



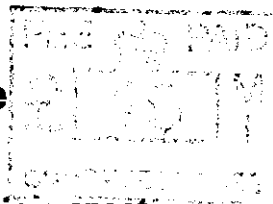
CHFP041

COMPANIES FORM No. 395

paid

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.**395**Please do not
write in
this marginPlease complete
legibly, preferably
in black type or
bold block letteringTo the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

3-

3982428

Name of company

*Insert full name
of company

* HOLMES FUNDING LIMITED ("FUNDING")

Date of creation of the charge

26th JULY, 2000 as amended on 29th NOVEMBER, 2000 and 23rd MAY, 2001

Description of the instrument (if any) creating or evidencing the charge (note 2)

PLEASE SEE ATTACHED SCHEDULE 1

Amount secured by the mortgage or charge

PLEASE SEE ATTACHED SCHEDULE 2

Names and addresses of the mortgagees or persons entitled to the charge

THE CHASE MANHATTAN BANK, LONDON BRANCH (FOR ITSELF AND ON BEHALF OF
THE OTHER FUNDING SECURED CREDITORS), 9 THOMAS MORE STREET, LONDON

Postcode E1W 1YT

Presentor's name, address and
reference (if any):SLAUGHTER AND MAY
35 BASINGHALL STREET
LONDON
EC2V 5DB
(ref: MSXH/HSCW)For official use
Mortgage section

Post room

LD6
COMPANIES HOUSE0417
12/06/01

Time critical reference

Short particulars of all the property mortgaged or charged

PLEASE SEE ATTACHED SCHEDULE 3

Please do not
write in
this margin

Please complete
legibly, preferably
in black type or
bold block
lettering

Particulars as to commission allowance or discount (note 3)

NOT APPLICABLE

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

Signed

Slaughter and May

Date

12th June, 2001

On behalf of [company/mortgagee/chargee]*
XXXXXXXXXXXXXXXXXXXX

*Delete as
appropriate

Notes

1. The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
2. A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
3. In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional, for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
4. If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
5. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF4 3UZ

Schedule 1

Second deed of accession to the Funding deed of charge dated 23rd March, 2001 ("Second Deed of Accession") between Funding (1), Holmes Financing (No. 1) PLC (the "First Issuer") (2), Holmes Financing (No. 2) PLC (the "Second Issuer") (3) Abbey National plc (the "Seller") (4), Abbey National plc (the "Cash Manager") (5), Abbey National plc (the "Account Bank") (6), Abbey National Treasury Services plc (the "Funding Swap Provider") (7), SPV Management Limited (the "Corporate Services Provider") (8), Citibank, N.A., London Branch (the "First Start-up Loan Provider") (9), The Royal Bank of Scotland plc (the "Funding Liquidity Facility Provider") (10), The Chase Manhattan Bank, London Branch (the "Security Trustee") (11), Holmes Financing (No. 2) PLC (the "Second Issuer") (12) and Citibank, N.A. (the "Third Start-up Loan Provider") (13) which amends, and provides for the accession by the Third Issuer and the Third Start-up Loan Provider to, the Funding deed of charge dated 23rd May, 2001 (such Funding deed of charge, as amended and acceded to by the Second Deed of Accession, being the "Funding Deed of Charge").

Schedule 2

Funding covenants with and undertakes to the Security Trustee as trustee for the Funding Secured Creditors that it will, subject to the provisions of the Funding Agreements:

- (a) duly and punctually pay and discharge all monies and liabilities whatsoever which now are or at any time hereafter may (whether before or after demand) become due and payable to the Security Trustee (whether for its own account or as trustee for the Funding Secured Creditors) or any of the other Funding Secured Creditors by Funding, whether actually or contingently, under this Deed or any other of the Funding Agreements; and
- (b) observe, perform and satisfy all its other obligations and liabilities under this Deed and/or any of the Funding Agreements.

(such obligations, together, being the "Funding Secured Obligations").

Schedule 3

With full title guarantee in favour of the Security Trustee:

(A) Trust Property

Funding, by way of first fixed security, subject to certain releases, charged and assigned by way of security all of its right, title and interest in, to and under the Funding Share of the Trust Property including all rights to receive payment of any amounts which may become payable to Funding thereunder and all payments received by it thereunder including, without limitation, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain relief in respect thereof.

(B) Contractual rights

Funding, by way of first fixed security, subject to certain releases, assigned by way of security all of its right, title, benefit and interest in, to and under the Funding Agreements (other than the Funding Deed of Charge) including all rights to receive payment of any amounts which may become payable to it thereunder and all payments received by it thereunder including, without limitation, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain relief in respect thereof.

(C) Accounts

Funding, by way of first fixed security, subject to certain releases, charged by way of first fixed charge all of its rights, interest and benefit, present and future, in and to all monies now or at any time hereafter standing to the credit of:

- (i) the Funding GIC Account;
- (ii) the Funding Transaction Account; and
- (iii) the Funding Liquidity Facility Stand-by Account,

and the debts represented by them together with all rights relating or attached thereto (including the right to interest).

(D) Authorised Investments

Funding, by way of first fixed security, subject to certain releases, charged by way of security all of its right, title and interest in, to and under any Authorised Investment purchased using monies standing to the credit of the Funding Bank

Accounts for the time being owned by it and all rights in respect of or ancillary to such Authorised Investments.

(E) Floating Charge

Funding, by way of security, subject to certain releases, charged by way of first floating charge the whole of its undertaking and all its property, assets and rights, whatsoever and wheresoever, both present and future other than any property or assets from time to time or for the time being the subject of fixed charges pursuant to paragraphs (A) to (D) (inclusive) or otherwise effectively assigned by way of security.

NOTE:

The Funding Deed of Charge contains certain covenants restricting Funding's rights which include, without limitation, that it will not dispose of the whole or any part of the Funding Charged Property.

Definitions

Abbey Deed and Power of Attorney	means the deed and power of attorney made by Abbey National plc in favour of Funding and its successors and assigns on the Initial Closing Date, pursuant to the Mortgages Trust Deed;
Accession Undertaking	means a form of deed of accession to the Funding Deed of Charge substantially in the form set out in Schedule 2 to the Funding Deed of Charge;
Account Bank	means the bank at which the Mortgages Trustee GIC Account, the Funding GIC Account, and the Funding Transaction Account are maintained from time to time, being as at the Initial Closing Date, Abbey National situated at 21 Prescot Street, London, E1 8AD and thereafter such other Authorised Entity as Funding may choose with the prior written approval of the Security Trustee or as the Mortgages Trustee may choose with the prior written consent of the Beneficiaries;
Accrued Interest	means as at any date (the "determination date") on or after the date hereof and in relation to any Loan, interest on such Loan (not being interest which is currently payable on the determination date) which has accrued from and including the Monthly Payment Day immediately prior to the determination date to and including the determination date;
Alternative Insurance Recommendations	means the Seller's standard documents entitled "Alternative Insurance Requirements - New Business" and "Alternative Insurance Requirements - Existing Business" and any other document containing similar recommendations which is sent to Borrowers in accordance with the Seller's Policy;

ANGI Policies	means those of the Buildings Policies which are issued to Borrowers by the Seller on behalf of CGU Underwriting Limited (formerly known as Commercial Union Underwriting Limited) or such other entity as may from time to time be appointed to issue the Buildings Policies;
ANPLC 1995 Mortgage Conditions	means the mortgage conditions booklet reference 0062/July 95 PA2 and any subsequent amendment therefor acceptable to a reasonable, prudent mortgage lender;
Arrears of Interest	means, in respect of a given date, interest, principal (if applicable) and expenses which are due and payable on that date;
Assignment Date	means the date of assignment of any New Portfolio to the Mortgages Trustee in accordance with Clause 4 of the Mortgage Sale Agreement;
Authorised Entity	means (a) any entity the short term unsecured, unsubordinated and unguaranteed debt of which is rated at least A-1+ by S&P, P-1 by Moody's, and F-1+ by Fitch or (b) any other entity approved in writing by the Security Trustee and the Rating Agencies, in each case being an institution authorised to carry on banking business (including accepting deposits) under the Banking Act 1987;
Authorised Investments	means: <ul style="list-style-type: none"> (i) Sterling gilt-edged securities; and (ii) Sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper) (which may include deposits in any account which earns a rate of interest related to LIBOR) provided that in all cases such investments have a maturity date of 90 days or less and mature on or before the next Interest Payment Date and the short-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or entity with which the demand or time deposits are made (being an authorised bank under the Banking Act 1987) are rated A-1+ by Standard & Poor's, F-1+ by Fitch and P-1 by Moody's or their equivalents by three other internationally recognised rating agencies;
Bank Account Agreement	means the agreement entered into on or about the Initial Closing Date between the Account Bank, the Mortgages Trustee, Funding and the Security Trustee which governs the operation of the Mortgages Trustee GIC Account, the Funding GIC Account and

	the Funding Transaction Account;
Beneficiaries	means both Funding and the Seller together, as beneficiaries of the Mortgages Trust;
Borrower	means, in relation to a Loan, the individual or individuals specified as such in the relevant Mortgage Terms together with the individual or individuals (if any) from time to time assuming an obligation to repay such Loan or any part of it;
Buildings Policies	means: <ul style="list-style-type: none"> (a) all buildings insurance policies relating to freehold Properties which have been taken out in the name of the relevant Borrower (and, in the case of the ANGI Policies, the Seller) in accordance with the applicable Mortgage Terms or the Alternative Insurance Recommendations; and (b) all landlord's buildings insurance policies relating to leasehold Properties;
Business Day	means a day that is both a London Business Day and a New York Business Day and a TARGET Business Day;
Capitalised Arrears	means, in relation to a Loan at any date (the "determination date"), the amount (if any) at such date of any Arrears of Interest in respect of which, at the determination date, each of the following conditions have been satisfied: <ul style="list-style-type: none"> (i) the Seller has, by arrangement with the relevant Borrower, agreed to capitalise such Arrears of Interest; and (ii) such Arrears of Interest have been capitalised and added, in the accounts of the Seller (or, if the determination date occurs after the Initial Closing Date, the Mortgages Trustee), to the principal amount outstanding in respect of such Loan;
Capped Rate Loans	means those Loans that are subject to a maximum rate of interest and where the interest rate payable by the Borrower is the lesser of the SVR or such specified maximum rate of interest;
Cash Management Agreement	means the cash management agreement entered into on or about the Initial Closing Date between the Cash Manager, the Mortgages Trustee, Funding, and the Security Trustee, as amended on 29th November, 2000 by the amendment agreement made between the same parties;

Certificate of Title	means a solicitor's or licensed conveyancer's report or certificate of title obtained by or on behalf of the Seller in respect of each Property substantially in the form of the pro-forma set out in the Standard Documentation;
Closing Trust Property	means the Initial Portfolio assigned by the Seller to the Mortgages Trustee on the Initial Closing Date;
Corporate Services Agreement	means the agreement dated on or about the Initial Closing Date and made between the Corporate Services Provider, Holdings, the First Issuer, Funding, the Mortgages Trustee, the Post-Enforcement Call Option Holder, the Seller and the Security Trustee for the provision by the Corporate Services Provider of certain corporate services and personnel to the First Issuer, Funding, the Mortgages Trustee, Holdings and the Post-Enforcement Call Option Holder;
Current Funding Share	means the amount of Trust Property beneficially owned by Funding from time to time, as determined in accordance with Clause 6 of the Mortgages Trust Deed;
Deed of Consent	means a deed whereby a person in or intended to be in occupation of a Property agrees with the Seller to postpone his or her interest (if any) in the Property so that it ranks after the interest created by the relevant Mortgage;
Deed of Postponement	means a deed whereby a mortgagee of a Property agrees with the Seller to postpone its mortgage over the Property so that the sums secured by it will rank for repayment after the sums secured by the relevant Mortgage;
Depository	means The Chase Manhattan Bank, New York, being a party to the First Issuer Depository Agreement and the Second Issuer Depository Agreement (which expression shall include any Successor Depository appointed thereunder);
Distribution Date	means the eighth day of each month or, if not a London Business Day, the next succeeding London Business Day, or as the case may be, the date that Funding acquires a portion of the Current Seller Share of the Trust Property pursuant to Clause 4 of the Mortgages Trust Deed or as the case may be, the date that Funding pays moneys (excluding Deferred Consideration) to the Seller in consideration of the Seller assigning New Loans to the Mortgages Trustee pursuant to Clause 4 of the Mortgage Sale Agreement;
Dollar Currency Swap Agreements	means the ISDA Master Agreements (including schedules and confirmations thereto) entered into between (i) the First Issuer, the Second Issuer or Third Issuer (ii) the relevant swap provider and (iii) the Security Trustee which swap sterling for dollars,

each such ISDA Master Agreement as amended or supplemented from time to time;

DTC	means The Depository Trust Company;
Early Repayment Fee	means any fee (other than a redemption fee) which a Borrower is required to pay in the event that the Borrower is in default or his or her Loan becomes repayable for any other mandatory reason or he or she repays all or any part of the relevant Loan before a specified date;
Euro Currency Swap Agreements	means the ISDA Master Agreements (including schedules and confirmations thereto) entered into between (i) either the First Issuer or the Second Issuer, (ii) the relevant swap provider and (iii) the Security Trustee which swap sterling for euro, each such ISDA Master Agreement as amended or supplemented from time to time;
First Issuer Account Banks	means the First Issuer Sterling Account Bank and the First Issuer Non-Sterling Account Bank;
First Issuer Bank Account Agreement	means the bank account agreement dated on or about the Initial Closing Date between the First Issuer, the Seller, the First Issuer Cash Manager, the First Issuer Account Banks and the Security Trustee;
First Issuer Cash Management Agreement	means the cash management agreement dated on or about the Initial Closing Date between the First Issuer, the First Issuer Cash Manager and the Security Trustee;
First Issuer Deed of Charge	means the deed of charge dated on or about the Initial Closing Date between the First Issuer, the Cash Manager, the Security Trustee, the Note Trustee, the First Issuer Liquidity Facility Provider, the Agent Bank, the First Issuer Account Banks, the Paying Agents, the Corporate Services Provider and the First Issuer's swap providers;
First Issuer Depository Agreement	means the agreement dated on or about the Initial Closing Date between the First Issuer, the Note Trustee and the Depository and the rules and procedures from time to time of DTC, Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear or Clearstream, Luxembourg, as appropriate;
First Issuer Intercompany Loan Agreement	means the First Issuer Intercompany Loan Confirmation and the Intercompany Loan Terms and Conditions together entered into on or about the Initial Closing Date by the First Issuer, Funding and the Security Trustee;
First Issuer	means the loan confirmation in respect of the First Issuer

Intercompany Loan Confirmation	Intercompany Loan Agreement dated on or about the Initial Closing Date and made between Funding, the First Issuer and the Security Trustee;
First Issuer Liquidity Facility Agreement	means the liquidity facility agreement dated on or about the Initial Closing Date between the First Issuer, the First Issuer Liquidity Facility Provider, the First Issuer Cash Manager and the Security Trustee pursuant to which the First Issuer Liquidity Facility Provider agreed to provide the First Issuer, from time to time during the First Issuer Liquidity Facility Commitment Period, with advances for the purposes specified therein, subject to and in accordance with the terms thereof;
First Issuer Liquidity Facility Commitment Period	means, subject to Clause 2.3 of the First Issuer Liquidity Facility Agreement, the period from the Initial Closing Date up to and including the date falling 364 days after the Initial Closing Date or, if such date is not a Business Day, the preceding Business Day;
First Issuer Notes	means the notes issued on 26th July, 2000 by the First Issuer;
First Issuer Paying Agent and Agent Bank Agreement	means the paying agent and agent bank agreement entered into on or about the Initial Closing Date between the First Issuer, the Note Trustee, the Principal Paying Agent, the Luxembourg Paying Agent, the US Paying Agent, and the Agent Bank;
First Issuer Post-Enforcement Call Option Agreement	means the post-enforcement call option agreement entered into on or about the Initial Closing Date between the First Issuer, the Post-Enforcement Call Option Holder and the Security Trustee;
First Issuer Trust Deed	means the trust deed entered into on or about the Initial Closing Date between the First Issuer and the Note Trustee constituting the First Issuer Notes;
First Start-up Loan	means the start-up loan that the Start-up Loan Provider made available to Funding pursuant to the First Start-up Loan Agreement;
First Start-up Loan Agreement	means the agreement entered into on or about the Initial Closing Date between Funding, the Start-up Loan Provider and the Security Trustee relating to the provision of the First Start-up Loan to Funding;
Fitch	means Fitch Ratings Limited;
Fixed Rate Loans	means those Loans where the interest rate payable by the Borrower does not vary and is fixed for a certain period of time by the Seller, together with the Capped Rate Loans no longer subject to their variable rates of interest but instead subject to interest at their specified capped rates;

Funding Agreements or Funding Transaction Documents	means each of the Transaction Documents to which Funding is a party including the Servicing Agreement, the Mortgages Trust Deed, the Abbey Deed and Power of Attorney, the Funding Deed of Charge, the Funding Swap Agreement, the Corporate Services Agreement, the Funding Liquidity Facility Agreement, the First Issuer Intercompany Loan Agreement, the Second Issuer Intercompany Loan Agreement, the Third Issuer Intercompany Loan Agreement, the Cash Management Agreement, the Bank Account Agreement, the Funding Guaranteed Investment Contract, the First Start-up Loan Agreement, the Second Start-up Loan Agreement, the Third Start-up Loan Agreement, the Mortgage Sale Agreement, the Seller Power of Attorney, the Insurance Acknowledgements and all other agreements referred to therein or otherwise referred to as "Funding Agreements" in each Accession Undertaking entered into by, <i>inter alios</i> , Funding and the Security Trustee, from time to time;
Funding Bank Accounts	means the Funding GIC Account, the Funding Transaction Account, the Funding Liquidity Facility Standby Account and such other bank account(s) held in the name of Funding with the approval of the Security Trustee from time to time;
Funding Charged Property	means the property charged by Funding pursuant to Clauses 3.1 to 3.5 (inclusive) of the Funding Deed of Charge;
Funding GIC Account	means the account in the name of Funding (sort code 090020, account number 00648620, reference: Holmes Funding Limited 8259) held at the Account Bank and maintained subject to the terms of the Funding Guaranteed Investment Contract, the Bank Account Agreement and the Funding Deed of Charge or such additional or replacement account as may for the time being be in place with the prior consent of the Security Trustee;
Funding GIC Balance	means, on any day during an Interest Period, the amount standing to the credit of the Funding GIC Account as at the opening of business on such day;
Funding GIC Provider	means Abbey National acting pursuant to the Funding Guaranteed Investment Contract and or such other person for the time being acting as provider of a guaranteed investment contract to Funding;
Funding Guaranteed Investment Contract	means the guaranteed investment contract entered into on or about the Initial Closing Date between Funding, the Funding GIC Provider, the Cash Manager and the Security Trustee, in relation to interest to be earned on the Funding GIC Balance;
Funding Liquidity Facility Agreement	means the liquidity facility agreement dated the Initial Closing Date between Funding, the Funding Liquidity Facility Provider, the Cash Manager and the Security Trustee pursuant to which the

Funding Liquidity Facility Provider will agree to provide Funding, from time to time during the Funding Liquidity Facility Commitment Period, with advances for the purposes specified therein, subject to and in accordance with the terms thereof;

**Funding Liquidity
Facility Commitment
Period**

means, subject to Clause 2.3 of the Funding Liquidity Facility Agreement, the period from and including the Initial Closing Date up to and excluding the date falling 364 days after the Initial Closing Date or, if such date is not a Business Day, the preceding Business Day;

**Funding Liquidity
Facility Provider**

means The Royal Bank of Scotland PLC, acting through its office at Waterhouse Square, 138-142 Holborn, London EC1N 2TH and/or such other bank or banks with at least the Requisite Ratings which agrees to provide a liquidity facility to Funding on substantially similar terms to the Funding Liquidity Facility Agreement;

**Funding Liquidity
Facility Stand-by
Account**

means an account to be opened in the name of Funding with the Funding Liquidity Facility Provider or, if the Funding Liquidity Facility Provider ceases to have the Requisite Ratings, the Account Bank or, if the Account Bank ceases to have the Requisite Ratings, a bank which has the Requisite Ratings;

**Funding Secured
Creditors**

means the Security Trustee, the Funding Swap Provider, the Cash Manager, the Funding Liquidity Facility Provider, the Account Bank, the First Issuer, the Seller, the Corporate Services Provider, the First Start-up Loan Provider, the Second Issuer, the Second Start-up Loan Provider, the Third Start-up Loan Provider and such other creditors of Funding who accede to the Funding Deed of Charge from time to time pursuant to an Accession Undertaking (including, for the avoidance of doubt, any New Issuer);

Funding Share

means, prior to the first Distribution Date, the Initial Funding Share and thereafter means the Current Funding Share;

Funding Swap

means the amended and restated swap documented on the 29th November, 2000 and 23rd March, 2001 under the Funding Swap Agreement which enables Funding to hedge against the possible variance between the fixed rates of interest payable on the Fixed Rate Loans and a LIBOR based rate for three-month sterling deposits, the possible variance between the rates of interest payable on the Tracker Loans and a LIBOR based rate for three-month sterling deposits and the possible variance between the SVR payable on the Variable Rate Loans and a LIBOR based rate for three-month sterling deposits;

Funding Swap

means the ISDA Master Agreement and schedule relating to the Funding Swap amended and restated on or about 29th

Agreement	November, 2000 and 23rd March, 2001 and the confirmation documented thereunder entered into on or about 29th November, 2000, each between Funding, the Funding Swap Provider and the Security Trustee;
Funding Transaction Account	means the account in the name of Funding (account no. 00648620, sort code 090020, reference: 8258) held with the Account Bank and maintained subject to the terms of the Bank Account Agreement and the Funding Deed of Charge or such other account as may for the time being be in place with the prior consent of the Security Trustee and designated as such;
Future Trust Property	means any or all New Portfolios;
Initial Closing Date	means 26th July, 2000;
Initial Funding Share	means the share of Funding in the Trust Property on the Initial Closing Date, being an amount equal to £2,256,000,000;
Initial Loans	means the portfolio of residential first mortgage loans to be assigned by the Seller to the Mortgages Trustee on the Initial Closing Date pursuant to the Mortgage Sale Agreement;
Initial Portfolio	means the Provisional Portfolio other than any Loan and its Related Security which has been redeemed in full on or before the Initial Closing Date;
Initial Seller Share	means the share of the Seller in the Trust Property on the Initial Closing Date being an amount equivalent to £4,143,214,202.63p;
Initial Trust Property	means the sum of £100 (one hundred pounds) that SPV Management Limited settled on trust to be held on trust absolutely as to both capital and income by the Mortgages Trustee for the benefit of the Seller and Funding pursuant to Clause 2.1 of the Mortgages Trust Deed;
Insurance Acknowledgement	means, in the case of the ANGI Policies and the Properties in Possession Policy, a letter from the relevant insurer substantially in the form set out in Schedules 10 and 11, respectively, to the Mortgage Sale Agreement;
Intercompany Loan Terms and Conditions	means the standard terms and conditions, as amended, incorporated into each Issuer Intercompany Loan Agreement, signed for the purposes of identification by the Security Trustee and Funding on or before the Initial Closing Date;
Interest Payment Date	means the 15th day of January, April, July and October in each year (or, if such day is not a Business Day, the next succeeding Business Day);

Interest Period	means the period from (and including) an Interest Payment Date (or in respect of the first Interest Period, the Initial Closing Date) to (but excluding) the next following (or first) Interest Payment Date;
Loan	means each loan referenced by its loan identifier number and comprising the aggregate of all principal sums, interest, costs, charges, expenses and other monies (including all further advances) due or owing with respect to that loan under the relevant Mortgage Terms by a Borrower on the security of a Mortgage from time to time outstanding or, as the context may require, the Borrower's obligations in respect of the same;
London Business Day	means a day (other than a Saturday or Sunday) on which banks are generally open for business in London;
MIG Policies	<p>means:</p> <ul style="list-style-type: none"> (a) the mortgage guarantee indemnity policy number CAR 9401A dated 4th November, 1994 and any endorsements thereto as issued from time to time; and/or (b) the mortgage indemnity guarantee policy number CAR9401X dated 4th November, 1994 and any endorsements thereto as issued from time to time; and/or (c) the mortgage indemnity guarantee policy number CAR 9601A dated 30th December, 1996 and any endorsements thereto as issued from time to time, <p>written by Carfax Insurance Limited in favour of the Seller, or any other mortgage indemnity guarantee policy as may be effected from time to time to cover the Seller in respect of New Loans and their Related Security, such other mortgage indemnity guarantee policy to provide such level of cover as would be acceptable to a reasonable, prudent mortgage lender at the date of such other policy;</p>
Monthly Payment Date	means the date on which interest (and principal in relation to a repayment mortgage) is due to be paid by a Borrower on a Loan or, if any such day is not a business day, the next following business day;
Moody's	means Moody's Investors Services Inc. and includes any successor to its rating business;
Mortgage	means a first ranking legal charge over a residential property in England or Wales and a reference to a Mortgage shall include the Mortgage Conditions;

Mortgage Conditions	means the terms and conditions applicable to a Loan as contained in the Seller's "Mortgage Conditions" booklet applicable from time to time;
Mortgage Sale Agreement	means the mortgage sale agreement entered into on or about the Initial Closing Date, as amended and restated on 23rd March, 2001, and made between the Seller, Funding, the Mortgages Trustee and the Security Trustee in relation to the assignment of the Initial Portfolio and any New Portfolios to the Mortgages Trustee;
Mortgage Terms	means all the terms and conditions applicable to a Loan, including without limitation the applicable Mortgage Conditions and Offer Conditions;
Mortgages Trust	means the trust of the Trust Property as to both capital and income, including the Initial Trust Property, held by the Mortgages Trustee on trust absolutely for Funding (as to the Funding Share) and the Seller (as to the Seller Share);
Mortgages Trust Deed	means the mortgages trust deed made by the Mortgages Trustee, Funding and the Seller on 25th July, 2000, as amended on 29th November, 2000 by deed of amendment made between the same parties;
Mortgages Trustee	means Holmes Trustees Limited;
Mortgages Trustee GIC Account	means the account in the name of the Mortgages Trustee (account no. 00648620, sort code 090020, reference: 00008253) maintained with the Account Bank pursuant to the Bank Account Agreement and the Mortgages Trustee GIC Account Agreement, or such additional or replacement bank account of the Mortgages Trustee as may for the time being be in place which is subject to a Guaranteed Investment Contract;
Mortgages Trustee GIC Balance	means, on any day during an Interest Period, the amount standing to the credit of the Mortgages Trustee GIC Account as at the opening of business on such day;
Mortgages Trustee GIC Provider	means Abbey National acting pursuant to the Mortgages Trustee Guaranteed Investment Contract or its successor or assignee and any provider of a replacement Mortgages Trustee GIC Account;
Mortgages Trustee Guaranteed Investment Contract	means the guaranteed investment contract to be entered into on or about the Initial Closing Date between the Mortgages Trustee, the Mortgages Trustee GIC Provider, the Cash Manager and the Security Trustee in relation to interest to be earned on the Mortgages Trustee GIC Balance;
New Intercompany	means a loan of the proceeds of any issue of New Notes, such

Loan	loan being advanced to Funding by a New Issuer pursuant to the terms of a New Intercompany Loan Agreement;
New Intercompany Loan Agreement	means a new intercompany loan agreement entered into between Funding and a New Issuer in relation to a New Intercompany Loan;
New Issuer	means a new wholly owned subsidiary of Holdings, which is established to issue New Notes and to make a New Intercompany Loan to Funding;
New Loans	means Loans, other than the Initial Loans, which the Seller may assign, to the Mortgages Trustee after the Initial Closing Date pursuant to the Mortgage Sale Agreement;
New Notes	means the notes issued and/or to be issued by the New Issuers to investors;
New Portfolio	<p>means in each case the portfolio of Loans and their Related Security (other than any Loans and their Related Security which have been redeemed in full prior to the Assignment Date or which do not otherwise comply with the terms of the Mortgage Sale Agreement as at the Assignment Date), particulars of which are set out in the relevant New Portfolio Notice, and all right, title, interest and benefit of the Seller in and to:</p> <p>(A) all payments of principal and interest (including, for the avoidance of doubt, all Accrued Interest, Arrears of Interest, capitalised expenses and Capitalised Arrears) and other sums due or to become due in respect of the Loans comprised in the relevant portfolio of New Loans and their Related Security including, without limitation, the right to demand, sue for, recover and give receipts for all principal monies, interest and costs and the right to sue on all covenants made or expressed to be made in favour of the Seller under the applicable Mortgage Terms but excluding all sums due or to become due in respect of any Early Repayment Fee;</p> <p>(B) subject where applicable to the subsisting rights of redemption of Borrowers, all Deeds of Consent, Deeds of Postponement or any collateral security for the repayment of the relevant New Loans secured by the relevant New Mortgages;</p> <p>(C) the right to exercise all the powers of the Seller in relation thereto subject to and in accordance with the relevant Mortgage Terms but so that, in the case of any Mortgages related to the New Loans which are subject to the ANPLC 1995 Mortgage Conditions (or any replacement therefor which would be acceptable to a reasonable, prudent mortgage lender), the Mortgages Trustee shall not, save as set out in the Servicing</p>

Agreement, be entitled to exercise the entitlement set out in Condition 29.2 thereof (or its equivalent) (but without prejudice to any other rights under the ANPLC 1995 Mortgage Conditions);

(D) all the estate and interest in the relevant Properties vested in the Seller;

(E) each relevant Certificate of Title and Valuation Report and any right of action of the Seller against any solicitor, valuer or other person in connection with any report, valuation, opinion, certificate or other statement of fact or opinion given in connection with any relevant New Loan and its Related Security, or any part thereof or affecting the decision of the Seller to make or offer to make the relevant New Loan or part thereof;

(F) the proceeds of all claims made by or on behalf of the Seller or to which the Seller is entitled under the Buildings Policies and the Properties in Possession Policy; and

(G) the MIG Policies, so far as they relate to the New Loans comprised in the relevant portfolio of Loans and their Related Security, including the right to receive the proceeds of any claims (but not to the extent that any such proceeds relate to any Early Repayment Fee);

New Portfolio Notice	means a notice in the form set out in Schedule 12 to the Mortgage Sale Agreement served in accordance with the terms of the Mortgage Sale Agreement;
Offer Conditions	means the terms and conditions applicable to a specified Loan as set out in the relevant offer letter to the Borrower;
Portfolio	means the Initial Portfolio and any New Portfolio (other than any Loan and its Related Security which has been redeemed in full or repurchased by the Seller pursuant to Clause 8 of the Mortgage Sale Agreement);
Post-Enforcement Call Option Holder	means PECO Limited whose registered office is at Abbey House, Baker Street, London NW1 6XL;
Property	means a freehold or leasehold property which is subject to a Mortgage;
Property in Possession Policy	means the properties in possession policy number 23-94-000004 issued by Baker Street Risk and Insurance (Guernsey) Limited of 10 Lefebvre Street, St. Peter Port, Guernsey GY1 2PE on 18th December, 1995 in favour of the Seller and any endorsements or extensions thereto as issued from time to time, or any such similar alternative or replacement policy or policies as may in

future be issued in favour of the Seller;

Provisional Portfolio

means the portfolio of Loans and their Related Security, particulars of which are set out in Part 1 of the Exhibit to the Mortgage Sale Agreement, and all right, title, interest and benefit of the Seller in and to:

(A) all payments of principal and interest (including, for the avoidance of doubt, all Accrued Interest, Arrears of Interest, Capitalised expenses and Capitalised Arrears) and other sums due or to become due in respect of the Loans comprised in that portfolio of Loans and their Related Security including, without limitation, the right to demand, sue for, recover and give receipts for all principal monies, interest and costs and the right to sue on all covenants made or expressed to be made in favour of the Seller under the applicable Mortgage Terms but excluding all sums due or to become due in respect of any Early Repayment Fee;

(B) subject where applicable to the subsisting rights of redemption of Borrowers, all Deeds of Consent, Deeds of Postponement or any collateral security for the repayment of the relevant Loans secured by the Mortgages;

(C) the right to exercise all the powers of the Seller in relation thereto subject to and in accordance with the relevant Mortgage Terms but so that, in the case of Mortgages which are subject to the ANPLC 1995 Mortgage Conditions, the Mortgages Trustee shall not, save as set out in the Servicing Agreement, be entitled to exercise the entitlement set out in Condition 29.2 thereof (but without prejudice to any other rights under the ANPLC 1995 Mortgage Conditions);

(D) all the estate and interest in the Properties vested in the Seller;

(E) each Certificate of Title and Valuation Report and any right of action of the Seller against any solicitor, valuer or other person in connection with any report, valuation, opinion, certificate or other statement of fact or opinion given in connection with any Loan and its Related Security, or any part thereof or affecting the decision of the Seller to make or offer to make the relevant Loan or part thereof;

(F) the proceeds of all claims made by or on behalf of the Seller or to which the Seller is entitled under the Buildings Policies and the Properties in Possession Policy; and

(G) the MIG Policies, so far as they relate to the Loans comprised in that portfolio of Loans and their Related Security, including

the right to receive the proceeds of any claim (but not to the extent that any such proceeds relate to any Early Repayment Fee);

Related Security	means, in relation to a Loan, the security for the repayment of that Loan including the relevant Mortgage and all other matters applicable thereto acquired as part of the Portfolio sold to the Issuer pursuant to clause 2.1 or clause 4.1 of the Mortgage Sale Agreement (but excluding, for the avoidance of doubt, the Property in Possession Policy in respect of which the Mortgages Trustee, Funding and the Security Trustee have received the Insurance Acknowledgement);
Requisite Ratings	means a rating of P-1 by Moody's, F-1 + by Fitch and A-1 + by Standard & Poor's;
Second Issuer Account Banks	means the Second Issuer Sterling Account Bank and the Second Issuer Non-Sterling Account Bank;
Second Issuer Bank Account Agreement	means the bank account agreement dated on or about 29th November, 2000 between the Second Issuer, the Seller, the Second Issuer Cash Manager, the Second Issuer Account Banks and the Security Trustee;
Second Issuer Cash Management Agreement	means the cash management agreement dated on or about 29th November, 2000 between the Second Issuer, the Second Issuer Cash Manager and the Security Trustee;
Second Issuer Corporate Services Agreement	means the agreement dated on or about 29th November, 2000 and made between the Corporate Services Provider, Holdings, the Second Issuer, the Seller and the Security Trustee for the provision by the Corporate Services Provider of certain corporate services and personnel to the Second Issuer;
Second Issuer Deed of Charge	means the deed of charge dated on or about 29th November, 2000 between the Second Issuer, the Second Issuer Cash Manager, the Security Trustee, the Note Trustee, the Second Issuer Liquidity Facility Provider, the Agent Bank, the Second Issuer Account Banks, the Paying Agents, the Corporate Services Provider and the Second Issuer's swap providers;
Second Issuer Depository Agreement	means the agreement dated on or about the 29th November, 2000 between the Second Issuer, the Note Trustee and the Depository and the rules and procedures from time to time of DTC, Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear or Clearstream, Luxembourg, as appropriate;
Second Issuer Intercompany Loan	means the Second Issuer Intercompany Loan Confirmation and the Intercompany Loan Terms and Conditions (as amended)

Agreement	together entered into on or about 29th November, 2000 by the Second Issuer, Funding and the Security Trustee;
Second Issuer Intercompany Loan Confirmation	means the loan confirmation in respect of the Second Issuer Intercompany Loan Agreement dated on or about 29th November, 2000 and made between Funding, the Second Issuer and the Security Trustee;
Second Issuer Liquidity Facility Agreement	means the liquidity facility agreement dated on or about 29th November, 2000 between the Second Issuer, the Second Issuer Liquidity Facility Provider, the Second Issuer Cash Manager and the Security Trustee pursuant to which the Second Issuer Liquidity Facility Provider agreed to provide the Second Issuer, from time to time during the Second Issuer Liquidity Facility Commitment Period, with advances for the purposes specified therein, subject to and in accordance with the terms thereof;
Second Issuer Liquidity Facility Commitment Period	means, subject to Clause 2.3 of the Second Issuer Liquidity Facility Agreement, the period from 29th November, 2000 up to and including the date falling 364 days after such date or, if such date is not a Business Day, the preceding Business Day;
Second Issuer Notes	means the notes issued on 29th November, 2000 by the Second Issuer;
Second Issuer Paying Agent and Agent Bank Agreement	means the paying agent and agent bank agreement entered into on or about 29th November, 2000 between the Second Issuer, the Note Trustee, the Principal Paying Agent, the Luxembourg Paying Agent, the US Paying Agent, and the Agent Bank;
Second Issuer Post-Enforcement Call Option Agreement	means the post-enforcement call option agreement entered into on or about 29th November, 2000 between the Second Issuer, the Post-Enforcement Call Option Holder and the Security Trustee;
Second Issuer Trust Deed	means the trust deed entered into on or 29th November, 2000 between the Second Issuer and the Note Trustee constituting the Second Issuer Notes;
Second Start-up Loan	means the start-up loan that the Start-up Loan Provider made available to Funding pursuant to the Second Start-up Loan Agreement;
Second Start-up Loan Agreement	means the agreement entered into on or about 29th November, 2000 between Funding, the Start-up Loan Provider and the Security Trustee relating to the provision of the Second Start-up Loan to Funding;
Seller Share	means, prior to the first Distribution Date, the Initial Seller Share and thereafter, shall mean the Current Seller Share;

Seller's Policy	means the originating, underwriting, administration, arrears and enforcement policy applied by the Seller from time to time to loans and the security for their repayment which are beneficially owned solely by the Seller;
Seller's Power of Attorney	means the power of attorney granted by the Seller in favour of Funding, the Mortgages Trustee and the Security Trustee on the Initial Closing Date, substantially in the form set out in Schedule 5 to the Mortgage Sale Agreement;
Servicer	means Abbey National, or such other person as may from time to time be appointed as servicer of the Portfolio pursuant to the Servicing Agreement;
Servicing Agreement	means the agreement entered into on or about the Initial Closing Date, as amended and restated on 23rd March, 2001 between the Servicer, the Mortgages Trustee, the Security Trustee, Funding and the Seller pursuant to which the Servicer agrees to administer the Loans and their Related Security comprised in the Portfolio;
Standard & Poor's	means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. and includes any successor to its rating business;
Standard Documentation	means the standard documentation, copies of which are contained as Part 2 of the Exhibit to the Mortgage Sale Agreement and which have been initialled on behalf of the parties thereto for the purposes of identification, or any update or replacement therefor as the Seller may from time to time introduce acting in accordance with the standards of a reasonable, prudent mortgage lender;
Subscription Agreements	means: <ul style="list-style-type: none"> (a) for the First Issuer, the Subscription Agreements relating to the sale of its Series 3 Notes and Series 4 Notes, dated 21st July, 2000 between the First Issuer, Funding, the Mortgages Trustee, Salomon Brothers International Limited and the other Managers; and (b) for the Second Issuer, the Subscription Agreements relating to the sale of its Series 3 Notes, dated 20th November, 2000 between the Third Issuer, Funding, the Mortgages Trustee, Salomon Brothers International Limited and Credit Suisse First Boston (Europe) Limited and the other Managers; (c) for the Third Issuer, the Subscription Agreements relating to the sale of its Series 1 Notes and Series 2 Notes, dated

17th March, 2001 between the Third Issuer, Abbey National PLC, Funding, the Mortgages Trustee, Salomon Brothers International Limited, Credit Suisse First Boston (Europe) Limited and the other Managers.

SVR	means a standard variable rate of interest levied on Variable Rate Loans in, or to be included in, the Portfolio (other than the Tracker Loans), such interest to be payable monthly;
Third Issuer Account Banks	means the Third Issuer Sterling Account Bank and the Third Issuer Non-Sterling Account Bank;
Third Issuer Bank Account Agreement	means the bank account agreement dated on 23rd March, 2001 between the Third Issuer, the Seller, the Third Issuer Cash Manager, the Third Issuer Account Banks and the Security Trustee;
Third Issuer Cash Management Agreement	means the cash management agreement dated on 23rd March, 2001 between the Third Issuer, the Third Issuer Cash Manager and the Security Trustee;
Third Issuer Corporate Services Agreement	means the agreement dated on 23rd March, 2001 and made between the Corporate Services Provider, Holdings, the Third Issuer, the Seller and the Security Trustee for the provision by the Corporate Services Provider of certain corporate services and personnel to the Third Issuer;
Third Issuer Deed of Charge	means the deed of charge dated on 23rd March, 2001 between the Third Issuer, the Third Issuer Cash Manager, the Security Trustee, the Note Trustee, the Third Issuer Liquidity Facility Provider, the Agent Bank, the Third Issuer Account Banks, the Paying Agents, the Corporate Services Provider and the Third Issuer's swap providers;
Third Issuer Intercompany Loan Agreement	means the Third Issuer Intercompany Loan Confirmation and the Intercompany Loan Terms and Conditions (as amended) together entered into on 23rd March, 2001 by the Third Issuer, Funding and the Security Trustee;
Third Issuer Intercompany Loan Confirmation	means the loan confirmation in respect of the Third Issuer Intercompany Loan Agreement dated on 23rd March, 2001 and made between Funding, the Third Issuer and the Security Trustee;
Third Issuer Liquidity Facility Agreement	means the liquidity facility agreement dated on 23rd March, 2001 between the Third Issuer, the Third Issuer Liquidity Facility Provider, the Third Issuer Cash Manager and the Security Trustee pursuant to which the Third Issuer Liquidity Facility Provider agreed to provide the Third Issuer, from time to time during the Third Issuer Liquidity Facility Commitment Period, with advances

for the purposes specified therein, subject to and in accordance with the terms thereof;

Third Issuer Liquidity Facility Commitment Period	means, subject to Clause 2.3 of the Third Issuer Liquidity Facility Agreement, the period from 23rd March, 2001 up to and including the date falling 364 days after such date or, if such date is not a Business Day, the preceding Business Day;
Third Issuer Notes	means the notes issued on 23rd March, 2001 by the Third Issuer;
Third Issuer Paying Agent and Agent Bank Agreement	means the paying agent and agent bank agreement entered into on or about 23rd March, 2001 between the Third Issuer, the Note Trustee, the Principal Paying Agent, the Luxembourg Paying Agent, the US Paying Agent, and the Agent Bank;
Third Issuer Post-Enforcement Call Option Agreement	means the post-enforcement call option agreement entered into on or about 23rd March, 2001 between the Third Issuer, the Post-Enforcement Call Option Holder and the Security Trustee;
Third Issuer Trust Deed	means the trust deed entered into on 23rd March, 2001 between the Third Issuer and the Note Trustee constituting the Third Issuer Notes;
Third Start-up Loan	means the start-up loan that the Third Start-up Loan Provider made available to Funding pursuant to the Third Start-up Loan Agreement;
Third Start-up Loan Agreement	means the agreement entered into on 23rd March, 2001 between Funding, the Third Start-up Loan Provider and the Security Trustee relating to the provision of the Third Start-up Loan to Funding;
Tracker Loan	means a loan where interest is linked to a variable interest rate other than the SVR. For example, the rate on a Tracker Loan may be set at a margin above sterling LIBOR or above rates set by the Bank of England;
Transaction Documents	means the Funding Agreements, the First Issuer transaction documents, the Second Issuer transaction documents, the Third Issuer transaction documents any documents and agreements to which any New Issuer is a party and all other documents and agreements referred to therein, including the following documents: <ol style="list-style-type: none"> (1) the Subscription Agreements; (2) the Underwriting Agreements; (3) the First Issuer Intercompany Loan Agreement;

- (4) the Second Issuer Intercompany Loan Agreement;
- (5) the Third Issuer Intercompany Loan Agreement;
- (6) the Mortgages Trust Deed;
- (7) the Mortgage Sale Agreement;
- (8) the First Issuer Deed of Charge;
- (9) Second Issuer Deed of Charge;
- (10) Third Issuer Deed of Charge;
- (11) the Funding Deed of Charge;
- (12) the Funding Liquidity Facility Agreement;
- (13) the First Issuer Liquidity Facility Agreement;
- (14) the Second Issuer Liquidity Facility Agreement;
- (15) the Third Issuer Liquidity Facility Agreement
- (16) the Dollar Currency Swap Agreements;
- (17) the Euro Currency Swap Agreements;
- (18) the Issuer Fixed-Floating Swap Agreement;
- (19) the Funding Swap Agreement;
- (20) the First Issuer Trust Deed;
- (21) the Second Issuer Trust Deed;
- (22) the Third Issuer Trust Deed;
- (23) the First Issuer Paying Agent and Agent Bank Agreement;
- (24) the Second Issuer Paying Agent and Agent Bank Agreement;
- (25) the Third Issuer Paying Agent and Agent Bank Agreement;
- (26) the Servicing Agreement;
- (27) the Cash Management Agreement;

- (28) the First Issuer Cash Management Agreement;
- (29) the Second Issuer Cash Management Agreement;
- (30) the Third Issuer Cash Management Agreement;
- (31) the Funding Guaranteed Investment Contract;
- (32) the Mortgages Trustee Guaranteed Investment Contract;
- (33) the First Issuer Post-Enforcement Call Option Agreement;
- (34) the Second Issuer Post-Enforcement Call Option Agreement;
- (35) The Third Issuer Post-Enforcement Call Option Agreement;
- (36) the Bank Account Agreement;
- (37) the First Issuer Bank Account Agreement;
- (38) the Second Issuer Bank Account Agreement;
- (39) the Third Issuer Bank Account Agreement;
- (40) the Corporate Services Agreement;
- (41) the Second Issuer Corporate Services Agreement;
- (42) the Third Issuer Corporate Services Agreement;
- (43) the First Start-up Loan Agreement;
- (44) the Second Start-up Loan Agreement;
- (45) the Third Start-up Loan Agreement;
- (46) the First Issuer Depository Agreement; and
- (47) the Second Issuer Depository Agreement.

Trust Property

means the Initial Trust Property, the Closing Trust Property and any Future Trust Property (together with the proceeds of sale of any of them) but excludes any Loans that have been repaid or which have been repurchased by the Seller pursuant to the Mortgage Sale Agreement or other actual adjustments and, for the avoidance of doubt, not deemed adjustments to the Trust Property as set out in the Mortgages Trust Deed;

Underwriting Agreements

means:

- (a) for the First Issuer, the Underwriting Agreements relating to the sale of its Series 1 Notes and Series 2 Notes, dated 21st July, 2000 between the First Issuer, Funding, the Mortgages Trustee, Salomon Brothers International Limited and the other Managers; and
- (b) for the Second Issuer, the Underwriting Agreements relating to the sale of its Series 1 Notes and Series 2 Notes, dated 20th November, 2000 between the Second Issuer, Funding, the Mortgages Trustee, Salomon Brothers International Limited and the other Managers;
- (c) for the Third Issuer, the Underwriting Agreements relating to the sale of its Series 1 notes and Series 2 Notes dated 17th March, 2001 between the Third Issuer, Abbey National PLC, Funding, the Mortgages Trustee Limited, Salomon Brothers International Limited and the other Managers;

Valuation Report

means the valuation report or reports for mortgage purposes, in the form of the pro-forma contained in the Standard Documentation, obtained by the Seller from a Valuer in respect of each Property or a valuation report in respect of a valuation made using a methodology which would be acceptable to a reasonable prudent mortgage lender and which has been approved by the Director of Group Property and Survey of the Seller (or his successor);

Valuer

means an Associate or Fellow of the Royal Institution of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers who was at the relevant times either a member of a firm which was on the list of Valuers approved by or on behalf of the Seller from time to time or an Associate or Fellow of the Royal Institute of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers employed in-house by the Seller acting for the Seller in respect of the valuation of a Property; and

Variable Rate Loans

means those Loans which are subject to a rate of interest which may at any time be varied in accordance with the relevant Mortgage Terms (and shall, for the avoidance of doubt, exclude Fixed Rate Loans and Tracker Loans).

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 03982428

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SECOND DEED OF ACCESSION TO THE FUNDING DEED OF CHARGE DATED 26th JULY 2000 AS AMENDED ON 29th NOVEMBER 2000 AND 23rd MAY 2001 DATED THE 23rd MAY 2001 AND CREATED BY HOLMES FUNDING LIMITED FOR SECURING THE "FUNDING SECURED OBLIGATIONS" BEING ALL MONIES AND LIABILITIES WHATSOEVER DUE OR TO BECOME DUE FROM THE COMPANY TO THE CHASE MANHATTAN BANK, LONDON BRANCH (FOR ITSELF AND ON BEHALF OF THE OTHER FUNDING SECURED CREDITORS) OR ANY OF THE OTHER FUNDING SECURED CREDITORS BY FUNDING, WHETHER ACTUALLY OR CONTINGENTLY, UNDER THIS DEED OR ANY OTHER OF THE FUNDING AGREEMENTS AND ALL THE COMPANY'S OTHER OBLIGATIONS AND LIABILITIES UNDER THE DEED AND/OR ANY OF THE FUNDING AGREEMENTS WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 12th JUNE 2001.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 20th JUNE 2001.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —

LC
EG

HC026B