relevant Clearing System, the Note Trustee may have regard to any information provided to it by such relevant Clearing System or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Certificate and may consider such interests as if such accountholders were the holders of the Global Certificate.

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. If the Notes were to be represented by Definitive Notes, the Conditions set out on the reverse of each of such Definitive Notes would be as follows. While the Notes are represented by Global Notes, they will be governed by the same terms and conditions except to the extent that such terms and conditions are appropriate only to securities in definitive form or are expressly varied by the terms of such Global Notes. These terms and conditions are subject to the detailed provisions of the Trust Deed and the other Transaction Documents (as defined below).

For the avoidance of doubt, the terms and conditions of the Class A Loan Note will be set out in the Class A Loan Note Agreement. Any references in these terms and conditions to the Class A Loan Note or the Certificates are incidental and have been included for the purpose of clarifying certain rights as between the Noteholders, the Certificateholders and the Class A Loan Noteholders.

The issue of £277,776,000 Class A Notes due on the Interest Payment Date falling in March 2057 (the “**A Notes**”), £23,016,000 Class B Notes due on the Interest Payment Date falling in March 2057 (the “**B Notes**”), £20,714,000 Class C Notes due on the Interest Payment Date falling in March 2057 (the “**C Notes**”), £9,206,000 Class D Notes due on the Interest Payment Date falling in March 2057 (the “**D Notes**”), £4,603,000 Class E Notes due on the Interest Payment Date falling in March 2057 (the “**E Notes**”), £4,603,000 Class X Notes due on the Interest Payment Date falling in March 2057 (the “**X Notes**” and together with the A Notes, the B Notes, the C Notes, the D Notes and the E Notes, the “**Floating Rate Notes**”) and £6,387,000 Class Z Notes due on the Interest Payment Date falling in March 2057 (the “**Z Notes**” and, together with the Floating Rate Notes, the “**Notes**”), of Edenbrook Mortgage Funding PLC (the “**Issuer**”) was authorised by a resolution of the board of directors of the Issuer passed on 9 July 2024. Together, the A Notes, the B Notes, the C Notes, the D Notes and the E Notes are the “**Rated Notes**”.

The Notes are constituted by a trust deed (as amended or modified from time to time, the “**Trust Deed**”) dated on or about 17 July 2024 (the “**Issue Date**”) between the Issuer and U.S. Bank Trustees Limited (the “**Note Trustee**”) as trustee for the holders of the Notes (the “**Noteholders**”). Any reference in these terms and conditions to a “**Class**” of Notes or Noteholders shall be a reference to, as the case may be, the A Notes, the B Notes, the C Notes, the D Notes, the E Notes, the Z Notes and the X Notes, or to the respective holders thereof.

In addition, on the Issue Date, the Issuer will enter into a Class A Loan Note agreement (the “**Class A Loan Note Agreement**”) pursuant to which the Issuer will issue, and the Original Class A Loan Noteholder will subscribe for, a £125,000,000 Class A Loan Note. The Class A Loan Note will be fully subscribed on the Issue Date. The Class A Loan Note will be fully drawn on the Issue Date and may not be subsequently redrawn at any time.

The Class A Loan Note and the Notes shall be collectively referred to herein as the “**Debt**”. The Class A Loan Note together with the A Notes shall be collectively referred to herein as the “**Class A Debt**”. The Class A Debt together with the B Notes, the C Notes, the D Notes, the E Notes shall be collectively referred to herein as the “**Rated Debt**”.

The Issuer has agreed to issue the Debt subject to and with the benefit of the terms of the Trust Deed, the Class A Loan Note Agreement (with regards to the Class A Loan Note) and the Paying Agency Agreement (as defined below and with regards to the Notes). The security for the Debt is created pursuant to, and on the terms set out in, the Deed of Charge (as defined below). These Conditions include summaries of, and are subject to, the detailed provisions of (1) the Trust Deed, which includes the form of the Notes, (2) the paying agency agreement (the “**Paying Agency Agreement**”) dated the Issue Date relating to the Notes between, among others, the Issuer, the Note Trustee, Elavon Financial Services DAC, UK Branch as agent bank (the “**Agent Bank**”) and as principal paying agent (the “**Principal Paying Agent**”), Elavon Financial Services DAC, UK Branch as registrar (the “**Registrar**”) and the other paying agents named in it (the Principal Paying Agent and any other

or further paying agent appointed under the Paying Agency Agreement, the “**Paying Agents**” and together with the Registrar and the Agent Bank, the “**Agents**”), (3) the deed of charge and assignment (the “**Deed of Charge**”) dated the Issue Date between the Issuer and U.S. Bank Trustees Limited (the “**Security Trustee**”) and (4) the Cash Management agreement (the “**Cash Management Agreement**”) dated the Issue Date between, *inter alios*, the Issuer and Capital Home Loans Limited (the “**Cash Manager**”).

In these Note Conditions, capitalised words and expressions shall, unless otherwise defined below, have the same meanings as those given in the Master Definitions Schedule dated on or about the Issue Date and signed for the purpose of identification by the Issuer and the Seller.

Copies of the Trust Deed, the Paying Agency Agreement, the Deed of Charge, the Cash Management Agreement, the Master Definitions Schedule and the other Transaction Documents may be inspected in physical form during usual business hours at the specified offices from time to time of the Principal Paying Agent or provided by email (upon request) and will be available in such manner for at least as long as the Notes are admitted to listing on Euronext Dublin and the guidelines of Euronext Dublin so require. The Noteholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, the provisions of the Trust Deed, the Paying Agency Agreement, the Deed of Charge, the Master Definitions Schedule and the other Transaction Documents.

1 Form, Denomination and Title

(a) *Form and Denomination*

- (i) The Notes are in fully registered form in the denominations of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Definitive Notes will be issued with a denomination above £199,000.
- (ii) The Notes of each Class of Notes will be represented on issue by beneficial interests in one or more Global Notes in fully registered form, without interest or principal receipts.
- (iii) 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 or Clearstream Banking, Luxembourg as appropriate.
- (iv) 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.
- (v) Certificates evidencing definitive registered Notes in an aggregate principal amount equal to the Principal Amount Outstanding of the Global Notes (the “**Definitive Notes**”) will be issued in registered form and in the circumstances referred to below. Definitive Notes, if issued, will be issued in the denomination of £100,000 and integral multiples of £1,000 thereafter.
- (vi) If, while the Notes are represented by a Global Note:
 - (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; 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 therein or thereof having power to tax or in the interpretation or administration of such legislation which becomes effective on or after the Issue Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form,

the holders of Book-Entry Interests in the Global Notes will be entitled to receive Definitive Notes in exchange for their respective holdings of Book-Entry Interests.

(b) *Title and Transfer*

- (i) The person registered in the register maintained by the Registrar (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.
- (ii) The Issuer shall cause to be kept at the specified office of the Registrar, the Register on which shall be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers of the Notes.
- (iii) No transfer of a Note will be valid unless and until entered on the Registrar.
- (iv) Transfers and exchanges of beneficial interests in the Global Notes 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 Paying Agency Agreement and the Trust Deed. 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 Note Trustee. The regulations referred to above may be changed by the Issuer with the prior written approval of the Registrar and the Note Trustee. A copy of the current regulations will be sent by the Principal Paying Agent in the U.K. 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 specified office of the Registrar or the Principal Paying Agent.
- (v) 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 specified 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.
- (vi) Each new Definitive Note, to be issued upon transfer of Definitive Notes will, within 5 Business Days of receipt of such request for transfer, be available for delivery at the specified 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.
- (vii) 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.
- (viii) 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.
- (ix) All transfers of Notes and entities on the Register are subject to detailed regulations concerning the transfer of Notes scheduled to the Paying Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Note Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

2 Status, Security and Administration

- (a) The Debt constitutes direct, secured and unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Note Condition 10 (*Enforcement of Security, Limited Recourse and Non-Petition*).
- (i) As regards payments of interest:
 - (A) prior to the earlier to occur of (A) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable, (B) the Final Maturity Date, (C) the Interest Payment Date on which the relevant Debt is redeemed in accordance with Note Condition 5(d) (*Mandatory Redemption in Full*), Note Condition 5(e) (*Optional Redemption for Taxation or Other Reasons*) or Note Condition 5(f) (*Mandatory Redemption of the Debt following the exercise of a Risk Retention Regulatory Change Option*) and (D) the date on which the E Notes have been redeemed in full (in the case of (B) to (D) (inclusive) each such date a “**Redemption Event**”), (I) the Class A Debt shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the B Notes, the C Notes, the D Notes, the E Notes and the X Notes; (II) the B Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the C Notes, the D Notes, the E Notes and the X Notes; (III) the C Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the D Notes, the E Notes and the X Notes; (IV) the D Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the E Notes and the X Notes; (V) the E Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the X Notes; and (VI) the X Notes shall rank *pari passu* and without any preference or priority amongst themselves; and
 - (B) following (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, the provisions of Note Condition 2(d) (*Post-Enforcement Priority of Payments*) shall apply.
- (ii) As regards repayments of principal on the Class A Debt, the B Notes, the C Notes, the D Notes, the E Notes, the Z Notes and the X Notes:
 - (A) prior to (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Notes to be due and repayable or (ii) the occurrence of a Redemption Event, (I) the Class A Debt shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the B Notes, the C Notes, the D Notes, the E Notes, the Z Notes, the X Notes and the Certificates; (II) the B Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the C Notes, the D Notes, the E Notes, the Z Notes, the X Notes and the Certificates; (III) the C Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the D Notes, the E Notes, the Z Notes, the X Notes and the Certificates; (IV) the D Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the E Notes, the Z Notes, the X Notes and the Certificates; (V) the E Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the Z Notes and the X Notes and the Certificates; (VI) the Z Notes shall rank *pari passu* and without any preference or priority amongst themselves and in priority to the X Notes and the Certificates; and (VII) the X Notes shall rank *pari passu* and without any preference of priority amongst themselves; and

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- (B) following (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, the provisions of Note Condition 2(d) (*Post-Enforcement Priority of Payments*) shall apply.
- (iii) As regards payments on the Certificates:
 - (A) prior to (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, payments in respect of the Certificates shall be payable only out of Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments; and
 - (B) following (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, the provisions of Note Condition 2(d) (*Post-Enforcement Priority of Payments*) shall apply.
- (iv) The Notes are constituted by the Trust Deed and the Debt and Certificates are secured by the same security, but upon enforcement of the security created pursuant to the Deed of Charge (the “**Security**”), the Debt will rank in the priority as referred to above.
- (v) The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Debtholders equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise), but requiring the Note Trustee to have (except where expressly provided otherwise) regard only to the interests of the holders of the Most Senior Class if, in the Note Trustee’s opinion, there is a conflict between the interests of the holders of the Most Senior Class and the interests of any of the other Debtholders or Certificateholders and the other Debtholders or Certificateholders (not being holders of the Most Senior Class) shall have no claim against the Note Trustee for so doing.
- (vi) The Trust Deed contains provisions limiting the powers of the holders of those Classes of Debt other than the Most Senior Class, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution according to the effect thereof on the interests of the holders of the Most Senior Class. Except in certain circumstances set out in Note Condition 11 (*Meetings of Noteholders; Modifications; Consents; Waiver*), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class, the exercise of which will be binding on the holders of the other Classes of Notes, irrespective of the effect thereof on their interests.
- (vii) The Trust Deed and Note Condition 11 (*Meetings of Noteholders; Modifications; Consents; Waiver*) also contain provisions regarding the resolution of disputes between the holders of more than one Class of Debt where all of such Classes are the Most Senior Class and between the holders of more than one Class of Debt other than the Most Senior Class.
- (viii) The Trust Deed contains provisions to the effect that, so long as any of the Classes of Debt are outstanding, the Note Trustee shall have regard to the interests of the Noteholders, or (if all of the Classes of Debt have been repaid in full) the Certificateholders, and shall not be required, when exercising its powers, authorities and discretions, to have regard to the interests of any other persons having the benefit of the Security constituted pursuant to the Deed of Charge and, in relation to the exercise of such powers, authorities and discretions, the Note Trustee shall have no liability to such persons as a consequence of so acting.
- (ix) So long as any of Classes of the Debt and Certificates remain outstanding, in the exercise of its rights, authorities and discretions under the Trust Deed, the Note Trustee is not required to have

regard to the interests of the other Secured Creditors (except for the Debtholders and Certificateholders).

- (x) In determining whether the exercise of any right, power, trust, authority, duty or discretion by it under or in relation to the Conditions and/or any of the Transaction Documents is materially prejudicial to the interests of the Debtholders or Certificateholders (or any class thereof), the Note Trustee may take into account, if available, amongst any other things it may consider necessary and/or appropriate in its absolute discretion, whether the then rating of the Rated Debt will be adversely affected.

(b) *Security*

As security for the payment of all monies payable in respect of the Debt and otherwise under the Trust Deed (including the remuneration, expenses and any other claims of the Security Trustee and any Appointee thereof and any Receiver appointed under the Deed of Charge) and in respect of certain amounts payable to the Servicer and the Back-up Servicer Facilitator under the Servicing Agreement, the Cash Manager under the Cash Management Agreement, the Agents under the Paying Agency Agreement, the Class A Loan Note Agents under the Class A Loan Note Agreement, the Account Bank, the Swap Collateral Account Bank and the Collection Account Provider under the Collection Account Agreement, the Swap Counterparty under the Swap Agreement, the Corporate Services Provider under the Corporate Services Agreement, and the Joint Lead Managers under the Subscription Agreement and any other party which is, or accedes to the Deed of Charge as a Secured Creditor, the Issuer will enter into the Deed of Charge, creating the following security in favour of the Security Trustee for itself and on trust for the other persons expressed to be secured parties thereunder:

- (i) first fixed equitable charges and security in favour of the Security Trustee over the Issuer's present and future right, title, benefit and interest in, to and under the Loans, the Mortgages and their related Mortgage Rights;
- (ii) an equitable assignment in favour of the Security Trustee of the Issuer's interests in the Insurance Contracts to the extent that they relate to the Loans;
- (iii) an assignment in favour of the Security Trustee of the Issuer's right, title, interest and benefit in, to and under the Bank Agreement, the Cash Management Agreement, the Collection Account Declaration of Trust, the Corporate Services Agreement, the Deed Poll, the Deed of Charge, the Servicing Agreement, the Mortgage Sale Agreement, the Paying Agency Agreement, the Class A Loan Note Agreement, the Trust Deed, the Issuer/ICSD Agreement, the Swap Agreement and any other agreement entered into between the Issuer and a Secured Creditor (the "**Charged Obligation Documents**");
- (iv) a first fixed charge in favour of the Security Trustee over (x) the Issuer's interest in the Bank Accounts and any Authorised Investments, (y) the Issuer's beneficial interest in the Collection Account and (z) any other accounts with any bank or financial institution in which the Issuer now or in the future has an interest (to the extent of its interest); and
- (v) a first floating charge in favour of the Security Trustee (ranking after the security referred to in paragraphs (i) to (iv) (inclusive) above) over the whole of the undertaking, property, assets and rights of the Issuer.

The floating charge created by the Deed of Charge may "crystallise" and become a fixed charge 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.

(c) ***Pre-Enforcement Revenue Priority of Payments***

On each Interest Payment Date (i) prior to the service of an Enforcement Notice and (ii) prior to the occurrence of a Redemption Event, the Cash Manager shall apply an amount equal to the Available Revenue Funds as at the immediately preceding Determination Date, in making the following payments in the following order of priority, but in each case only to the extent that all payments of a higher priority have been made in full (the “**Pre-Enforcement Revenue Priority of Payments**”):

- (i) *first*, to pay *pro rata* (I) when due the remuneration payable to the Note Trustee and the Security Trustee (plus VAT, if any) and any fees (including legal fees), costs, charges, liabilities and expenses (including by way of indemnity) incurred by and/or payable to it under the provisions of or in connection with the Trust Deed or the Deed of Charge or either or both of them together or any other documents entered into by the Note Trustee and Security Trustee in its capacity as note trustee and security trustee respectively under the Trust Deed or the Deed of Charge or either or both of them with interest as provided in the Trust Deed or the Deed of Charge or either or both of them and (II) any amounts due and payable to any Appointee of the Note Trustee and Security Trustee in relation to the Transaction Documents;
- (ii) *second*, to pay *pro rata* and *pari passu*:
 - (A) the servicing fee payable under the Servicing Agreement to the Servicer in respect of its performance of the Services (plus VAT, if any) under the Servicing Agreement together with costs, expenses (including by way of indemnity) and various sundry fees properly incurred by the Servicer, or in the case of any amounts owing to the Legal Title Holder under an indemnity, in accordance with the Servicing Agreement or the Mortgage Sale Agreement (as applicable);
 - (B) the cash management fee, payable under the Cash Management Agreement to the Cash Manager, together with costs (including legal fees), charges, liabilities and expenses (including by way of indemnity) incurred by and/or payable to the Cash Manager, in accordance with the Cash Management Agreement (plus VAT, if any);
 - (C) amounts due and any fees (including legal fees), costs, charges, liabilities, and expenses (including by way of indemnity) incurred by and/or payable to the Agents under the Paying Agency Agreement and the Class A Loan Note Agents under the Class A Loan Note Agreement;
 - (D) amounts due and any fees (including legal fees), costs, charges, liabilities, and expenses (including by way of indemnity) incurred by and/or payable to the Account Bank, the Swap Collateral Account Bank (plus VAT, if any) and the Collection Account Provider under the Collection Account Agreement; and
 - (E) amounts due and payable (plus VAT, if any) to the Corporate Services Provider under and in accordance with the Corporate Services Agreement, the Back-up Servicer Facilitator under the Servicing Agreement and the Back-up Cash Manager Facilitator under the Cash Management Agreement;
- (iii) *third*, to pay *pro rata* when due (a) amounts, including audit fees and company secretarial expenses (plus VAT, if any), which are payable by the Issuer to third parties and incurred without breach by the Issuer pursuant to the Trust Deed or the Deed of Charge and not provided for payment elsewhere and to provide for any such amounts expected to become due and payable by the Issuer after that Interest Payment Date and prior to the next Interest Payment Date and to

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provide for the Issuer's liability or possible liability for tax to the extent not payable from the Issuer Profit Amount;

- (iv) *fourth*, to retain an amount equal to the Issuer Profit Amount, which shall be credited to the Issuer Profit Ledger;
- (v) *fifth*, in, or towards payment *pro rata* and *pari passu* of any amounts to the Swap Counterparty in respect of the Swap Agreement (other than (a) any Swap Subordinated Amounts which are due and payable under item (xxii) below; or (b) any Swap Excluded Payable Amounts which shall be discharged in accordance with the applicable Swap Agreement and the Transaction Documents);
- (vi) *sixth*, to pay *pro rata* and *pari passu* amounts (other than in respect of principal) payable in respect of the Class A Debt (such amount to be paid *pro rata* according to the respective interest entitlement of the Class A Debtholders);
- (vii) *seventh*, amounts to be credited to the A Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Debt in accordance with Note Condition 5 (*Redemption*)) until the balance of the A Principal Deficiency Sub-Ledger has reached zero;
- (viii) *eighth*, to pay *pari passu* and *pro rata* amounts (other than in respect of principal) payable in respect of the B Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the B Noteholders);
- (ix) *ninth*, to fund the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount;
- (x) *tenth*, amounts to be credited to the B Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Debt in accordance with Note Condition 5 (*Redemption*)) until the balance of the B Principal Deficiency Sub-Ledger has reached zero;
- (xi) *eleventh*, to pay *pari passu* and *pro rata* amounts (other than in respect of principal) payable in respect of the C Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the C Noteholders);
- (xii) *twelfth*, amounts to be credited to the C Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Debt in accordance with Note Condition 5 (*Redemption*)) until the balance of the C Principal Deficiency Sub-Ledger has reached zero;
- (xiii) *thirteenth*, to pay *pari passu* and *pro rata* amounts (other than in respect of principal) payable in respect of the D Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the D Noteholders);
- (xiv) *fourteenth*, amounts to be credited to the D Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Debt in accordance with Note Condition 5 (*Redemption*)) until the balance of the D Principal Deficiency Sub-Ledger has reached zero;
- (xv) *fifteenth*, to pay *pari passu* and *pro rata* amounts (other than in respect of principal) payable in respect of the E Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the E Noteholders);
- (xvi) *sixteenth*, amounts to be credited to the E Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Debt in accordance with Note Condition 5 (*Redemption*)) until the balance of the E Principal Deficiency Sub-Ledger has reached zero;
- (xvii) *seventeenth*, on the Step-Up Date and any Interest Payment Date thereafter until the Interest Payment Date on which the Rated Debt and the Z Notes have been redeemed in full, all remaining amounts will be applied to the Principal Ledger of the Transaction Account for application as

Available Principal Funds to redeem the Rated Debt and the Z Notes until the Rated Debt and the Z Notes are redeemed in full;

- (xviii) *eighteenth*, in or towards payment *pro rata* and *pari passu* according to the amount thereof and in accordance with the terms of the Swap Agreement to the Swap Counterparty of any Swap Subordinated Amounts (other than Swap Excluded Payable Amounts);
- (xix) *nineteenth*, on an Interest Payment Date immediately following an Estimation Period, all remaining amounts to be credited to the Transaction Account to be applied on the next Interest Payment Date as Available Revenue Funds;
- (xx) *twentieth*, to pay amounts (other than in respect of principal) payable in respect of the X Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the X Noteholders);
- (xxi) *twenty-first*, to pay principal *pari passu* and *pro rata* to the holders of the X Notes until the Interest Payment Date on which the X Notes have been redeemed in full;
- (xxii) *twenty-second*, to pay principal *pro rata* and *pari passu* amounts payable to the Z Noteholders in respect of principal on the Z Notes until the Z Notes are redeemed in full; and
- (xxiii) any Residual Payments paid *pro rata* and *pari passu* to the Certificateholders.

(d) Post-Enforcement Priority of Payments

Following (i) the service of an Enforcement Notice, the Security Trustee shall, to the extent that such funds are available, use funds standing to the credit of the Bank Accounts, excluding Swap Excluded Receivable Amounts, any amounts credited to the Swap Collateral Account and any excess Swap Collateral (and any interest thereto) in the Swap Collateral Account to the extent, in each case, utilised to discharge Swap Excluded Payable Amounts in accordance with the applicable Swap Agreement and excluding amounts standing to the credit of the Issuer Profit Ledger, or (ii) after the occurrence of a Redemption Event, the Issuer (or the Cash Manager) shall, to the extent that such funds are available, use funds standing to the credit of the Transaction Account (the “**Post-Enforcement Priority of Payments**”):

- (i) *first*, to pay, *pro rata*, any remuneration then due and/or payable to the Note Trustee, the Security Trustee, any Receiver or Appointee and all amounts due in respect of legal fees and other costs, charges, liabilities, losses, damages, proceedings, claims and demands (including by way of indemnity) (plus VAT, if any) then incurred by such Receiver and Appointee together with interest thereon and to pay all amounts due and/or payable to the Note Trustee and Security Trustee in respect of its remuneration, fees (including legal fees), costs, charges, losses, damages, proceedings, claims, demands, expenses and liabilities (including by way of indemnity) due to it (plus VAT, if any);
- (ii) *second*, to pay, *pro rata* and *pari passu*:
 - (A) the servicing fee payable under the Servicing Agreement to the Servicer in respect of its performance of the Services (exclusive of VAT, if any) under the Servicing Agreement together with costs, expenses (including by way of indemnity) and various sundry fees properly incurred by the Servicer, or in the case of any amount owing to the Legal Title Holder under an indemnity, in accordance with the Servicing Agreement;
 - (B) the cash management fee, payable under the Cash Management Agreement to the Cash Manager, together with costs (excluding legal fees), charges, liabilities and expenses (including by way of indemnity) incurred by and/or payable to the Cash Manager, in accordance with the Cash Management Agreement (plus VAT, if any);

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- (C) amounts due and any fees (including legal fees), costs, charges, liabilities, and expenses (including by way of indemnity) incurred by and/or payable to the Agents under the Paying Agency Agreement and the Class A Loan Note Agents under the Class A Loan Note Agreement;
 - (D) amounts due and any fees (including legal fees), costs, charges, liabilities, and expenses (including by way of indemnity) incurred by and/or payable to the Account Bank, and the Swap Collateral Account Bank under the Bank Agreement (plus VAT, if any) and the Collection Account Provider under the Collection Account Agreement; and
 - (E) amounts due and payable (plus VAT, if any) to the Corporate Services Provider under and in accordance with the Corporate Services Agreement, the Back-up Servicer Facilitator under the Servicing Agreement and the Back-up Cash Manager Facilitator under the Cash Management Agreement;
- (iii) *third*, to retain an amount equal to the Issuer Profit Amount, which shall be credited to the Issuer Profit Ledger;
- (iv) *fourth*, to pay *pro rata* and *pari passu* amounts payable to the Swap Counterparty (other than (a) any Swap Subordinated Amount which is due and payable under item (xv) below; or (b) any Swap Excluded Payable Amounts which shall be discharged in accordance with the applicable Swap Agreement and the Transaction Documents);
- (v) *fifth*, to pay *pro rata* and *pari passu*:
- (A) amounts (other than in respect of principal) payable in respect of the Class A Debt (such amounts to be paid *pro rata* according to the respective interest entitlements of the A Debtholders) in accordance with Note Condition 4 (*Interest*); and
 - (B) amounts payable to the Class A Debtholders in respect of principal on the Class A Debt until the Class A Debt is redeemed in full.
- (vi) *sixth*, to pay, *pro rata* and *pari passu*:
- (A) amounts (other than in respect of principal) payable in respect of the B Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the B Noteholders) in accordance with Note Condition 4 (*Interest*); and
 - (B) amounts payable to the B Noteholders in respect of principal on the B Notes until the B Notes are redeemed in full;
- (vii) *seventh*, to pay *pro rata* and *pari passu*:
- (A) amounts (other than in respect of principal) payable and previously deferred in respect of the C Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the C Noteholders) in accordance with Note Condition 4 (*Interest*); and
 - (B) amounts payable to the C Noteholders in respect of principal on the C Notes until the C Notes are redeemed in full;
- (viii) *eighth*, to pay *pro rata* and *pari passu*:
- (A) amounts (other than in respect of principal) payable and previously deferred in respect of the D Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the D Noteholders) in accordance with Note Condition 4 (*Interest*); and
 - (B) amounts payable to the D Noteholders in respect of principal on the D Notes until the D Notes are redeemed in full;

- (ix) *ninth*, to pay *pro rata* and *pari passu*:
 - (A) amounts (other than in respect of principal) payable and previously deferred in respect of the E Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the E Noteholders) in accordance with Note Condition 4 (*Interest*); and
 - (B) amounts payable to the E Noteholders in respect of principal on the E Notes until the E Notes are redeemed in full;
- (x) *tenth*, to pay *pro rata* and *pari passu* amounts payable to the Z Noteholders in respect of principal on the Z Notes until the Z Notes are redeemed in full;
- (xi) *eleventh*, to pay amounts owing to any third parties (if any) including any tax payable by the Issuer (other than amounts payable out of the Issuer Profit Amount);
- (xii) *twelfth*, to pay *pro rata* and *pari passu* to the Swap Counterparty any Swap Subordinated Amounts (other than Swap Excluded Payable Amounts); and
- (xiii) *thirteenth*, any Residual Payments paid *pro rata* and *pari passu* to the Certificateholders.

The Security will become enforceable upon the service of an Enforcement Notice (in the circumstances described in Note Condition 9 (*Events of Default*)) **provided that** if the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Debt, the Security 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 of all amounts owing in respect of the Debt and all prior and *pari passu* liabilities of the Issuer or the Security Trustee is of the opinion, reached after considering at any time and from time to time the advice of an investment bank or other financial adviser selected by the Security Trustee, 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 owing in respect of the Debt and all prior and *pari passu* liabilities of the Issuer.

(e) ***The Certificates***

Holders of the Certificates shall be entitled to receive their *pro rata* entitlement to the balance of amounts remaining following payments of all other items senior to the Certificates in the relevant Priority of Payments.

3 **Covenants of the Issuer**

Save with the prior written consent of the Note Trustee or as expressly provided in or expressly envisaged by these Conditions, the Bank Agreement, the Cash Management Agreement, the Collection Account Agreement, Collection Account Declaration of Trust, the Swap Agreement, the Corporate Services Agreement, the Deed Poll, the Deed of Charge, the Master Definitions Schedule, the Servicing Agreement, the Mortgage Sale Agreement, the Paying Agency Agreement, the Trust Deed, the Issuer/ICSD Agreement, the Class A Loan Note Agreement and any other document agreed between the Issuer, the Note Trustee and the Security Trustee as being a Transaction Document (together, the “**Transaction Documents**”), the Issuer shall not, so long as any Debt remains outstanding (as defined in the Trust Deed), *inter alia*:

(a) ***Negative Pledge***

create or permit to subsist any mortgage, security, pledge, lien (unless arising by operation of law) or charge upon the whole or any part of its assets, present or future (including any uncalled capital) or its undertaking;

(b) Restrictions on Activities

- (i) engage in any activity which is not reasonably incidental to any of the activities which the Transaction Documents provide or envisage that the Issuer will engage in;
- (ii) open nor have any interest in any account whatsoever with any bank or financial institution other than the Collection Account held with the Collection Account Provider, the Transaction Account held with the Account Bank and the Swap Collateral Account held with the Swap Collateral Account Bank, save where such account is immediately charged in favour of the Security Trustee so as to form part of the Security described in Note Condition 2 (*Status, Security and Administration*) and where the Security Trustee receives an acknowledgement from such bank or financial institution of the security rights and interests of the Security Trustee and an agreement that it will not exercise any right of set-off it might otherwise have against the account in question;
- (iii) have any subsidiaries or employees or premises; or
- (iv) act as a director of any company;

(c) Dividends or Distributions

pay any dividend or make any other distribution to its shareholders except from the amount standing to the credit of the Issuer Profit Ledger;

(d) Borrowings

incur or permit to subsist any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of any obligation of any person;

(e) Merger

consolidate or merge with any other person or convey or transfer its properties or assets substantially or as an entirety to any other person;

(f) Disposal of Assets

transfer, sell, lend, part with or otherwise dispose of or deal with, or grant any option or trust over or present or future right to acquire, any of its assets or undertaking or any interest, estate, right, title or benefit therein **provided that** the Issuer may (and may agree to) transfer, sell, lend, pledge, part with or otherwise dispose of or deal with, or grant any option or trust over any present or future right to acquire any of its assets or undertaking or any interest, estate, right, title or benefit therein where the proceeds of the same are applied, *inter alia*, in or towards redemption of the Debt in accordance with the terms and conditions of the Notes and the terms of the Transaction Documents;

(g) Tax Grouping

be (and never has been) a member of a VAT group;

(h) Independent Director

at any time have fewer than one independent director;

(i) Other

permit any of the Transaction Documents, the Insurance Contracts relating to the Mortgages owned by the Issuer or the priority of the security interests created thereby to be amended, invalidated, rendered ineffective, terminated or discharged, or consent to any variation thereof, or exercise of any powers of consent or waiver in relation thereto pursuant to the terms of the Trust Deed and these Conditions, or permit any party to any of the Transaction Documents or Insurance Contracts or any other person whose obligations form part of the Security to be released from such obligations, or dispose of any Mortgage save as envisaged in the Transaction Documents.

4 Interest

(a) *Period of Accrual*

The Debt of each class bears interest from (and including) the Issue Date. The Debt shall cease to bear interest from its due date for redemption unless, upon due presentation, payment of the relevant amount of principal is improperly withheld or refused. In such event, interest will continue to accrue thereon in accordance with this Note Condition and (in the case of the Class A Loan Note) the Class A Loan Note Agreement (as well after as before any judgment) up to (but excluding) the date on which all sums due in respect of such Debt up to that day are received by or on behalf of the relevant Noteholder, or (if earlier) the seventh day after notice is duly given by the Principal Paying Agent to the holder thereof (in accordance with Note Condition 13 (*Notice to Noteholders*)) that it has received all sums due in respect of each such Note (except to the extent that there is any subsequent default in payment).

(b) *Interest Payment Dates and Interest Periods*

Subject to Note Condition 6 (*Payments*), interest on the Debt (and amounts (if any) the Certificates) is payable on the Interest Payment Date falling in September 2024, and thereafter quarterly in arrear on the 22nd day in March, June, September and December in each year unless such day is not a Business Day, in which case interest shall be payable on the following Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day (each such date an “**Interest Payment Date**”). The period from (and including) an Interest Payment Date (or the Issue Date) to (but excluding) the next (or first) Interest Payment Date is called an “**Interest Period**” in these Note Conditions.

(c) *Floating Rate of Interest*

Subject to Note Condition 7 (*Prescription*), the Floating Rate of Interest (as defined below) payable from time to time and the Interest Amount (as defined below) in respect of the Floating Rate Debt will be determined on the basis of the provisions set out below:

- (i) The rate of interest payable from time to time in respect of each class or sub-class of the Debt (each, a “**Rate of Interest**” and, together, the “**Rates of Interest**”) will be, in respect of the Debt and any Interest Period, the Compounded Daily SONIA determined as at the related Interest Determination Date plus the Relevant Margin in respect of such class, and in the event that the Rate of Interest is less than zero per cent., the Rate of Interest shall be deemed to be zero per cent. There will be no maximum Rate of Interest.
- (ii) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Relevant Margin relating to the relevant Interest Period in place of the Relevant Margin relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the relevant Class of Debt for the first Interest Period had the Debt 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).

For the purposes of these Note Conditions:

“**Calculated Revenue Receipts**” means 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;

“**Compounded Daily SONIA**” means 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, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

Where:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d_o**” is the number of Business Days in the relevant Interest Period;

“**i**” is a series of whole numbers from one to d_o, each representing the relevant Business Day in chronological order from, and including, the first Business Day in the relevant Interest Period;

“**LBD**” means a Business 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 Business Day;

“**p**” means for any Interest Period, 5 Business Days; and

“**SONIA_{i-pLBD}**” means in respect of any Business Day falling in the relevant Interest Period, the SONIA Reference Rate for the Business Day falling “**p**” Business Days prior to that Business Day “**i**”;

“**Floating Rate of Interest**” means in relation to the Floating Rate Debt, the floating rate of interest as determined by the Agent Bank in accordance with this Note Condition 4 (*Interest*), **provided that**, where the Floating Rate of Interest applicable to any Class of Floating Rate Debt for any Interest Period is determined to be less than zero, the Floating Rate of Interest for such Interest Period shall be zero;

“**Interest Determination Date**” means the fifth London Banking Day before the Interest Payment Date for which the relevant Rate of Interest will apply with the first date being 5 Business Days prior to the First Interest Payment Date;

“**Interest Determination Ratio**” means: (i) the aggregate Revenue Receipts calculated in the 3 preceding Monthly Reports (or such smaller number of preceding Monthly Reports as may be available on the date the Interest Determination Ratio is calculated); divided by (ii) the aggregate of the Revenue Receipts and the Principal Receipts calculated in such Monthly Reports;

“**Monthly Report**” means such information to be provided by the Servicer to enable the Cash Manager to comply with its obligations to calculate the Available Revenue Funds and Available Principal Funds and to make certain other determinations on each Determination Date, as set out in schedule 2 (*Monthly Report*) of the Servicing Agreement;

“**Observation Period**” means the period from and including the date falling 5 London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Issue Date) and ending on, but excluding, the date falling 5 London Banking Days prior to the Interest Payment Date for such Interest Period (or, if applicable, the date falling 5 London Banking Days prior to any other date on which a payment of interest is to be made in respect of the Notes);

“**Reconciliation Amount**” means in respect of an Observation Period: (i) the actual Revenue Receipts as determined in accordance with the available Monthly Reports; less (ii) the Calculated Revenue Receipts in respect of such Observation Period;

“Relevant Margin” shall be:

on any Interest Determination Date occurring prior to the Step-Up Date:

- (a) 0.87 per cent for the Class A Loan Notes;
- (b) 0.87 per cent for the A Notes;
- (c) 1.35 per cent. for the B Notes;
- (d) 1.95 per cent. for the C Notes;
- (e) 2.55 per cent. for the D Notes;
- (f) 3.50 per cent. for the E Notes; and
- (g) 4.00 per cent. for the X Notes.

on any Interest Determination Date occurring on or after the Step-Up Date:

- (a) 1.305 per cent for the Class A Loan Notes;
- (b) 1.305 per cent. for the A Notes;
- (c) 2.025 per cent. for the B Notes;
- (d) 2.925 per cent. for the C Notes;
- (e) 3.55 per cent. for the D Notes;
- (f) 4.50 per cent. for the E Notes; and
- (g) 4.00 per cent. for the X Notes.

“Screen” means the Reuters Screen SONIA Page or such other page as may replace Reuters Screen SONIA on that service for the purpose of displaying such information or if that service ceases to display such information, such page as displays such information on such service as may replace such screen; and

“SONIA Reference Rate” means in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average (**“SONIA”**) rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Screen or, if the Screen is unavailable, as otherwise published by such authorised distributors (on the London Banking Day immediately following such London Banking Day). If, in respect of any London Banking Day in the relevant Observation Period, the Agent Bank determines that the SONIA Reference Rate is not available on the Screen or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be: (i) the Bank of England’s Bank Rate (the **“Bank Rate”**) prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous 5 days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

(d) *Determination of Floating Rates of Interest and Calculation of Interest Amount*

- (i) The Agent Bank shall, on each Interest Determination Date, determine and notify the Issuer, the Servicer, the Cash Manager, the Note Trustee, Euronext Dublin/Listing Agent and the Paying Agent (which may be done by making available at <https://pivot.usbank.com>), (a) the Floating Rate of Interest applicable to the relevant Interest Period in respect of the Floating Rate Debt and (b) the amount of interest (the **“Interest Amount”**) payable in respect of each such Debt for such Interest Period.

- (ii) The Interest Amount for the Floating Rate Debt will be calculated by applying the relevant Floating Rate of Interest for such Interest Period to the Principal Amount Outstanding of such Debt on the first day of such Interest Period (after taking into account any redemptions occurring in respect of such Debt on such Interest Payment Date), multiplying the product by the actual number of days in such Interest Period divided by 365 and rounding the resulting figure down to the nearest penny.

(e) ***Publication of Floating Rate of Interest, Interest Amount and other Notices***

The Agent Bank shall, as soon as reasonably practicable after its determination, cause the Floating Rate of Interest and the Interest Amount in respect of each Floating Rate Note for each Interest Period and the immediately succeeding Interest Payment Date to be made available at <https://pivot.usbank.com> and, so long as the Notes are in global form, each of Euroclear and Clearstream, Luxembourg and will cause notice thereof to be given to the Noteholders in accordance with Note Condition 13 (*Notice to Noteholders*). The Floating Rate of Interest, Interest Amount and Interest Payment Date in respect of each Note so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the Interest Period. If the Notes become due and payable under Note Condition 9 (*Events of Default*), the accrued interest per Interest Amount and the Floating Rate of Interest payable in respect of each Floating Rate Note shall nevertheless continue to be calculated as previously by the Agent Bank in accordance with this Note Condition 4 (*Interest*) but no publication of the rates of interest or the amounts of interest payable per Interest Amount so calculated need be made unless the Note Trustee otherwise requires.

(f) ***Notifications to be Final and Binding***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Note Condition 4 (*Interest*), whether by the Reference Banks (or any of them) or the Agent Bank or the Cash Manager or the Note Trustee (to the extent applicable in each instance) shall (in the absence of manifest error) be final and binding on the Issuer, the Cash Manager, the Reference Banks, the Agent Bank, the Note Trustee and all Noteholders and (in the absence of gross negligence, fraud or wilful default in the case of the determining party) no liability to the Noteholders shall attach to the Note Trustee, the Issuer, the Reference Banks, the Agent Bank or the Cash Manager in connection with the exercise or non-exercise (to the extent applicable in each instance) by them or any of them of their powers, duties and discretions under this Note Condition 4 (*Interest*).

(g) ***Reference Banks and Agent Bank***

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall at all times be an Agent Bank and, for so long as the Floating Rate Notes remain outstanding, three Reference Banks. The initial Reference Banks shall be the principal London office of each of the three major banks engaged in the London interbank market as selected by the Agent Bank with the approval of the Issuer (the “**Reference Banks**”). The initial Agent Bank shall be Elavon Financial Services DAC, UK Branch. In the event of the principal London office of any such bank being unable or unwilling to continue to act as a Reference Bank or in the event of Elavon Financial Services DAC, UK Branch being unwilling to act as the Agent Bank, the Issuer shall appoint such other bank as may be approved by the Note Trustee to act as such in its place. The Agent Bank may not resign until a successor approved by the Note Trustee has been appointed.

(h) ***Deferral of Interest***

Interest on the Notes shall be payable in accordance with this Note Condition 4 (*Interest*) and Note Condition 6 (*Payments*) subject to the following terms of this Note Condition 4(i):

- (i) in the event that, whilst there are Class A Debt and/or B Notes outstanding, the Available Revenue Funds (if any) calculated in accordance with the Priority of Payments as being available to the

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Issuer on any Interest Payment Date for application in or towards the payment of interest which is, subject to this Note Condition 4(i), due on the C Notes on any such Interest Payment Date (such aggregate available funds being referred to in this Note Condition 4(i) as the “**C Residual Amount**”) are not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Note Condition 4(i), due on the C Notes on such Interest Payment Date, the amount payable to the C Noteholders on such Interest Payment Date, by way of interest on each C Note, shall be a *pro rata* share of the C Residual Amount;

- (ii) in the event that, whilst there are Class A Debt, B Notes and/or C Notes outstanding, the Available Revenue Funds (if any) calculated in accordance with the Priority of Payments as being available to the Issuer on any Interest Payment Date for application in or towards the payment of interest which is, subject to this Note Condition 4(i), due on the D Notes on any such Interest Payment Date (such aggregate available funds being referred to in this Note Condition 4(i) as the “**D Residual Amount**”) are not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Note Condition 4(i), due on the D Notes on such Interest Payment Date, the amount payable to the D Noteholders on such Interest Payment Date, by way of interest on each D Note, shall be a *pro rata* share of the D Residual Amount; and
- (iii) in the event that, whilst there are Class A Debt, B Notes, C Notes and/or D Notes outstanding, the Available Revenue Funds (if any) calculated in accordance with the Priority of Payments as being available to the Issuer on any Interest Payment Date for application in or towards the payment of interest which is, subject to this Note Condition 4(i), due on the E Notes on any such Interest Payment Date (such aggregate available funds being referred to in this Note Condition 4(i) as the “**E Residual Amount**”) are not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Note Condition 4(i), due on the E Notes on such Interest Payment Date, the amount payable to the E Noteholders on such Interest Payment Date, by way of interest on each E Note, shall be a *pro rata* share of the E Residual Amount; and
- (iv) in the event that, whilst there are Class A Debt, B Notes, C Notes, D Notes, E Notes and/or Z Notes outstanding, the Available Revenue Funds (if any) calculated in accordance with the Priority of Payments as being available to the Issuer on any Interest Payment Date for application in or towards the payment of interest which is, subject to this Note Condition 4(i), due on the X Notes on any such Interest Payment Date (such aggregate available funds being referred to in this Note Condition 4(i) as the “**X Residual Amount**”) are not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Note Condition 4(i), due on the X Notes on such Interest Payment Date, the amount payable to the X Noteholders on such Interest Payment Date, by way of interest on each X Note, shall be a *pro rata* share of the X Residual Amount.

In the event that, by virtue of the provisions of paragraphs (i) to (v) of this Note Condition 4(j), a *pro rata* share of the C Residual Amount, the D Residual Amount or the E Residual Amount is paid in accordance with this Note Condition 4(i), the Issuer shall create provisions in its accounts for the shortfall equal to the amount by which the amount of interest paid on the C Notes, the D Notes, the E Notes or the X Notes, as the case may be, on any Interest Payment Date in accordance with this Note Condition 4(i) falls short of the aggregate amount of interest payable on the relevant class of Notes but for this Note Condition 4(i). Such shortfall (the “**Interest Shortfall**”) shall accrue interest at a rate for each Interest Period during which it is outstanding equal to the relevant Rate of Interest for the relevant class of Notes for such Interest Period. A *pro rata* share of such shortfall thereon shall be aggregated with the amount of, and treated for the purpose of this Note Condition 4(i) as if it were interest due, subject to this Note Condition 4(i), on each C Note, D Note, E Note or X Note, as the case may be, on the next succeeding Interest Payment Date. This provision shall cease to apply on the Interest Payment Date referred to in 5(a) (*Final Redemption of the Debt*) at which time all accrued interest shall become due and payable.

The non-payment of any deferred interest on the C Notes, the D Notes or the E Notes will not be an Event of Default unless and until such Notes are the Most Senior Class (other than the X Notes) at the time of such non-payment.

For the avoidance of doubt, this Condition 4(i) does not apply to the Class A Debt and the B Notes.

(i) Determinations and Reconciliation

- (i) In the event that the relevant Monthly Reports is/are not prepared with respect to a Determination Period (any such Determination Period being an “**Estimation Period**” for the purposes of this Note Condition 4(j)) immediately prior to an Interest Payment Date, then the Cash Manager shall use the Monthly Reports in respect of the 3 most recent months (or, where there are not at least 3 previous Monthly Reports, all previous Monthly Reports) for the purposes of calculating the amounts available to the Issuer to make payments, as set out in this Note Condition 4(j). If the relevant Monthly Reports relating to the Determination Period is/are subsequently received, the Cash Manager will make the reconciliation calculations and reconciliation payments as set out in Note Condition 4(j)(iii). Any: (A) calculations properly done on the basis of such previous Monthly Reports; (B) payments made under any of the Debt and Transaction Documents in accordance with such calculations; (C) reconciliation calculations; and (D) reconciliation payments made as a result of such reconciliation calculations, each in accordance with Note Condition 4(j)(ii), 4(j)(iii) and/or 4(j)(iv) 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 Manager in connection with the exercise by it of its powers, duties and discretion for such purposes.
- (ii) In respect of any Estimation Period, the Cash Manager shall:
 - (A) determine the Interest Determination Ratio by reference to the 3 most recently received Monthly Reports (or, where there are not at least 3 previous Monthly Reports, all previous Monthly Reports);
 - (B) calculate the Revenue Receipts for such Estimation Period as the product of:
 - (I) the Interest Determination Ratio; and
 - (II) all payments received by the Issuer during such Estimation Period; and
 - (C) calculate the Principal Receipts for such Estimation Period as the product of:
 - (I) 1 minus the Interest Determination Ratio; and
 - (II) all payments received by the Issuer during such Estimation Period.
- (iii) Following any Estimation Period, upon delivery of the Monthly Reports in respect of such Estimation Period, the Cash Manager shall reconcile the calculations made in accordance with Note Condition 4(j)(ii) above to the actual collections set out in the Monthly Reports as follows:
 - (A) if the Reconciliation Amount is a positive number, the Cash Manager 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 Funds; and
 - (B) if the Reconciliation Amount is a negative number, the Cash Manager 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 Funds.

- (iv) 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 relevant Interest Payment Date the Cash Manager shall reallocate amounts standing to the credit of the Revenue Ledger or Principal Ledger (as applicable) in accordance with Note Condition 4(j)(iii)(A) or 4(j)(iii)(B) respectively in respect of each subsequent Determination Period (such Reconciliation Amounts to be applied accordingly on the immediately following Interest Payment Date) until such Reconciliation Amount is paid or provided for in full.
- (v) If the Cash Manager is required to provide for a Reconciliation Amount in determining Available Revenue Funds and Available Principal Funds in respect of any Interest Payment Date, the Cash Manager shall pay or provide for such Reconciliation Amount in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Note Trustee of such Reconciliation Amount.

In this Note Condition 4(j):

“Interest Determination Ratio” means: (i) the aggregate Revenue Receipts calculated in the 3 preceding Monthly Reports (or such smaller number of preceding Monthly Reports as may be available on the date the Interest Determination Ratio is calculated); divided by (ii) the aggregate of the Revenue Receipts and the Principal Receipts calculated in such Monthly Reports;

“Monthly Report” means such information to be provided by the Servicer to enable the Cash Manager to comply with its obligations to calculate the Available Revenue Funds and Available Principal Funds and to make certain other determinations on each Determination Date, as set out in schedule 2 (*Monthly Report*) of the Servicing Agreement;

“Reconciliation Amount” means in respect of an Estimation Period: (i) the actual Principal Receipts as determined in accordance with the available Monthly Reports; less (ii) the Principal Receipts in respect of such Estimation Period, determined in accordance with Note Condition 4(j)(ii)(C);

“Revenue Receipts” means, in relation to an Estimation Period, the amount credited (or in relation to an Estimation Period, the actual amount that should have been credited) to the Revenue Ledger for such Estimation Period; and

“Principal Receipts” means, in relation to an Estimation Period, the amount credited (or in relation to an Estimation Period, the actual amount that should have been credited) to the Principal Ledger for such Estimation Period.

5 Redemption

(a) *Final Redemption of the Debt*

Unless previously redeemed or purchased and cancelled as provided in this Note Condition 5 (*Redemption*), the Issuer shall, subject always to the Pre-Enforcement Priority of Payments and Note Conditions 5(c) (*Note Principal Payments, Principal Amount Outstanding and Pool Factor*) and 10(b) (*Limited Recourse*), redeem (i) the Class A Debt at its Principal Amount Outstanding, together with accrued and unpaid interest, on the Interest Payment Date falling in March 2057, (ii) the B Notes at their Principal Amount Outstanding, together with accrued and unpaid interest, on the Interest Payment Date falling in March 2057, (iii) the C Notes at their Principal Amount Outstanding, together with accrued and unpaid interest, on the Interest Payment Date falling in March 2057, (iv) the D Notes at their Principal Amount Outstanding, together with accrued and unpaid interest, on the Interest Payment Date falling in March 2057, (v) the E Notes at their Principal Amount Outstanding, together with accrued and unpaid interest, on the Interest Payment Date falling in March 2057, (vi) the Z Notes at their Principal Amount Outstanding on the Interest Payment Date falling in March 2057 (vii) the X Notes at their Principal Amount Outstanding, on the Interest Payment Date falling in March 2057, and (viii) towards

making payments in respect of the Certificates on the Interest Payment Date falling in March 2057, **provided that**, after (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, the provisions of Note Condition 2(d) (*Post-Enforcement Priority of Payments*) shall apply.

The Issuer may not redeem Debt in whole or in part prior to such relevant date except as provided in paragraphs (b), (d) or (e) of this Note Condition 5 (*Redemption*) but without prejudice to Note Condition 9 (*Events of Default*).

(b) Mandatory Redemption of the Debt

On each Interest Payment Date, other than the Interest Payment Date on which the Debt is to be redeemed under paragraph (a) above or (d) or (e) below, prior to (i) the service of an Enforcement Notice or (ii) the occurrence of a Redemption Event, the Issuer or the Cash Manager on the Issuer's behalf shall apply an amount equal to the Available Principal Funds (as defined below) as at the date which falls 3 Business Days prior to such Interest Payment Date (each such date a "**Determination Date**") in making the following redemptions in the following priority, but in each case only to the extent all payments of a higher priority have been made in full (the "**Pre-Enforcement Principal Priority of Payments**"):

- (i) *first*, (i) on the First Interest Payment Date only, apply the unused amount of the Pre-Funding Initial Amount standing to the credit of the Pre-Funding Principal Ledger as at the Additional Mortgage Loans Final Sale Date (but excluding the Light Refurbishment Loans Retained Amount) and (ii) on the third Interest Payment Date only, apply any unused Light Refurbishment Loans Retained Amount standing to the credit of the Pre-Funding Principal Ledger, in each case, towards redeeming the Debt on a *pro rata* and *pari passu* basis;
- (ii) *second* following application of amounts standing to the credit of the Liquidity Reserve Fund and subject to the PDL Condition in respect of any Debt that is not the Most Senior Class, to apply any Principal Addition Amounts towards the reduction of any Further Revenue Shortfall;
- (iii) *third* , in redeeming the Class A Debt on a *pari passu* and *pro rata* basis until the Interest Payment Date on which the Class A Debt has been redeemed in full;
- (iv) *fourth* , after the Class A Debt has been redeemed in full, in redeeming the B Notes on a *pari passu* and *pro rata* basis until the Interest Payment Date on which the B Notes have been redeemed in full;
- (v) *fifth* , after the Class A Debt and the B Notes have been redeemed in full, in redeeming the C Notes on a *pari passu* and *pro rata* basis until the Interest Payment Date on which the C Notes have been redeemed in full;
- (vi) *sixth* , after the Class A Debt, the B Notes and the C Notes have been redeemed in full, in redeeming the D Notes on a *pari passu* and *pro rata* basis until the Interest Payment Date on which the D Notes have been redeemed in full;
- (vii) *seventh* , after the Class A Debt, the B Notes, the C Notes and the D Notes have been redeemed in full, in redeeming the E Notes on a *pari passu* and *pro rata* basis until the Interest Payment Date on which the E Notes have been redeemed in full; and
- (viii) *eighth*, any remaining amounts to be applied as Available Revenue Funds.

The Cash Manager is responsible, pursuant to the Cash Management Agreement, for determining the amount of the Available Principal Funds as at any Determination Date and each determination so made shall (in the absence of manifest error) be final and binding on the Issuer, the Servicer, the Note Trustee and all Debtholders, and no liability to the Debtholders, shall attach to the Issuer, the Note Trustee or (in

such absence of gross negligence, fraud and wilful misconduct) to the Cash Manager in connection therewith.

The “**Principal Collections**” as at any Determination Date is an amount determined by the Servicer on such Determination Date or is the aggregate of:

- (i) all repayments or prepayments of principal received by the Issuer in relation to the Loans in respect of the Determination Period ending on or immediately prior to such Determination Date;
- (ii) recoveries received by the Issuer and allocable to principal upon an enforcement of the Mortgage Rights, and recoveries received by the Issuer and allocable to principal upon a purchase or a repurchase of the Loans by the Seller (or an affiliate thereof), in accordance with the terms of the Mortgage Sale Agreement, in each case received by the Issuer in the Determination Period preceding such Determination Date.

(c) ***Note Principal Payments, Principal Amount Outstanding and Pool Factor***

With respect to each Note on (or as soon as practicable after) each Determination Date, the Issuer shall determine (or cause the Cash Manager to determine) (i) the amount of any principal amount due on the Interest Payment Date next following such Determination Date (a “**Note Principal Payment**”), (ii) the Principal Amount Outstanding of each such Note of such Class on the Interest Payment Date next following such Determination Date (after deducting any Note Principal Payment due to be made on that Interest Payment Date) (the “**Principal Amount Outstanding**”) and (iii) the fraction expressed as a decimal to the sixth point (the “**Pool Factor**”), of which the numerator is the Principal Amount Outstanding of a Note of that Class (as referred to in (ii) above) and the denominator is the Principal Amount Outstanding of that Note on the Issue Date. Each determination by or on behalf of the Issuer of any Note Principal Payment, the Principal Amount Outstanding of a Note and the Pool Factor shall in each case (in the absence of fraud, wilful default, bad faith or manifest error) be final and binding on all persons.

With respect to each of the Classes of Notes, the Issuer will cause each determination of a Note Principal Payment, Principal Amount Outstanding and Pool Factor to be notified forthwith to the Note Trustee, the Paying Agents, the Agent Bank and (for so long as the Notes are listed on one or more stock exchanges) the relevant stock exchanges, and will immediately cause notice of each such determination to be given in accordance with Note Condition 13 (*Notice to Noteholders*) by not later than two Business Days prior to the relevant Interest Payment Date. If no Note Principal Payment is due to be made on the Notes of any Class on any Interest Payment Date a notice to this effect will be given to the Noteholders. If the Issuer does not at any time for any reason determine (or cause the Cash Manager to determine) with respect to each of the Classes of Notes, a Note Principal Payment, the Principal Amount Outstanding or the Pool Factor in accordance with the preceding provisions of this paragraph, such determination may be made by the Note Trustee (without liability accruing to the Note Trustee as a result) in accordance with this Note Condition based on information supplied to it by the Issuer or the Cash Manager and each such determination or calculation shall be deemed to have been made by the Issuer and in the absence of fraud, wilful default, or gross negligence shall be final, and no liability to the Noteholders shall attach to the Note Trustee in connection with the exercise or non-exercise by the Note Trustee of its powers, duties, determinations and discretions under this Note Condition 5 (*Redemption*).

(d) ***Mandatory Redemption in Full***

- (i) The Issuer shall redeem the Debt in whole, but not in part, on the Call Option Date specified by the Mortgage Pool Option Holder in connection with the exercise of the Mortgage Pool Option

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or on which a sale, assignment and transfer of the Mortgage Pool Option Loans pursuant to the Mortgage Pool Auction completes, *provided that*:

- (A) the Mortgage Pool Option is exercised by the Mortgage Pool Option Holder;
 - (B) not less than 2 nor more than 50 calendar days' notice is given to the Debtholders in accordance with Note Condition 13 (*Notice to Noteholders*) and the Class A Loan Note Agreement (which notice shall be irrevocable);
 - (C) the Issuer delivers to the Note Trustee a certificate signed by two directors of the Issuer stating that it will on the date for redemption have the necessary funds from a sale of the Charged Property pursuant to the Deed Poll, together with any amounts standing to the credit of the Transaction Account (including the Liquidity Reserve Fund) and/or any other cash held by or on behalf of the Issuer (other than any Swap Excluded Receivable Amounts, Swap Collateral and any Issuer Profit Amount) as would be required to (I) redeem all of the Debt then outstanding in full together with accrued and unpaid interest on such Debt, (II) pay amounts required under the Pre-Enforcement Priority of Payments to be paid in priority to or *pari passu* with the Debt on such Call Option Date; and (III) pay any other costs associated with the exercise of the Mortgage Pool Option; and
 - (D) on or prior to the specified Call Option Date, no Enforcement Notice has been served following an Event of Default.
- (ii) The Issuer shall redeem the Debt in whole, but not in part, on any Interest Payment Date, *provided that*:
- (A) the aggregate Principal Amount Outstanding of the Rated Debt is less than or equal to 10 per cent. of the aggregate Principal Amount Outstanding of the Rated Debt upon issue;
 - (B) not less than 2 nor more than 50 days' notice is given to the Noteholders in accordance with Note Condition 13 (*Notice to Noteholders*) and the Class A Loan Note Agreement (which notice shall be irrevocable);
 - (C) the Issuer has delivered to the Note Trustee a certificate signed by two directors of the Issuer stating that it will on the date for redemption have the necessary funds from a sale of the Charged Property to the holders of the Certificates (together with any amounts then standing to the credit of the Transaction Account, amounts standing to the credit of the Collection Account which are at that time held for the benefit of the Issuer and any other funds available to the Issuer) required to (I) redeem all of the Debt then outstanding in full together with accrued and unpaid interest on such Debt, (II) pay amounts required under the Post-Enforcement Priority of Payments to be paid in priority to or *pari passu* with the Debt on such Interest Payment Date; and (III) pay any other costs associated with the redemption; and
 - (D) on or prior to the Interest Payment Date on which such notice expires, no Enforcement Notice has been served following an Event of Default.
- (iii) Any Debt redeemed pursuant to this Note Condition 5(d) (*Mandatory Redemption in Full*) will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Debt to be redeemed with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Debt up to but excluding the date of redemption.

(e) *Optional Redemption for Taxation or Other Reasons*

If by reason of a change in or amendment to tax law (or regulation or the application or official interpretation thereof), which change becomes effective on or after the Issue Date, on the next Interest Payment Date, the Issuer or any Paying Agent has or will become obliged to deduct or withhold from

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any payment of principal or interest on any Class of Debt (other than because the relevant holder has some connection with the United Kingdom other than the holding of Debt of such Class) 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 the United Kingdom or any political sub-division thereof or any authority thereof or therein, then the Issuer shall, if the same would avoid the effect of such relevant event described in this paragraph (e), appoint a Paying Agent in another jurisdiction or use its reasonable endeavours to arrange the substitution of a company incorporated and/or tax resident in another jurisdiction as principal debtor under the Debt, **provided that** the Note Trustee is satisfied that (or, in respect of items (ii), (iii) and (iv), the Issuer has certified to the Note Trustee that) such substitution:

- (i) will not be materially prejudicial to the holders of the Most Senior Class (and in making such determination, the Note Trustee may rely on a Rating Agency Confirmation without further investigation and without liability to any person for doing so);
- (ii) would not have an adverse impact on the Issuer's ability to make payments under the Debt;
- (iii) would not affect the legality, validity and enforceability of any of Transaction Documents or any Security; and
- (iv) would not require registration of any new securities under U.S. securities law or materially increase the disclosure requirements under U.S. law,
- (v) and **provided further that** if any of the taxes referred to in this Note Condition 5(e) arise in connection with FATCA, the requirement to avoid the effect of any event described above shall not apply.

If the Issuer delivers to the Note Trustee a certificate signed by two directors of the Issuer (immediately before giving the notice referred to below) stating that one or more of the events described in this paragraph (e) above is continuing and that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution, then the Issuer may, on any Interest Payment Date and having given not more than 45 nor less than 30 days' notice to the Note Trustee and Debtholders in accordance with Note Condition 13 (*Notice to Noteholders*) and the Class A Loan Note Agreement redeem all (but not some only) of the Debt on the next following Interest Payment Date at their respective Principal Amount Outstanding together with any interest accrued (and unpaid) thereon up to (but excluding) the date of redemption **provided that** (in either case), prior to giving any such notice, the Issuer shall have provided to the Note Trustee (i) a certificate signed by two directors of the Issuer stating that one or more of the circumstances referred to in this paragraph (e) above prevail(s) and setting out details of such circumstances and (ii) an opinion in form and substance satisfactory to the Note Trustee of independent legal advisers of recognised standing to the effect that the Issuer and any Paying Agent (as the case may be) has or will become obliged to deduct or withhold amounts as a result of such change or amendment. The Note Trustee shall be entitled to accept such certificate and opinion without any further enquiry or liability as sufficient evidence of the satisfaction of the circumstance set out in the paragraph immediately above, in which event they shall be conclusive and binding on the Debtholders.

The Issuer may only redeem the Debt as described above if the Issuer has certified to the Note Trustee that it will have the necessary funds, not subject to the interest of any other person, required to redeem the Debt as aforesaid and any amounts required under the Pre-Enforcement Revenue Priority of Payments to be paid in priority to or *pari passu* with the Notes outstanding in accordance with the terms and conditions thereof.

(f) *Mandatory Redemption of the Debt following the exercise of a Risk Retention Regulatory Change Option*

- (i) On any Business Day, if a Risk Retention Regulatory Change Event occurs and the Seller exercises the Risk Retention Regulatory Change Option, the Issuer will give not more than 40 nor less than five Business Days' notice to (i) the Debtholders, in accordance with Condition 13 (*Notice to Noteholders*) and the Class A Loan Note Agreement, and (ii) the Note Trustee, that the Debt will be redeemed at their respective amounts determined in accordance with Note Condition 5(f)(ii) below on the Interest Payment Date immediately following the exercise of such option by the Seller, provided that the Issuer has, immediately prior to giving such notice, certified to the Note Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Debt on the relevant Interest Payment Date and to discharge all other amounts required to be paid in priority to or pari passu with the Debt and the Certificates on such Interest Payment Date (such certification to be provided by way of certificate signed by two directors of the Issuer on which the Note Trustee shall be entitled to rely without any further enquiry or liability which shall be conclusive and binding on the Debtholders) (and for the avoidance of doubt, the order of priority shall be as set out in the Post-Enforcement Priority of Payments).
- (ii) Any Debt redeemed pursuant to Note Condition 5(f)(i) above will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Debt and accrued (and unpaid) interest on the Principal Amount Outstanding for the respective Class of Debt up to, but excluding, the relevant Interest Payment Date (provided that in relation to any Debt held by the Risk Retention Holder the redemption amounts payable by the Issuer to the Risk Retention Holder in respect of the Risk Retention Notes may be set off (to the greatest extent possible and directly or by way of multi-party direction and set-off) against the purchase price payable to the Issuer for the purchase of the Mortgage Pool).

(g) *Notice of Redemption*

Any such notice as is referred to in paragraph (d) or (e) above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Debt at the Principal Amount Outstanding, plus accrued and unpaid interest, of the relevant Debt.

The Issuer shall notify the Swap Counterparty upon the occurrence of a Redemption Event.

(h) *Purchase*

The Issuer shall not purchase any Debt.

(i) *Cancellation*

All Debt redeemed will be cancelled upon redemption and may not be resold or re-issued.

6 Payments

(a) *Principal and interest*

Payments of principal and interest shall be made by transfer to an account in Sterling, maintained by the payee with a bank in London and (in the case of final redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Notes at the specified office of any Paying Agent in accordance with the terms of the Paying Agency Agreement.

(b) *Record Date*

Each payment in respect of a Note will be made to the person shown as the Noteholder in the Register at the opening of business in the place of the Registrar's specified office on the fifteenth day before the due date for such payment (the "**Record Date**"). The person shown in the Register at the opening of business on the relevant Record Date in respect of a Global Note shall be the only person entitled to

receive payments in respect of any Note represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, such person in respect of each amount so paid.

(c) *Payments Subject to Laws*

All payments are subject in all cases to any applicable laws and regulations in the place of payment or other laws to which the Issuer or the Agents agree to be subject and the Issuer and the Agents will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements, but without prejudice to the provisions of Note Condition 8 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(d) *Payments on Business Days*

If the due date for payment of any amount in respect of any Note is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding business day in such place, and shall not be entitled to any further interest or other payment in respect of such delay. In this paragraph, “**business day**” means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a sterling-denominated account as referred to above, on which dealings in foreign currencies may be carried on both in London and in such place of presentation.

(e) *Paying Agents*

The initial Paying Agent and its initial specified office is listed below. The Issuer reserves the right at any time with the approval of the Note Trustee to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, **provided that** it will maintain a Principal Paying Agent.

The initial specified office of the Paying Agent is at:

Principal Paying Agent

Elavon Financial Services DAC, UK Branch
125 Old Broad Street
Fifth Floor
London EC2N 1AR
United Kingdom

Notice of any change in the Paying Agents or their specified offices will promptly be given to the Note Trustee and the Noteholders in accordance with Note Condition 13 (*Notice to Noteholders*).

(f) *Incorrect Payments*

The Cash Manager will, from time to time, notify Debtholders in accordance with the terms of Note Condition 13 (*Notice to Noteholders*) and the Class A Loan Note Agreement (as applicable) of any over-payment or under-payment of which it has actual notice made on any Interest Payment Date to any party entitled to the same pursuant to the Pre-Enforcement Priority of Payments. Following the giving of such a notice, the Cash Manager shall use reasonable endeavours to rectify such over-payment or under-payment by increasing or, as the case may be decreasing payments to the relevant parties on any subsequent Interest Payment Date or Interest Payment Dates (if applicable) to the extent required to correct the same. Any notice of over-payment or under-payment pursuant to this Note Condition shall contain reasonable details of the amount of the same, the relevant parties and the adjustments to be made to future payments to rectify the same. Neither the Issuer nor the Cash Manager shall have any liability to any person for making any such correction.

7 Prescription

Claims in respect of principal and interest shall become void unless made within a period of 10 years, in the case of principal, and 5 years, in the case of interest, from the appropriate relevant date on which such sums became due and payable. After the date on which a Note becomes void in its entirety, no claim may be made in respect thereof. In this Note Condition 7, the “**relevant date**”, in respect of a Note is the date on which a payment in respect thereof first becomes due or (if the full amount of the monies payable in respect of all the Notes due on or before that date has not been duly received by the Principal Paying Agent or the Note Trustee on or prior to such date) the date on which the full amount of such monies having been so received, notice to that effect having been duly given to the Noteholders in accordance with Note Condition 13 (*Notice to Noteholders*).

8 Taxation

All payments in respect of the Debt will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments, levies or charges of whatsoever nature unless the Issuer or any Paying Agent (as applicable) is required by applicable law to make any payment in respect of the Debt subject to any withholding or deduction for, or on account of, any present or future taxes, duties, assessments, levies or charges of whatsoever nature or in connection with FATCA. In that event, the Issuer or such Paying Agent (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. None of the Issuer, the Principal Paying Agent, any other Paying Agent, nor any other person will be obliged to make any additional payments to the Debtholders in respect of such withholding or deduction or in connection with FATCA.

9 Events of Default

After any of the following events (each an “**Event of Default**”) occurs and is continuing, the Note Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. of the aggregate in Principal Amount Outstanding of the Most Senior Class, shall (subject, in each case, to it being indemnified and/or secured and/or pre-funded to its satisfaction as more particularly described in the Trust Deed) give notice to the Issuer (an “**Enforcement Notice**”) (with a copy of such Enforcement Notice being sent simultaneously to the Security Trustee) that the Debt of each Class is, and shall immediately become, due and payable at its Principal Amount Outstanding together with accrued interest:

- (a) default being made in the payment of any interest or principal due in respect of the A Notes or the B Notes or (following the redemption of the A Notes and the B Notes) the Most Senior Class (other than the Z Notes and the X Notes) and such default continues (i) for a period of 7 Business Days in respect of principal; or (ii) 14 Business Days in respect of interest on the A Notes or the B Notes or (following the redemption of the A Notes and the B Notes) the Most Senior Class (other than the Z Notes and the X Notes); or
- (b) the Issuer failing duly to perform or observe any other obligation binding upon it in respect of the Debt, the Notes Conditions, the Trust Deed or any other Transaction Documents, as applicable, and, in any such case (except where the Note Trustee certifies that, such failure is, in the opinion of the Note Trustee, incapable of remedy, in which case no notice will be required) such failure continues unremedied for a period of 30 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer requiring the same to be remedied; or
- (c) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in sub-paragraph (e) below, ceasing or, through an official action of the board of directors of the Issuer, threatening to cease to carry on business or being unable to pay its debts as and when they fall due; or
- (d) an Insolvency Event occurs in respect of the Issuer, except (i) in the case of a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved

by the Note Trustee in writing or by an Extraordinary Resolution of the holders of the Most Senior Class or (ii) any event or circumstance as described in paragraphs (c) above or (e) below; or

- (e) proceedings being otherwise initiated against the Issuer under any applicable liquidation, insolvency, an arrangement or compromise, reorganisation or other similar laws (including, but not limited to, presentation of a petition or filing documents with the court or making an application for the appointment of an administrator or liquidator or serving a notice of intent to appoint an administrator) or an administrator being appointed, or a receiver, liquidator or other similar official being appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer, or an encumbrancer taking possession of the whole or any substantial part of the undertaking or assets of the Issuer, or a distress, execution, diligence or other process being levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Issuer and such possession or process (as the case may be) not being discharged or not otherwise ceasing to apply within 30 days, or the Issuer initiating or consenting to proceedings relating to itself under applicable liquidation, insolvency, an arrangement or compromise, reorganisation or other similar laws or making 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) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Debt, the Notes Conditions, or the Transaction Documents,

provided that, in the case of each of the events described in sub-paragraph (b) of this Note Condition 9, the Note Trustee shall have certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Most Senior Class.

10 Enforcement of Security, Limited Recourse and Non-Petition

(a) *Enforcement of Security*

The Note Trustee may, at any time, at its discretion and without notice, take (or instruct the Security Trustee to take) such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of (in the case of the Note Trustee) the Debt, the Certificates or the Trust Deed (including these Conditions) or (in the case of the Security Trustee) the Deed of Charge or (in either case) any of the other Transaction Documents to which it is a party and, at any time after the service of an Enforcement Notice, the Security Trustee may, at its discretion and without notice, take such steps as it may think fit to enforce the Security, but neither of them shall be bound to take any such proceedings, action or steps unless:

- (i) it shall have been directed by a notice in writing by holders of the Debt outstanding constituting at least 25 per cent. of the aggregate in Principal Amount Outstanding of the Most Senior Class; and
- (ii) in all cases it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

No Debtholder shall be entitled to proceed directly against the Issuer unless the Note Trustee (or as the case may be, the Security Trustee), having become bound so to do, fails or is unable to do so within a 60 day period and such failure or inability shall be continuing.

(b) *Limited Recourse*

(i) *Enforcement of Security*

Only the Security Trustee may enforce the Security over the Charged Property in accordance with, and subject to the terms of, the Deed of Charge (and the Transaction Documents entered into pursuant thereto).

(ii) *Insufficient Recoveries*

If at any time following:

- (A) the occurrence of either:
 - (1) the Interest Payment Date falling in March 2057 or any earlier date upon which all of the Debt of each Class are due and payable; or
 - (2) the service of an Enforcement Notice; and
- (B) Realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Debt in accordance with the applicable Post-Enforcement Priority of Payments,

The proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full amounts then due and payable under any respective Class of Debt then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under such Class of Debt (and any Class of Debt junior to that Class of Debt) shall, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer.

For the purposes of this Note Condition 10:

“Realisation” means, in relation to any Charged Property, the deriving, to the fullest extent practicable, (in accordance with the provisions of the Transaction Documents) of proceeds from or in respect of such Charged Property including (without limitation) through sale, realisation or through performance by an obligor.

“Charged Property” means the property of the Issuer which is subject to the Security.

(iii) *Noteholder Acknowledgments*

Each Noteholder, by subscribing for or purchasing Notes, is deemed to accept and acknowledge that:

- (A) in the event of realisation or enforcement of the Charged Property, its right to obtain payment of interest and repayment of principal on the Notes in full is limited to recourse against the undertaking, property and assets of the Issuer comprised in the Charged Property;
- (B) the Issuer will have duly and entirely fulfilled its payment obligations by making available to such Noteholder its proportion of the proceeds of realisation or enforcement of the Charged Property in accordance with the Post-Enforcement Priority of Payments and all claims in respect of any shortfall will be extinguished and discharged; and
- (C) in the event that a shortfall in the amount available to pay principal of the Notes of a Class exists on the Final Maturity Date or on any earlier date for redemption in full of the Notes or any Class of Notes, after payment on the Final Maturity Date or such date of earlier redemption of all other claims ranking higher in priority to or *pari passu* with the Notes or the related Class of Notes, and the Charged Property has not become enforceable as at the Final Maturity Date or such date of earlier redemption, the liability of the Issuer to make any payment in respect of such shortfall will cease and all claims in respect of such shortfall will be extinguished.

(c) *Non-Petition*

No Debtholder may take any corporate action or other steps or legal proceedings for the winding-up, dissolution, arrangement or compromise, reconstruction or reorganisation of the Issuer unless the Note

Trustee (or as the case may be the Security Trustee), having become bound so to do, fails or is unable to do so within 60 days and such failure or inability shall be continuing or for the appointment of a liquidator, receiver, administrative receiver, administrator, trustee, manager or similar officer in respect of the Issuer or over any or all of its assets or undertaking.

11 Meetings of Debtholders; Modifications; Consents; Waiver

- (a) The Trust Deed contains provisions for convening separate or combined meetings of the Debtholders of any Class to consider matters relating to the Debt, including subject to Note Condition 11(e) (Modification and Waiver) the sanctioning by Extraordinary Resolution of a modification of any of these Note Conditions or any provisions of the other Transaction Documents.

The Trust Deed provides that a resolution in writing signed by all of the holders of a particular Class or Classes of Debt by a majority consisting of not less than 25 per cent. by Principal Amount Outstanding of such Class or Classes of Debt shall for all purposes be as valid and effective as an Ordinary Resolution passed at a meeting of the Debtholders of such Class duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more of the Debtholders of such Class or Classes.

The Trust Deed provides that a resolution in writing signed by all of the holders of at least (i) 50 per cent. other than with respect to a Basic Terms Modification or (ii) 75 per cent. with respect to a Basic Terms Modification, in each case by Principal Amount Outstanding of the relevant Class or Classes of Debt shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of the Debtholders of such Class or Classes duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more of the Debtholders of such Class or Classes.

Any Extraordinary Resolution or an Ordinary Resolution duly passed by a meeting of the Debtholders of a particular Class or Classes shall be binding on all Debtholders of such Class or Classes (whether or not they were present at the meeting at which such resolution was passed and whether or not voting).

- (b) An Extraordinary Resolution passed at a meeting of the holders of the Most Senior Class shall be binding on the holders of all other Classes of Debt and the Certificates irrespective of the effect on them, except an Extraordinary Resolution of the holders of the Most Senior Class to sanction a Debt Basic Terms Modification, which shall not take effect unless it has also been sanctioned by an Extraordinary Resolution of the holders of each other Class of Debt affected (economically or otherwise) and a Certificates Extraordinary Resolution of the Certificateholders (if affected, economically or otherwise).

No Extraordinary Resolution of any Class of Debt to approve any matter other than a Debt Basic Terms Modification shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Debt then outstanding ranking senior to such Class in the Post-Enforcement Priority of Payments (to the extent that there are Classes of Debt ranking senior to such Class of Debt) unless, the Note Trustee is of the opinion that it will not be materially prejudicial to the interests of the holders of any more senior Class of Debt or it is sanctioned by an Extraordinary Resolution of the holders of each such more senior Class of Debt. Except in certain circumstances the Trust Deed imposes no such limitations on the powers of the holders of any Class of Debt the exercise of which will be binding on themselves and any junior Class of Debt, irrespective of the effect on their interests.

The Trust Deed provides that:

- (i) meetings of Debtholders of separate Classes may be held at the same time;

- (ii) meetings of Debtholders of separate Classes will normally be held separately, but the Note Trustee may from time to time determine that meetings of Debtholders of separate Classes shall be held together;
- (iii) an Ordinary Resolution or an Extraordinary Resolution that in the opinion of the Note Trustee affects one Class alone shall be deemed to have been duly passed if passed at a separate meeting of the Debtholders of the Class concerned;
- (iv) an Extraordinary Resolution that in the opinion of the Note Trustee affects the Debtholders of more than one Class but does not give rise to a conflict of interest between the Debtholders of the different Classes concerned shall be deemed to have been duly passed if passed at a single meeting of the Debtholders of the relevant Classes; and
- (v) an Extraordinary Resolution that in the opinion of the Note Trustee affects the Debtholders of more than one Class and gives or may give rise to a conflict of interest between the Debtholders of the different Classes concerned shall be deemed to have been duly passed only if it shall be duly passed at separate meetings of the Debtholders of each of the relevant Classes;
- (vi) If a poll is called at a meeting of a Class of Debtholders, the number of votes which can be cast by each person present shall be proportionate to the Principal Amount Outstanding of Class of Debt that such person holds or represents at that meeting.

(c) ***Additional Right of Modification***

Notwithstanding the provisions of Note Condition 11(e) (*Modification and Waiver*) and subject to the provisions of Note Condition 11(f) (*Swap Counterparty Consent for Modification*), the Note Trustee shall be obliged, without the consent or sanction of the Debtholders or any of the other Secured Creditors (subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified or who would need to be a party to a new, supplemental or additional agreement, or which, as a result of the relevant amendment, would be further contractually subordinated to any Secured Creditor other than would otherwise have been the case prior to such amendment), to concur with the Issuer (and to direct the Security Trustee to concur) and any other relevant parties in making any modification (other than in respect of a Debt Basic Terms Modification) to these Note Conditions or any other Transaction Documents to which it is a party or the Issuer entering into new, supplemental or additional documents that the Issuer considers necessary:

- (i) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that in relation to any amendment under this paragraph:
 - (A) the Issuer certifies in writing to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria, or as the case may be, is solely to implement and reflect such criteria; and
 - (B) in the case of any modification of a Transaction Document proposed by any of the Swap Counterparty, the Account Bank, the Swap Collateral Account Bank or the Cash Manager (for the purposes of this Note Condition 11(c) only, each a “**Relevant Party**”) 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):
 - (1) the Relevant Party certifies in writing to the Issuer and the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (B)(x) and/or (y) (and in the case of a certification provided to the Issuer, the Issuer shall certify to the Note Trustee and the Security Trustee that it has

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received the same from the Swap Counterparty, Account Bank, Swap Collateral Account Bank or the Cash Manager as the case may be);

- (2) the Relevant Party obtains a Rating Agency Confirmation from each of the Rating Agencies and, if relevant, delivers a copy of each such confirmation to the Issuer and the Note Trustee and the Security Trustee; and
 - (3) the Relevant Party pays all costs and expenses (including legal fees) incurred by the Issuer, the Security Trustee, the Note Trustee and each other party to the relevant Transaction Documents proposed to be amended, in connection with such modification;
- (ii) in order to facilitate the appointment of a replacement Cash Manager in accordance with the terms of the Cash Management Agreement, subject to receipt by the Note Trustee and the Security Trustee of a certificate issued by the Issuer certifying to the Note Trustee and the Security Trustee the requested amendments are to be made solely for the purpose of facilitating the appointment of a replacement Cash Manager in accordance with the terms of the Cash Management Agreement and have been drafted solely to that effect;
- (iii) in order to enable the Issuer and/or the Swap Counterparty to comply with any obligation which applies to it under EU EMIR or UK EMIR, provided that the Issuer or the Swap Counterparty, as appropriate, certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect;
- (iv) for the purpose of complying with any changes in the requirements of Article 6(3)(a) of the EU Securitisation Regulation and/or Article 6(3) of the UK Securitisation Regulation after the Issue Date, including as a result of the adoption of regulatory technical standards in relation to Article 6 of the EU Securitisation Regulation and/or Article 6 of the UK Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (v) for the purpose of enabling the Rated Notes to be (or to remain) listed on Euronext Dublin or for the purpose of clause 29 (*Modification of the Class A Loan Note or this Agreement*) of the Class A Loan Note Agreement, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (vi) for the purposes of enabling the Issuer or any of the other Transaction Parties to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer or the relevant Transaction Party, as applicable, certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (vii) for the purpose of complying with any changes in the requirements of the EU CRA Regulation or the UK CRA Regulation after the Issue Date, including as a result of the adoption of regulatory technical standards in relation to the EU CRA Regulation or the UK CRA Regulation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; or
- (viii) for the purpose of a change to the reference rate (in respect of the Floating Rate Debt) from SONIA to an alternative reference rate (including where such base rate may remain linked to SONIA but may be calculated in a different manner) including any Note Adjustment Spread (as

the case may be) (any such rate, an “**Alternative Reference Rate**”) and make such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change (a “**Reference Rate Modification**”), provided that:

- (A) the Servicer, on behalf of the Issuer, certifies to the Note Trustee and the Security Trustee in writing (such certificate, a “**Reference Rate Modification Certificate**”) that:
 - (1) such Reference Rate Modification is being undertaken due to:
 - (I) an alternative manner of calculating a SONIA-based rate being introduced and becoming a standard means of calculating interest for similar transactions;
 - (II) a material disruption to SONIA, an adverse change in the methodology of calculating SONIA or SONIA ceasing to exist or be published;
 - (III) the insolvency or cessation of business of the SONIA administrator (in circumstances where no successor SONIA administrator has been appointed);
 - (IV) 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);
 - (V) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued;
 - (VI) 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
 - (VII) the reasonable expectation of the Servicer that any of the events specified in the sub-paragraphs above will occur or exist within six months of the proposed effective date of such Reference Rate Modification; and
 - (2) such Alternative Reference Rate is derived from, based upon or otherwise similar to any of the foregoing (and, for the avoidance of doubt, may include any Note Adjustment Spread as the Issuer (or the Servicer on its behalf) reasonably determines having regard to market practice at the relevant time):
 - (I) a reference rate published, recognised, endorsed or approved by the FCA, the PRA or the Central Bank, any regulator in 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); or
 - (II) a reference rate utilised in a material number of public listed new issues of Sterling denominated asset-backed floating rate notes prior to the effective date of such Reference Rate Modification; or
 - (III) such other reference rate as the Servicer reasonably determines (including any alternative benchmark rate determined by reference to any Swap Benchmark Rate Adjustment made in accordance with the terms of the Swap Agreement and the Deed of Charge); and

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- (B) the Servicer pays (or arranges for the payment of) all properly incurred and documented fees, costs and expenses (including legal fees) incurred by the Issuer, the Seller, the Legal Title Holder, the Note Trustee, the Security Trustee, the Swap Counterparty, and each other party to the relevant Transaction Documents proposed to be amended by the Reference Rate Modification, in connection with such Reference Rate Modification,

(the certificate to be provided by the Issuer, the Servicer (on behalf of the Issuer), the relevant Transaction Party as the case may be, pursuant to paragraphs (i) to (viii) above being a "**Modification Certificate**"), provided that:

- I at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee;
- II the Modification Certificate or Reference Rate Modification Certificate (as the case may be) in relation to such modification shall be provided to the Note Trustee and the Security Trustee (and, if applicable, to the Issuer) both at the time the Note Trustee and the Security Trustee is notified of the proposed modification and on the date that such modification takes effect;
- III the consent of each Secured Creditor which is party to the relevant Transaction Document or whose contractual subordination in any Priority of Payment is affected has been obtained;
- IV other than in the case of a modification pursuant to paragraph (iii)(A) above:
 - (A) either (1) a Rating Agency Confirmation is or has been obtained (by the Issuer or any Relevant Party) from each of the Rating Agencies, or (2) in the case of a modification pursuant to paragraph (ix) above only, (x) the Issuer (or the Seller on its behalf) or any Relevant Party has used reasonable endeavours to obtain a Rating Agency Confirmation from each of the Rating Agencies within 30 calendar days of delivery of a Benchmark Event Notice but have not so obtained Rating Agency Confirmations from each such Rating Agency within 30 calendar days of delivery of a Benchmark Event Notice; (y) the Seller has given its written approval of the proposed Reference Rate Modification to the Issuer, the Note Trustee and the Security Trustee; and (z) the proposed Reference Rate Modification has been approved by an Ordinary Resolution of the Class A Debtholders and the B Noteholders, respectively; and
 - (B) the Issuer has provided at least 30 calendar days' notice to the Debtholders of each Class of Debt of the proposed modification in accordance with Note Condition 13 (*Notice to Noteholder*) and the Class A Loan Note Agreement (as applicable) and by publication on Bloomberg on the "Company News" screen relating to the Notes, and Debtholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Debt then outstanding have not contacted the Note Trustee or the Class A Loan Note Agent (as applicable) in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which the Debt may be held) within such notification period notifying the Note Trustee that such Noteholders do not consent to the modification; and
- V if Debtholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Debt then outstanding have notified the Note Trustee or the Class A Loan Note Agent (as applicable) in writing (or otherwise in accordance with Class A Loan Note Agreement or the then current practice of any applicable clearing system through which the Debt may be held (as applicable)) 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 holders of the Most Senior Class of Debt then outstanding is passed in favour of such modification.

Objections made in writing other than through the applicable clearing systems must be accompanied by evidence to the Note Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

Other than where specifically provided in this Note Condition 11(c) (*Additional Right of Modification*) or any Transaction Document:

- (i) when implementing any modification pursuant to this Note Condition 11(c) (*Additional Right of Modification*) (save to the extent the Note Trustee considers that the proposed modification would constitute a Debt Basic Terms Modification), the Note Trustee shall not consider the interests of the Debtholders, 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 Certificate or Reference Rate Modification Certificate (as the case may be)) or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this Note Condition 11(c) (*Additional Right of Modification*) and shall not be liable to the Debtholders, 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 Note Trustee or the Security Trustee shall not be obliged to agree to any modification which, in its sole opinion would have the effect of (i) exposing it 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 rights or protection, of the Note Trustee or the Security Trustee (as relevant) in the Transaction Documents and/or these Note Conditions.

For the avoidance of doubt, nothing in this Note Condition 11(c) (*Additional Right of Modification*) shall have the effect of waiving an Event of Default.

- (iii) Any such modifications permitted by this Note Condition 11(c) (*Additional Right of Modification*) shall be binding on the Debtholders, Certificateholders and other Secured Creditors and, unless the Note Trustee otherwise agrees, the Issuer shall cause such modification to be notified to the Debtholders and Certificateholders as soon as practicable thereafter in accordance with Note Condition 13 (*Notice to Noteholders*), the Class A Loan Note Agreement and Certificate Condition 11 (*Notice to Certificateholders*). So long as the Rated Debt, or any of it, is rated by the Rating Agencies the Issuer shall notify each of the Rating Agencies of any modification made by it in accordance with this Note Condition 11(c) (*Additional Right of Modification*) as soon as reasonably practicable thereafter.

(d) Quorum

- (i) The quorum at any meeting of Noteholders of a particular Class for passing:
 - (A) an Extraordinary Resolution to approve a Debt Basic Terms Modification, shall be one or more persons holding Notes or representing Noteholders holding Notes in aggregate of (x) not less than 75 per cent. of the Principal Amount Outstanding of the relevant Class of Notes for the initial meeting or (y) not less than 50 per cent. of the Principal Amount Outstanding of the relevant Class of Notes for the adjourned meeting;
 - (B) an Extraordinary Resolution to approve any matter other than a Debt Basic Terms Modification, shall be one or more persons holding Notes or representing Noteholders holding Notes in aggregate of (x) not less than 50 per cent. of the Principal Amount Outstanding of the Notes of such Class(es) or (y) not less than 25 per cent. of the Principal Amount Outstanding of the relevant Class(es) of Notes for the adjourned meeting; and
 - (C) an Ordinary Resolution, shall be one or more persons holding Notes or representing Noteholders holding Notes in aggregate of not less than (x) 25 per cent. of the Principal Amount Outstanding of the relevant Class(es) of Notes for the initial meeting and (y) 10

per cent. of the Principal Amount Outstanding of the relevant Class(es) of Notes for the adjourned meeting.

- (ii) Subject to the provisions of the Trust Deed, the holder of the Global Note shall be treated as a Noteholder for the purposes of constituting a quorum for the purposes of meeting the quorum requirements of a meeting of Noteholders.
- (iii) The Class A Loan Noteholders will not be required to convene or attend meetings or form or count in a quorum at any meeting of Noteholders but may provide consent and/or direction (including, without limitation, by voting on Extraordinary Resolutions and Ordinary Resolutions in respect of the Class A Debt) in writing to the Note Trustee in respect of the relevant matter in accordance with the Class A Loan Note Agreement and the Trust Deed. The Note Trustee shall be entitled to request and rely on a written consent or direction from the Class A Loan Noteholders (or by the Class A Loan Note Agent on their behalf) on any matter that requires the consent or direction of the Class A Loan Noteholders without further enquiry or liability to any person.

(e) *Modification and Waiver*

Subject to Note Condition 11(c) (*Additional Right of Modification*) and Note Condition 11(f) (*Swap Counterparty Consent for Modification*), the Note Trustee may agree, without the consent or sanction of any of, or any liability to, the Debtholders, to:

- (i) (A) any modification of any of the provisions of the Trust Deed, the Conditions or any of the other Transaction Documents which is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law or regulation, and (B) any other modification (excluding a Debt Basic Terms Modification), and any waiver or authorisation of any breach or proposed breach of the Debt of such Class, of any of the provisions of the Trust Deed, the Conditions or any of the other Transaction Documents which is in the opinion of the Note Trustee not materially prejudicial to the interests of the holders of the Most Senior Class (other than any Debtholders of the Most Senior Class who have confirmed their consent in writing to the relevant modification, waiver or authorisation); or
- (ii) determine that an Event of Default or Potential Event of Default will not be treated as such where in the opinion of the Note Trustee such waiver, authorisation or determination is not materially prejudicial to the interests of the holders of the Most Senior Class (other than any holders of the Most Senior Class who have confirmed their consent in writing to the relevant waiver, authorisation or determination),

provided that the Note Trustee will not do so in contravention of an express direction given by an Extraordinary Resolution of holders of the Most Senior Class made pursuant to Note Condition 9 (*Events of Default*). Any such modification, authorisation, determination or waiver shall be binding on the Debtholders and, if the Note Trustee so requires, the Issuer will arrange for it to be notified to the Debtholders and the Certificateholders as soon as practicable.

Any such modifications permitted by this Note Condition 11(e) (*Modification and Waiver*) shall be binding on the Debtholders, Certificateholders and other Secured Creditors and, unless the Note Trustee otherwise agrees, the Issuer shall cause such modification to be notified to the Debtholders and Certificateholders as soon as practicable thereafter in accordance with Note Condition 13 (*Notice to Noteholders*), the Class A Loan Note Agreement and Certificate Condition 11 (*Notice to Certificateholders*). So long as the Rated Debt, or any of it, is rated by the Rating Agencies the Issuer shall notify each of the Rating Agencies of any modification made by it in accordance with this Note Condition 11(e) (*Modification and Waiver*) as soon as reasonably practicable thereafter.

Neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification of the Trust Deed, the Conditions or any other Transaction Document which (in the sole opinion of the Note

Trustee or the Security Trustee (as applicable)) would have the effect of: (x) exposing it to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction; or (y) increasing the obligations or duties, or decreasing the rights or protections of the Note Trustee or Security Trustee (as applicable) in the Transaction Documents, the Trust Deed and/or the Conditions.

(f) *Swap Counterparty Consent for Modification*

The prior written consent of the Swap Counterparty (such consent not to be unreasonably withheld) is required to modify or supplement any provision of the Transaction Documents, the Note Conditions or the Certificate Conditions if the Swap Counterparty determines that such modification or supplement would affect any of the following:

- (i) cause, in the reasonable opinion of the Swap Counterparty, (A) the Swap Counterparty to pay more or receive less under the Swap Agreement, (B) a decrease (from the Swap Counterparty's perspective) in the value of the relevant Interest Rate Swap, (C) a change in the timing of any payments or deliveries to be made by or to Swap Counterparty or (D) a change in the date of maturity of the Debt;
- (ii) result in any of the Issuer's obligations to the Swap Counterparty under the Swap Agreement to be further contractually subordinated, relative to the level of subordination of such obligations as of the Issue Date, to the Issuer's obligations to any other Secured Creditor;
- (iii) if, the Swap Counterparty were to replace itself as swap counterparty under the Swap Agreement, require the Swap Counterparty to pay more or receive less in the reasonable opinion of the Swap Counterparty, in connection with such replacement, as compared to what the Swap Counterparty would have been required to pay or would have received had such modification or amendment not been made;
- (iv) cause any modification to the Swap 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 Security Trustee on behalf of the Secured Creditors pursuant to the Deed of Charge;
- (v) result in an amendment of this Note Condition or Clause 18.3 (*Swap Counterparty Consent for Modification*) of the Trust Deed; or
- (vi) result in an amendment to, or waiver of the undertakings of the Issuer as set out in, Clause 14.2.6 (*Disposal of Assets*) of the Trust Deed related to a refinancing, sale, transfer or disposal of assets of the Issuer with a view to prematurely redeeming the Debt in circumstances not expressly permitted or provided for in the Transaction Documents as at the Issue Date,

unless such modification, amendment, consent or waiver is in relation to a Reference Rate Modification made in accordance with Note Condition 11(c)(viii) or Certificate Condition 8(c)(viii). The Issuer shall notify in writing the Swap Counterparty, the Note Trustee and the Security Trustee of any proposed modification or supplement to any provisions of the Transaction Documents, the Note Conditions or the Certificate Conditions that may affect any of the items listed in the previous paragraph as soon as reasonably practicable but not less than 15 Business Days (inclusive) prior to such modification or supplement being effected, notwithstanding any other provision of the Transaction Documents or the Conditions. The Swap Counterparty may notify the Note Trustee and the Security Trustee and the Issuer in writing if it determines that such modifications or supplement would affect any of the items listed in the previous paragraph. If the Issuer, Note Trustee and the Security Trustee receive notification (the "**Notification**") from the Swap Counterparty that the Swap Counterparty has determined that the modification and/or supplement would not affect any of the items listed in the previous paragraph or that the Swap Counterparty otherwise consents to such modification and/or supplement, such modification and/or supplement may take effect at any time from and including the date of receipt of the Notification.

For the avoidance of doubt, if the Issuer, Note Trustee and the Security Trustee do not receive any such determination or a Notification within 15 Business Days (inclusive) of the Swap Counterparty having been notified of such proposed modification or supplement, the Swap Counterparty shall not be deemed to have consented to such modification or supplement. If the Swap Counterparty has not received notice in accordance with this paragraph, the proposed modification or supplement shall not be effective.

(g) Substitution

The Trust Deed contains provisions permitting the Note Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as are set out in the Trust Deed or as the Note Trustee may otherwise require, but without the consent of, or any liability to, the Debtholders or the other Secured Creditors to the substitution of certain other entities in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed, the Debt and the other Transaction Documents. In the case of such a substitution the Note Trustee may agree, without the consent of the Debtholders, to a change of the law governing the Notes and/or the Trust Deed provided that such change would not in the opinion of the Note Trustee be materially prejudicial to the interests of the holders of the Most Senior Class.

(h) Evidence of Notes

Where for the purposes of these Note Conditions the Note Trustee or any other party to the Transaction Documents requires a Noteholder holding Notes through Euroclear or Clearstream, Luxembourg to establish its holding of the Notes to the satisfaction of such party, such holding shall be considered to be established (and the Noteholder in respect of which such holding is established shall be a “**Verified Noteholder**”) if such Noteholder provides to the requesting party with regard to the relevant date:

- (i) an Euclid Statement (in the case of Euroclear) or a Creation Online Statement (in the case of Clearstream, Luxembourg) in each case providing confirmation at the time of issue of the same of such person’s holding in the Notes; and

(i) Entitlement of the Note Trustee

In connection with the exercise of its functions (including but not limited to those referred to in this Note Condition 11 (*Meetings of Noteholders; Modifications; Consents; Waiver*)) the Note Trustee:

- (i) shall have regard to the interests of the Debtholders (or, as applicable, the Debtholders of a particular Class) as a class and shall not have regard to the consequences of such exercise for individual Debtholders and the Note Trustee shall not be entitled to require, nor shall any Debtholders be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Debtholders;
- (ii) shall have regard only to the interests of the holders of the outstanding Debt of the Most Senior Class where, in the opinion of the Note Trustee, there is a conflict between the interests of the holders of the Most Senior Class and the interests of any other Debtholders;
- (iii) so long as any Class of Debt remains outstanding, shall have regard only to the interests of the Debtholders where, in the opinion of the Note Trustee, there is a conflict between the interest of any Debtholders and the Certificateholders; and
- (iv) may, in determining whether or not a proposed action will be materially prejudicial to the Debtholders (or, as applicable, the Debtholders of a particular Class), have regard to, among other things, a Rating Agency Confirmation.

12 Indemnification and Exoneration of the Note Trustee and the Security Trustee

The Trust Deed and the Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Security Trustee respectively and providing for their indemnification

in certain circumstances, including provisions relieving them from taking action or, in the case of the Security Trustee, enforcing the Security, unless indemnified and/or pre-funded and/or secured to their satisfaction.

The Trust Deed and the Deed of Charge also contain provisions pursuant to which the Note Trustee and the Security Trustee are entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such other securities or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, individual Debtholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Note Trustee and/or the Security Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of, *inter alia*, any assets comprised in the Security, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of the Servicer, the Cash Manager or any agent or related company of the Servicer, the Cash Manager or by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Note Trustee and/or the Security Trustee. The Trust Deed and the Deed of Charge provides that neither the Note Trustee nor the Security Trustee shall be under any obligation to monitor or supervise compliance by the Issuer, the Servicer or the Cash Manager or any other party with their respective obligations or to make any searches, enquiries, or independent investigations of title in relation to any of the properties secured by the Mortgages.

13 Notice to Noteholders

(a) *Forms of Notice*

All notices, other than notices given in accordance with any one or more of the following paragraphs of this Note Condition 13 (*Notice to Noteholders*), to holders of the Notes shall be deemed to have been validly given if:

- (i) for so long as the Notes are listed on a stock exchange, and the rules of such stock exchange and the Market Abuse Regulation so require, or at the option of the Issuer, if delivered through the announcements section of the relevant stock exchange and a regulated information service maintained or recognised by such stock exchange; and
- (ii) for so long as the Notes are represented by Global Notes, and if, for so long as the Notes are listed on a stock exchange, the rules of such stock exchange so allow if delivered to Euroclear and/or Clearstream, Luxembourg for communication by them to their participants and for communication by such participants to entitled account holders; and
- (iii) for so long as the Notes are represented by Global Notes and if, for so long as the Notes are listed on a stock exchange, rules of such stock exchange so allow if delivered to the electronic communications systems maintained by Bloomberg L.P. for publication on the relevant page for the Notes or such other medium for the electronic display of data as may be previously approved in writing by the Note Trustee; or
- (iv) if the Notes are in definitive form, if published in a leading daily newspaper printed in the English language and with general circulation in Ireland (which is expected to be *The Irish Times*) or, if that is not practicable, in such English language newspaper or newspapers as the Note Trustee shall approve having a general circulation in Ireland and the rest of Europe.

Any such notice shall be deemed to have been given on:

- (i) in the case of a notice delivered to the regulated information service of a stock exchange, the day on which it is delivered to such stock exchange;

- (ii) in the case of a notice delivered to Euroclear and/or Clearstream, Luxembourg, the day on which it is delivered to Euroclear and/or Clearstream, Luxembourg;
- (iii) in the case of a notice delivered to Bloomberg L.P., the day on which it is delivered to Bloomberg L.P.; and
- (iv) in the case of a notice published in a newspaper, the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which publication is required.

If it is impossible or impractical to give notice in accordance with paragraphs (i), (ii) or (iii) of Note Condition 13(a) (*Forms of Notice*) then notice of the relevant matters shall be given in accordance with paragraph (iv) of Note Condition 13(a) (*Forms of Notice*).

Any notices given to the Noteholders by the Issuer or the Note Trustee shall also be sent concurrently to the Class A Loan Noteholder and the Swap Counterparty.

(b) Other Methods

The Note Trustee may approve some other method of giving notice to the Noteholders if, in its opinion, that other method is reasonable having regard to market practice then prevailing and to the requirements of any stock exchange on which Notes are then listed and provided that notice of that other method is given to the Noteholders in the manner required by the Note Trustee.

(c) Notices to Euronext Dublin and Rating Agencies

A copy of each notice given in accordance with this Note Condition 13 (*Notice to Noteholders*) shall be provided to the Rating Agencies and, for so long as the Notes are listed on Euronext Dublin and the guidelines of Euronext Dublin so require, Euronext Dublin.

(d) Noteholder Notices

Any Verified Noteholder shall be entitled from time to time to request the Cash Manager to post a notice on its investor reporting website requesting other Verified Noteholders of any class or classes to contact it subject to and in accordance with the following provisions.

Following receipt of a request for the publication of a notice from a Verified Noteholder (the “**Initiating Noteholder**”), the Cash Manager shall publish such notice on its investor reporting website as an addendum to any Investor Report or other report to Noteholders due for publication within 5 Business Days of receipt of the same (or, if there is no such report, through a special notice for such purpose as soon as is reasonably practical after receipt of the same) **provided that** such notice contains no more than:

- (i) an invitation to other Verified Noteholders (or any specified class or classes of the same) to contact the Initiating Noteholder;
- (ii) the name of the Initiating Noteholder and the address, phone number, website or email address at which the Initiating Noteholder can be contacted; and
- (iii) the date(s) from, on or between which the Initiating Noteholder may be so contacted.

The Cash Manager shall not request any further or different information through this mechanism.

The Cash Manager shall have no responsibility or liability for the contents, completeness or accuracy of any such published information and shall have no responsibility (beyond publication of the same in the manner described above) for ensuring Noteholders receive the same.

14 Governing Law

The Transaction Documents and the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

15 Non-Responsive Rating Agency

- (a) In respect of the exercise of any power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Rated Debt and any of the Transaction Documents, the Note Trustee and the Security Trustee shall be entitled but not obliged to take into account any Rating Agency Confirmation.
- (b) If a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Note Trustee and the Security Trustee, as applicable) and:
 - (i) (A) one Rating Agency (such Rating Agency, a **"Non-Responsive Rating Agency"**) indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response; or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given; and
 - (ii) 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 modified so that there shall be no requirement for the Rating Agency Confirmation or response from a Non-Responsive Rating Agency if the Issuer provides to the Note Trustee and the Security Trustee a certificate signed by a director certifying and confirming that each of the events in paragraphs (i) and (ii) above has occurred and the Note Trustee and the Security Trustee shall be entitled to rely on such certificate without further enquiry or liability.

16 Conversion of the Class A Loan Note

- (a) The Issuer shall on any Interest Payment Date on request by a Class A Loan Noteholder (the **"Converting Class A Loan Noteholder"**), subject to the terms set out in the Trust Deed and the Class A Loan Note Agreement, convert all, or any part in excess of the Minimum Denomination, of the Principal Amount Outstanding of the Class A Loan Note held by Converting Class A Loan Noteholder (the **"Converted Amount"**) into A Notes by the Issuer issuing further A Notes to the Converting Class A Loan Noteholder (reflected as a Book-Entry Interest in respect of the A Global Note) in an amount equal to the Converted Amount at a subscription price equal to 100 per cent. of the Converted Amount. The Issuer shall use the proceeds of that issuance to redeem the portion of the Class A Loan Note held by that Converting Class A Loan Noteholder in an amount equal to the Converted Amount in accordance with this Note Condition and the Class A Loan Note Agreement (a **"Class A Conversion"**).
- (b) The proceeds of any such issuance of further A Notes shall be applied solely in redemption of the Class A Loan Note and will not form part of Available Revenue Funds or Available Principal Funds or be applied in accordance with the Priority of Payments.
- (c) Interest accrued and unpaid on the Class A Loan Note (or a portion thereof) from, and including, the Interest Payment Date preceding a Conversion Date (or the Closing Date, if no Interest Payment Date has occurred) to, but excluding, the Conversion Date shall, as of the Conversion Date, be deemed to have been accrued on the corresponding principal amount of the further A Notes issued to such Converting Class A Loan Noteholder in connection with such Class A Conversion and, for the avoidance of doubt, from, and including, the Conversion Date, interest shall accrue on such principal amount of

the relevant further A Notes in accordance with these Note Conditions, provided that, with respect to any Class A Loan Note (or any portion thereof) not subject to a Class A Conversion on that Conversion Date, interest shall continue to accrue and to be paid to such Class A Loan Noteholder in accordance with the terms of the Class A Loan Note Agreement and the Trust Deed.

- (d) Holders of A Notes may not convert any of their interest in the A Notes into any interest in the Class A Loan Note.
- (e) For the avoidance of doubt, the Issuer shall, following the delivery of a notice of a Class A Conversion by a Class A Loan Noteholder, be entitled to conduct a Class A Conversion without the consent of the Debtholders or Certificateholders or any other Secured Creditor.
- (f) Following a Class A Conversion, the Issuer shall instruct the Common Safekeeper to make appropriate credit entries to the account of the Converting Class A Loan Noteholder (or its custodian) in the relevant Clearing System (as specified in the Conversion Notice) to reflect its holding of the Converted Amount of the A Notes.
- (g) Upon each Class A Conversion, the Issuer shall instruct (i) the Registrar to update the Register to reflect the increase in the Principal Amount Outstanding of the A Notes and endorse the A Global Note with the Principal Amount Outstanding of the A Notes issued in connection with that Class A Conversion and (ii) the Class A Loan Note Registrar to update the Class A Loan Note Register to reflect the reduction in the Principal Amount Outstanding of the Class A Loan Note, such that the aggregate Principal Amount Outstanding of the Class A Debt shall remain unchanged.
- (h) To the extent that upon completion of any Class A Conversion, the Principal Amount Outstanding of the Class A Loan Note is reduced to zero, the provisions in these Note Conditions relating to the Class A Loan Note shall be deemed to be deleted and shall have no further effect, provided that, any instructions or direction validly given by a Class A Loan Noteholder prior to such conversion shall continue to be valid (if applicable).

17 Privity of Contract

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of the Notes but this does not affect any right or remedy of any person which exists or is available apart from that Act.

18 Interpretation

In these Note Conditions:

“Appointee” means any delegate, agent, custodian, nominee, attorney or manager appointed by the Note Trustee and/or the Security Trustee pursuant to the provisions of the Trust Deed or the Deed of Charge (as the case may be);

“Business Day” means, a day on which commercial banks and foreign exchange markets settle payments in London;

“Debt Basic Terms Modification” means any modification to (a) the maturity of the Debt or the dates on which interest is payable in respect of the Debt, (b) the amount due in respect of or cancellation of the principal amount of, or interest on or variation of the method of calculating the rate of interest on, the Debt (other than any Reference Rate Modification made in accordance with Note Condition 11(c)(viii)), (c) the priority of payment of interest or principal on the Debt, (d) the currency of payment of the Debt, (e) the Priority of Payments in respect of the Debt or the Certificates, (f) the exchange, conversion or substitution of the Debt of any Class or the Certificates for, or the conversion of such Debt or Certificates into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed, (g) the Call Option Date,

(h) the terms of the Deed Poll or the early redemption rights or conditions, (i) the provisions concerning the limited recourse or non-petition obligations of the Issuer, (j) the definition of Debt Basic Terms Modification or (k) the provisions concerning the quorum required at any meeting of Noteholders or the majority required to effect a Debt Basic Terms Modification or to pass an Extraordinary Resolution;

“**EMU**” means the European Economic and Monetary Union;

“**Enforcement Notice**” means a notice given by the Note Trustee to the Issuer under Note Condition 9 (*Events of Default*) of the Notes;

“**Euro**” means the single currency introduced at the start of the third stage of EMU pursuant to the Treaty;

“**Eurozone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union and the Treaty of Amsterdam;

“**Extraordinary Resolution**” means in respect of the holders of any of the Classes of Debt and/or Certificates:

(a) in respect of the Class A Debt, consent is given to the Trustee by or on behalf of the Class A Debtholders representing at least 50 per cent. (or 75 per cent. with respect to a Debt Basic Terms Modification) of the aggregate Principal Amount Outstanding of the Class A Debt (the “**Relevant Extraordinary Resolution Threshold**”), which consent shall be provided:

(i) in the case of the holders of the Class A Loan Note, by direction given to the Note Trustee in writing by the Class A Loan Note Agent (acting solely on the instruction of the Class A Loan Noteholders) pursuant to the terms of the Class A Loan Note Agreement and any such direction by (or on behalf of) a Class A Loan Noteholder shall be in respect of the Principal Amount Outstanding of the Class A Debt held by such Class A Loan Noteholder which shall count towards the Relevant Extraordinary Resolution Threshold; and

(ii) in the case of the holders of the A Notes, by:

- (a) a resolution passed at a Meeting duly convened and held by a majority of not less than 50 per cent. of the votes cast;
- (b) a Written Resolution; or
- (c) consent given by way of Electronic Consent by or on behalf of the A Noteholders of not less than 50 per cent. in aggregate Principal Amount Outstanding of the A Notes then outstanding,

and any such vote, resolution or consent by (or on behalf of) such A Noteholder shall be in respect of the Principal Amount Outstanding of the Class A Debt held by such A Noteholder which shall count towards the Relevant Extraordinary Resolution Threshold; and

(iii) in respect of the holders of any Class of Debt (other than the Class A Debt) and/or the Certificates:

- (d) a resolution passed at a Meeting duly convened and held by a majority of not less than 50 per cent. of the votes cast;
- (e) a Written Resolution; or
- (f) consent given by way of Electronic Consent by or on behalf of the holders of the Debt of not less than 50 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Debt then outstanding or, in the case of the Certificateholders, of not less than 50 per cent. by number of the Certificates then in issue.

“**Investor Report**” means the monthly investor report published by the Cash Manager, on each Interest Payment Date, or in any month in which an Interest Payment Date does not occur, the last calendar day of that month,

substantially in the form scheduled as Schedule 1 (*Form of Investor Report*) to the Cash Management Agreement or from time to time agreed between the Issuer and the Cash Manager;

“**Member State**” means a member state of the European Union;

“**Most Senior Class**” means the Class A Debt for so long as there is any Class A Debt outstanding; thereafter the B Notes for so long as there are any B Notes outstanding; thereafter the C Notes for so long as there are any C Notes outstanding; thereafter the D Notes for so long as there are any D Notes outstanding; thereafter the E Notes for so long as there are any E Notes outstanding; thereafter the Z Notes for so long as there are any Z Notes outstanding; thereafter the X Notes for so long as there are any X Notes outstanding; thereafter the Certificates for so long as there are any Certificates outstanding;

“**Ordinary Resolution**” means in respect of the holders of any of the Classes of Debt and/or Certificates:

(a) in respect of the Class A Debt, consent is given to the Trustee by or on behalf of the Class A Debtholders representing at least 25 per cent. of the aggregate Principal Amount Outstanding of the Class A Debt (the “**Relevant Ordinary Resolution Threshold**”), which consent shall be provided:

(i) in the case of the holders of the Class A Loan Note, by direction given to the Note Trustee in writing by the Class A Loan Note Agent (acting solely on the instruction of the Class A Loan Noteholders) pursuant to the terms of the Class A Loan Note Agreement and any such direction by (or on behalf of) a Class A Loan Noteholder shall be in respect of the Principal Amount Outstanding of the Class A Debt held by such Class A Loan Noteholder which shall count towards the Relevant Ordinary Resolution Threshold; and

(ii) in the case of the holders of the A Notes, by:

- (a) a resolution passed at a Meeting duly convened and held by a majority of not less than 25 per cent. of the votes cast;
- (b) a Written Resolution; or
- (c) consent given by way of Electronic Consent by or on behalf of the A Noteholders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the A Notes then outstanding,

and any such vote, resolution or consent by (or on behalf of) such A Noteholder shall be in respect of the Principal Amount Outstanding of the Class A Debt held by such A Noteholder which shall count towards the Relevant Ordinary Resolution Threshold; and

(iii) in respect of the holders of any Class of Debt (other than the Class A Debt) and/or the Certificates:

- (a) a resolution passed at a Meeting duly convened and held by a majority of not less than 25 per cent. of the votes cast;
- (b) a Written Resolution; or

consent given by way of Electronic Consent by or on behalf of the holders of the Debt of not less than 25 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Debt then outstanding or, in the case of the Certificateholders, of not less than 25 per cent. by number of the Certificates then in issue.

“**Participating Member State**” means a Member State of the European Communities which adopts the Euro as its lawful currency in accordance with the Treaty;

“**Rating Agencies**” means Moody’s and Fitch and “**Rating Agency**” means either of them;

“**Rating Agency Confirmation**” means written confirmation from each Rating Agency that such modification would not result in the then current ratings of each Class of Notes rated thereby being qualified, downgraded,

TERMS AND CONDITIONS OF THE NOTES

suspended or withdrawn, or such Rating Agency placing any Notes on rating watch negative (or equivalent) and, if relevant, the Issuer delivers a copy of each such confirmation to the Note Trustee and the Security Trustee; and

“**Treaty**” means the Treaty establishing the European Community, as amended by the Treaty on European Union and the Treaty of Amsterdam.

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 (as defined below).

The Certificates (the “**Certificates**”) are constituted by a trust deed (as amended or modified from time to time, the “**Trust Deed**”) dated on or about 17 July 2024 (the “**Issue Date**”) between the Issuer and U.S. Bank Trustees Limited (the “**Note Trustee**”) as trustee for the holders of the Certificates (the “**Certificateholders**”). Any reference in these terms and conditions (the “**Certificate Conditions**”) shall be a reference to the Certificates and the holders thereof.

These Certificate Conditions include summaries of, and are subject to, the detailed provisions of (1) the Trust Deed, which includes the form of the Certificates, (2) the paying agency agreement (the “**Paying Agency Agreement**”) dated the Issue Date relating to the Certificates between the Issuer, the Note Trustee, Elavon Financial Services DAC, UK Branch as agent bank (the “**Agent Bank**”), and as principal paying agent (the “**Principal Paying Agent**”), Elavon Financial Services DAC, UK Branch as registrar (the “**Registrar**”) and the other paying agents named in it (together with the Principal Paying Agent and any other or further paying agent appointed under the Paying Agency Agreement, the “**Paying Agents**” and together with the Registrar, the Class A Loan Note Agents and the Agent Bank, the “**Agents**”), (3) the deed of charge and assignment (the “**Deed of Charge**”) dated the Issue Date between the Issuer and U.S. Bank Trustees Limited (the “**Security Trustee**”), (4) the Cash Management Agreement (the “**Cash Management Agreement**”) dated the Issue Date between, *inter alios*, the Issuer, Capital Home Loans Limited (the “**Cash Manager**”) and CSC Capital Markets UK Limited (the “**Back-Up Cash Manager Facilitator**”).

In these Certificate Conditions, capitalised words and expressions shall, unless otherwise defined below, have the same meanings as those given in the Master Definitions Schedule dated on or about the Issue Date and signed for the purpose of identification by the Issuer and the Seller.

Copies of the Trust Deed, the Paying Agency Agreement, the Deed of Charge, the Cash Management Agreement, the Master Definitions Schedule and the other Transaction Documents may be inspected in physical form during usual business hours at the specified offices from time to time of the Principal Paying Agent or provided by email (upon request). The Certificateholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, the provisions of the Trust Deed, the Paying Agency Agreement, the Deed of Charge, the Master Definitions Schedule and the other Transaction Documents.

1 Form, Denomination and Title

(a) Form and Denomination

- (i) Each Certificate will initially be represented by a global certificate in registered form (a “**Global Certificate**”).
- (ii) For so long as any of the Certificates are represented by a Global Certificate, transfers and exchanges of beneficial interests in such Global Certificate and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear or Clearstream, Luxembourg, as appropriate. The Global Certificate will be deposited with, and registered in the name of, a nominee of a common depositary (the “**Common Depositary**”).
- (iii) A Global Certificate will be exchanged for the relevant Certificate in definitive registered form (such exchanged Global Certificate in definitive registered form, the “**Definitive Certificates**”) only if either of the following applies:
 - (A) 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

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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; or

- (B) as a result of any amendment to, or change in (I) the laws or regulations of the United Kingdom or any political sub-division therein or thereof having power to tax or (II) the interpretation or administration of such legislation which becomes effective on or after the Issue Date, the Issuer or the Principal Paying Agent is, or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Certificates which would not be required if the Certificates were in definitive form.
- (iv) If Definitive Certificates are issued in respect of Certificates originally represented by a Global Certificate, the beneficial interests represented by such Global Certificate shall be exchanged by the Issuer for the relevant Certificates in registered definitive form.
- (v) Definitive Certificates will be serially numbered and will be issued in registered form only.
- (vi) References to “**Certificates**” in these Certificates Conditions shall include the Global Certificate and the Definitive Certificates, and references to “**Certificateholders**” means the persons holding Certificates.

(b) Title

- (i) 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.
- (ii) The Issuer shall cause to be kept at the specified office of the Registrar, the Register on which shall be entered the names and addresses of the holders of the Certificates and the particulars of the Certificates held by them and of all transfers and redemptions of the Certificates.
- (iii) No transfer of a Certificate will be valid unless and until entered on the Register.
- (iv) 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 Paying Agency Agreement and the Trust Deed. 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 Note Trustee. The regulations referred to above may be changed by the Issuer with the prior written approval of the Registrar and the Note Trustee. A copy of the current regulations will be sent by the Principal Paying Agent in the U.K. 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 specified office of the Registrar or the Principal Paying Agent.
- (v) 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 specified 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.

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- (vi) Each new Definitive Certificate to be issued upon transfer of Definitive Notes will, within 5 Business Days of receipt of such request for transfer, be available for delivery at the specified 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.
- (vii) 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.

2 Status, Security and Administration

- (b) The Certificates constitute direct, secured and unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Certificate Condition 7 (*Enforcement of Security, Limited Recourse and Non-Petition*).

The Certificates will at all times rank without preference or priority *pari passu* amongst themselves.

- (i) As regards payments on the Certificates:
 - (A) prior to (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, payments in respect of the Certificates shall be payable only out of Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments; and
 - (B) following (i) the date on which the Note Trustee serves an Enforcement Notice on the Issuer pursuant to Note Condition 9 (*Events of Default*) declaring the Debt to be due and repayable or (ii) the occurrence of a Redemption Event, the provisions of Note Condition 2(d) (*Post-Enforcement Priority of Payments*) shall apply.
- (ii) The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Certificateholders equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise), but requiring the Note Trustee to have (except where expressly provided otherwise) regard only to the interests of the holders of the Most Senior Class if, in the Note Trustee's opinion, there is a conflict between the interests of the holders of the Most Senior Class and the interests of any of the other Noteholders or Certificateholders and the other Noteholders or Certificateholders (not being holders of the Most Senior Class) shall have no claim against the Note Trustee for so doing.
- (iii) The Trust Deed contains provisions limiting the powers of the holders of those Classes of Debt other than the Most Senior Class, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution according to the effect thereof on the interests of the holders of the Most Senior Class. Except in certain circumstances set out in Note Condition 11 (*Meetings of Debtholders; Modifications; Consents; Waiver*), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class, the exercise of which will be binding on the holders of the other Classes of Debt, irrespective of the effect thereof on their interests.
- (iv) The Trust Deed contains provisions to the effect that, so long as any of the Debt is outstanding, the Note Trustee shall have regard to the interests of the Debtholders or (if all of the Debt has been repaid in full) the Certificateholders and shall not be required, when exercising its powers, authorities and discretions, to have regard to the interests of any other persons having the benefit of the Security constituted pursuant to the Deed of Charge and, in relation to the exercise of such

powers, authorities and discretions, the Note Trustee shall have no liability to such persons as a consequence of so acting.

- (v) So long as any of the Debt and Certificates remain outstanding, in the exercise of its rights, authorities and discretions under the Trust Deed, the Note Trustee is not required to have regard to the interests of the other Secured Creditors (except for the Debtholders and Certificateholders).
- (vi) In determining whether the exercise of any right, power, trust, authority, duty or discretion by it under or in relation to the Conditions and/or any of the Transaction Documents is materially prejudicial to the interests of the Debtholders or Certificateholders (or any class thereof), the Note Trustee may take into account, if available, amongst any other things it may consider necessary and/or appropriate in its absolute discretion, whether the then rating of the Rated Debt will be adversely affected.

(c) Security

As security for the payment of all monies payable in respect of the Certificates and otherwise under the Trust Deed (including the remuneration, expenses and any other claims of the Security Trustee, any Appointee thereof and any Receiver appointed under the Deed of Charge) and in respect of certain amounts payable to the Servicer and the Back-up Servicer Facilitator under the Servicing Agreement, the Cash Manager under the Cash Management Agreement, the Agents under the Paying Agency Agreement, the Account Bank, the Swap Collateral Account Bank and the Collection Account Provider under the Collection Account Agreement, the Swap Counterparty under the Swap Agreement, the Corporate Services Provider under the Corporate Services Agreement, the Class A Loan Note Agent and the Class A Loan Note Registrar under the Class A Loan Note Agreement, and the Joint Lead Managers under the Subscription Agreement and any other party which is, or accedes to the Deed of Charge as a Secured Creditor, the Issuer will enter into the Deed of Charge, creating the following security in favour of the Security Trustee for itself and on trust for the other persons expressed to be secured parties thereunder:

- (i) first fixed equitable charges and security in favour of the Security Trustee over the Issuer's present and future right, title, benefit and interest in, to and under the Loans, the Mortgages and their related Mortgage Rights;
- (ii) an equitable assignment in favour of the Security Trustee of the Issuer's interests in the Insurance Contracts to the extent that they relate to the Loans;
- (iii) an assignment in favour of the Security Trustee of the Issuer's right, title, interest and benefit in, to and under the Bank Agreement, the Cash Management Agreement, the Collection Account Declaration of Trust, the Corporate Services Agreement, the Deed Poll, the Deed of Charge, the Servicing Agreement, the Mortgage Sale Agreement, the Paying Agency Agreement, the Trust Deed, the Class A Loan Note Agreement, the Issuer/ICSD Agreement, the Swap Agreement and any other agreement entered into between the Issuer and a Secured Creditor (the "**Charged Obligation Documents**");
- (iv) a first fixed charge in favour of the Security Trustee over (x) the Issuer's interest in the Bank Accounts and any Authorised Investments, (y) the Issuer's beneficial interest in the Collection Account and (z) any other accounts with any bank or financial institution in which the Issuer now or in the future has an interest (to the extent of its interest); and
- (v) a first floating charge in favour of the Security Trustee (ranking after the security referred to in paragraphs (i) to (iv) (inclusive) above) over the whole of the undertaking, property, assets and rights of the Issuer.
- (vi) The floating charge created by the Deed of Charge may "crystallise" and become a fixed charge 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.

(d) *Pre-Enforcement Revenue Priority of Payments*

Prior to the service of an Enforcement Notice or (ii) on or prior to the occurrence of a Redemption Event, on each Interest Payment Date, the Cash Manager shall apply an amount equal to the Available Revenue Funds as at the immediately preceding Determination Date, in making payments in accordance with the Pre-Enforcement Revenue Priority of Payments.

(e) *Post-Enforcement Priority of Payments*

Following (i) the service of an Enforcement Notice, the Security Trustee shall, to the extent that such funds are available, use funds standing to the credit of the Bank Accounts, excluding Swap Excluded Receivable Amounts, any amounts credited to the Swap Collateral Account and any excess Swap Collateral (and any interest thereto) in the Swap Collateral Account to the extent, in each case, utilised to discharge Swap Excluded Payable Amounts in accordance with the applicable Swap Agreement and excluding amounts standing to the credit of the Issuer Profit Ledger, or (ii) after the occurrence of a Redemption Event, the Issuer (or the Cash Manager) shall, to the extent that such funds are available, use funds standing to the credit of the Transaction Account, to make payments in accordance with the Post-Enforcement Priority of Payments.

The Security will become enforceable upon the service of an Enforcement Notice (in the circumstances described in Note Condition 9 (*Events of Default*)) **provided that** if the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Debt, the Security 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 of all amounts owing in respect of the Debt and all prior and *pari passu* liabilities of the Issuer or the Security Trustee is of the opinion, reached after considering at any time and from time to time the advice of an investment bank or other financial adviser selected by the Security Trustee, 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 owing in respect of the Debt and all prior and *pari passu* liabilities of the Issuer.

(f) *The Certificates*

Holders of the Certificates shall be entitled to receive their *pro rata* entitlement to the balance of amounts remaining following payments of all other items senior to the Certificates in the relevant Priority of Payments.

3 Covenants of the Issuer

Save with the prior written consent of the Note Trustee or as expressly provided in or expressly envisaged by these Conditions, any of the Bank Agreement, the Cash Management Agreement, the Collection Account Agreement, the Collection Account Declaration of Trust, the Swap Agreement, the Corporate Services Agreement, the Deed Poll, the Deed of Charge, the Master Definitions Schedule, the Servicing Agreement, the Mortgage Sale Agreement, the Paying Agency Agreement, the Trust Deed, the Class A Loan Note Agreement, the Issuer/ICSD Agreement and any other document agreed between the Issuer, the Note Trustee and the Security Trustee as being a Transaction Document (together, the “**Transaction Documents**”), the Issuer shall not, so long as any Certificates remain outstanding (as defined in the Trust Deed), *inter alia*:

(a) Negative Pledge

create or permit to subsist any mortgage, security, pledge, lien (unless arising by operation of law) or charge upon the whole or any part of its assets, present or future (including any uncalled capital) or its undertaking;

(b) Restrictions on Activities

- (i) engage in any activity which is not reasonably incidental to any of the activities which the Transaction Documents provide or envisage that the Issuer will engage in;
- (ii) open nor have any interest in any account whatsoever with any bank or financial institution other than the Collection Account held with the Collection Account Provider, the Transaction Account held with the Account Bank and the Swap Collateral Account held with the Swap Collateral Account Bank, save where such account is immediately charged in favour of the Security Trustee so as to form part of the Security described in Certificate Condition 2 (*Status, Security and Administration*) and where the Security Trustee receives an acknowledgement from such bank or financial institution of the security rights and interests of the Security Trustee and an agreement that it will not exercise any right of set-off it might otherwise have against the account in question;
- (iii) have any subsidiaries or employees or premises; or
- (iv) act as a director of any company;

(c) Dividends or Distributions

pay any dividend or make any other distribution to its shareholders except from amounts standing to the credit of the Issuer Profit Ledger;

(d) Borrowings

incur or permit to subsist any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of any obligation of any person;

(e) Merger

consolidate or merge with any other person or convey or transfer its properties or assets substantially or as an entirety to any other person;

(f) Disposal of Assets

transfer, sell, lend, part with or otherwise dispose of or deal with, or grant any option or trust over or present or future right to acquire, any of its assets or undertaking or any interest, estate, right, title or benefit therein **provided that** the Issuer may (and may agree to) transfer, sell, lend, pledge, part with or otherwise dispose of or deal with, or grant any option or trust over any present or future right to acquire any of its assets or undertaking or any interest, estate, right, title or benefit therein where the proceeds of the same are applied, *inter alia*, in or towards redemption of the Debt in accordance with the terms and conditions of the Notes and the terms of the Transaction Documents;

(g) Tax Grouping

be (and never has been) a member of a VAT group;

(h) Independent Director

at any time have fewer than one independent director;

(i) Other

permit any of the Transaction Documents, the Insurance Contracts relating to the Mortgages owned by the Issuer or the priority of the security interests created thereby to be amended, invalidated, rendered ineffective, terminated or discharged, or consent to any variation thereof, or exercise of any powers of consent or waiver in relation thereto pursuant to the terms of the Trust Deed and these Conditions, or

permit any party to any of the Transaction Documents or Insurance Contracts or any other person whose obligations form part of the Security to be released from such obligations, or dispose of any Mortgage save as envisaged in the Transaction Documents.

4 Residual Payments

(a) ***Right to Residual Payments***

Each Certificate bears an entitlement to receive a Residual Payment.

(b) ***Payment***

Residual Payments are payable in Sterling on each Interest Payment Date commencing on the First Interest Payment Date.

(c) ***Record Date***

Each payment in respect of a Certificate will be made to the person shown as the Certificateholder in the Register at the opening of business in the place of the Registrar's specified office on the fifteenth day before the due date for such payment (the "**Record Date**"). The person shown in the Register at the opening of business on the relevant Record Date in respect of a Global Certificate shall be the only person entitled to receive payments in respect of such Global Certificate and the Issuer will be discharged by payment to, or to the order of, such person in respect of each amount so paid.

(d) ***Calculation of Residual Payment***

Upon or as soon as practicable prior to any Interest Payment Date, the Issuer shall calculate (or shall cause the Cash Manager to calculate) the Residual Payment payable on each Certificate for the related Interest Payment Date.

(e) ***Calculations Final and Binding***

Each calculation by or on behalf of the Issuer of any Residual Payment shall, in the absence of any manifest error be final and binding on all persons and no liability shall attach to the Cash Manager (in the absence of gross negligence, wilful default or fraud by the Cash Manager) in connection with any such calculation.

(f) ***Notification of Residual Payment and Interest Payment Date***

As soon as practicable, prior to each Interest Payment Date, the Issuer or, if acting in accordance with Certificate Condition 4(e) (*Calculations Final and Binding*), the Cash Manager will cause each:

- (i) Residual Payment for the related Interest Payment Date; and
- (ii) after each Interest Determination Date, the Agent Bank will cause the Interest Payment Date next following the related Interest Period, to be notified to the Issuer, the Cash Manager (as applicable), the Note Trustee, the Registrar and the Principal Paying Agent.

(g) ***Payments on Business Days***

If the due date for payment of any amount in respect of any Certificate is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding business day in such place, and shall not be entitled to any further interest or other payment in respect of such delay. In this paragraph, "**business day**" means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a sterling-denominated account as referred to above, on which dealings in foreign currencies may be carried on both in London and in such place of presentation.

(h) Paying Agents

The initial Paying Agent and its initial specified office is listed below. The Issuer reserves the right at any time with the approval of the Note Trustee to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, **provided that** it will maintain a Principal Paying Agent.

The initial specified office of the Paying Agent is at:

Principal Paying Agent

Elavon Financial Services DAC, UK Branch
125 Old Broad Street
Fifth Floor
London EC2N 1AR
United Kingdom

Notice of any change in the Paying Agents or their specified offices will promptly be given to the Note Trustee and the Certificateholders in accordance with Certificate Condition 11 (*Notice to Certificateholders*).

(i) Incorrect Payments

The Cash Manager will, from time to time, notify Certificateholders in accordance with the terms of Certificate Condition 11 (*Notice to Certificateholders*) of any over-payment or under-payment of which it has actual notice made on any Interest Payment Date to any party entitled to the same pursuant to the Pre-Enforcement Priority of Payments. Following the giving of such a notice, the Cash Manager shall use reasonable endeavours to rectify such over-payment or under-payment by increasing or, as the case may be decreasing payments to the relevant parties on any subsequent Interest Payment Date or Interest Payment Dates (if applicable) to the extent required to correct the same. Any notice of over-payment or under-payment pursuant to this Note Condition shall contain reasonable details of the amount of the same, the relevant parties and the adjustments to be made to future payments to rectify the same. Neither the Issuer nor the Cash Manager shall have any liability to any person for making any such correction.

5 Taxation

All payments in respect of the Certificates will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments, levies or charges of whatsoever nature unless the Issuer or any Paying Agent (as applicable) is required by applicable law to make any payment in respect of the Certificates subject to any withholding or deduction for, or on account of, any present or future taxes, duties, assessments, levies or charges of whatsoever nature or in connection with FATCA. In that event, the Issuer or such Paying Agent (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. None of the Issuer, the Principal Paying Agent, any other Paying Agent, nor any other person will be obliged to make any additional payments to Certificateholders in respect of such withholding or deduction or in connection with FATCA.

6 Events of Default

After any of the following events (each an “**Event of Default**”) occurs and is continuing, the Note Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. of Certificateholders or if so directed by an Extraordinary Resolution of the Certificateholders, shall (subject, in each case, to it being indemnified and/or secured and/or pre-funded to its satisfaction as more particularly described in the Trust Deed) give notice to the Issuer (an “**Enforcement Notice**”) (with a copy of such Enforcement Notice being

sent simultaneously to the Security Trustee) that the amounts due under the Certificates are, and they shall immediately become, due and payable:

- (a) the Issuer fails or is unable to pay a Residual Payment within 7 Business Days following the due date for payment provided that all of the Debt has been redeemed in full; or
- (iii) the Issuer failing duly to perform or observe any other obligation binding upon it under the Certificates, the Certificate Conditions, the Trust Deed or any other Transaction Documents, as applicable, and, in any such case (except where the Note Trustee certifies that, such failure is (I) in the opinion of the Note Trustee, incapable of remedy or (II) in the opinion of the Note Trustee, capable of remedy but remains unremedied for a period of 30 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or
- (iv) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in sub-paragraph (e) below, ceasing or, through an official action of the board of directors of the Issuer, threatening to cease to carry on business or being unable to pay its debts as and when they fall due; or
- (v) an Insolvency Event occurs in respect of the Issuer, except in the case of a winding-up of the Issuer except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Note Trustee in writing or by a Certificates Extraordinary Resolution of the Certificateholders; or
- (vi) proceedings being otherwise initiated against the Issuer under any applicable liquidation, insolvency, an arrangement or compromise, reorganisation or other similar laws (including, but not limited to, presentation of a petition or filing documents with the court or making an application for the appointment of an administrator or liquidator or serving a notice of intent to appoint an administrator), or an administrator being appointed, or a receiver, liquidator or other similar official being appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer, or an encumbrancer taking possession of the whole or any substantial part of the undertaking or assets of the Issuer, or a distress, execution, diligence or other process being levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Issuer and such possession or process (as the case may be) not being discharged or not otherwise ceasing to apply within 30 days, or the Issuer initiating or consenting to proceedings relating to itself under applicable liquidation, insolvency, an arrangement or compromise, reorganisation or other similar laws or making a conveyance or assignment for the benefit of its creditors generally; or
- (vii) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Certificates, the Certificate Conditions or the Transaction Documents,

provided that, in the case of each of the events described in sub-paragraph (b) of this paragraph, the Note Trustee shall have certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Most Senior Class.

7 Enforcement of Security, Limited Recourse and Non-Petition

(a) *Enforcement of Security*

The Note Trustee may, at any time, at its discretion and without notice, take (or instruct the Security Trustee to take) such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of (in the case of the Note Trustee) the Debt, the Certificates or the Trust Deed (including these Conditions) or (in the case of the Security Trustee) the Deed of Charge or (in either case) any of the other Transaction Documents to which it is a

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party and, at any time after the service of an Enforcement Notice, the Security Trustee may, at its discretion and without notice, take such steps as it may think fit to enforce the Security, but neither of them shall be bound to take any such proceedings, action or steps unless:

- (i) it shall have been directed by a notice in writing by holders of at least 25 per cent. in number of the Certificateholders: and
- (ii) in all cases, it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

No Certificateholder shall be entitled to proceed directly against the Issuer unless the Note Trustee (or as the case may be, the Security Trustee), having become bound so to do, fails or is unable to do so within 60 days and such failure or inability shall be continuing.

(b) Limited Recourse

(i) Enforcement of Security

Only the Security Trustee may enforce the Security over the Charged Property in accordance with, and subject to the terms of, the Deed of Charge (and the Transaction Documents entered into pursuant thereto).

(ii) Insufficient Recoveries

If at any time following:

- (C) the occurrence of either:
 - (1) the Interest Payment Date falling in March 2057 or any earlier date upon which all of the Debt of each Class and the Certificates are due and payable; or
 - (2) the service of an Enforcement Notice; and
- (D) Realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Debt in accordance with the applicable Post-Enforcement Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable priority of payments, to pay in full all amounts then due and payable in respect of the Certificates then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under in respect of the Certificates shall, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer.

For the purposes of this Certificate Condition 7:

“**Realisation**” means, in relation to any Charged Property, the deriving, to the fullest extent practicable, (in accordance with the provisions of the Transaction Documents) of proceeds from or in respect of such Charged Property including (without limitation) through sale, realisation or through performance by an obligor.

“**Charged Property**” means the property of the Issuer which is subject to the Security.

(iii) Certificateholder Acknowledgments

Each Certificateholder, is deemed to accept and acknowledge that:

- (A) in the event of realisation or enforcement of the Charged Property, its right to obtain payment on the Certificates in full is limited to recourse against the undertaking, property and assets of the Issuer comprised in the Charged Property; and

- (B) the Issuer will have duly and entirely fulfilled its payment obligations by making available to such Certificateholder its proportion of the proceeds of realisation or enforcement of the Charged Property in accordance with the Post-Enforcement Priority of Payments and all claims in respect of any shortfall will be extinguished and discharged.

(c) ***Non-Petition***

No Certificateholder may take any corporate action or other steps or legal proceedings for the winding-up, dissolution, arrangement or compromise, reconstruction or reorganisation of the Issuer unless the Note Trustee (or the Security Trustee as the case may be), having become bound so to do, fails or is unable to do so within 60 days and such failure or inability shall be continuing or for the appointment of a liquidator, receiver, administrative receiver, administrator, trustee, manager or similar officer in respect of the Issuer or over any or all of its assets or undertaking.

8 Meetings of Certificateholders; Modifications; Consents; Waiver

- (a) The Trust Deed contains provisions for convening separate or combined meetings of the Certificateholders to consider matters relating to the Certificates, including subject to Certificate Condition 8(g) (*Substitution*) the sanctioning by Certificates Extraordinary Resolution of a modification of any of these Certificate Conditions or any provisions of the other Transaction Documents.

The Trust Deed provides that a resolution in writing signed by all of the holders of at least 50.1 per cent. of the outstanding Certificates who for the time being are entitled to receive notice of a meeting in accordance with the Trust Deed shall for all purposes be as valid and effective as an Ordinary Resolution passed at a meeting of the Certificateholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more of the Certificateholders.

The Trust Deed provides that a resolution in writing signed by all of the holders of at least 75 per cent. of the outstanding Certificates who for the time being are entitled to receive notice of a meeting in accordance with the Trust Deed shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of the Certificateholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more of the Certificateholders.

- (b) Any Certificates Extraordinary Resolution or any Certificates Ordinary Resolution duly passed by a meeting of the Certificateholders shall be binding on all Certificateholders (whether or not they were present at the meeting at which such resolution was passed and whether or not voting).

No Certificates Extraordinary Resolution to approve any matter other than a Certificates Basic Terms Modification shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the Classes of Debt then outstanding ranking senior to the Certificates in the Post-Enforcement Priority of Payments (to the extent that there are any Classes of Debt ranking senior to the Certificates) unless, the Note Trustee is of the opinion that it will not be materially prejudicial to the interests of the holders of any Classes of Debt or it is sanctioned by an Extraordinary Resolution of the holders of such Classes of Debt. Except in certain circumstances the Trust Deed imposes no such limitations on the powers of the holders of any Class of Debt or Certificates the exercise of which will be binding on themselves and any junior Class of Debt or Certificates, irrespective of the effect on their interests.

(c) ***Additional Right of Modification***

Notwithstanding the provisions of Certificate Condition 8(e) (*Modification and Waiver*) and subject to the provisions of Certificate Condition 8(f) (*Swap Counterparty Consent for Modification*), the Note Trustee shall be obliged, without the consent or sanction of the Debtholders or any of the other Secured Creditors (subject to the receipt of consent from any of the Secured Creditors party to the Transaction

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Document being modified or who would need to be a party to a new, supplemental or additional agreement, or which, as a result of the relevant amendment, would be further contractually subordinated to any Secured Creditor other than would otherwise have been the case prior to such amendment), to concur with the Issuer (and direct the Security Trustee to concur) and any other relevant parties in making any modification (other than in respect of a Certificates Basic Terms Modification or any provisions of the Trust Documents referred to in the definition of Debt Basic Terms Modification) to these Certificate Conditions or any other Transaction Documents to which it is a party or the Issuer entering into new, supplemental or additional documents that the Issuer considers necessary:

- (i) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that in relation to any amendment under this paragraph:
 - (A) the Issuer certifies in writing to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria, or as the case may be, is solely to implement and reflect such criteria; and
 - (B) in the case of any modification of a Transaction Document proposed by any of either Swap Counterparty, the Account Bank, the Swap Collateral Account Bank or the Cash Manager (for the purposes of this Certificate Condition 8(c) only, each a “**Relevant Party**”) 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):
 - (1) the Relevant Party certifies in writing to the Issuer and the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (B)(x) and/or (y) (and in the case of a certification provided to the Issuer, the Issuer shall certify to the Note Trustee and the Security Trustee that it has received the same from the Swap Counterparty, Account Bank, Swap Collateral Account Bank or the Cash Manager as the case may be);
 - (2) the Relevant Party obtains a Rating Agency Confirmation from each of the Rating Agencies and, if relevant, delivers a copy of each such confirmation to the Issuer and the Note Trustee and the Security Trustee; and
 - (3) the Relevant Party pays all costs and expenses (including legal fees) incurred by the Issuer, the Security Trustee, the Note Trustee and each other party to the relevant Transaction Documents proposed to be amended, in connection with such modification;
- (ii) in order to facilitate the appointment of a replacement Cash Manager in accordance with the terms of the Cash Management Agreement, subject to receipt by the Note Trustee and the Security Trustee of a certificate issued by the Issuer certifying to the Note Trustee and the Security Trustee the requested amendments are to be made solely for the purpose of facilitating the appointment of a replacement Cash Manager in accordance with the terms of the Cash Management Agreement and have been drafted solely to that effect;
- (iii) in order to enable the Issuer and/or the Swap Counterparty to comply with any obligation which applies to it under EU EMIR or UK EMIR, provided that the Issuer or the Swap Counterparty, as appropriate, certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect;

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- (iv) for the purpose of complying with any changes in the requirements of Article 6(3)(d) of the EU Securitisation Regulation and/or the UK Securitisation Regulation , after the Issue Date, including as a result of the adoption of regulatory technical standards in relation to Article 6 of the EU Securitisation Regulation and/or the UK Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (v) for the purpose of enabling the Rated Notes to be (or to remain) listed on the Stock Exchange or for the purpose of clause 29 (*Modification of the Class A Loan Note or this Agreement*) of the Class A Loan Note Agreement, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (vi) for the purposes of enabling the Issuer or any of the other Transaction Parties to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer or the relevant Transaction Party, as applicable, certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (vii) for the purpose of complying with any changes in the requirements of the EU CRA Regulation or the UK CRA Regulation after the Issue Date, including as a result of the adoption of regulatory technical standards in relation to the EU CRA Regulation or the UK CRA Regulation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; or
- (viii) for the purpose of a change to the reference rate (in respect of the Floating Rate Debt) from SONIA to an alternative reference rate (including where such base rate may remain linked to SONIA but may be calculated in a different manner) including any Note Adjustment Spread (as the case may be) (any such rate, an “**Alternative Reference Rate**”) and make such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change (a “**Reference Rate Modification**”), provided that:
 - (A) the Servicer, on behalf of the Issuer, certifies to the Note Trustee and the Security Trustee in writing (such certificate, a “**Reference Rate Modification Certificate**”) that:
 - (1) such Reference Rate Modification is being undertaken due to:
 - (I) an alternative manner of calculating a SONIA-based rate being introduced and becoming a standard means of calculating interest for similar transactions;
 - (II) a material disruption to SONIA, an adverse change in the methodology of calculating SONIA or SONIA ceasing to exist or be published;
 - (III) the insolvency or cessation of business of the SONIA administrator (in circumstances where no successor SONIA administrator has been appointed);
 - (IV) 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);

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- (V) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued;
 - (VI) 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
 - (VII) the reasonable expectation of the Servicer that any of the events specified in sub-paragraphs above will occur or exist within six months of the proposed effective date of such Reference Rate Modification; and
- (2) such Alternative Reference Rate is derived from, based upon or otherwise similar to any of the foregoing (and, for the avoidance of doubt, may include any Note Adjustment Spread as the Issuer (or the Servicer on its behalf) reasonably determines having regard to market practice at the relevant time):
- (I) a reference rate published, recognised, endorsed or approved by the FCA, the PRA or the Central Bank, any regulator in 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); or
 - (II) a reference rate utilised in a material number of public listed new issues of Sterling denominated asset-backed floating rate notes prior to the effective date of such Reference Rate Modification; or
 - (III) such other reference rate as the Servicer reasonably determines (including any alternative benchmark rate determined by reference to any Swap Benchmark Rate Adjustment made in accordance with the terms of the Swap Agreement and the Deed of Charge); and
- (B) the Servicer pays (or arranges for the payment of) all properly incurred and documented fees, costs and expenses (including legal fees) incurred by the Issuer, the Note Trustee, the Security Trustee, the Swap Counterparty and each other party to the relevant Transaction Documents proposed to be amended by the Reference Rate Modification, in connection with such Reference Rate Modification,

(the certificate to be provided by the Issuer, the Servicer (on behalf of the Issuer), the relevant Transaction Party as the case may be, pursuant to paragraphs (i) to (viii) above being a “**Modification Certificate**”), provided that:

- I at least 30 calendar days’ prior written notice of any such proposed modification has been given to the Note Trustee;
- II the Modification Certificate or Reference Rate Modification Certificate (as the case may be) in relation to such modification shall be provided to the Note Trustee and the Security Trustee (and, if applicable, to the Issuer) both at the time the Note Trustee and the Security Trustee is notified of the proposed modification and on the date that such modification takes effect;
- III the consent of each Secured Creditor which is party to the relevant Transaction Document or whose contractual subordination in any Priority of Payment is affected has been obtained;
- IV other than in the case of a modification pursuant to paragraph (iii)(A) above:
 - (A) either (1) a Rating Agency Confirmation is or has been obtained (by the Issuer or any Relevant Party) from each of the Rating Agencies, or (2) in the case of a modification pursuant to paragraph (viii) above only, (x) the Issuer (or the Seller on its behalf) or any

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Relevant Party has used reasonable endeavours to obtain a Rating Agency Confirmation from each of the Rating Agencies within 30 calendar days of delivery of a Benchmark Event Notice but have not so obtained Rating Agency Confirmations from each such Rating Agency within 30 calendar days of delivery of a Benchmark Event Notice; (y) the Seller has given its written approval of the proposed Reference Rate Modification to the Issuer, the Note Trustee and the Security Trustee; and (z) the proposed Reference Rate Modification has been approved by an Ordinary Resolution of the Class A Debtholders and the B Noteholders, respectively; and

- (B) the Issuer has provided at least 30 calendar days' notice to the Certificateholders of the proposed modification in accordance with Certificate Condition 11 (*Notice to Certificateholders*) and by publication on Bloomberg on the "Company News" screen relating to the Notes, and Certificateholders representing at least 10 per cent. of the Certificates have not contacted the Note Trustee in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Note Trustee that such Noteholders do not consent to the modification; and
- V if Certificateholders representing at least 10 per cent. of the Certificates have notified the Note Trustee in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Debtholders of the Most Senior Class then outstanding is passed in favour of such modification.

Objections made in writing must be accompanied by evidence to the Note Trustee's satisfaction (having regard to prevailing market practices) of the relevant Certificateholder's holding of the Certificates.

Other than where specifically provided in this Certificate Condition 8(c) (*Additional Right of Modification*) or any Transaction Document:

- (i) when implementing any modification pursuant to this Certificate Condition 8(c) (*Additional Right of Modification*) (save to the extent the Note Trustee considers that the proposed modification would constitute a Certificate Basic Terms Modification), the Note Trustee shall not consider the interests of the Debtholders, the 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 Certificate or Reference Rate Modification Certificate (as the case may be)) or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this Certificate Condition 8(c) (*Additional Right of Modification*) and shall not be liable to the Debtholders, 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 Note Trustee or the Security Trustee shall not be obliged to agree to any modification which, in its sole opinion would have the effect of (i) exposing it 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 rights or protection, of the Note Trustee or the Security Trustee (as relevant) in the Transaction Documents and/or these Certificate Conditions.

For the avoidance of doubt, nothing in this Certificate Condition 8(c) (*Additional Right of Modification*) shall have the effect of waiving an Event of Default.

- (iii) Any such modifications permitted by this Certificate Condition 8(c) (*Additional Right of Modification*) shall be binding on the Debtholders, Certificateholders and other Secured Creditors

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and, unless the Note 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 Note Condition 13 (*Notice to Noteholders*), the Class A Loan Note Agreement and Certificate Condition 11 (*Notice to Certificateholders*). So long as the Rated Debt, or any of it, is rated by the Rating Agencies the Issuer shall notify each of the Rating Agencies of any modification made by it in accordance with this Certificate Condition 8(c) (*Additional Right of Modification*) as soon as reasonably practicable thereafter.

(d) **Quorum**

The quorum at any meeting of Certificateholders of a particular Class for passing:

- (i) a Certificates Extraordinary Resolution to approve a Certificates Basic Terms Modification, shall be one or more persons holding or representing, in aggregate, (x) not less than per cent. of the outstanding Certificates for the initial meeting or (y) in relation to any adjourned meeting, not less than 25 per cent. of the outstanding Certificates;
- (ii) a Certificates Extraordinary Resolution to approve any matter other than a Certificates Basic Terms Modification, shall be one or more persons holding or representing, in aggregate, (x) not less than 50 per cent. of the outstanding Certificates or (y) in relation to any adjourned meeting, any proportion of the Certificates which the persons constituting the quorum is holding or representing; and
- (iii) a Certificates Ordinary Resolution shall be one or more persons holding or representing, in aggregate, not less than (x) 25 per cent. of the outstanding Certificates for the initial meeting and (y) in relation to any adjourned meeting, any proportion of the Certificates which the person constituting the quorum is holding or representing.
- (iv) Subject to the provisions of the Trust Deed, the holder of the Global Certificate as shown on the Register shall be treated as a Certificateholder for the purposes of constituting a quorum for the purposes of meeting the quorum requirements of a meeting of Certificateholders.

(e) **Modification and Waiver**

Subject to Certificate Condition 8(c) (*Additional Right of Modification*) and Certificate Condition 8(f) (*Swap Counterparty Consent for Modification*), the Note Trustee may agree, without the consent or sanction of any of, or any liability to, the Certificateholders, to:

- (i) (A) any modification of any of the provisions of the Trust Deed, the Conditions or any of the other Transaction Documents which is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law or regulation, and (B) any other modification (excluding a Certificates Basic Terms Modification), and any waiver or authorisation of any breach or proposed breach of the Class of Debt, of any of the provisions of the Trust Deed, the Conditions or any of the other Transaction Documents which is in the opinion of the Note Trustee not materially prejudicial to the interests of the holders of the Most Senior Class (other than any Debtholders of the Most Senior Class who have confirmed their consent in writing to the relevant modification, waiver or authorisation); or
- (ii) determine that an Event of Default or Potential Event of Default will not be treated as such where in the opinion of the Note Trustee such waiver, authorisation or determination is not materially prejudicial to the interests of the holders of the Most Senior Class (other than any holders of the Most Senior Class who have confirmed their consent in writing to the relevant waiver, authorisation or determination),

provided that the Note Trustee will not do so in contravention of an express direction given by a Certificates Extraordinary Resolution of holders of the Most Senior Class or a request made pursuant to

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Certificate Condition 6 (*Events of Default*). Any such modification, authorisation, determination or waiver shall be binding on the Certificateholders and, if the Note Trustee so requires, the Issuer will arrange for it to be notified to the Certificateholders as soon as practicable.

- (iii) Any such modifications permitted by this Certificate Condition 8(e) (*Modification and Waiver*) shall be binding on the Debtholders, Certificateholders and other Secured Creditors and, unless the Note 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 Note Condition 13 (*Notice to Noteholders*), the Class A Loan Note Agreement and Certificate Condition 11 (*Notice to Certificateholders*). So long as the Rated Debt, or any of it, is rated by the Rating Agencies the Issuer shall notify each of the Rating Agencies of any modification made by it in accordance with this Certificate Condition 8(e) (*Modification and Waiver*) as soon as reasonably practicable thereafter.

Neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification of the Trust Deed, the Conditions or any other Transaction Document which (in the sole opinion of the Note Trustee or the Security Trustee (as applicable)) would have the effect of: (x) exposing it to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction; or (y) increasing the obligations or duties, or decreasing the protections of the Note Trustee or Security Trustee (as applicable) in the Transaction Documents, the Trust Deed and/or the Conditions.

(f) *Swap Counterparty Consent for Modification*

The prior written consent of the Swap Counterparty (such consent not to be unreasonably withheld) is required to modify or supplement any provision of the Transaction Documents, the Note Conditions or the Certificate Conditions if the Swap Counterparty determines that such modification or supplement would:

- (i) cause, in the reasonable opinion of the Swap Counterparty, (A) the Swap Counterparty to pay more or receive less under the Swap Agreement, (B) a decrease (from the Swap Counterparty's perspective) in the value of the relevant Interest Rate Swap(s), (C) a change in the timing of any payments or deliveries to be made by or to Swap Counterparty or (D) a change in the date of maturity of the Debt;
- (ii) result in any of the Issuer's obligations to the Swap Counterparty under the Swap Agreement to be further contractually subordinated, relative to the level of subordination of such obligations as of the Issue Date, to the Issuer's obligations to any other Secured Creditor;
- (iii) if, the Swap Counterparty were to replace itself as swap counterparty under the Swap Agreement, require the Swap Counterparty to pay more or receive less in the reasonable opinion of the Swap Counterparty, in connection with such replacement, as compared to what the Swap Counterparty would have been required to pay or would have received had such modification or amendment not been made;
- (iv) cause any modification to the Swap 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 Security Trustee on behalf of the Secured Creditors pursuant to the Deed of Charge;
- (v) result in an amendment of this Certificate Condition or Clause 18.3 (*Swap Counterparty Consent for Modification*) of the Trust Deed; or
- (vi) result in an amendment to, or waiver of the undertakings of the Issuer as set out in, Clause 14.2.6 (*Disposal of Assets*) of the Trust Deed related to a refinancing, sale, transfer or disposal of assets of the Issuer with a view to prematurely redeeming the Debt in circumstances not expressly permitted or provided for in the Transaction Documents as at the Issue Date,

unless such modification, amendment, consent or waiver is to a Reference Rate Modification made in accordance with Note Condition 11(c)(viii) or Certificate Condition 8(c)(viii).

The Issuer shall notify in writing the Swap Counterparty, the Note Trustee and the Security Trustee of any proposed modification or supplement to any provisions of the Transaction Documents, the Note Conditions or the Certificate Conditions that may affect any of the items listed in the previous paragraph as soon as reasonably practicable but not less than 15 Business Days (inclusive) prior to such modification or supplement being effected, notwithstanding any other provision of the Transaction Documents or the Conditions. The Swap Counterparty may notify the Note Trustee and the Security Trustee and the Issuer in writing if it determines that such modifications or supplement would affect any of the items listed in the previous paragraph. If the Issuer, Note Trustee and the Security Trustee receive notification (the “**Notification**”) from the Swap Counterparty that the Swap Counterparty has determined that the modification and/or supplement would not affect any of the items listed in the previous paragraph or that the Swap Counterparty otherwise consents to such modification and/or supplement, such modification and/or supplement may take effect at any time from and including the date of receipt of the Notification. For the avoidance of doubt, if the Issuer, Note Trustee and the Security Trustee do not receive any such determination or a Notification within 15 Business Days (inclusive) of the Swap Counterparty having been notified of such proposed modification or supplement, the Swap Counterparty shall not be deemed to have consented to such modification or supplement. If the Swap Counterparty has not received notice in accordance with this paragraph, the proposed modification or supplement shall not be effective.

(g) Substitution

The Trust Deed contains provisions permitting the Note Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as are set out in the Trust Deed or as the Note Trustee may otherwise require, but without the consent of, or any liability to, the Certificateholders or the other Secured Creditors, to the substitution of certain other entities in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed, the other Transaction Documents and the Certificates. In the case of such a substitution the Note Trustee may agree, without the consent of the Certificateholders to a change of the law governing Certificates and/or the Trust Deed **provided that** such change would not in the opinion of the Note Trustee be materially prejudicial to the interests of the holders of the Most Senior Class.

(h) Evidence of Certificates

Where for the purposes of these Certificate Conditions the Note Trustee or any other party to the Transaction Documents requires a Certificateholder holding Certificates through Euroclear or Clearstream, Luxembourg to establish its holding of the Certificates to the satisfaction of such party, such holding shall be considered to be established if such Certificateholder provides to the requesting party with regard to the relevant date:

- (i) a Euclid Statement (in the case of Euroclear) or a Creation Online Statement (in the case of Clearstream, Luxembourg) in each case providing confirmation at the time of issue of the same of such person’s holding in the Certificates; and

(i) Entitlement of the Note Trustee

In connection with the exercise of its functions (including but not limited to those referred to in this Certificate Condition 8 (*Meetings of Certificateholders; Modifications; Consents; Waiver*)) the Note Trustee:

- (i) shall have regard to the interests of the Certificateholders as a class and shall not have regard to the consequences of such exercise for individual Certificateholders and the Note Trustee shall not be entitled to require, nor shall any Certificateholder be entitled to claim, from the Issuer any

indemnification or payment in respect of any tax consequence of any such exercise upon individual Certificateholders; and

- (ii) may, in determining whether or not a proposed action will be materially prejudicial to the Certificateholders, have regard to, among other things, a Rating Agency Confirmation.

9 Indemnification and Exoneration of the Note Trustee and the Security Trustee

The Trust Deed and the Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Security Trustee respectively and providing for their indemnification in certain circumstances, including provisions relieving them from taking action or, in the case of the Security Trustee, enforcing the Security, unless indemnified and/or pre-funded and/or secured to their satisfaction.

The Trust Deed and the Deed of Charge also contain provisions pursuant to which the Note Trustee and the Security Trustee are entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such other securities or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, Certificateholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Note Trustee and/or the Security Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of, *inter alia*, any assets comprised in the Security, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of the Servicer, the Cash Manager or any agent or related company of the Servicer, the Cash Manager or by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Note Trustee and/or the Security Trustee. The Trust Deed and the Deed of Charge provides that neither the Note Trustee nor the Security Trustee shall be under any obligation to monitor or supervise compliance by the Issuer, the Servicer or the Cash Manager or any other party with their respective obligations or to make any searches, enquiries, or independent investigations of title in relation to any of the properties secured by the Mortgages.

10 Non-Responsive Rating Agency

- (a) In respect of the exercise of any power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Rated Debt and any of the Transaction Documents, the Note Trustee and the Security Trustee shall be entitled but not obliged to take into account any Rating Agency Confirmation.
- (b) If a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Note Trustee and the Security Trustee, as applicable) and:
 - (i) (A) one Rating Agency (such Rating Agency, a “**Non-Responsive Rating Agency**”) indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given; and
 - (ii) 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 modified so that there shall be no requirement for the Rating Agency Confirmation or response from a Non-Responsive Rating Agency if the Issuer provides to the Note Trustee and the Security Trustee a

certificate signed by a director certifying and confirming that each of the events in paragraphs (i) and (ii) above has occurred and the Note Trustee and the Security Trustee shall be entitled to rely on such certificate without further enquiry or liability.

11 Notice to Certificateholders

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 relevant Certificates and shall be deemed to be given on the date on which it was 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 the mailing.

The Note Trustee shall be at liberty to sanction some other method of giving notice to the Certificateholders 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 Certificateholder in such manner as the Note Trustee shall require.

Any notices given to the Certificateholders by the Issuer or the Note Trustee shall also be sent concurrently to the Swap Counterparty.

12 Governing Law

The Transaction Documents and the Certificates and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

13 Privity of Contract

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of the Certificates but this does not affect any right or remedy of any person which exists or is available apart from that Act.

14 Interpretation

In these Certificate Conditions:

“**Appointee**” means any delegate, agent, nominee, attorney or manager appointed by the Note Trustee and/or the Security Trustee pursuant to the provisions of the Trust Deed or the Deed of Charge (as the case may be);

“**Business Day**” means, a day on which commercial banks and foreign exchange markets settle payments in London;

“**Certificates Basic Terms Modification**” means any modification to (a) the priority of residual payments payable on the Certificates, (b) the currency of payment of the Certificates, (c) the Priority of Payments in respect of the Certificates; (d) the exchange, conversion or substitution of the Debt of any Class or the Certificates for, or the conversion of such Debt or Certificates into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; (e) the Call Option Date; (f) the terms of the Deed Poll or the early redemption rights or conditions; (g) the provisions concerning the limited recourse or non-petition obligations of the Issuer; (h) the definition of Certificates Basic Terms Modification, (i) the provisions concerning the quorum required at any meeting of Certificateholders or the majority required to effect a Certificates Basic Terms Modification or to pass a Certificates Extraordinary Resolution or (j) the definition of Debt Basic Terms Modification;

“Certificates Extraordinary Resolution” means:

- (a) a resolution passed at a duly convened meeting of the Certificateholders and held in accordance with the provisions of the Trust Deed by a majority consisting of not less than 75 per cent. where it relates to a Certificate Basic Terms Modification, or 50 per cent. for any other matter of the persons voting thereat upon a show of hands, or if a poll is demanded, by a majority consisting of not less than 75 per cent. where it relates to a Certificate Basic Terms Modification, or 50 per cent. for any other matter of the votes cast on such poll; or
- (b) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. where it relates to a Certificate Basic Terms Modification, or 50 per cent. for any other matter of the Certificates, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such holders;

“Certificates Ordinary Resolution” means:

- (a) a resolution passed at a duly convened meeting of the Certificateholders and held in accordance with the provisions of the Trust Deed by a majority consisting of not less than 25 per cent. of the persons voting thereat upon a show of hands, or if a poll is demanded, by a majority consisting of not less than 25 per cent. of the votes cast on such poll; or
- (iii) a resolution in writing signed by or on behalf of the holders of not less than 25 per cent. of the Certificates, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such holders;

“EMU” means the European Economic and Monetary Union;

“Enforcement Notice” means a notice given by the Note Trustee to the Issuer under Certificate Condition 6 (*Events of Default*) of the Certificates;

“Euro” means the single currency introduced at the start of the third stage of EMU pursuant to the Treaty;

“Most Senior Class” means the Class A Debt for so long as there is any Class A Debt outstanding; thereafter the B Notes for so long as there are any B Notes outstanding; thereafter the C Notes for so long as there are any C Notes outstanding; thereafter the D Notes for so long as there are any D Notes outstanding; thereafter the E Notes for so long as there are any E Notes outstanding; thereafter the Z Notes for so long as there are any Z Notes outstanding; thereafter the X Notes for so long as there are any X Notes outstanding; thereafter the Certificates for so long as there are any Certificates outstanding;

“Participating Member State” means a Member State of the European Communities which adopts the Euro as its lawful currency in accordance with the Treaty;

“Rating Agencies” means Moody’s and Fitch and **“Rating Agency”** means either of them; and

“Rating Agency Confirmation” means written confirmation from each Rating Agency that such modification would not result in the then current ratings of each Class of Debt rated thereby being qualified, downgraded, suspended or withdrawn, or such Rating Agency placing any Debt on rating watch negative (or equivalent) and, if relevant, the Issuer delivers a copy of each such confirmation to the Note Trustee and the Security Trustee.

“Residual Payment” means:

- (a) prior to the delivery of an Enforcement Notice, for an Interest Payment Date, the amount by which Available Revenue Funds exceeds the amounts required to satisfy items (i) to (xxii) of the Pre-Enforcement 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 amounts available for

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payment in accordance with the Post-Enforcement Priority of Payments exceeds the amounts required to satisfy items (i) to (xii) of the Post-Enforcement Priority of Payments on that date.

UNITED KINGDOM TAXATION

The following is a summary of the Issuer's understanding of current United Kingdom tax law as applied in England and Wales and published HM Revenue & Customs practice (which may not be binding on HM Revenue & Customs) 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. 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. 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 their own professional advice. In particular, prospective Noteholders should be aware that the tax legislation of any jurisdiction where a prospective Noteholder is resident or otherwise subject to taxation may have an impact on the tax consequences of an investment in the Notes including in respect of any income received from the Notes.

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 carry a right to interest and 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. Euronext Dublin is a recognised stock exchange for these purposes. The Notes will be treated as listed on Euronext Dublin if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on Euronext Dublin. Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the Notes will be payable without deduction of or withholding on account of United Kingdom income tax.

If the Notes cease to be listed, any interest will generally be paid by the Issuer under deduction of income tax at the basic rate (currently 20 per cent.) unless: (i) another relief applies under domestic law; or (ii) the Issuer has received a direction to the contrary from HMRC in respect of such relief as may be available pursuant to the provisions of any applicable double taxation treaty.

FATCA WITHHOLDING

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, 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 is 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. 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, proposed regulations have been issued that provide that 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. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Holders should consult their own tax advisors 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.

PURCHASE AND SALE

This Prospectus has been approved by the Central Bank of Ireland as the Irish competent authority under the EU Prospectus Regulation. The Central Bank of Ireland has only approved this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the EU D Prospectus Regulation. Application has been made to Euronext Dublin for the Notes to be admitted to the official list and trading on its regulated market.

The Co-Arrangers, the Joint Lead Managers, the Issuer and the Seller have entered into a Subscription Agreement (the “**Subscription Agreement**”) pursuant to which the Joint Lead Managers have jointly and severally agreed to purchase or procure purchasers for the A Notes, the B Notes, the C Notes and the D Notes (other than the Risk Retention Notes) (the “**Subscribed Notes**”), and the Seller has agreed to purchase or procure the purchase of the Risk Retention Notes, the E Notes, the Z Notes and the X Notes.

On the Issue Date, the Issuer will issue:

- (a) the A Notes at an issue price of 100% per cent. of the principal amount of the A Notes;
- (b) the B Notes at an issue price of 100% per cent. of the principal amount of the B Notes;
- (c) the C Notes at an issue price of 100% per cent. of the principal amount of the C Notes;
- (d) the D Notes at an issue price of 100% per cent. of the principal amount of the D Notes;
- (e) the E Notes at an issue price of 100% per cent. of the principal amount of the E Notes;
- (f) the Z Notes at an issue price of 100% per cent. of the principal amount of the Z Notes; and
- (g) the X Notes at an issue price of 100% per cent. of the principal amount of the X Notes.

On the Issue Date, the Issuer will also issue the Certificates to the Seller pursuant to the terms of the Mortgage Sale Agreement. The Seller has agreed to subscribe for 100 per cent. of the Z Notes and the X Notes.

In addition, on the Issue Date, the Issuer will enter into a Class A Loan Note agreement (the “**Class A Loan Note Agreement**”) pursuant to which the Issuer will issue, and the Original Class A Loan Noteholder will subscribe for, a £125,000,000 Class A Loan Note.

The Issuer and (in respect of certain expenses only) the Seller have agreed in the Subscription Agreement to reimburse and indemnify the Joint Lead Managers for certain of their expenses and liabilities in connection with the issue of Notes.

The Subscription Agreement is subject to a number of conditions and may be terminated by the Joint Lead Managers in certain circumstances prior to payment for the Subscribed Notes to the Issuer.

Each holder of a Note or Certificate or a beneficial interest therein acquired on the Issue Date, by its acquisition thereof, will be deemed, and, in certain circumstances, will be required to represent to the Issuer, the Seller and the Joint Lead Managers that it (1) either (a) is not a Risk Retention U.S. Person or (b) it has obtained a U.S. Risk Retention Consent from the Seller, (2) is acquiring such Note, Certificate or a beneficial interest therein for its own account and not with a view to distribute such Note, Certificate or a beneficial interest therein and (3) is not acquiring such Note, Certificate 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 or Certificate or a beneficial interest therein 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 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).

Except with the express written consent of the Seller in the form of 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 and Certificates, or a beneficial interest therein, offered and sold by the Issuer may not be purchased by any person except for persons that are not Risk Retention U.S. Persons.

The Seller, the Issuer, the Co-Arrangers and the Joint Lead Managers have agreed that the determination of the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in the U.S. Risk Retention Rules is solely the responsibility of the Seller, and that none of the Co-Arrangers, the Joint Lead Managers or any person who controls it or any director, officer, employee, agent or affiliate of the Co-Arrangers, the Joint Lead Managers shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided by Section 20 of the U.S. Risk Retention Rules, and none of the Co-Arrangers, the Joint Lead Managers or any person who controls it or any director, officer, employee, agent or affiliate of the Co-Arrangers, Joint Lead Managers accepts any liability or responsibility whatsoever for any such determination.

Prohibition of Sales to United Kingdom Retail Investors

Each of the Joint Lead Managers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision the expression “retail investor” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA (“**UK MiFID II**”); or
- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under FSMA which were relied on immediately before exit day to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of UK MiFID II.

Prohibition of Sales to European Economic Area Retail Investors

Each of the Joint Lead Managers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes or Certificates to any retail investor in the European Economic Area. For the purposes of this provision the expression “**retail investor**” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or
- (ii) a customer within the meaning of Directive 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II.

United Kingdom

Each of the Joint Lead Managers has represented to and agreed with the Issuer that:

- (a) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; and
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

European Economic Area

In relation to each Member State of the EEA which has implemented the EU Prospectus Regulation (each, a “**Relevant Member State**”), each of the Co-Arrangers, the Issuer, the Joint Lead Managers and the Seller has represented and agreed that with effect from and including the date on which the EU Prospectus Regulation is

implemented in that Relevant Member State it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than:

- (a) to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) to fewer than 150, natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), as permitted under the EU Prospectus Regulation, subject to obtaining the prior consent of the Issuer for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the EU Prospectus Regulation,

provided that no such offer of Notes will require the Issuer and the Joint Lead Managers to publish a Prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a Prospectus pursuant to Article 16 of the EU Prospectus Regulation.

For the purposes of this provision, the expression of an offer of Notes to the public in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the EU Prospectus Regulation in that Member State.

United States

The Notes and Certificates have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and applicable state and local securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act).

Each of the Joint Lead Managers has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Notes or Certificates as part of their distribution at any time or otherwise until 40 days after the later of the commencement of the offering of the Notes and Certificates and the Issue Date (the “**Distribution Compliance Period**”), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells the Notes or Certificates during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes or Certificates within the United States or to, or for the account or benefit of, U.S. persons. The Notes and Certificates are being offered and sold outside of the United States to non-U.S. persons in reliance on Regulation S. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of the Notes and Certificates, an offer or sale of the Notes or Certificates within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

On the Issue Date, the Notes may only be purchased by persons that (a) are not Risk Retention U.S. Persons or (b) have obtained a U.S. Risk Retention Consent from the Seller. Each purchaser of a Note or Certificate or a beneficial interest therein acquired in the initial syndication of the Notes and Certificates, by its acquisition of such Note, Certificate or a beneficial interest therein, will be deemed to represent to the Issuer, the Seller and the Joint Lead Managers that it (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Consent from the Seller, (2) is acquiring such Note, Certificate or a beneficial interest therein for its own account and (3) is not acquiring such Note, Certificate 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, Certificate or a beneficial interest therein 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 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules).

General

Under the Subscription Agreement, each of the Joint Lead Managers has acknowledged that, save for making such applications and for having procured the delivery of a copy of this Prospectus for registration to the Central Bank, no action has been or will be taken in any jurisdiction by it that would permit a public offering of the Notes and Certificates, or possession or distribution of this Prospectus (in preliminary or final form) or any amendment or supplement thereto or any other offering material relating to the Notes or Certificates in any country or jurisdiction where action for that purpose is required. Under the Subscription Agreement, each of the Joint Lead Managers has agreed to comply with all applicable laws and regulations in each jurisdiction in or from which it may offer or sell the Notes and Certificates or have in its possession or distribute this Prospectus (in preliminary or in final form) or any amendment or supplement thereto or any other offering material.

Attention is drawn to the information set out on the inside front cover of this Prospectus.

GENERAL INFORMATION

- (1) The issue of the Notes and Certificates has been authorised by resolution of the board of directors of the Issuer passed on 9 July 2024.
- (2) Application has been made to Euronext Dublin for the Notes to be admitted to the official list and to trading on its regulated market. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained. The Regulated Market of Euronext Dublin is a regulated market for the purposes of EU MiFID II. The Class A Loan Note will not be listed.
- (3) The Class A Loan Note will not be listed or accepted for clearance through any clearing system. The Class A Loan Note (or a portion thereof) may, subject to certain conditions set out in the Class A Loan Note Agreement, the Trust Deed and the Conditions on an Interest Payment Date be converted into A Notes by the Issuer issuing further A Notes to the Converting Class A Loan Noteholder (reflected as a Book-Entry Interest in respect of the A Global Note) in an amount equal to the Converted Amount at a subscription price equal to 100% of the Converted Amount. Upon any such conversion, the relevant A Global Note will be updated with the increased Principal Amount Outstanding reflecting such conversion and the ISIN and Common Code of the A Notes will continue to apply.
- (4) The Notes and the Certificates have been accepted for clearance through Euroclear and Clearstream, Luxembourg as follows:

	ISIN (Clearstream/Euroclear)	
	Common Code	
A Notes	284326415	XS2843264156
B Notes	284326431	XS2843264313
C Notes	284326458	XS2843264586
D Notes	284326474	XS2843264743
E Notes.....	284326504	XS2843265047
Z Notes.....	284326717	XS2843267175
X Notes	284326512	XS2843265120
Certificates	N/A	N/A

- (5) The auditors of the Issuer, MacIntyre Hudson LLP, is registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. The financial year end of the Issuer is 31 December. The latest statutory financial statements of the Issuer were prepared for the period ended 31 December 2023 and were filed as accounts for a dormant company.
- (6) The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings which may have or have had since its date of incorporation a significant effect on its financial position and profitability nor is the Issuer aware that any such proceedings are pending or threatened.
- (7) In relation to this transaction, the Issuer, on or about the date of this Prospectus, has entered into the Subscription Agreement referred to under “*Purchase and Sale*” above which is, or may be, material.
- (8) Since 10 June 2022 (being the date of incorporation of the Issuer), there has been no material adverse change in the financial position or prospects of the Issuer and no significant change in the trading or the financial position of the Issuer.

- (9) The Issuer will or will procure that the Cash Manager will from the Issue Date until the earlier of redemption in full of the last outstanding Debt or the Final Maturity Date, provide ongoing performance data on this transaction (including monthly Investor Reports and other statistical information regarding the securities to be admitted to trading and the performance of the Mortgage Pool (including anonymised loan level data)), being available on a secure website at <http://www.chlmortgages.co.uk/> in electronic form and accessible to investors. The contents of this website are for information purposes only and do not form part of this Prospectus.
- (10) From the Issue Date until the earlier of redemption in full of the last outstanding Debt or the Final Maturity Date, for as long as the Notes are listed on the Official List of Euronext Dublin and admitted to trading on the regulated market of Euronext Dublin, electronic copies of the following documents will be available at www.euroabs.com and physical copies may be inspected during usual business hours at the registered office of the Issuer and will be available in such manner for at least as long as the Notes are admitted to listing on Euronext Dublin and the guidelines of Euronext Dublin so require:
 - (A) the Memorandum and Articles of Association of the Issuer; and
 - (B) drafts (subject to modification) or, if available, final versions of the following documents:
 - (i) the Master Definitions Schedule;
 - (ii) the Class A Loan Note Agreement;
 - (iii) the Bank Agreement;
 - (iv) the Cash Management Agreement;
 - (v) the Collection Account Declaration of Trust;
 - (vi) the Corporate Services Agreement;
 - (vii) the Deed Poll;
 - (viii) the Swap Agreement;
 - (ix) the Deed of Charge;
 - (x) the Servicing Agreement;
 - (xi) the Mortgage Sale Agreement;
 - (xii) the Paying Agency Agreement;
 - (xiii) the Trust Deed; and
 - (xiv) the Issuer/ICSD Agreement.
- (11) As at the date hereof, save for the issue of the Notes and Certificates, the Issuer, since its incorporation on 10 June 2022, has not commenced operations and no audited financial statements have been prepared. For the 2022 and 2023 financial periods, the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.
- (12) The Issuer will, or will procure that, from the Issue Date until the earlier of redemption in full of the last Debt or the Final Maturity Date, make available a cash flow model to Debtholders, either directly or indirectly through one or more entities that provide cash flow models to investors generally.
- (13) The Issuer (or the Servicer on its behalf) will, or will procure that, on or about the Issue Date until the earlier of redemption in full of the last Debt or the Final Maturity Date, make available loan level data to investors and update such information on a regular basis.
- (14) The Legal Entity Identifier (LEI) of the Issuer is 635400URO7UOS6PWLH17.

- (15) The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

GLOSSARY OF DEFINED TERMS

“£”, “sterling”, “GBP” and “pounds”	means the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.
“USD”	means the lawful currency for the time being of the United States of America.
“1999 Regulations”	means the Unfair Terms in Consumer Contracts Regulations 1999 as amended.
“A Noteholder”	means the persons who are for the time being holders of the A Notes.
“A Notes”	means the £277,776,000 Class A mortgage backed floating rate notes due on the Interest Payment Date falling in March 2057 and, unless expressly stated to the contrary, all references to an “A Note” shall be a reference to such A Note whether in global or definitive form.
“A Global Note”	means the Global Note representing the A Notes, which will be substantially in the form set out in Schedule 1 (<i>Form of Global Note</i>) to the Trust Deed.
“A Principal Deficiency”	means a deficiency of principal amounts to make payment on the Class A Debt.
“A Principal Deficiency Sub-Ledger”	means the sub ledger of such name created for the purpose of recording the A Principal Deficiency and maintained by the Cash Manager as a sub ledger of the Principal Deficiency Ledger.
“Account Bank”	means Barclays Bank Plc (or such other replacement bank or financial institution as may be appointed from time to time in accordance with the Transaction Documents) in its capacity as provider of the Transaction Account.
“Accrued Interest”	means any accrued interest on the Loans accruing prior to the Issue Date.
“Additional Mortgage Loan Cut-Off Date”	means the date of origination of the relevant Additional Mortgage Loan, as specified in the relevant Additional Mortgage Loan Sale Notice.
“Additional Mortgage Loans Final Sale Date”	means the last Business Day of the Determination Period preceding the First Interest Payment Date.
“Additional Mortgage Loan Purchase Date”	means any Business Day on or prior to the Additional Mortgage Loan Final Sale Date and specified as such date in an Additional Mortgage Loan Sale Notice.
“Additional Mortgage Loan Purchase Price”	means the consideration payable by the Issuer to the Seller in respect of each Additional Mortgage Loan, being the Current Balance of the Additional Mortgage Loan as at the relevant Additional Mortgage Loan Cut-Off Date in cash.
“Additional Mortgage Loans”	means any Loans sold by the Seller to the Issuer on an Additional Mortgage Loan Purchase Date pursuant to the Mortgage Sale Agreement.

“Additional Mortgage Loan Sale Notice”	means the notice from the Seller to the Issuer, which shall include details of the relevant Additional Mortgage Loans to be sold to the Issuer pursuant to clause 3.2 of the Mortgage Sale Agreement.
“Additional Mortgage Loan Sale Notice Delivery Date”	means the date of delivery to the Issuer and the Note Trustee of any Additional Mortgage Loan Sale Notice.
“Additional Termination Event”	has the meaning given to it in the Swap Agreement.
“Affiliate”	means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.
“Agent Bank”	means Elavon Financial Services DAC, UK Branch or any successor thereto.
“Agents”	means the Paying Agents, the Registrar and the Class A Loan Note Agents or any of them.
“Ancillary Rights”	means in relation to a Right, all ancillary rights, accretions and supplements to such Right, including, without limitation, any guarantees or indemnities in respect of such Right.
“Applicable Laws”	means: <ul style="list-style-type: none"> (i) 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 Loans; and (ii) any publications of any relevant regulatory authority (including the FCA’s guidance, policies and publications relating to the Treating Customers Fairly initiative and the Consumer Duty) to the extent it is legally binding and which does not conflict with any of the matters referred to in paragraph (a) of this definition.
“Arrears Event”	means any payment of principal and/or interest due on the Completion Loans or Additional Mortgage Loans following the second Monthly Payment Date immediately following the date of origination of such Completion Loans or Additional Mortgage Loans are two months or more in arrears.
“Authorised Investments”	means investments of the funds standing to the credit of the Transaction Account in: <ul style="list-style-type: none"> (i) Sterling gilt-edged securities; (ii) Money Market Funds; (iii) Sterling demand or time deposits and certificates of deposit; or (iv) short-term debt obligations (including commercial paper), where:

GLOSSARY OF DEFINED TERMS

- (v) the rate of interest earned on such investments is likely to exceed the rate of interest paid on the Transaction Account;
- (vi) the investments have a maturity date of 90 days or less and mature on or before the Interest Payment Date immediately succeeding the date on which the investments are made; and
- (vii) the investments are:
 - (1)
 - (A) where invested for a period of 60 days or less, Sterling denominated securities, bank accounts or other obligations of or rights against entities (other than in respect of any asset-backed securities, credit linked notes, swaps, other derivative instruments or synthetic securities) (i) whose long-term unsecured and unguaranteed debt is rated at least “A2” by Moody’s and (ii) whose short-term unsecured and unguaranteed debt is rated at least “P-1” by Moody’s and “F1+” by Fitch; or
 - (B) Sterling denominated securities or other obligations of or rights against entities (other than in respect of any asset-backed securities, credit linked notes, swaps, other derivative instruments or synthetic securities) issued by Money Market Funds assigned a rating of “Aaa-mf” by Moody’s and “AAAmmf” by Fitch; or
 - (2)
 - (A) where invested for a period of more than 60 days, in such other Sterling denominated securities, bank accounts or other obligations (other than in respect of any asset-backed securities, credit linked notes, swaps, other derivative instruments or synthetic securities), as would not adversely affect the then current ratings of the Most Senior Class of Rated Debt, provided that any monies are invested in an entity (i) whose long term unsecured and unguaranteed debt is rated at least “A2” by Moody’s and “AA-” by Fitch; and (ii) whose short term unsecured and unguaranteed debt is rated at least “P-1” by Moody’s and “F1+” by Fitch; or

GLOSSARY OF DEFINED TERMS

- (B) in such other Sterling denominated securities or other obligations (other than in respect of any asset-backed securities, credit linked notes, swaps, other derivative instruments or synthetic securities), as would not adversely affect the then current ratings of the Most Senior Class of Rated Debt, issued by Money Market Funds assigned a rating of “Aaa–mf” by Moody’s and “AAAmmf” by Fitch,

provided that, in all cases, such investments (i) will only be made such that there is no withholding or deduction for or on account of taxes applicable thereto, and (ii) such investments fall within the definition of “financial asset” as defined in the Tax Regulations.

“Authorities”

means the FCA and PRA together with HM Treasury and the Bank of England.

“Available Principal Funds”

means an amount calculated by the Cash Manager on a Determination Date, being the aggregate of the following amounts:

- (a) the Principal Collections received for the preceding Determination Period other than in respect of an Interest Payment Date following an Estimation Period;
- (b) the amount (if any) calculated on that Determination Date pursuant to the Pre-Enforcement Revenue Priority of Payments to be the amount by which the debit balance on any of the Principal Deficiency Ledgers is expected to be reduced by the application of the Available Revenue Funds on the immediately succeeding Interest Payment Date;
- (c) in respect of an Interest Payment Date immediately following an Estimation Period, any Principal Receipts and if the Reconciliation Amount in respect of the relevant Estimation Period is a positive number, an amount equal to such Reconciliation Amount, as determined in accordance with Note Condition 4(j) (*Determinations and Reconciliation*);
- (d) on the Call Option Date in respect of which the Mortgage Pool Option is exercised or a sale, assignment and transfer of the Mortgage Pool Option Loans pursuant to the Mortgage Pool Auction completes, the proportion of the Mortgage Pool Purchase Price or the Mortgage Pool Auction Purchase Price (as applicable) allocable to principal;
- (e) on the First Interest Payment Date, all amounts standing to the credit of the Pre-Funding Principal Ledger (excluding the Light Refurbishment Loans

Retained Amount) as at the Determination Date immediately prior to the Additional Mortgage Loans Final Sale Date that have not or will not be used to purchase Additional Mortgage Loans on or before the Additional Mortgage Loans Final Sale Date (such date being an Additional Mortgage Loan Purchase Date);

- (f) on the third Interest Payment Date, any unutilised Light Refurbishment Loans Retained Amount standing to the credit of the Pre-Funding Principal Ledger; and
- (g) on and after the Step-Up Date until the Rated Debt and the Z Notes have been redeemed in full, any Available Revenue Funds applied as Available Principal Funds in accordance with item (xvii) of the Pre-Enforcement Revenue Priority of Payments.

“Available Revenue Funds”

means an amount calculated by the Cash Manager on a Determination Date, being the aggregate of the following amounts:

- (a) interest (if any) earned on the amounts in the Bank Accounts (other than the Swap Collateral Account) for the Determination Period immediately preceding the relevant Determination Date;
- (b) the Revenue Collections received for the Determination Period immediately preceding the relevant Determination Date, other than in respect of an Interest Payment Date immediately following an Estimation Period;
- (c) any amounts received by the Issuer under the Swap Agreement or any replacement Swap Agreement on the relevant Interest Payment Date (excluding Swap Excluded Receivable Amounts, any amounts credited to the Swap Collateral Account and any excess Swap Collateral (and any interest thereto) in the relevant Swap Collateral Account);
- (d) amounts (which would otherwise constitute Available Principal Funds) determined to be applied as Available Revenue Funds in accordance with item (ix) of the Pre-Enforcement Principal Priority of Payment;
- (e) for so long as there are any Class A Debt or B Notes outstanding (including on the Interest Payment Date on which the Class A Debt and the B Notes are redeemed in full), such amount equal to any Revenue Shortfall standing to the credit of the Liquidity Reserve Fund Ledger if and to the extent there will be a Revenue Shortfall on the relevant Interest Payment Date;

GLOSSARY OF DEFINED TERMS

- (f) subject to the PDL Condition in respect of any Debt that is not the Most Senior Class, any Principal Addition Amounts if and to the extent there will be a Further Revenue Shortfall on the immediately following Interest Payment Date to be applied to items (i) to (vi) and the relevant item corresponding to the payment of amounts (other than in respect of principal) in respect of each Class of Debt, in each case, of the Pre-Enforcement Revenue Priority of Payments;
- (g) in respect of an Interest Payment Date immediately following an Estimation Period, any Revenue Receipts and, if the Reconciliation Amount in respect of the relevant Estimation Period is a negative number, an amount equal to the absolute value of such Reconciliation Amount, each as determined in accordance with Note Condition 4(j) (*Determinations and Reconciliation*);
- (h) any amounts credited to the Transaction Account on the previous Interest Payment Date in accordance with item (xix) of the Pre-Enforcement Revenue Priority of Payments;
- (i) in respect of the Call Option Date in respect of which the Mortgage Pool Option is exercised or a sale, assignment and transfer of the Mortgage Pool Option Loans pursuant to the Mortgage Pool Auction completes, the proportion of the Mortgage Pool Purchase Price or the Mortgage Pool Auction Purchase Price (as applicable) allocable to revenue;
- (j) income from any Authorised Investments in respect of the Determination Period ending immediately prior to the relevant Determination Date;
- (k) any Liquidity Reserve Fund Excess Amount; and
- (l) in respect of the Interest Payment Date on which the B Notes are redeemed in full (and, prior to the service of an Enforcement Notice, after the application of Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments), all amounts standing to the credit of the Liquidity Reserve Fund Ledger,

less any Third Party Amounts and any amounts which are to be applied as item (b) of Available Principal Funds on the relevant Interest Payment Date.

“B Global Note”

means the Global Note representing the B Notes, which will be substantially in the form set out in Schedule 1 (*Form of Global Note*) to the Trust Deed.

“B Noteholders”

means the persons who are for the time being holders of the B Notes.

“B Notes”	means the £23,016,000 Class B mortgage backed floating rate notes due on the Interest Payment Date falling in March 2057 and, unless expressly stated to the contrary, all references to a “B Note” shall be a reference to such B Note whether in global or definitive form.
“B Principal Deficiency”	means a deficiency of principal amounts to make payment on the B Notes.
“B Principal Deficiency Sub-Ledger”	means the sub-ledger of such name created for the purpose of recording the Principal Deficiency on the B Notes and maintained by the Cash Manager as a sub-ledger of the Principal Deficiency Ledger.
“Back-Up Cash Manager Facilitator”	means CSC Capital Markets UK Limited.
“Back-up Servicer Facilitator”	means CSC Capital Markets UK Limited.
“Bank Accounts”	means the Transaction Account and the Swap Collateral Account (or any replacement accounts for such account).
“Bank Agreement”	means the agreement so named dated on or about the Issue Date between, <i>inter alios</i> , the Issuer and the Account Bank.
“Banking Act”	means the UK Banking Act 2009.
“Barclays”	means Barclays Bank PLC.
“Basel III”	means the Basel III reform package approved by the Basel Committee on Banking Supervision.
“Basic Terms Modification”	means the Debt Basic Terms Modification and the Certificates Basic Terms Modification.
“Basel Committee”	means the Basel Committee on Banking Supervision.
“BBR”	means the Bank of England Base Rate
“Benchmark Event”	means the occurrence of any of the events referred to in Note Condition 11(c)(viii)(A)(1) where, in relation to the discontinuation, cessation or non-publication of SONIA, a specific date is specified for such discontinuation, cessation or non-publication.
“Benchmark Event Notice”	means notice in writing from the Servicer to the Noteholders (in accordance with Note Condition 13 (<i>Notice to Noteholders</i>)), Note Trustee, the Security Trustee, the Legal Title Holder, the Issuer, the Seller, and the Swap Counterparty within five (5) Business Days of the Servicer becoming aware of the occurrence of a Benchmark Event.
“Benefit”	means any asset, agreement, property or right (each a “Right” for the purpose of this definition and the definition of “Ancillary Rights”) held, assigned, conveyed, transferred, charged, sold or disposed of by any person and shall be construed so as to include: <ul style="list-style-type: none"> (i) 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;

- (ii) 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 together with all interest accruing from time to time on such money and the debts represented by such bank account;
- (iii) 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;
- (iv) 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
- (v) 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.

“BMR” means the Benchmarks Regulation (Regulation (EU) 2016/1011).

“BO” means a bankruptcy order.

“Book-Entry Interests” means the beneficial interests in the Global Notes recorded by Euroclear and Clearstream, Luxembourg.

“Borrower” means, in relation to each Loan, the borrower or borrowers specified in such Loan.

“Breach of Duty” means in relation to any person (other than the Note Trustee, the Security Trustee, the Account Bank, the Back-up Cash Manager Facilitator, the Class A Loan Note Agents and the Agents), a wilful default, fraud, illegal dealing, negligence or material breach of any agreement or breach of trust by such person and in relation to the Note Trustee, the Account Bank, the Back-up Cash Manager Facilitator, the Class A Loan Note Agents and each Agent means a wilful default, fraud or gross negligence by the Note Trustee, the Account Bank, the Back-up Cash Manager Facilitator, the Class A Loan Note Agents or the relevant Agent (as the case may be).

“Buildings Policies” means:

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	<ul style="list-style-type: none"> (i) all buildings insurance policies relating to freehold Properties, subject to a Mortgage which have been taken out in the name of the relevant Borrower in accordance with the applicable Mortgage Conditions; and (ii) all landlord's building insurance policies relating to leasehold Properties subject to a Mortgage.
"Business Day"	means a day on which commercial banks and foreign exchange markets settle payments in London.
"Buy-to-Let Loan"	means a Loan which is intended for a Borrower who wishes to use the Loan as a means to purchase a residential property for the purpose of letting to third parties.
"C Noteholders"	means the persons who are for the time being holders of the C Notes.
"C Notes"	means the £20,714,000 Class C mortgage backed floating rate notes due on the Interest Payment Date falling in March 2057 and, unless expressly stated to the contrary, all references to a "C Note" shall be a reference to such C Note whether in global or definitive form.
"C Global Note"	means the Global Note representing the C Notes, which will be substantially in the form set out in Schedule 1 (<i>Form of Global Note</i>) to the Trust Deed.
"C Principal Deficiency"	means a deficiency of principal amounts to make payment on the C Notes.
"C Principal Deficiency Sub-Ledger"	means the sub-ledger of such name created for the purpose of recording the C Principal Deficiency and maintained by the Cash Manager as a sub-ledger of the Principal Deficiency Ledger.
"C Residual Amount"	has the meaning given to such term in Note Condition 4(j) (<i>Deferral of Interest</i>).
"Call Option Date"	means any Interest Payment Date falling in or after June 2028 in respect of a mandatory redemption of the Debt exercisable by the Issuer in whole (but not in part) with, <i>inter alia</i> , the proceeds of a sale of the Charged Property pursuant to the Deed Poll.
"Cash Management Agreement"	means the agreement so named dated on or about the Issue Date between, <i>inter alios</i> , the Issuer and the Cash Manager.
"Cash Manager"	means Capital Home Loans Limited or any successor thereto.
"Cash Manager Termination Event"	has the meaning given to it in the Cash Management Agreement.
"CCA"	means the Consumer Credit Act 1974, as amended.
"CCJ"	means a county court judgment.
"Central Bank"	means the Central Bank of Ireland.
"Certificates"	means the 1,000,000 residual certificates issued by, or due to be issued by, the Issuer on the Issue Date, or as the case may be, a specific number thereof, the holding of which grants the right to the holder to receive any Residual Payments in the Pre-

			Enforcement Revenue Priority of Payments and in the Post-Enforcement Priority of Payments.
“Certificate Conditions”			means the terms and conditions applicable to the Certificates as set out in Schedule 4 (<i>Terms and Conditions of the Certificates</i>) to the Trust Deed as may from time to time be modified in accordance with the Trust Deed.
“Certificateholders”			means the persons who for the time being are the holders of the Certificates.
“Certificates Basic Terms Modification”	Basic	Terms	<p>means any modification to:</p> <ul style="list-style-type: none"> (i) the priority of residual payments payable on the Certificates; (ii) the currency of payment of the Certificates; (iii) the Priority of Payments in respect of the Certificates; (iv) the exchange, conversion or substitution of the Debt of any Class or the Certificates for, or the conversion of such Debt or Certificates into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; (v) the Call Option Date; (vi) the terms of the Deed Poll or the early redemption rights or conditions; (vii) the provisions concerning the limited recourse or non-petition obligations of the Issuer; (viii) the definition of Certificates Basic Terms Modification; (ix) the provisions concerning the quorum required at any meeting of Certificateholders or the majority required to effect a Certificates Basic Terms Modification or to pass a Certificates Extraordinary Resolution; or (x) the definition of Debt Basic Terms Modification.
“Certificates Resolution”	Extraordinary		<p>means:</p> <ul style="list-style-type: none"> (i) a resolution passed at a duly convened meeting of the Certificateholders and held in accordance with the provisions of the Trust Deed by a majority consisting of not less than 75 per cent. where it relates to a Certificate Basic Terms Modification, or 50 per cent. for any other matter of the persons voting thereat upon a show of hands, or if a poll is demanded, by a majority consisting of not less than 75 per cent. where it relates to a Certificate Basic Terms Modification, or 50 per cent. for any other matter of the votes cast on such poll; or (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. where it relates to a Certificate Basic Terms Modification, or 50 per cent. for any other matter of the Certificates, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such holders.

“Certificates Ordinary Resolution”	means: (i) a resolution passed at a duly convened meeting of the Certificateholders and held in accordance with the provisions of the Trust Deed by a majority consisting of not less than 25 per cent. of the persons voting thereat upon a show of hands, or if a poll is demanded, by a majority consisting of not less than 25 per cent. of the votes cast on such poll; or (ii) a resolution in writing signed by or on behalf of the holders of not less than 25 per cent. of the Certificates, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such holders.
“Charged Obligation Documents”	means the documents set out at Note Condition 2(b)(iii) (<i>Security</i>).
“Charged Property”	means the property, assets, rights and undertakings for the time being comprised in or subject to the security contained in or granted pursuant to the Deed of Charge and references to the Charged Property shall include references to any part of it.
“Class”	means a respective class of Debt or Certificates (as applicable).
“Class A Debt”	means the Class A Loan Note and the A Notes.
“Class A Debtholders”	means the persons who for the time being are the holders of the Class A Debt or, where the context otherwise requires, the holders of the Class A Debt of a particular Class or Classes as the case may be.
“Class A Loan Note Agent”	means the loan note agent appointed as such under the Class A Loan Note Agreement as at the Issue Date.
“Class A Loan Note Agents”	means the Class A Loan Note Agent, the Class A Loan Note Registrar and the Agent Bank.
“Class A Loan Noteholder”	means the persons who for the time being are registered in the Class A Loan Note Register as holders of the Class A Loan Note.
“Class A Loan Note Registrar”	means the loan note registrar appointed as such under the Class A Loan Note Agreement as at the Issue Date.
“Class A Noteholder”	means the persons who for the time being are the holders of the A Notes.
“Clean Up Call Date”	means any Interest Payment Date after the first Call Option Date where the aggregate Principal Amount Outstanding of the Rated Debt is (or is projected to be) less than or equal to 10 per cent. of the aggregate Principal Amount Outstanding of the Debt (other than the X Notes) upon issue.
“Clearing Systems”	means Clearstream, Luxembourg and Euroclear.
“Clearstream, Luxembourg”	means Clearstream Banking S.A.
“CMA”	means the Competition and Markets Authority.
“CMI”	means CHL Mortgages for Intermediaries Limited.

“Co-Arrangers”	means Barclays and BNP Paribas.
“Code”	means the U.S. Internal Revenue Code of 1986, as amended.
“Collection Account”	means the account in the name of the Legal Title Holder with the Collection Account Provider with Barclays Bank Plc, or such other replacement account as may be established from time to time in accordance with the Transaction Documents.
“Collection Account Agreement”	means the agreement so named, dated on or about the Issue Date between the Legal Title Holder, the Issuer, the Servicer, the Trustee, the Seller and the Collection Account Provider in respect of the Collection Account.
“Collection Account Declaration of Trust”	means each declaration of trust dated on or about the Issue Date created in favour of the Issuer in respect of the Seller’s interest in the Collection Account.
“Collection Account Provider”	means Barclays Bank PLC (or such other replacement bank or financial institution as may be appointed from time to time in accordance with the Transaction Documents) in its capacity as provider of the Collection Account.
“Collection Account Provider Downgrade Event”	means where the Collection Account Provider fails to maintain the Collection Account Required Ratings.
“Collection Account Required Ratings”	means: <ul style="list-style-type: none"> (i) in the case of Moody’s, a long-term, unsecured, unguaranteed and unsubordinated debt obligation rating of at least “Baa3”; (ii) in the case of Fitch, a short-term deposit rating (or, if a short-term deposit rating is not available, a short-term issuer default rating) of at least “F2” or a long-term deposit rating (or, if a long-term deposit rating is not available, a long-term issuer default rating) of at least “BBB”; (iii) alternatively to each of the above, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Debt.
“Common Safekeeper”	means the Clearing Systems or such other entity which the Paying Agent (on behalf of the Issuer) may elect from time to time to perform the safekeeping roles (See “ <i>Summary of Provisions Relating to the Notes While in Global Form</i> ”).
“Completion Loans”	means the Loans which have been originated from (and excluding) the Cut-Off Date to (and excluding) the Issue Date, comprising the Completion Mortgage Pool.
“Completion Loans Collections Amount”	means an amount equal to all collections received by the Seller in respect of the Loans comprising the Completion Mortgage Pool from (and excluding) the Cut-Off Date to (and excluding) the Issue Date.
“Completion Mortgage Pool”	means the Loans selected in accordance with clause 6 (<i>Period to Completion</i>) of the Mortgage Sale Agreement and to be sold

and assigned to the Issuer pursuant to the Mortgage Sale Agreement on the Issue Date, as set out in Annexure A of the Mortgage Sale Agreement.

“Compounded Daily SONIA”

means 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, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

Where:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d_o**” is the number of Business Days in the relevant Interest Period;

“**i**” is a series of whole numbers from one to **d_o**, each representing the relevant Business Day in chronological order from, and including, the first Business Day in the relevant Interest Period;

“**LBD**” means a Business 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 Business Day;

“**p**” means for any Interest Period, 5 Business Days; and

“**SONIA_{i-pLBD}**” means in respect of any Business Day falling in the relevant Interest Period, the SONIA Reference Rate for the Business Day falling “**p**” Business Days prior to that London Banking Day “**i**”

“CONC”

means the Consumer Credit sourcebook.

“Conditions”

means both the Note Conditions and the Certificate Conditions.

“Contingency Policies”

means certain contingency policies of insurance effected by the Legal Title Holder with various insurance companies.

“Corporate Borrower”

means a Borrower that is a limited company or a limited liability partnership.

“Corporate Services Agreement”

means the agreement so named and dated on or around the Issue Date between, *inter alios*, the Issuer and the Corporate Services Provider.

“Corporate Services Provider”

means CSC Capital Markets UK Limited, a company incorporated in England and Wales with registered number 10780001 and having its registered office at 5 Churchill Place, 10th Floor, London, England, E14 5HU.

“Counter Notice”	means a notice signed by the Issuer and sent by the Cash Manager to the Mortgage Pool Option Holder specifying the Mortgage Pool Purchase Price.
“Covered Fund”	has the meaning given to it under the Volcker Rule.
“CPR”	means the constant per annum rate of prepayment.
“CPUTRs”	means the Consumer Protection from Unfair Trading Regulations 2008.
“Credit Support Annex”	means a 1995 ISDA Credit Support Annex (Bilateral Form – Transfer) entered into between the Swap Counterparty and the Issuer in connection with the Swap Agreement (or any 1995 ISDA Credit Support Annex (Bilateral Form – Transfer) entered into between the Issuer and any replacement Swap Counterparty).
“Current Balance”	means in relation to any Loan as at any date of determination, the Principal Balance plus all interest, fees, and any other amounts accrued but not due, in each case as at the most recent calendar month end.
“Cut-Off Date”	means 31 May 2024.
“Debt”	means the Class A Loan Note and the Notes.
“Debtholder”	means the holders of the Debt or, where the context otherwise requires, the holders of Debt of a particular Class or Classes, as the case may be.
“D Global Note”	means the Global Note representing the D Notes, which will be substantially in the form set out in Schedule 1 (<i>Form of Global Note</i>) to the Trust Deed.
“D Noteholders”	means the persons who are for the time being holders of the D Notes.
“D Notes”	means the £9,206,000 Class D mortgage backed floating rate notes due on the Interest Payment Date falling in March 2057 and, unless expressly stated to the contrary, all references to a “D Note ” shall be a reference to such D Note whether in global or definitive form.
“D Principal Deficiency”	means a deficiency of principal amounts to make payment on the D Notes.
“D Principal Deficiency Sub-Ledger”	means the sub-ledger of such name created for the purpose of recording the D Principal Deficiency and maintained by the Cash Manager as a sub-ledger of the Principal Deficiency Ledger.
“D Residual Amount”	has the meaning given to such term in Note Condition 4(j) (<i>Deferral of Interest</i>).
“Deed of Charge”	means the deed of charge so named dated on or about the Issue Date between, <i>inter alios</i> , the Issuer and the Security Trustee.
“Debt Basic Terms Modification”	means any modification to: <ul style="list-style-type: none"> (i) the maturity of the Debt or the dates on which interest is payable in respect of the Debt;

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- (ii) the amount due in respect of or cancellation of the principal amount of, or interest on or variation of the method of calculating the rate of interest on, the Debt (other than any Reference Rate Modification made in accordance with Note Condition 11(c)(viii) and the terms of the Class A Loan Note Agreement);
- (iii) the priority of payment of interest or principal on the Debt;
- (iv) the currency of payment of the Debt;
- (v) the Priority of Payments in respect of the Debt or the Certificates;
- (vi) the exchange, conversion or substitution of the Debt of any Class or the Certificates for, or the conversion of such Debt or Certificates into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (vii) the Call Option Date;
- (viii) the terms of the Deed Poll or the early redemption rights or conditions;
- (ix) the provisions concerning the limited recourse or non-petition obligations of the Issuer;
- (x) the definition of Debt Basic Terms Modification; or
- (xi) the provisions concerning the quorum required at any meeting of Noteholders or the majority required to effect a Debt Basic Terms Modification or to pass an Extraordinary Resolution.

“Deed Poll”

means the Mortgage Pool Option deed and deed poll dated on or about the Issue Date, executed by the Issuer, in favour of the Mortgage Pool Option Holder from time to time.

“Determination Date”

means the Business Day which falls 3 Business Days prior to an Interest Payment Date.

“Determination Period”

means the quarterly period commencing on (and including) a Determination Period Start Date and ending on (and including) the Determination Period End Date, except that the first Determination Period will commence on (and including) 1 June 2024 and end on (and including) the Determination Period End Date falling in August 2024.

“Determination Period End Date”

means the last calendar day of the calendar month immediately preceding the month in which a Determination Date falls.

“Determination Period Start Date”

means the first calendar day immediately following the preceding Determination Period End Date.

“Direct Debiting Scheme”

means the scheme for the manual and automated debiting of bank accounts opened in accordance with the detailed rules of certain members of the Association for Payments Clearing Services.

“Distribution Compliance Period”

has the meaning given to such term in the section entitled “*Purchase and Sale*”.

“distributor”	means any person subsequently offering, selling or recommending the Notes or the Certificates.
“E Global Note”	means the Global Note representing the E Notes, which will be substantially in the form set out in Schedule 1 (<i>Form of Global Note</i>) to the Trust Deed.
“E Notes”	means the £4,603,000 Class E mortgage backed floating rate notes due on the Interest Payment Date falling in March 2057 and, unless expressly stated to the contrary, all references to an “E Note” shall be a reference to such E Note whether in global or definitive form.
“E Noteholders”	means the persons who are for the time being holders of the E Notes.
“E Principal Deficiency”	means a deficiency of principal amounts to make payment on the E Notes.
“E Principal Deficiency Sub-Ledger”	means the sub-ledger of such name created for the purpose of recording the E Principal Deficiency and maintained by the Cash Manager as a sub-ledger of the Principal Deficiency Ledger.
“E Residual Amount”	has the meaning given to such term in Note Condition 4(j) (<i>Deferral of Interest</i>).
“EEA”	means the European Economic Area.
“EMU”	means European Economic and Monetary Union.
“Encumbrance”	means: <ul style="list-style-type: none"> (i) a mortgage, standard security, charge, pledge, lien, assignation in security or other encumbrance securing any obligation of any person; (ii) 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 (iii) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.
“Enforced Loan”	means a Loan in respect of which the related security has been enforced and the related Property has been sold.
“Enforcement Notice”	means a notice given by the Note Trustee to the Issuer under Note Condition 9 (<i>Events of Default</i>) or Certificate Condition 6 (<i>Events of Default</i>).
“Enforcement Procedures”	means the exercise of the rights and remedies against a Borrower, or in relation to the security for the Borrower’s obligations arising from any default by the Borrower under or in connection with such Borrower’s Loan or related Mortgage Rights, in accordance with the procedures established by the Servicer, as varied from time to time in accordance with the procedures that could reasonably be expected of a Prudent

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	Mortgage Lender and completion of the Enforcement Procedures shall be deemed to have occurred in respect of a particular Loan and its related Mortgage Rights when the Servicer determines that, having regard to the circumstances of the relevant Borrower and the then applicable Enforcement Procedures, the prospect of any further recovery of amounts due by that Borrower is remote or such further recovery is uneconomic.
“ESMA”	means the European Securities and Markets Authority.
“EU CRA Regulation”	means Regulation (EC) 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.
“EU MiFID II”	means Directive 2014/65/EU as amended.
“Euro”, “euro” or “€”	means the lawful currency of member states of the European Union that adopt the single currency introduced in accordance with the Treaty.
“Euroclear”	means Euroclear Bank SA/NV or its successor.
“Eurozone”	means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union and the Treaty of Amsterdam.
“EU Prospectus Regulation”	means Regulation (EU) 2017/1129 (including by Commission Delegated Regulation (EU) 2019/980 dated 14 March 2019 and/or any other relevant implementing measures in Ireland or otherwise).
“EU Securitisation Regulation”	means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017, as amended, together with any relevant regulatory and/or implementing technical standards or delegated regulations applicable in relation thereto (including pursuant to any transitional arrangements made pursuant to Regulation (EU) 2017/2402) and, in each case, any relevant guidance and policy statements published by the Joint Committee of European Supervisory Authorities, the European Banking Authority, the European Securities and Markets Authority, the European Insurance and Occupational Pensions Authority (or, in each case any predecessor authority) or the European Commission in relation thereto.
“EU STS Notification”	means a notification to ESMA made by the originator or sponsor confirming the compliance of the relevant transaction with the EU STS Criteria.
“EU STS Criteria”	means the conditions set out in Articles 20, 21 and 22 of the EU Securitisation Regulation, which are required to be satisfied to obtain a designation that a securitisation transaction is simple, transparent and standardised.
“Euronext Dublin” or “Stock Exchange”	means the Irish Stock Exchange plc, trading as Euronext Dublin.

“EUWA”	means the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020.
“Event of Default”	has the meaning given to it in Note Condition 9 (<i>Events of Default</i>) or, as applicable, Certificate Condition 6 (<i>Events of Default</i>).
“Excess Consideration”	means the cash consideration payable by the Issuer to the Seller on the Issue Date (in addition to the Initial Cash Purchase Price) in connection with the purchase of the Completion Mortgage Pool, in an amount equal to the Excess Consideration Amount (inclusive of any applicable VAT).
“Excess Consideration Amount”	means an amount equal to the remainder of the net proceeds of the Debt plus the Issue Date Swap Amount (if any), less the aggregate of amounts applied towards items (a) to (e) inclusive as set out in the section entitled “ <i>Use of Proceeds</i> ”.
“Exercise Notice”	means a notice delivered by the Mortgage Pool Option Holder to the Issuer (with a copy to the Note Trustee, the Servicer and the Cash Manager) that it intends to exercise the Mortgage Pool Option at any time on or after the Call Option Date and with details of the Mortgage Pool Purchase Completion Date.
“Exercise Period”	means, in respect of a Call Option Date, the period which is not more than 60 nor less than 14 calendar days prior to such Call Option Date.
“Extraordinary Resolution”	means in respect of the holders of any Class of Debt: <ul style="list-style-type: none"> (a) in respect of the Class A Debt, consent is given to the Note Trustee by or on behalf of the Class A Debtholders representing at least 50 per cent. of the aggregate Principal Amount Outstanding of the Class A Debt (the “Relevant Extraordinary Resolution Threshold”), which consent shall be provided: (i) in the case of the holders of the Class A Loan Note, by direction given to the Note Trustee in writing by the Class A Loan Note Agent (acting solely on the instruction of the Class A Loan Noteholders) pursuant to the terms of the Class A Loan Note Agreement and any such direction by (or on behalf of) a Class A Loan Noteholder shall be in respect of the Principal Amount Outstanding of the Class A Debt held by such Class A Loan Noteholder which shall count towards the Relevant Extraordinary Resolution Threshold; and (i) in the case of the holders of the A Notes, by: <ul style="list-style-type: none"> - a resolution passed at a duly convened meeting of the holders of the A Notes and held in accordance with the provisions of the Trust Deed by a majority of not less than not less than 50 per cent. of the persons voting

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thereat upon a show of hands, or if a poll is demanded, by a majority consisting of not less than 50 per cent. of the votes cast on such poll;

- a Written Resolution signed by or on behalf of the holders of the A Notes of not less than 50 per cent. of the Principal Amount Outstanding of the relevant A Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such holders; or
- consent is given by way of Electronic Consent by or on behalf of the Class A Noteholders of not less than 50 per cent. in aggregate Principal Amount Outstanding of the A Notes then outstanding,

and any such vote, resolution or consent by (or on behalf of) a Class A Noteholder shall be in respect of the Principal Amount Outstanding of the Class A Debt held by such Class A Noteholder which shall count towards the Relevant Extraordinary Resolution Threshold.

(iii) in respect of the holders of any Class of Debt (other than the Class A Debt) and/or the Certificates:

- (a) a resolution passed at a duly convened meeting of the holders of the A Notes and held in accordance with the provisions of the Trust Deed by a majority consisting of not less than 50 per cent. of the persons voting thereat upon a show of hands, or if a poll is demanded, by a majority consisting of not less than 50 per cent. of the votes cast on such poll; or
- a Written Resolution; or
- consent given by way of Electronic Consent by or on behalf of the holders of the Debt of not less than 50 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Debt then outstanding or, in the case of the Certificateholders, of not less than 50 per cent. by number of the Certificates then in issue.

“FATCA”

means:

- (i) sections 1471 to 1474 of the Code and any associated regulations and other official guidance;
- (ii) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an

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	<p>intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (i) above; or</p> <p>(iii) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (i) or (ii) above with the U.S. Internal Revenue Service, the U.S. Government or any governmental or taxation authority in any other jurisdiction.</p>
“FCA”	means the Financial Conduct Authority or any successor authority or authorities fulfilling the regulatory role currently occupied by the Financial Conduct Authority.
“Final Maturity Date”	means for all Notes and Certificates, the Interest Payment Date falling in March 2057.
“First Interest Payment Date”	means the first Interest Payment Date in respect of the Debt falling in September 2024.
“Fitch”	means Fitch Ratings Ltd.
“Fixed Rate Loan”	means a Loan under the terms of which the Borrower pays a fixed rate for a limited period and thereafter pays a rate of interest equal to the rate which would be payable under a Variable Rate Loan.
“Fixed Rate Notional Amount”	means an amount in sterling determined in accordance with an agreed schedule of notional amounts (as specified in the Swap Agreement) calculated by applying a pre-determined constant annualised prepayment rate to the projected amortisation profile of the relevant Fixed Rate Loans on the Issue Date.
“Floating Rate of Interest”	means the rate of interest as determined by the Agent Bank in accordance with Note Condition 4(c) (<i>Floating Rate of Interest</i>).
“Floating Rate Debt”	means the Class A Loan Note and the Floating Rate Notes.
“Floating Rate Notes”	means the A Notes, the B Notes, the C Notes, the D Notes, the E Notes and the X Notes.
“foreign passthru payments”	has the meaning given to such term in the section entitled “ <i>FATCA Withholding</i> ”.
“FSA”	means the Financial Services Authority or any successor authority or authorities fulfilling the regulatory role currently occupied by the FSA (which term, when used in relation to a date on or after 1 April 2013, shall be deemed to refer to the FCA and/or PRA (as applicable)).
“FSMA”	means the Financial Services and Markets Act 2000.
“Further Advance”	means, in relation to a Loan, any further amount to be lent to the relevant Borrower (including, without limitation any redrawing but excluding any Retention Advances and protective advances).
“Further Revenue Shortfall”	means an amount, if greater than zero, by which the aggregate amounts required to pay items (i) to (vi) of the Pre-Enforcement Revenue Priority of Payments and any interest

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	payment due on each Class of Debt exceeds all Available Revenue Funds (excluding item (f)).
“Global Notes”	means the A Global Note, the B Global Note, the C Global Note, the D Global Note, the E Global Note, the Z Global Note and the X Global Note, and Global Note means any one of them.
“HMRC”	means His Majesty’s Revenue and Customs.
“HMO”	means a Property which falls within the definition of a HMO under the Housing Act 2004 or with respect to which any licensing scheme requires the Borrower to have a mandatory, selective or additional HMO licence.
“Holding Company”	means, in relation to a person, any other person in respect of which it is a Subsidiary.
“Holdings”	means Edenbrook Mortgage Funding Holdings Limited whose registered number is 14162505 and whose registered office is at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU.
“ICSDs”	means Euroclear and Clearstream, Luxembourg.
“Incidental Mortgage”	means a Mortgage taken primarily in connection with a Loan that is not in the Mortgage Pool but that purports to secure the repayment of one or more Loans in the Mortgage Pool as associated debt.
“Initial Cash Purchase Price”	means the cash consideration payable by the Issuer on the Issue Date in respect of the Completion Mortgage Pool pursuant to the Mortgage Sale Agreement.
“Initial Principal Amount”	means, in relation to each Note, the initial face principal amount of that Note upon issue of the relevant Global Note relating to that Note.
“Initiating Noteholder”	has the meaning given to such term in Note Condition 13(e) (<i>Noteholder Notices</i>).
“Insolvency Event”	in relation to any company (for the purposes of paragraphs (i) to (iv) of this definition, a Relevant Entity) means: <ul style="list-style-type: none"> (i) an order is made or an effective resolution passed for the winding up of the Relevant Entity or the appointment of an administrator over the Relevant Entity (except, in any such case, a winding-up or dissolution for the purpose of a reconstruction or amalgamation the terms of which have been previously approved by the Security Trustee or by an Extraordinary Resolution of the holders of the Most Senior Class of Debt); (ii) the Relevant Entity ceases or threatens to cease to carry on its business or substantially the whole of its business (otherwise than for the purposes of such amalgamation or reconstruction as is referred to in paragraph (a) above or paragraph (c) below) or stops payment or threatens to stop payment of its debts or is deemed unable to pay its debts within the meaning of section 123(1)(e) of the

Insolvency Act (as amended, modified or re-enacted) or becomes unable to pay its debts as they fall due or the value of its assets is less than the amount of its liabilities (taking into account its contingent and prospective liabilities) or otherwise becomes insolvent;

- (iii) proceedings are initiated against the Relevant Entity or any steps are taken in respect of a Relevant Entity under any applicable liquidation, administration, reorganisation (other than a reorganisation where the Relevant Entity is solvent), insolvency or other similar laws, save where such proceedings are being contested in good faith; or an administrative or other receiver, administrator or other similar official is appointed in relation to the whole or any substantial or material part of the undertaking or assets of the Relevant Entity; or an encumbrancer or other security holder shall take possession of the whole or any substantial part of the undertaking or assets of the Relevant Entity and in any of the foregoing cases it is not discharged within 30 Business Days; or if the Relevant Entity initiates or consents to judicial proceedings relating to itself under any applicable liquidation, administration, insolvency, reorganisation or other similar laws or makes a conveyance or assignment or trust for the benefit of its creditors generally; or
- (iv) any procedure or step is taken, or event occurs, analogous to those set out in paragraphs (i) to (iii) above, in any jurisdiction.

“Insurance Contracts”

means the insurance contracts in respect of the Loans in the Mortgage Pool, including the right to receive the proceeds of any claims, in so far as they relate to the Loans and any other insurance contracts in replacement, addition or substitution therefor from time to time and which relate to the Loans.

“Interest Amount”

has the meaning given to such term in Note Condition 4(e) (*Determination of Floating Rates of Interest and Calculation of Interest Amount*).

“Interest Cover Ratio”

means the ratio (expressed as a percentage) of:

- (a) the assessed monthly rental income for a Property over which a Loan is secured (as assessed by the valuation undertaken in relation to such Property on behalf of the Originator prior to the date of origination of that Loan (or, in relation to any Light Refurbishment Loan where the Retention Advance has been advanced, as specified in the valuation re-inspection report provided as a condition of the advance of such Retention Advance) plus (where permitted in accordance with the Lending Criteria) surplus rental income which the relevant Borrower receives in respect of other Properties securing a Loan granted by the Originator); to

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	(b) the amount of the Borrower's monthly payment in respect of the Loan relating to the relevant Property, assuming that the Loan is an Interest Only Loan.
"Interest Determination Date"	means the third London Banking Day before the Interest Payment Date for which the relevant Rate of Interest will apply.
"Interest Only Loan"	means a Loan under the terms of which the principal amount is not repayable before maturity.
"Interest Payment Date"	means the 22 nd day in March, June, September and December in each year unless such day is not a Business Day, in which case interest shall be payable on the following Business Day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding Business Day, with the First Interest Payment Date falling in September 2024.
"Interest Period"	means the period from (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date, provided that the first Interest Period shall be the period from (and including) the Issue Date to (but excluding) the First Interest Payment Date.
"Interest Rate Swap"	means the interest rate swap transaction entered into between the Issuer and the Swap Counterparty on or about the Issue Date to hedge against the possible variance between the fixed rates of interest payable on Fixed Rate Loans in the Mortgage Pool and the floating rates of interest payable on the Floating Rate Debt.
"Interest Shortfall"	means, on each Determination Date, the amount by which the Available Revenue Funds for the immediately following Interest Payment Date is insufficient to provide for payment of interest on the B Notes, the C Notes, the D Notes, the E Notes or the X Notes.
"Investor Report"	means the monthly investor report published by the Cash Manager, on each Interest Payment Date, or in any month in which an Interest Payment Date does not occur, the last calendar day of that month, substantially in the form scheduled as Schedule 1 (<i>Form of Investor Report</i>) to the Cash Management Agreement or from time to time agreed between the Issuer and the Cash Manager.
"Issue Date"	means 17 July 2024, or such other date as the Issuer, the Co-Arrangers, the Joint Lead Managers and the Seller may agree.
"Issue Date Swap Amount"	means a mark-to-market payment (if any) payable to the Issuer by the Swap Counterparty on the Issue Date under the terms of the Swap Agreement.
"Issue Date Swap Premium"	means a mark-to-market amount (if any) payable by the Issuer to the Swap Counterparty on the Issue Date (by way of premium).

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“Issuer”	means Edenbrook Mortgage Funding PLC whose registered number is 14163445 and whose registered office is at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU.
“Issuer Costs and Expenses”	means the fees, costs and expenses of the Issuer arising in respect of the purchase of Loans and the issuance of the Debt and Certificates.
“Issuer/ICSD Agreement”	means the agreement so named dated on or before the date hereof between the Issuer and each of Euroclear and Clearstream, Luxembourg.
“Issuer Profit Amount”	means retained profit of the Issuer in an amount of (i) £10,000 per Determination Period for the Determination Periods ending in August 2024 and November 2024, and (ii) £1,500 on each Determination Period thereafter, for retention by the Issuer and to be recognised in the accounts of the Issuer as profit for the relevant accounting year and the payment of a distribution (if any) to Holdings.
“Issuer Profit Ledger”	means a ledger established in the Transaction Account used to record the retained revenue of the Issuer in accordance with the Cash Management Agreement.
“IVA”	means an Individual Voluntary Arrangement.
“Joint Lead Managers”	means, in respect of the Rated Debt, each of Barclays, BNP Paribas and Merrill Lynch International.
“Joint Lead Managers Related Person”	means any related entity, associate, officer or employee of the Joint Lead Managers.
“Land Registry”	means HM Land Registry.
“Legal Title Holder”	means (following the initial transfer upon origination of legal title to each Loan from CMI to CHL) CHL and/or any subsequent holder of the legal title of the Loans from time to time.
“Lending Criteria”	means the lending criteria applied in relation to the Loans originated by CMI.
“Liability”	means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, assessments and other charges) and including any VAT or similar tax charged or chargeable in respect thereof.
“Light Refurbishment Loan”	means a Loan which was underwritten using the Originator's light refurbishment policy as set out in the Lending Criteria and is subject to a Retention Arrangement.
“Light Refurbishment Loans Retained Amount”	means £171,909.70.
“Liquidity Reserve Fund”	means the amount reserved from time to time in the Transaction Account by depositing amounts into the Transaction Account and crediting the Liquidity Reserve Fund Ledger in accordance with the Cash Management Agreement.

“Liquidity Reserve Fund Excess Amount”	means (after the application of amounts payable pursuant to item (ix) of the Pre-Enforcement Revenue Priority of Payments on an Interest Payment Date) any amount standing to the credit of the Liquidity Reserve Fund Ledger in excess of the Liquidity Reserve Fund Required Amount on such Interest Payment Date and which will be applied as, and form part of, Available Revenue Funds on that Interest Payment Date.
“Liquidity Reserve Fund Ledger”	means the ledger of such name created and maintained by the Cash Manager in the Transaction Account.
“Liquidity Reserve Fund Required Amount”	means: <ul style="list-style-type: none"> (i) (a) on the Issue Date and (b) on each Interest Payment Date while the Class A Debt or the B Notes remain outstanding, an amount equal to 1.50 per cent. of the aggregate Principal Amount Outstanding of the Class A Debt and the B Notes on such day; and (ii) on the Interest Payment Date on which the Class A Debt and the B Notes are to be redeemed in full, zero.
“Listing Agent”	means Arthur Cox Listing Services Limited.
“Loan”	means a buy-to-let loan in the Mortgage Pool which is, in each case, secured by a Mortgage.
“Loan Conditions”	means, in relation to each Loan, the terms and conditions on which it was made.
“LBD” or “London Banking Day”	means a Business Day.
“Losses”	means any losses arising in relation to a Loan in the Mortgage Pool (including any amount of principal which remains unpaid in respect of any Loan after the completion of any Enforcement Procedures relating to such Loans) or as a result of an Insolvency Event in relation to the Collection Account Provider which results in a shortfall in the amount of principal received on such Loan.
“LTV”	means, in relation to a Loan, the principal amount outstanding of such Loan (excluding any other disbursement, legal expense, fee, charge or premium (including any origination fee) capitalised and added to the amounts secured by the relevant Mortgage in accordance with the conditions of the Loan) as at the time of origination (or, as applicable, the Current Balance as at the date of determination) divided by the value of the relevant Property as specified in the valuation report provided at the time of origination (or, in relation to any Light Refurbishment Loan where the retention has been advanced, as specified in the valuation re-inspection report provided as a condition to the advance of such retention), expressed as a percentage.
“Master Definitions Schedule”	means the document named dated on or about the Issue Date and initialled for the purposes of identification by <i>inter alios</i> the Issuer and the Security Trustee.

“Meeting”	means a meeting of Noteholders of any Class or Classes (whether originally convened or resumed following an adjournment).
“Member State”	means a member state of the European Union.
“Modelling Assumptions”	means the assumptions set out in the section entitled “ <i>Weighted Average Lives of the Debt</i> ”.
“Monthly Report”	means such information to be provided by the Servicer to enable the Cash Manager to comply with its obligations to calculate the Available Revenue Funds and Available Principal Funds and to make certain other determinations on each Determination Date, as set out in schedule 2 (<i>Monthly Report</i>) of the Servicing Agreement.
“Money Market Funds”	means money market funds which have the characteristics of ‘Short-Term Money Market Funds’ as set out in the Committee of the European Securities Regulator’s Guidelines on a Common Definition of European Money Market Funds (CESR/10-049), dated 19 May 2010 (as further delineated by ESMA’s Review of the CESR Guidelines on a Common Definition of European Money Market Funds, dated 22 August 2014, and as amended, supplemented or replaced from time to time).
“Monthly Payment”	means the amount scheduled to be repaid by a Borrower in respect of its Loan in any given month as required by the applicable Mortgage Conditions to which such Loan is subject.
“Monthly Payment Date”	means the date on which a Borrower is scheduled to make a Monthly Payment in respect of its Loan as required by the applicable Mortgage Conditions to which such Loan is subject.
“Moody’s”	means Moody’s Investors Service Limited.
“Mortgage”	means a first ranking legal mortgage or charge over Property located in England or Wales, which is security for a Loan.
“Mortgage Conditions”	means in relation to any Mortgage the conditions applicable to that Mortgage (including without limitation any set out in the relevant formal loan offer letter to Borrower).
“Mortgage Early Redemption Amounts”	means the compensation amounts payable by a Borrower if a Loan is redeemed (whether pre-enforcement or post-enforcement) within the Relevant Period (excluding, for the avoidance of doubt, any principal received in respect of the Loans to which the relevant Mortgages relate).
“Mortgage Loan Files”	means, in relation to each Loan, the file or files (including files kept in microfiche format or similar electronic data retrieval system) containing correspondence between the Borrower and CMI or (following the initial transfer upon origination of legal title to each Loan from CMI to CHL) the Legal Title Holder and including certain of the relevant Standard Documentation applicable to that Loan, each letter of offer in respect of a Loan and other relevant documents (excluding the Property Deeds).

“Mortgage Pool”	means the Completion Mortgage Pool and any Additional Mortgage Loans, in each case other than Loans which have been repaid or in respect of which funds representing principal outstanding have otherwise been received in full or which have been re-transferred to the Seller pursuant to the Mortgage Sale Agreement or in respect of which Enforcement Procedures have been completed.
“Mortgage Pool Auction”	If the Mortgage Pool Option Holder has not delivered an Exercise Notice in accordance with the Mortgage Pool Option for the purpose of exercising the Mortgage Pool Option on the Call Option Date falling on or before September 2028, the seeking of offers by the Mortgage Pool Auction Manager from third-parties to purchase and accept assignment and transfer of the Mortgage Pool Option Loans for an amount equal to or greater than the Mortgage Pool Purchase Price.
“Mortgage Pool Auction Completion Date”	means any Interest Payment Date falling within the Mortgage Pool Auction Period on which the sale of the Mortgage Pool Option Loans completes.
“Mortgage Pool Auction Loans”	means the loans that are the subject of the Mortgage Pool Auction pursuant to the terms of the Deed Poll.
“Mortgage Pool Auction Manager”	means the third party agent appointed by the Issuer in accordance with the Deed Poll.
“Mortgage Pool Auction Period”	means, the period commencing on (and including) the Mortgage Pool Auction Period Start Date and ending on the earlier of (i) the Mortgage Pool Auction Period End Date and (ii) the Mortgage Pool Auction Completion Date.
“Mortgage Pool Auction Period End Date”	means the Call Option Date falling in December 2028.
“Mortgage Pool Auction Period Start Date”	means the Call Option Date falling in September 2028.
“Mortgage Pool Auction Purchaser”	means the purchaser of Mortgage Pool Option Loans as determined by the Mortgage Pool Auction Manager pursuant to the Mortgage Pool Auction (subject to the conditions set out in the Deed Poll).
“Mortgage Pool Auction Purchase Price”	means an amount equal to or greater than the Mortgage Pool Purchase Price as agreed between the Mortgage Pool Auction Manager and the Mortgage Pool Auction Purchaser pursuant to the Mortgage Pool Auction.
“Mortgage Pool Option”	means the option granted to the Mortgage Pool Option Holder documented in the Deed Poll.
“Mortgage Pool Option Holder”	means the Seller or the person nominated as the grantee of the Mortgage Pool Option (or any person whom the Mortgage Pool Option has been assigned pursuant to the Deed Poll).
“Mortgage Pool Purchase”	means a purchase of all (but not part) of the Loans and their Mortgages and other Mortgage Rights by the Mortgage Pool Option Holder.

“Mortgage Pool Purchase Completion Date”	means the date on which (i) the Mortgage Pool Option Loans are to be purchased from the Issuer pursuant to the Mortgage Pool Option; and (ii) the Debt is to be redeemed in full upon the application of the Mortgage Pool Purchase Price for such purposes.
“Mortgage Pool Purchase Price”	means an amount equal to the greater of: <ul style="list-style-type: none"> (i) the aggregate Current Balance of the Loans (excluding any Enforced Loans) in the Mortgage Pool determined as at the Determination Date immediately preceding the relevant Call Option Date; and (ii) the amount which, together with any amounts standing to the credit of the Transaction Account (including the Liquidity Reserve Fund) and/or any other cash held by or on behalf of the Issuer (other than any Swap Excluded Receivable Amounts, Swap Collateral or any Issuer Profit Amount), would be required to pay any amounts required under the relevant Priority of Payments to be paid in priority to or <i>pari passu</i> with the Debt on such Interest Payment Date, to redeem all Debt then outstanding in full together with accrued and unpaid interest on such Debt, and to pay costs associated with the redemption, as calculated on the Determination Date immediately preceding the relevant Call Option Date.
“Mortgage Portfolio Sale Notice”	means the mortgage portfolio sale notice delivered in accordance with the terms of the relevant mortgage sale agreement.
“Mortgage Rights”	means, in respect of a Loan and its Related Security, all right, Ancillary Rights, interest, Benefit, income and payments in relation thereto.
“Mortgage Sale Agreement”	means the mortgage sale agreement dated on or about the Issue Date between, amongst others, the Issuer, the Seller and the Security Trustee.
“Most Senior Class”	means <ul style="list-style-type: none"> (i) the Class A Debt for so long as there is any Class A Debt outstanding; (ii) thereafter the B Notes for so long as there are any B Notes outstanding; (iii) thereafter the C Notes for so long as there are any C Notes outstanding; (iv) thereafter the D Notes for so long as there are any D Notes outstanding; (v) thereafter the E Notes for so long as there are any E Notes outstanding; (vi) thereafter the Z Notes for so long as there are any Z Notes outstanding; (vii) thereafter the X Notes for so long as there are any X Notes outstanding; and

	(viii) thereafter the Certificates for so long as there are any Certificates.
“Noteholders”	means holders of the Notes.
“Note Adjustment Spread”	means the running adjustment to the spread, if any, that the Issuer (or the Servicer on its behalf) determines is required in order to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one party to the other as a result a Reference Rate Modification. The Note Adjustment Spread may be positive, negative or zero or determined pursuant to the relevant formula or methodology. If the Issuer (or the Servicer on its behalf) is required to determine the Note Adjustment Spread, it shall consider any Relevant Information and if a spread or methodology for calculating a spread is formally recommended in relation to the replacement of the relevant benchmark by any Relevant Nominating Body, then the Issuer (or the Servicer on its behalf) shall determine the Note Adjustment Spread by reference to such recommendation.
“Note Conditions”	means the terms and conditions applicable to the Notes as set out in Schedule 3 (<i>Terms and Conditions of the Notes</i>) to the Trust Deed as may from time to time be modified in accordance with the Trust Deed and, with respect to any Notes represented by a Global Note, as modified by the provisions of such Global Note and any reference to a particularly numbered Condition shall be construed accordingly.
“Note Principal Payment”	has the meaning given to such term in Note Condition 5(c) (<i>Note Principal Payments, Principal Amount Outstanding and Pool Factor</i>).
“Note Trustee”	means U.S. Bank Trustees Limited in its capacity as trustee for the Debtholders and such term shall include its successors and assignees.
“Notes”	means the A Notes, the B Notes, the C Notes, the D Notes, the E Notes, the Z Note and the X Notes.
“Observation Period”	has the meaning given to that term in Note Condition 4(c) (<i>Floating Rate of Interest</i>).
“Ombudsman”	means the Financial Ombudsman Service.
“Ordinary Resolution”	Means in respect of the holders of any Class of Debt and/or Certificates: <ul style="list-style-type: none"> (a) in respect of the Class A Debt, consent is given to the Note Trustee by or on behalf of the Class A Debtholders representing at least 25 per cent. of the aggregate Principal Amount Outstanding of the Class A Debt (the “Relevant Ordinary Resolution Threshold”), which consent shall be provided: <ul style="list-style-type: none"> (i) in the case of the holders of the Class A Loan Note, by direction given to the Note Trustee in writing by

the Class A Loan Note Agent (acting solely on the instruction of the Class A Loan Noteholders) pursuant to the terms of the Class A Loan Note Agreement and any such direction by (or on behalf of) a Class A Loan Noteholder shall be in respect of the Principal Amount Outstanding of the Class A Debt held by such Class A Loan Noteholder which shall count towards the Relevant Ordinary Resolution Threshold; and

- (ii) in the case of the holders of the A Notes, by:
 - (a) a resolution passed at a duly convened meeting of the holders of the A Notes and held in accordance with the provisions of the Trust Deed by a majority of not less than not less than 25 per cent. of the persons voting thereat upon a show of hands, or if a poll is demanded, by a majority consisting of not less than 25 per cent. of the votes cast on such poll;
 - (b) a Written Resolution signed by or on behalf of the holders of the A Notes of not less than 25 per cent. of the Principal Amount Outstanding of the relevant A Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such holders; or
 - (c) consent is given by way of Electronic Consent by or on behalf of the Class A Noteholders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the A Notes then outstanding,

and any such vote, resolution or consent by (or on behalf of) a Class A Noteholder shall be in respect of the Principal Amount Outstanding of the Class A Debt held by such Class A Noteholder which shall count towards the Relevant Ordinary Resolution Threshold.

- (iii) in respect of the holders of any Class of Debt (other than the Class A Debt) and/or the Certificates:
 - (a) a resolution passed at a duly convened meeting of the holders of the A Notes and held in accordance with the provisions of the Trust Deed by a majority consisting of not less than 25 per cent. of the persons voting thereat upon a show of hands, or if a poll is demanded, by a majority consisting of not less than 25 per cent. of the votes cast on such poll; or
 - a Written Resolution; or

- consent given by way of Electronic Consent by or on behalf of the holders of the Debt of not less than 25 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Debt then outstanding or, in the case of the Certificateholders, of not less than 25 per cent. by number of the Certificates then in issue.

“Originator”

means CMI.

“outstanding” or “Outstanding”

means in relation to a Class of Debt or Certificates, all the Debt of that Class which have been issued except:

- (i) those which have been redeemed in full in accordance with the Note Conditions or cancelled in respect of the Certificates;
- (ii) those in respect of which the date for redemption in full has occurred and the full amount of redemption moneys (including all interest accrued on such Debt to the date for such redemption and any interest payable under the Note Conditions after such date) have been duly paid to the Note Trustee or to the Principal Paying Agent or the Class A Loan Note Agent as provided in clause 2 (*Amount of the Debt and Covenant to Pay*) of the Trust Deed (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Note Condition 13 (*Notice to Noteholders*) and the terms of the Class A Loan Note Agreement) and remain available for payment against presentation and surrender of Notes; and
- (iii) those which have become void or in respect of which claims have become prescribed,

provided that for each of the following purposes:

- I ascertaining the right to attend and vote at any meeting of the Noteholders;
- II the determination of how many Notes or Certificates are outstanding for the purposes of:
 - (A) Note Condition 10 (Enforcement of Security, Limited Recourse and Non-Petition); Note Condition 11 (Meetings of Noteholders; Modifications; Consents; Waiver) and Schedule 5 (Provisions for Meetings of Noteholders) to the Trust Deed; and
 - (B) Certificate Condition 7 (Enforcement of Security, Limited Recourse and Non-Petition), Certificate Condition 8 (Meetings of Certificateholders; Modifications; Consents; Waivers) and

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Schedule 6 (Provisions of Meetings of Certificateholders) to the Trust Deed;

- III the exercise of any discretion, power or authority which the Note Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Most Senior Class; and
- IV the determination by the Note Trustee of whether any event or potential event is or would be materially prejudicial to the interests of the Most Senior Class,

those Notes which are beneficially held by or on behalf of the Seller or its affiliates shall (unless no longer so held) be deemed not to remain outstanding except where all of the Notes of any Classes or all of the Certificates are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such Classes of Notes (the “**Relevant Class of Notes**”) or such Certificates shall be deemed to remain outstanding or in issue (as the case may be), except that, if there is any other Class of Notes ranking *pari passu* with, or junior to, the Relevant Class of Notes and one or more Relevant Persons are not the beneficial owners of all the Notes of such Class, then the Relevant Class of Notes shall be deemed not to remain outstanding and provided that in relation to a matter relating to a Debt Basic Terms Modification any Notes which are for the time being held by or on behalf of or for the benefit of a Relevant Person, in each case as beneficial owner, shall be deemed to remain outstanding or in issue, as applicable and for the purposes of this proviso, in the case of the Global Notes, the Note Trustee shall be entitled to rely on the Register in relation to any determination of the nominal amount outstanding of the Global Notes.

“Participating Member State”

means a Member State of the European Communities which adopts the Euro as its lawful currency in accordance with the Treaty.

“Paying Agency Agreement”

means the agreement so named and dated on or about the Issue Date between, among others, the Issuer, the Note Trustee and the Agents.

“Paying Agents”

means the Principal Paying Agent and any additional paying agent appointed pursuant to the Paying Agency Agreement or any of them.

“PDL Condition”

means for each Interest Payment Date (i) in respect of the use of Available Principal Funds to make payments of interest on the B Notes, the debit balance of the B Principal Deficiency Sub-Ledger not exceeding 10 per cent. of the Principal Amount Outstanding of the B Notes (prior to any payments of principal on the B Notes on such Interest Payment Date), (ii) in respect of the use of Available Principal Funds to make payments of interest on the C Notes, the debit balance of the C

Principal Deficiency Sub-Ledger not exceeding 10 per cent. of the Principal Amount Outstanding of the C Notes (prior to any payments of principal on the C Notes on such Interest Payment Date); (iii) in respect of the use of Available Principal Funds to make payments of interest on the D Notes, the debit balance of the D Principal Deficiency Sub-Ledger not exceeding 10 per cent. of the Principal Amount Outstanding of the D Notes (prior to any payments of principal on the D Notes on such Interest Payment Date); (iv) in respect of the use of Available Principal Funds to make payments of interest on the E Notes, the debit balance of the E Principal Deficiency Sub-Ledger not exceeding 10 per cent. of the Principal Amount Outstanding of the E Notes (prior to any payments of principal on the E Notes on such Interest Payment Date).

“Perfection Events”

means the occurrence of any of the following:

- (i) an Enforcement Notice having been delivered by the Security Trustee;
- (ii) the Legal Title Holder being required to perfect legal title to the Loans and their Related Security by an order of a court of competent jurisdiction or by a regulatory authority which has jurisdiction over the Legal Title Holder;
- (iii) it becoming necessary by law to perfect legal title to the Loans and their Related Security;
- (iv) (for as long as CHL is the Servicer) the termination of the appointment of the Servicer or resignation of the Servicer;
- (v) the Charged Property or any material part of the Charged Property being, in the opinion of the Security Trustee, in jeopardy; or
- (vi) an Insolvency Event having occurred in relation to the Legal Title Holder, or any other entity in which legal title to any Loan is vested,

as more particularly described in clause 8.1 (*Further Assurance*) of the Mortgage Sale Agreement.

“Permitted Variation”

means any variation in the financial terms and conditions applicable to a Loan which is:

- (i) any variation agreed with a Borrower to control or manage arrears or expected arrears on the Loan including any variation relating to breaches of the Mortgage Conditions and any forbearance in accordance with the Mortgages Tailored Support Guidance, Consumer Duty or the FCA's Policy Statement 24/2 or Finalised Guidance 24/2 (or any replacement);
- (ii) any variation in the maturity date of a Loan, provided that, following such amendment, such Loan has a remaining term ending no later than two years prior to the

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			Final Maturity Date of the Debt and subject in each case to paragraph (viii) below;
			(iii) any variation imposed by statute or by regulation or any variation in the frequency with which the interest payable in respect of the Loan is charged;
			(iv) any variation to the interest rate as a result of the Borrowers switching to a different rate other than where the Borrower is switching to another product;
			(v) any change to a Borrower under the Loan or the addition of a new Borrower under a Loan;
			(vi) any change in the repayment method of the Loan (including from an Interest Only Loan to a Repayment Loan);
			(vii) any change in the rate of interest payable (i) as a result of any variation in any applicable discretionary rate or (ii) where the terms of the Loan change the rate of interest payable by a Borrower on termination of an interest discount for a fixed period of time;
			(viii) undertaken in accordance with the Mortgages Tailored Support Guidance, Consumer Duty or the FCA's Policy Statement 24/2 or Finalised Guidance 24/2 (or any replacement).
"Pool Factor"			has the meaning given to such term in Note Condition 5(c) (<i>Note Principal Payments, Principal Amount Outstanding and Pool Factor</i>).
"Post-Enforcement Priority of Payments"	Priority	of	means the Post-Enforcement Priority of Payments set out in Note Condition 2(d) (<i>Post-Enforcement Priority of Payments</i>).
"Potential Event of Default"			means any condition, event, act or circumstance which would or could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Note Condition 9 (<i>Events of Default</i>), become an Event of Default.
"Pre-Enforcement Principal Priority of Payments"			means the Pre-Enforcement Principal Priority of Payments as set out in Note Condition 5(b) (<i>Mandatory Redemption of the Debt</i>).
"Pre-Enforcement Priority of Payments"	Priority	of	means the Pre-Enforcement Revenue Priority of Payments or the Pre-Enforcement Principal Priority of Payments, as the case may be.
"Pre-Enforcement Revenue Priority of Payments"			means the Pre-Enforcement Revenue Priority of Payments set out in Note Condition 2(c) (<i>Pre-Enforcement Revenue Priority of Payments</i>).
"Pre-Funding Initial Amount"			means £7,825,267.70.
"Pre-Funding Principal Ledger"			means the ledger of such name created and maintained by the Cash Manager in the Transaction Account.
"Principal Addition Amounts"			means the amount of Available Principal Funds applied as item (ii) of the Pre-Enforcement Principal Priority of Payments to make up any Further Revenue Shortfall.

“Principal Amount Outstanding”	means the principal amount outstanding of each note as determined in accordance with Note Condition 5(c) (<i>Note Principal Payments, Principal Amount Outstanding and Pool Factor</i>).
“Principal Balance”	means, in relation to any Loan as at any date of determination, the principal amount outstanding of such Loan plus any other disbursement, legal expense, fee, charge or premium (including any origination fee and any product completion fee) capitalised and added to the amounts secured by the relevant Mortgage in accordance with the conditions of the Loan (including, for the avoidance of doubt, capitalised interest), in each case, as at such date.
“Principal Collections”	means the aggregate of: <ul style="list-style-type: none"> (i) all repayments or prepayments of principal received by the Issuer in relation to the Loans in respect of the Determination Period ending on or immediately prior to such Determination Date; and (ii) recoveries received by the Issuer and allocable to principal upon an enforcement of the Mortgage Rights, and recoveries received by the Issuer and allocable to principal upon a purchase or a repurchase of the Loans or an indemnity by the Seller, in accordance with the terms of the Mortgage Sale Agreement in each case received by the Issuer in the Determination Period preceding such Determination Date.
“Principal Deficiency”	means the amount debited from time to time to the Principal Deficiency Ledger for the purposes of recording Losses and/or the application of Principal Addition Amounts to provide for a Further Revenue Shortfall.
“Principal Deficiency Ledger”	means the A Principal Deficiency Sub-Ledger, the B Principal Deficiency Sub-Ledger, the C Principal Deficiency Sub-Ledger, the D Principal Deficiency Sub-Ledger and the E Principal Deficiency Sub-Ledger.
“Principal Ledger”	means the ledger of such name created for the purpose of recording Principal Collections and maintained by the Cash Manager in the Transaction Account.
“Principal Paying Agent”	means Elavon Financial Services DAC, UK Branch or any successor thereto.
“Principal Receipts”	has the meaning given to such term in Note Condition 4(j) (<i>Determinations and Reconciliation</i>).
“Priority of Payments”	means the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.
“Product Switch”	means any variation in the financial terms and conditions applicable to a Loan other than any Permitted Variation.
“Property”	means the freehold or long leasehold residential Property which is subject to a Mortgage.

“Property Deeds”	means all conveyancing deeds and documents which make up the title to the Properties and the Mortgages.
“Prospectus ”	means this Prospectus of the Issuer for the purposes of the EU Prospectus Regulation.
“Provisional Completion Mortgage Pool”	means the Loans proposed to be included in the Mortgage Pool as at the Cut-Off Date with the characteristics set out in the section entitled “ <i>Constitution of the Mortgage Pool</i> ”.
“Provisional Mortgage Pool”	means, as at the Provisional Pool Reference Date, a portfolio comprised of 1,973 Loans with an aggregate Current Balance of £450,249,484.
“Provisional Pool Reference Date”	31 March 2024.
“Provisions for Meetings of Noteholders”	means the provisions contained in Schedule 5 of the Trust Deed.
“Prudent Mortgage Lender”	means a competent mortgage lender acting reasonably in a manner consistent with that of (as the context requires) an experienced lender, servicer or administrator of residential buy-to-let mortgage loans and their collateral security.
“Prudential Regulation Authority” or “PRA”	means the Prudential Regulation Authority which replaced the FSA on 1 April 2013.
“Qualified Valuer”	means the provider of a Valuation Report that is a qualified as a Fellow of the Royal Institution of Chartered Surveyors, Member of the Royal Institution of Chartered Surveyors or an Associate Royal Institution of Chartered Surveyors.
“Rate of Interest”	means the relevant rate of interest for each Class of Note determined in accordance with Note Condition 4 (<i>Interest</i>).
“Rated Debt”	means the Class A Loan Note and the Rated Notes.
“Rated Notes”	means the A Notes, the B Notes, the C Notes, the D Notes and the E Notes.
“Rating Agencies”	means Moody’s and Fitch and “Rating Agency” means either of them.
“Rating Agency Confirmation”	means written confirmation from each Rating Agency (or certification from the Issuer to the Note Trustee and the Security Trustee that the Issuer has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that such modification would not result in the then current ratings of each Class of Debt rated thereby being qualified, downgraded, suspended or withdrawn, or such Rating Agency placing any of the Debt on rating watch negative (or equivalent) and, if relevant, the Issuer delivers a copy of each such confirmation to the Note Trustee and the Security Trustee.
“Receiver”	means any receiver, manager or administrative receiver appointed in respect of the Issuer by the Security Trustee in accordance with clause 10 (<i>Receiver</i>) of the Deed of Charge.

“Reconciliation Amount”	has the meaning given to such term in Note Condition 4(c) (<i>Floating Rate of Interest</i>) or Note Condition 4(j) (<i>Determinations and Reconciliation</i>) as the context determines.
“Redemption Event”	means the earlier to occur of (i) the Final Maturity Date, (ii) the Interest Payment Date on which the relevant Debt is redeemed in accordance with Note Condition 5(d) (<i>Mandatory Redemption in Full</i>), Note Condition 5(e) (<i>Optional Redemption for Taxation or Other Reasons</i>) or Note Condition 5(f) (<i>Mandatory Redemption of the Debt following the exercise of a Risk Retention Regulatory Change Option</i>) and the Class A Loan Note Agreement and (iii) the date on which the E Notes have been redeemed in full.
“Reference Banks”	has the meaning given to that term in Note Condition 4(i) (<i>Reference Banks and Agent Bank</i>).
“Registrar”	means Elavon Financial Services DAC, UK Branch or any successor thereto.
“Regulated Amendment”	means any amendment in relation to a Loan and its related Mortgage Rights which would constitute a regulated activity.
“Regulated Mortgage Contract”	has the meaning given to such term in the Risk Factor entitled “ <i>Mortgages regulated under FSMA</i> ”.
“Related Security”	means, in relation to a Loan, the Mortgage or Mortgages relating thereto (excluding any Incidental Mortgage, but including any beneficial interest that the Seller has, prior to the sale of such Loan to the Issuer pursuant to the Mortgage Sale Agreement, in any trust over such Incidental Mortgage) all right, title, interest, benefit and obligations of the Issuer in and to the relevant Loan and all other security, which were sold by the Seller to the Issuer pursuant to the Mortgage Sale Agreement.
“Relevant Breach of Duty”	means in relation to any person, a wilful default, fraud, negligence or breach of any agreement or breach of trust by such person.
“Relevant Information”	has the meaning given to such term in the Risk Factor entitled “ <i>Conflicts of interest</i> ”.
“Relevant Margin”	has the meaning given to such term in Note Condition 4(c) (<i>Floating Rate of Interest</i>).
“Relevant Nominating Body”	means, in respect of a relevant benchmark: <ul style="list-style-type: none"> (i) the central bank for the currency in which the relevant benchmark is denominated or any central bank or other supervisory authority which is responsible for supervising the administrator of the relevant benchmark or the relevant benchmark; or (ii) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (1) the central bank for the currency in which the relevant benchmark is denominated, (2) any central bank or other

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	supervisory authority which is responsible for supervising the administrator of the relevant benchmark or relevant benchmark, (3) a group of those central banks or other supervisory authorities or (4) the Financial Stability Board or part thereof.
“Relevant Period”	means 3 years from the date of advance of the relevant Loan to the Borrower.
“Repayment Loan”	means a Loan under the terms of which monthly instalments covering both interest and principal are payable by the Borrower until the Loan is fully repaid by its maturity in accordance with the relevant Loan Conditions.
“Repurchase Date”	means the date on which a Loan is repurchased by the Seller (or an affiliate thereof).
“Repurchase Price”	means an amount equal to the aggregate of: <ul style="list-style-type: none"> (i) the Current Balance of the relevant Loan as at the Determination Period End Date immediately preceding the relevant Repurchase Date, where such amount may be increased or decreased (as the case may be) by any applicable Swap Adjustment Amount in relation to such Loan; and (ii) the reasonable legal costs of the Issuer incurred in relation to the sale, re-transfer or re-assignment.
“Required Ratings”	has the meanings set out in the section entitled “ <i>Triggers Tables</i> ”.
“Residual Payment”	means: <ul style="list-style-type: none"> (i) prior to the delivery of an Enforcement Notice, for an Interest Payment Date, the amount by which Available Revenue Funds exceeds the amounts required to satisfy items (i) to (xxii) of the Pre-Enforcement Revenue Priority of Payments on that Interest Payment Date; and (ii) following the delivery of an Enforcement Notice, for any date on which amounts are to be applied in accordance with the Post-Enforcement Priority of Payments, the amount by which amounts available for payment in accordance with the Post-Enforcement Priority of Payments exceeds the amounts required to satisfy items (i) to (xiii) of the Post-Enforcement Priority of Payments on that date.
“Residential Property”	means a freehold or long leasehold over a property in England and Wales used for residential purposes and, in case of multi-unit blocks, predominantly for residential purposes.
“Retention”	means at any date an amount or amounts to be advanced under a Loan but retained as at that date pending satisfaction of the Retention Conditions.
“Retention Advance”	means, with respect to a Loan that includes a Retention Arrangement, the advance to the relevant Borrower of the Retention Amount.

“Retention Amount”	means, with respect to any Loan, the principal amount of that Loan that is not included in the initial advance of such Loan but is agreed pursuant to the terms of such Loan to be advanced to the relevant Borrower at a future time pursuant to a Retention Arrangement (or, where a lower amount is released, such lower amount).
“Retention Arrangement”	means, with respect to a Loan, an arrangement agreed with the relevant Borrower in connection with its entry into such Loan whereby an amount of principal is not included in the initial advance of such Loan but is agreed to be advanced to that Borrower at a future time, upon the satisfaction or waiver of certain conditions.
“Retention Conditions”	means, in relation to a Retention, the conditions for the release of such Retention, as described in the relevant letter of offer to the relevant Borrower.
“Retention Financing Arrangements”	has the meaning given to such term in the Risk Factor entitled <i>“Raising of financing by the Seller against Debt held by it for risk retention”</i> .
“Retention Requirement”	means a material net economic interest of at least 5 per cent. in the securitisation, in accordance with: <ul style="list-style-type: none"> (a) Article 6(1) of the UK Securitisation Regulation, in accordance with Article 6(3)(a) of the UK Securitisation Regulation (the “UK Retention Requirement”); and (b) Article 6(1) of the EU Securitisation Regulation, in accordance with Article 6(3)(a) of the EU Securitisation Regulation (the “EU Retention Requirement”).
“Return Amounts”	means Return Amounts as defined in a Credit Support Annex.
“Revenue Collections”	means the aggregate of: <ul style="list-style-type: none"> (i) all payments of interest, fees, breakage costs and other sums not comprising Principal Collections, if any, received by the Issuer in relation to the Loans in the Mortgage Pool; (ii) recoveries received by the Issuer and allocable to interest upon an enforcement of the Mortgage Rights and any Swap Adjustment Amounts received by the Issuer upon a purchase or a repurchase of any Loans in the Mortgage Pool by the Seller, or any affiliate thereof in accordance with the terms of the Mortgage Sale Agreement; and (iii) all Mortgage Early Redemption Amounts.
“Revenue Ledger”	means the ledger of such name created and maintained by the Cash Manager in the Transaction Account.

“Revenue Receipts”	has the meaning given to such term in Note Condition 4(j) (<i>Determinations and Reconciliation</i>).
“Revenue Shortfall”	means an amount, if greater than zero, by which the required payment pursuant to items (i) to (vi) (inclusive) and (viii) of the Pre-Enforcement Revenue Priority of Payments exceeds all Available Revenue Funds (excluding items (e) and (f) of the definition thereof).
“Right”	has the meaning given to it in the definition of “Benefit”.
“Risk Retention Notes”	means 5 per cent. of the Principal Amount Outstanding of each Class of Rated Debt and the Z Notes.
“Risk Retention Regulatory Change Event”	means any change in or the adoption of any new law, rule or regulation which as a matter of law has a binding effect on the Seller after the Issue Date which would impose a positive obligation on it to subscribe for any Notes over and above those required to be maintained by it under its risk retention undertaking.
“Risk Retention Regulatory Change Option”	means the option of the Seller in the Mortgage Sale Agreement to acquire all but not some of the Mortgage Pool following a Risk Retention Regulatory Change Event.
“Secured Creditors”	means each of the following: <ul style="list-style-type: none"> (i) the Debtholders; (ii) the Note Trustee; (iii) the Security Trustee; (iv) any Receiver or Appointee (in its capacity as a creditor secured by the Deed of Charge); (v) the Agents; (vi) the Cash Manager; (vii) the Back-up Cash Manager Facilitator; (viii) the Legal Title Holder; (ix) the Servicer; (x) the Back-up Servicer Facilitator; (xi) the Swap Counterparty; (xii) the Account Bank; (xiii) the Swap Collateral Account Bank; (xiv) the Collection Account Provider; (xv) the Corporate Services Provider; (xvi) the Seller; (xvii) CMI; (xviii) the Certificateholders; and (xix) any party who accedes to the Deed of Charge and any other person who is expressed in any deed supplemental to the Deed of Charge to be a Secured Creditor.
“Security”	means the security created in favour of the Security Trustee by, and contained in or granted pursuant to the Deed of Charge.

“Security Trustee”	means U.S. Bank Trustees Limited in its capacity as trustee for the Secured Creditors appointed in respect of the Security created pursuant to the Deed of Charge and any supplemental Deed of Charge and such term shall include its successors and assignees.
“Seller”	means Barossa as Seller of the Loans under the Mortgage Sale Agreement.
“Services”	means the services to be provided by the Servicer or the Cash Manager (as the case may be) to the Issuer pursuant to (respectively) the Servicing Agreement and the Cash Management Agreement.
“Servicing Agreement”	means the agreement so named dated on or about the Issue Date between, inter alios, the Issuer and the Servicer.
“Servicer”	means (a) CHL under the Servicing Agreement or (b) if CHL’s appointment is terminated under the Servicing Agreement pursuant to a Servicer Termination Event, the successor or replacement Servicer appointed in accordance with the Servicing Agreement.
“Servicer Termination Event”	means any of the events of default specified under Clause 27 (<i>Termination</i>) of the Servicing Agreement, including non-performance by the Servicer of its obligations thereunder or if insolvency or similar events occur in relation to the Servicer. See “ <i>Servicing</i> ”.
“Servicing Committee”	means a committee established on the Issue Date, comprising representatives (as shall be notified to the other members of the committee from time to time) of the Seller or its nominee(s).
“Share Trustee”	means CSC Corporate Services (UK) Limited, a company incorporated in England and Wales with registered number 10831084 and having its registered office at 5 Churchill Place, 10th Floor, London, England, E14 5HU.
“Shortfall Loan”	means any Loan in respect of which the Property securing that Loan has been sold leaving an unsecured balance owing by the Borrower which has not been written off by the Servicer.
“Solvency II”	means Article 254 of Regulation (EU) No 2015/35.
“SRR”	means the special resolution regime.
“Standard Documentation”	means the documents used by the Originator in connection with its activities as buy-to-let mortgage lender in relation to the origination of the relevant Loan, in substantially the forms identified in Appendix B (<i>Standard Documents</i>) to the Mortgage Sale Agreement and such other documents as may from time to time be substituted or added thereto.
“Step-Up Date”	means the Interest Payment Date falling in June 2028 .
“Subscribed Notes”	means the £257,637,000 A Notes due on the Interest Payment Date falling in March 2057, the £21,865,000 B Notes due on the Interest Payment Date falling in March 2057, the

£19,678,000 C Notes due on the Interest Payment Date falling in March 2057 and the £8,745,000 D Notes due on the Interest Payment Date falling in March 2057.

“Subscription Agreement”

means the subscription agreement dated on or around _____ 2024 between the Issuer and the Joint Lead Managers (amongst others).

“Subsidiary”

means a subsidiary within the meaning of section 1159 of the Companies Act.

“Swap Adjustment Amount”

means either:

- (i) the amount payable by the Issuer to the Swap Counterparty under the Swap Agreement in respect of a Loan; or
 - (ii) the amount payable by the Swap Counterparty to the Issuer under the Swap Agreement in respect of a Loan,
- in each case, if applicable, as a result of the repurchase of such Loan in accordance with the terms of the Mortgage Sale Agreement.

“Swap Adjustment Spread”

means the running adjustment to the spread, if any, that the Swap Counterparty or, if appointed, Third Party Determination Agent (as defined under the Swap Agreement) determines is required in order to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one party to the other as a result of a Swap Benchmark Rate Adjustment. The Swap Adjustment Spread may be positive, negative or zero or determined pursuant to the relevant formula or methodology. If the Swap Counterparty or, if appointed, Third Party Determination Agent is required to determine the Swap Adjustment Spread, it shall consider any Relevant Information and if a spread or methodology for calculating a spread is formally recommended in relation to the replacement of the relevant benchmark by any Relevant Nominating Body, then the Swap Counterparty or, if appointed, Third Party Determination Agent shall consider but for the purpose of its determination shall not be obliged to adopt such recommendation.

“Swap Agreement”

means each 2002 ISDA Master Agreement dated on or about the date of this Prospectus (together with the schedule, the confirmation relating to the relevant Interest Rate Swap, the relevant Credit Support Annex and any amendment agreements thereto) between the Issuer and the Swap Counterparty, or any replacement agreement between the Issuer and any replacement swap counterparty.

“Swap Collateral”

means any collateral which may be provided by the Swap Counterparty in accordance with the terms of the Swap Agreement.

“Swap Collateral Account Bank”

means Barclays Bank PLC in its capacity as interest rate swap collateral account bank.

“Swap Collateral Account”	means the account in the name of the Issuer at the Swap Collateral Account Bank or such other replacement account as may be established from time to time in accordance with the Transaction Documents.
“Swap Counterparty”	means BNP Paribas in its capacity as interest rate swap counterparty pursuant to the Swap Agreement and any permitted successor thereto in such capacity.
“Swap Counterparty Required Rating”	means, with respect to the Swap Counterparty or a replacement or guarantor in respect thereof, the minimum relevant rating(s) required by each Rating Agency as more particularly described in the <i>“Rights of Debtholders and Certificateholders and Relationship with Other Secured Creditors – Triggers Tables – Rating Triggers Table”</i> .
“Swap Counterparty Required Rating Downgrade”	means the failure of the Swap Counterparty to maintain the applicable Swap Counterparty Required Rating, in accordance with the provisions of the Swap Agreement.
“Swap Excluded Payable Amounts”	means any amounts payable by the Issuer to the Swap Counterparty (i) that represent Return Amounts, Interest Amounts or Distributions due under a Credit Support Annex (for the purposes of this definition “Interest Amounts” and “Distributions” have the meaning given to them in the Swap Agreement); (ii) that are termination payments to the extent such payment can and has been be satisfied from premiums received from a replacement Swap Counterparty.
“Swap Excluded Receivable Amounts”	means (i) any amount of interest actually determined in respect of the principal amount of the portion of the Credit Support Balance (as defined in the Swap Agreement) comprised of cash (net of any deduction or withholding for or on account of any tax), (ii) all principal, interest and other payments and distributions of cash or other property received (net of any deduction or withholding for or on account of any tax) by the Issuer from time to time with respect to the portion of the Credit Support Balance comprised of securities, (iii) any other amounts received by the Issuer pursuant to a Credit Support Annex, (iv) any early termination payment received by the Issuer from the Swap Counterparty until a new fixed/floating swap has been entered into, (v) any premiums received by the Issuer from a replacement Swap Counterparty to the extent required to pay termination payments to the relevant existing Swap Counterparty and/or (vi) any Swap Tax Credits.
“Swap Subordinated Amounts”	means any termination payment due to the Swap Counterparty which arises due to either (i) an Event of Default (as defined in the Swap Agreement) where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or (ii) an Additional Termination Event which occurs as a result of a Swap Counterparty Required Rating Downgrade.
“Swap Tax Credits”	means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any

jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer under the terms of the Swap Agreement.

“Tax”

shall be construed so as to include any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same, but excluding taxes on net income) imposed or levied by or on behalf of any Tax Authority in the United Kingdom and “Taxes”, “taxation”, “taxable” and comparable expressions shall be construed accordingly.

“Tax Regulations”

means the Taxation of Securitisation Companies Regulations 2006 (as amended) made under section 84 of the Finance Act 2005, now section 624 of the Corporate Tax Act 2010.

“Third Party Amounts”

means amounts (which would otherwise constitute Available Revenue Funds) applied from time to time during the immediately preceding Determination Period in making payment of certain monies which properly belong to third parties (including the Seller) such as (but not limited to):

- (b) certain costs and expenses incurred by the Servicer in respect of its servicing of the Loans including payments of ground rent, service charges, agent fees, general fees, occupancy checks, receivership set up fees, security, solicitors costs, tradesmen and utilities payments, but other than the fee payable to such Servicer and not otherwise covered by the items below;
- (c) payments of certain insurance premiums in respect of the insurance policies (to the extent referable to the Loans);
- (d) amounts under a direct debit which are repaid to the bank making the payment if such bank is unable to recoup or recall such amount itself from its customer’s account or is required to refund an amount previously debited; and
- (e) any amount received from a Borrower for the express purpose of payment being made to a third party for the provision of a service to that Borrower.

“Transaction Account”

means the account in the name of the Issuer at the Account Bank, sort code 20-00-00, account number 83391140, or such other replacement account as may be established from time to time in accordance with the Transaction Documents.

“Transaction Documents”

means the Master Definitions Schedule, the Bank Agreement, the Cash Management Agreement, the Collection Account Agreement, the Collection Account Declaration of Trust, the Swap Agreement, the Corporate Services Agreement, the Deed Poll, the Deed of Charge, the Servicing Agreement, the Mortgage Sale Agreement, the Paying Agency Agreement, the Trust Deed, the Issuer/ICSD Agreement, the Class A Loan Note Agreement and any other document agreed between the

	Issuer, the Note Trustee and the Security Trustee to be a Transaction Document.
“Transaction Parties”	<p>means each of the following:</p> <ul style="list-style-type: none"> (i) the Note Trustee; (ii) the Security Trustee; (iii) the Agents; (iv) the Cash Manager; (v) the Back-up Cash Manager Facilitator; (vi) the Legal Title Holder; (vii) the Servicer; (viii) the Back-up Servicer Facilitator; (ix) the Swap Counterparty; (x) the Account Bank; (xi) the Collection Account Provider; (xii) the Corporate Services Provider; (xiii) the Seller; (xiv) CMI; (xv) the Swap Collateral Account Bank; (xvi) the Class A Loan Noteholder; and (xvii) the Class A Loan Note Agents.
“Treaty”	means the Treaty on the functioning of the European Union (as amended).
“Trust Deed”	means the trust deed to be entered into between the Issuer, the Note Trustee and the Security Trustee on or about the Issue Date.
“Trust Documents”	means the Trust Deed and the Deed of Charge and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions of the Trust Deed or (as applicable) the Deed of Charge and expressed to be supplemental to the Trust Deed or the Deed of Charge (as applicable).
“UK Securitisation Regulation”	means Regulation (EU) 2017/2402 as it forms part of domestic law of the United Kingdom by virtue of the European Union (withdrawal) Act 2018 as amended, varied, superseded or substituted from time to time, including the Securitisation (Amendment) (EU Exit) Regulations 2019, as amended, varied, superseded or substituted from time to time, together with any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the FCA, the Bank of England, the PRA, the Pensions Regulator or any other relevant UK regulator (or their successor) in relation thereto;.
“UK MiFID”	means Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the EUWA.
“UTCCR”	means the 1999 Regulations and (in so far as applicable) the Unfair Terms in Consumer Contracts Regulations 1994.

“Variable Rate Loan”	means a Loan under the terms of which interest is payable at a variable rate of interest which is set at the BBR plus a margin.
“VAT”	shall be construed as a reference to: <ul style="list-style-type: none"> (i) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); or (ii) any other tax of a similar nature (whether levied by reference to added value or sales or otherwise), whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in (a) above, or imposed elsewhere, including for the avoidance of doubt, any value added tax imposed pursuant to the Value Added Tax Act 1994 (the “VATA 1994”) or any successor legislation thereto.
“Verified Noteholder”	means a Noteholder which has satisfied the Note Trustee or any other relevant Transaction Party that it is a Noteholder in accordance with Note Condition 11(h) (<i>Evidence of Notes</i>).
“Warehouse Borrower”	means each of Barossa Mortgage Funding No.2 Limited and Barossa Mortgage Funding No.3 Limited
“Warranties”	means, in relation to the Loans, the representations, warranties and undertakings referred to in Schedule 1 (<i>Warranties and Representations</i>) of the Mortgage Sale Agreement.
“Written Resolution”	means a resolution in writing by holders of the Class of Notes then outstanding of the requisite threshold. A Written Resolution has the same effect as the corresponding Ordinary Resolution or Extraordinary Resolution (as applicable).
“X Noteholder”	means the persons who are for the time being holders of the X Notes.
“X Notes”	means the £4,603,000 Class X floating rate notes due on the Interest Payment Date falling in March 2057 and, unless stated to the contrary, all references to “ X Note ” shall be construed as a reference to such Note whether in global or definitive form.
“X Global Note”	means the Global Note representing the X Notes, which will be substantially in the form set out in Schedule 1 (<i>Form of Global Note</i>) to the Trust Deed.
“X Residual Amount”	has the meaning given to such term in Note Condition 4(j) (<i>Deferral of Interest</i>).
“Z Global Note”	means the Global Note representing the Z Notes, which will be substantially in the form set out in Schedule 1 (<i>Form of Global Note</i>) to the Trust Deed.
“Z Notes”	means the £6,387,000 Class Z mortgage backed notes due on the Interest Payment Date falling in March 2057 and, unless expressly stated to the contrary, all references to an “ Z Note ” shall be a reference to such Z Note whether in global or definitive form.

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“Z Noteholders”

means the persons who are for the time being holders of the Z Notes.

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