



Registration of a Charge

Company name: **CAYENNE FUNDING LTD**

Company number: **09120781**



X3YNG5NK

Received for Electronic Filing: **08/01/2015**

Details of Charge

Date of creation: **08/01/2015**

Charge code: **0912 0781 0001**

Persons entitled: **CITICORP TRUSTEE COMPANY LIMITED (AS SECURITY TRUSTEE FOR THE SECURED PARTIES) (AS DEFINED IN THE ACCOMPANYING INSTRUMENT)**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **VICTORIA GILLAM**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9120781

Charge code: 0912 0781 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th January 2015 and created by CAYENNE FUNDING LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th January 2015 .

Given at Companies House, Cardiff on 9th January 2015

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Warehouse Deed of Charge

Dated

8 January 2015

Cayenne Funding Ltd as Company (1)
Commonwealth Bank of Australia as Original Senior
Lender and Senior Agent (2)
Challenger Life Debt Investments (Europe) Limited
as Original Mezzanine Lender and Mezzanine Agent
(3)
Pepper (UK) Limited as Originator and Servicer (4)
Pepper Finance (H73) Limited as Junior Lender and
Approved Seller (5)
Citicorp Trustee Company Limited as Security
Trustee (6)

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THIS DEED is dated 8 January 2015 and made between:

- (1) **CAYENNE FUNDING LTD** (registered number 09120781), a private limited company incorporated in England and Wales with its registered office at Fifth Floor, 100 Wood Street, London EC2V 7EX (the "**Company**");
- (2) **COMMONWEALTH BANK OF AUSTRALIA** (registered Australian company number 123 123 124), a limited liability company incorporated in Australia with its registered office at Ground Floor, Tower 1, 201 Sussex Street, Sydney NSW Australia 2000 (the "**Original Senior Lender**" and "**Senior Agent**");
- (3) **CHALLENGER LIFE DEBT INVESTMENTS (EUROPE) LIMITED** (registered number 07626067), a private limited company incorporated in England and Wales with its registered office at c/o Challenger, 19th Floor Heron Tower, 110 Bishopsgate, London EC2N 4AY (the "**Original Mezzanine Lender**" and "**Mezzanine Agent**");
- (4) **PEPPER (UK) LIMITED** (registered number 06548489), a limited liability company incorporated in England and Wales with its registered office at 114a Cromwell Road, London SW7 4ES (the "**Originator**" and "**Servicer**");
- (5) **PEPPER FINANCE (H73) LIMITED** (registered number 551827), a private limited company incorporated in Ireland with its registered office at Fourth Floor, Two Park Place, Upper Hatch Street, Dublin 2 (the "**Junior Lender**" and "**Approved Seller**"); and
- (6) **CITICORP TRUSTEE COMPANY LIMITED** (registered number 00235914), a private limited company incorporated in England and Wales with its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5B in its capacity as security trustee for the Secured Parties (the "**Security Trustee**").

WHEREAS:

- (A) The Originator carries on the business of originating or advancing loans secured by mortgages and standard securities over properties in England, Wales and Scotland.
- (B) The Originator has transferred its beneficial interest in certain Mortgage Loans and their Collateral Security to H73 pursuant to the Origination and Sale Agreement.
- (C) H73 has transferred its beneficial interest in certain Mortgage Loans and their Collateral Security to the Company in accordance with the Sale Agreement of even date herewith.
- (D) The Company has entered into the Warehouse Senior Credit Facility Agreement, the Warehouse Mezzanine Credit Facility Agreement and the Warehouse Junior Credit Facility Agreement whereunder the relevant Lenders have agreed to provide funding to the Company for the purposes of acquiring Mortgage Loans and their Collateral Security from Approved Sellers.
- (F) The Company has agreed to grant the Security to secure, inter alia, payment and performance of its obligations under the Warehouse Senior Credit Facility Agreement, the Warehouse Mezzanine Credit Facility Agreement and the Warehouse Junior Credit Facility Agreement.

IT IS AGREED as follows:

1 Definitions and Interpretation

1.1 Definitions

The document entitled the "**Cayenne Funding Master Definitions Schedule**" signed for the purposes of identification on 19 December 2014 ("**Master Definitions Schedule**") by King & Wood

Mallesons LLP, Ashurst LLP, Norton Rose Fulbright LLP and Simmons & Simmons LLP is expressly and specifically incorporated into this Deed and, accordingly:

- (a) unless otherwise defined in this Deed or the context requires otherwise, a term defined in the Master Definitions Schedule has the same meaning in this Deed and in any notice given under or in connection with this Deed; and
- (b) this Deed shall be construed in accordance with the interpretations provisions set out in Clause 2 (Interpretation) of the Master Definitions Schedule.

1.2 Section 2 of the Law of Property (Miscellaneous Provisions) Act 1989

This Deed incorporates by reference (for the purposes only of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989), where relevant, the terms of each of the Transaction Documents.

2 Appointment of the Security Trustee

Each of the other Secured Parties appoints Citicorp Trustee Company Limited as Security Trustee in accordance with the terms herein.

3 The Company's Covenant to Pay

3.1 Company's undertaking to the Security Trustee

The Company acknowledges to the Security Trustee the Company's liability in respect of the Secured Obligations and further covenants with and undertakes to the Security Trustee (for itself and as trustee for the other Secured Parties) that it shall duly and punctually pay and discharge all monies and liabilities whatsoever and observe, satisfy and perform all other obligations and liabilities whatsoever in each case which now are or (whether before or after demand) from time to time become due, owing or payable by the Company, whether actually or contingently:

- (a) to or to the order of the Security Trustee and/or any Receiver under this Deed at the times and in the manner provided herein;
- (b) to the Security Trustee on any account whatsoever, whether as principal, surety or guarantor and whether or not directly with another; and
- (c) to each of the other Secured Parties in accordance with each of the other Transaction Documents.

3.2 Declaration of trust

The Security Trustee holds on trust, upon and subject to the terms and conditions of this Deed, for the Secured Parties, all of the covenants, undertakings and representations made to the Security Trustee under and pursuant to this Deed and any other Transaction Document and all Security Interests made or given to the Security Trustee or to be made or given to it for the purpose of securing the Secured Obligations.

4 Security

4.1 English Mortgages

The Company, by way of first fixed security for the payment or discharge of the Secured Obligations, with full title guarantee and subject in each case to the proviso for redemption hereinafter contained and to the provisos for redemption contained in the Mortgage Loans, hereby assigns to the Security Trustee all the Company's right, title, interest and benefit present and future in, to and under the English Mortgage Loans in the Portfolio and the English Mortgages in the Portfolio from time to time and including, without limitation:

- (a) all monies assured by or to become payable under the same;
- (b) the benefit of all covenants relating thereto;
- (c) all powers and remedies for enforcing the same and the title deeds; and
- (d) all documents relating to the English Properties over which English Mortgage Loans in the Portfolio are secured and the English Mortgages in the Portfolio including (without prejudice to the generality of the foregoing) any affidavits, consents, renunciations, deeds of postponement, waivers, reports, valuations, opinions, certificates and other statements of fact or opinion or both given in connection with the English Mortgages in the Portfolio (and all causes and rights of action of the Company against any person in connection with the same) and any other contractual documents or any security documents in either case setting out the terms of the English Mortgage Loans,

to hold the same unto the Security Trustee absolutely for the Security Trustee on trust for itself and the other Secured Parties.

4.2 Individual Insurance Policies

The Company, by way of further first fixed security for the payment or discharge of the Secured Obligations, with full title guarantee (or as beneficial owner if appropriate) and subject to the proviso for redemption hereinafter contained, hereby assigns or, to the extent the same are incapable of being assigned, charges to the Security Trustee all the Company's right, title, interest and benefit present and future in, to and under the Individual Insurance Policies (including for the avoidance of doubt those Individual Insurance Policies relating to the Scottish Mortgages), to the extent that the Individual Insurance Policies have been assigned to the Company pursuant to a Sale Agreement and the benefit of all other insurance policies to the extent that such insurance policies have been assigned to the Company pursuant to a Sale Agreement, including, without limitation, all monies assured by or to become payable under the same and the benefit of all covenants, undertakings and rights relating thereto and all powers and remedies for enforcing the same to hold the same unto the Security Trustee absolutely for the Security Trustee on trust for itself and the other Secured Parties.

4.3 Scottish Mortgages

The Company, with absolute warrandice and subject to the proviso for redemption hereinafter contained and the right of redemption contained in the Mortgage Conditions, hereby undertakes to the Security Trustee and binds and obliges itself:

- (a) upon the delivery to it of any SLR Transfer pursuant to a Sale Agreement forthwith to execute and deliver to the Security Trustee in security for the discharge and payment of the Secured Obligations a Scottish Sub-Security substantially in the form set out in Schedule 1 (Form of Scottish Sub-Security (Land Register)) in respect of the Company's whole right title and interest in and to all of the Scottish Mortgages in the Portfolio and the Scottish Mortgage Loans secured thereby to which the Company is entitled in terms of such SLR Transfer;
- (b) upon the delivery to it of any Sasine Transfer pursuant to a Sale Agreement forthwith to execute and deliver to the Security Trustee in security for the discharge and payment of the Secured Obligations a Scottish Sub-Security substantially in the form set out in Schedule 2 (Form of Scottish Sub-Security (Sasine Register)) in respect of the Company's whole right title and interest in and to all of the Scottish Mortgages and the Scottish Mortgage Loans secured thereby to which the Company is entitled in terms of such Sasine Transfer;

- (c) at the time of the delivery of any Scottish Sub-Security in accordance with the preceding provisions of this sub-clause simultaneously to deliver to the Security Trustee the relevant SLR Transfer or Sasine Transfer respectively pertaining to the Scottish Mortgages specified in such Scottish Sub-Security;
- (d) if and when called upon to do so by the Security Trustee (but subject to the provisions of the relevant Sale Agreement) to take all such steps as are necessary to perfect legal title to the Scottish Mortgages, including without limitation, registration and recording of the Company as heritable creditor under such Scottish Mortgages in the Registers of Scotland; and
- (e) to execute and deliver such documents, and in such form, and to take such other steps as the Security Trustee shall consider necessary to enable the Security Trustee to perfect a first ranking heritable security over the Scottish Mortgages and all sums secured thereby and to effect a first ranking assignation in security to the Security Trustee of the other Collateral Security relative thereto.

4.4 Scottish trust security

- (a) The Company undertakes to execute and deliver to the Security Trustee on each Scottish Security Date a Scottish Supplemental Charge in the applicable form set out in Schedule 3 (Form of Scottish Supplemental Charge) in respect of the Company's beneficial interest in and under each and any Scottish Declaration of Trust entered into since the previous Scottish Security Date or (in the case of the first Scottish Security Date) since the date of this Deed. The other parties to this Deed consent to the entering into of such Scottish Supplemental Charges and the Security Trustee by its execution of this Deed authorises the Company to intimate and give notice to the Originator of the assignation in security made thereunder as provided therein.
- (b) The Company undertakes to the Security Trustee at the time of delivery of any Scottish Supplemental Charge under the terms of paragraph (a) above simultaneously to deliver to the Security Trustee each Scottish Declaration of Trust specified therein and to take all steps as are necessary to give effect to such Scottish Supplemental Charge, including registration at Companies House.

4.5 Contractual and other rights

- (a) The Company, by way of further first fixed security for the payment or discharge of the Secured Obligations, with full title guarantee (or, in relation to any rights or assets situated in Scotland or otherwise governed by Scots law, with absolute warrandice) and subject to the proviso for redemption hereinafter contained, hereby assigns or, to the extent the same are incapable of assignment, charges to the Security Trustee all its right, title, interest and benefit present and future in, to and under the Transaction Documents and all other contracts, agreements, deeds and documents, present and future, to which the Company is or may become a party, including without limitation all rights to receive payment of any amounts which may become payable to the Company thereunder, all payments received by the Company thereunder, 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 other relief in respect thereof to hold the same unto the Security Trustee absolutely for the Security Trustee on trust for itself and the Secured Parties.
- (b) Notwithstanding such assignment each of the parties hereto (other than the Company) agrees with the Company that the Secured Parties may continue to make all payments

becoming due to the Company under any of the Transaction Documents direct to the Company in the manner envisaged by such agreements (which payment shall constitute a good discharge by the person making the payment) until receipt of express written notice from the Security Trustee or the Receiver requiring such payments to be made elsewhere, which notice shall not be given at any time prior to the giving of an Acceleration Notice.

4.6 Bank accounts

- (a) The Company, by way of further first fixed security for the payment or discharge of the Secured Obligations, with full title guarantee and subject to the proviso for redemption hereinafter contained, hereby charges, by way of first fixed charge to the Security Trustee all the Company's right, title, benefit and interest present and future in, to and under the Cayenne Funding Accounts and all sums of money which may now be or hereafter are from time to time standing to the credit of the Cayenne Funding Accounts (to the extent the Company is entitled to such sums) together with all rights and claims relating or attached thereto including, without limitation, the right to all interest accruing from time to time thereon and the proceeds of any of the foregoing and the debts represented thereby and the benefit of all covenants relating thereto and all powers and remedies for enforcing the same to hold the same unto the Security Trustee absolutely for the Security Trustee on trust for itself and the other Secured Parties.
- (b) The Company, by way of first fixed security for the payment or discharge of the Secured Obligations, with full title guarantee and subject to the proviso for redemption hereinafter contained, hereby charges, by way of first fixed charge to the Security Trustee all the Company's right, title, benefit and interest present and future in, to and under the Cayenne Funding Account Declarations of Trust including, without limitation, the benefit of all covenants relating thereto and all powers and remedies for enforcing the same to hold the same unto the Security Trustee absolutely for the Security Trustee on trust for itself and the other Secured Parties.
- (c) The Company, by way of first fixed security for the payment or discharge of the Secured Obligations, with full title guarantee and subject to the proviso for redemption hereinafter contained, hereby charges, by way of first fixed charge to the Security Trustee all the Company's right, title, benefit and interest present and future in, to and under the Pepper (UK) Account Declarations of Trust including, without limitation, the benefit of all covenants relating thereto and all powers and remedies for enforcing the same to hold the same unto the Security Trustee absolutely for the Security Trustee on trust for itself and the other Secured Parties.

4.7 Floating charge

- (a) The Company, by way of further security for the payment or discharge of the Secured Obligations, with full title guarantee (or, in relation to any rights or assets situated in or governed by the law of Scotland, with absolute warrandice) hereby charges by way of first floating charge to the Security Trustee the whole of its undertaking and all its property, assets and rights present and future (including, without limitation, everything specifically secured by means of fixed charge above or otherwise assigned as security by this Clause 4 (Security) as well as all its property, assets and rights situated in Scotland or otherwise governed by the laws of Scotland), to hold the same unto the Security Trustee absolutely for the Security Trustee on trust for itself and the other Secured Parties.

- (b) The floating charge created by this sub-clause is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002).
- (c) The floating charge created by this Clause 4.7 (Floating charge) shall be deferred in point of priority to the fixed charges which remain outstanding under and pursuant to this Deed from time to time and any rights of the Company to deal with the assets subject to the floating charge shall be expressly subject to any restrictions placed on dealing with those assets contained in any fixed charge over the same.
- (d) In addition and without prejudice to any other event resulting in a crystallisation of the floating charge created under this Deed or any other right the Security Trustee may have, the Security Trustee may, by notice in writing to the Company (and so far as permitted by applicable law), declare that the floating charge created under this Deed shall (so far as permitted by applicable law) be converted into first specific fixed charges over such of the undertaking, property and assets of the Company as the Security Trustee may specify in such notice at any time if:
 - (i) an Acceleration Notice has been served; or
 - (ii) the Security Trustee in its absolute discretion believes that the Secured Property or any part thereof is in danger of being seized or sold under any form of distress, attachment, execution, diligence or other legal process levied or is otherwise in jeopardy; or
 - (iii) the Security Trustee considers that it is necessary in order to protect the priority of the Security.
- (e) In addition and without prejudice to any other event resulting in a crystallisation of the floating charge created under this Deed and without prejudice to any rule of law which may have a similar effect, subject as provided below, the floating charge shall (so far as permitted by applicable law) automatically and without notice be converted with immediate effect into a fixed charge as regards:
 - (i) all property, assets or undertaking of the Company subject to such floating charge, upon:
 - (A) the occurrence of an Insolvency Event in relation to the Company;
 - (B) the service of an Acceleration Notice; or
 - (ii) any property, assets or undertaking of the Company which become subject to a Security Interest in favour of any person other than the Security Trustee or which is/are the subject of a sale, transfer or other disposition, in either case, contrary to the covenants and undertakings contained in the Transaction Documents, immediately prior to such Security Interest arising or such sale, transfer or other disposition being made.
- (f) The Company will promptly upon crystallisation execute over the assets charged pursuant to this Clause 4.7 (Floating charge) a fixed charge or security in favour of the Security Trustee in such form as the Security Trustee shall reasonably require.
- (g) The floating charge created by this Clause 4.7 (Floating charge) may not be converted into a fixed charge solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with leave of the court.

4.8 Further acquired items

For the avoidance of doubt (and subject to Clause 4.4 (Scottish trust security)) it is hereby confirmed that reference herein to Mortgage Loans, Mortgages, Individual Insurance Policies, other insurance policies and related items in the Portfolio include those which are hereafter assigned or transferred to or otherwise acquired by the Company and that the Security comprises, and is intended to comprise, specific and fixed assignments and assignments by way of security of, or specific and fixed charges over (as the case may be), the items to which they relate, both present and acquired in the future.

4.9 No transfer of obligations

Notwithstanding anything else in this Deed, it is hereby agreed that the Security Trustee does not assume, nor shall the Security Trustee be obliged to perform, any obligations of any other person (including, for the avoidance of doubt, the making of Further Advances to Borrowers) and nothing herein shall be construed so as to transfer any of such obligations to the Security Trustee.

4.10 Exception

Nothing in this Clause 4 (Security) shall have the effect of securing any Secured Obligation which, if secured by this Deed, would cause the Security to be unlawful.

5 Custody of Title Deeds

5.1 Custody of Title Deeds

Each of the Company and the Servicer acknowledges and confirms and the Company shall procure that the Backup Servicer and any Third Party Servicer acknowledge and confirm that the Security Trustee is and shall be at all times entitled to the custody of the Title Deeds, which the Servicer (or a Third Party Servicer) is to hold or arrange to be held to the order of the Security Trustee under the Servicing Agreement (or in its capacity as a Third Party Servicer under the terms of the Servicing Agreement) and which the Company holds on trust for the Security Trustee pending delivery if such Title Deeds are ever in the possession of the Company.

5.2 Deposit of Title Deeds with Security Trustee

The Company shall, immediately upon the Security becoming enforceable, deposit with the Security Trustee (or any person nominated by the Security Trustee to hold the same on its behalf including, without limitation, any solicitors) by way of security for the Secured Obligations all title deeds and documents including the title deeds and documents required to be deposited with the Security Trustee (or any person nominated by the Security Trustee to hold the same on its behalf including, without limitation, any solicitors) in accordance with any Transaction Document.

6 Redemption and Release

6.1 No recourse against shareholder, officer or director

No recourse under any obligation, covenant, undertaking or agreement of the Company contained in any of the Transaction Documents shall be made against any shareholder, officer or director of the Company as such, by the enforcement of any assignment or by any proceeding, by virtue of any statute or otherwise (except in the case of fraud); it being expressly agreed and understood that obligations set out in the Transaction Documents are corporate obligations of the Company and no liability shall attach to, or be incurred by, the shareholders, officers, agents, or directors of the Company as such, or any of them, under or by reason of any of the obligations, covenants and agreements of the Company contained in any of the Transaction Documents, or implied therefrom, and that any and all personal liability for breach by the Company of any of such obligations, covenants, undertakings or agreements, either at law or by statute or certification, of every such

shareholder, officer, agent or director is hereby expressly waived by the Company as a condition of any consideration for the execution of this Deed.

6.2 No action by Secured Parties

Each of the Secured Parties (other than the Security Trustee) hereby agrees with the Security Trustee that:

- (a) it shall not be entitled to take, and shall not take, any steps whatsoever to enforce the Security, or to direct the Security Trustee to do so other than in accordance with the terms of the Transaction Documents;
- (b) it shall not be entitled to take, and shall not take, or join any other person in instigating against the Company any steps (including the exercise of any withholding, right of set off or other right of deduction) for the purpose of recovering or enforcing any of the Secured Obligations owing to it or any other liabilities, obligations or debts whatsoever owing to it by the Company or procuring the winding up, dissolution, assignment, re organisation, bankruptcy, insolvency or liquidation of the Company, or the making of a court protection order against the Company, or for the appointment of a receiver, administrator, liquidator or similar officer in relation to the Company in respect of any or all of the Company's liabilities, revenues and assets whatsoever; and
- (c) it shall not be entitled to exercise, and shall not exercise, any rights of subrogation which it has now or in the future in a manner which is inconsistent with the provisions of this Deed (including this Clause 6.2 (No action by Secured Parties)), which relate to the exercise of rights of enforcement of the Security, the allocation of the Company's funds and the proceeds of enforcement of the Security (including, in each case, priorities of payments), and the exercise and non-exercise of rights of the Secured Parties in connection with the recovery of amounts owing to them now or in the future under the Transaction Documents.

6.3 Release on payment or discharge

Upon proof being given to the satisfaction of the Security Trustee as to the full, final, irrevocable and unconditional payment or discharge by the Company of the Secured Obligations, the Security Trustee will at the request and cost of the Company release, re-convey, discharge, re-transfer, retrocess or re-assign (as appropriate) the Secured Property to the Company or other person entitled thereto of whom the Security Trustee has written notice provided that no assurance, security, disposition or payment which is or may be avoided or which must be repaid on bankruptcy, liquidation or otherwise (including, without limitation, under sections 238 to 245 of the Insolvency Act 1986) and no release, re-conveyance, re-transfer, re-assignment, retrocession or settlement or discharge given or made by the Security Trustee in whole or in part on the faith of any such assurance, security, disposition or payment, shall prejudice or affect the right of the Security Trustee to enforce the Security in respect of the full extent of the Secured Obligations. It is hereby agreed that such security shall be deemed to have been and to have remained held by the Security Trustee as and by way of security for the payment to or to the order of the Security Trustee of all or any sums which may become due and owing to or to the order of the Security Trustee in respect of the Secured Obligations. The cost of any release, re-assignment, discharge, retrocession or re-transfer of the Secured Property to the Company or such other person referred to herein shall be borne by the Company.

6.4 Release pursuant to Sale Agreement

If an Approved Seller or any other third party purchases or procures the repurchase of any Mortgage Loan and its Collateral Security pursuant to and in accordance with a Sale Agreement whether because the Mortgage Loan is an Ineligible Mortgage Loan or an Affected Mortgage Loan,

or to enable the making of a Further Advance, such Mortgage Loan and its Collateral Security and all other rights in relation thereto (including the Loan Files and the Title Deeds) shall be released and discharged from the Security constituted by and pursuant to this Deed without any further action being required (and to the extent that any action is required, the Security Trustee shall at the request and cost of the Company execute all deeds and documents necessary to effect such release or retrocession, including, for the avoidance of doubt, to the extent no corresponding New Mortgage Loan is repurchased by the Company, any such release, discharge or retrocession required to effect such release in relation to assets situated in Scotland or governed by Scots law).

6.5 Release pursuant to Securitisation, Wholeloan Sale and refinancing

If the Company enters into a Securitisation, Wholeloan Sale or other refinancing of the Portfolio, at the time the Company applies the proceeds of that Securitisation, Wholeloan Sale or other refinancing of the Portfolio in accordance with Clause 3 (Proceeds of Securitisation or Wholeloan Sale) of Schedule 3 (Priority of Payments) of the Servicing Agreement, all Mortgage Loans and Collateral Security the subject of that Securitisation, Wholesale Sale or refinancing (as applicable) shall be released and discharged from the Security constituted by and pursuant to this Deed without any further action being required (and to the extent that any action is required, the Security Trustee shall at the request and cost of the Company execute all deeds and documents necessary to effect such release or retrocession, including, for the avoidance of doubt, to the extent no corresponding New Mortgage Loan is repurchased by the Company, any such release, discharge or retrocession required to effect such release in relation to assets situated in Scotland or governed by Scots law) notwithstanding that the sale proceeds of that Right of Refusal Sale may be insufficient to repay all amounts owing to the Secured Parties under the Transaction Documents.

6.6 Release pursuant to exercise of rights of refusal

If the Company makes an offer to the Originator (or its nominee) or the Mezzanine Agent (or its nominee) pursuant to Clause 22.4(b) or Clause 22.4(c) (Investigate audit and rights of refusal) of the Priority Facility Agreements which is accepted by the Originator (or its nominee) or the Mezzanine Agent (or its nominee) (as applicable) (a "**Right of Refusal Sale**"), each Secured Party agrees that the Security Trustee is authorised to execute all deeds and documents necessary to release and discharge the Mortgage Loans and Collateral Security the subject of that Right of Refusal Sale from the Security constituted by and pursuant to this Deed notwithstanding that the sale proceeds of that Right of Refusal Sale may be insufficient to repay all amounts owing to the Secured Parties under the Transaction Documents.

6.7 Payments prior to enforcement

Notwithstanding the Security but subject to Clause 6.10 (Limited recourse) and Clause 7 (Upon Enforcement), the Company and the other Secured Parties agree, and the Security Trustee concurs, that:

- (a) amounts may and shall be withdrawn from the Cayenne Funding Accounts and the Pepper (UK) Accounts to the extent any sums are held on trust for the Company pursuant to the Pepper (UK) Declarations of Trust, in the amounts contemplated, and for application in accordance with the Servicing Agreement and the Bank Agreement such that payments under the Transaction Documents may be made by the Company subject as provided in the Transaction Documents; and
- (b) any amount so withdrawn shall be released and discharged from the Security Interests created under and pursuant to this Deed.

6.8 Restriction of payments prior to enforcement

Subject to Clause 6.7 (Payments prior to enforcement), no other payments may be made out of any of the Cayenne Funding Accounts without the prior written approval of the Security Trustee.

6.9 Accounts to be credited with amounts received

At all times prior to the release, retrocession, re-assignment and/or discharge of the Security pursuant to Clause 6 (Redemption and Release), the Company shall, save as otherwise provided in the Transaction Documents or unless the Security Trustee in its absolute discretion otherwise agrees in writing (and then only on such terms and in such manner as the Security Trustee may require), procure that the Cayenne Funding Accounts shall from time to time be credited with all amounts received by the Company under or in respect of the Transaction Documents.

6.10 Limited recourse

(a) Notwithstanding any other provision of any Transaction Document (other than Clause 6.7 (Payments prior to enforcement) and paragraph (b) below), each party to this Deed agrees and acknowledges that:

- (i) no sum due or owing to any Secured Party or to the Security Trustee (whether for itself or on behalf of the other Secured Parties) from or by the Company under the Transaction Documents shall be payable by the Company except to the extent that the Company or (following enforcement of the Security) the Security Trustee has sufficient funds available to it as a result of the realisation of the Security to pay such sum subject to and in accordance with the relevant Priority of Payments and provided that all liabilities of the Company required to be paid in priority thereto or *pari passu* therewith pursuant to such Priority of Payments have been paid, discharged and/or otherwise provided for in full; and
- (ii) the only assets of the Company available to meet their respective claims (whether held for themselves or as trustee) against the Company under or in respect of the Transaction Documents will be the Secured Property. Any claim remaining unsatisfied after the realisation of the Security (whether by way of enforcement of this Deed or otherwise) and the application of the proceeds thereof in accordance with the applicable Priority of Payments shall be deemed to be discharged in full and thereafter they shall have no further claim against the Company.

(b) For the avoidance of doubt, this Clause 6.10 (Limited recourse) shall not in any way restrict the Security Trustee or any other Secured Party from enforcing any of their rights against another person under the Transaction Documents including, without limitation, those rights arising under any claim against the Originator or any Approved Seller for any breach of representations, warranties and covenants given by the Originator or relevant Approved Seller in the Transaction Documents.

6.11 Notice of Security

By their execution of this Deed, each of the Company and the Security Trustee gives notice to each of the other parties to this Deed (and each other) of the Security Interests made and/or granted by the Company under or pursuant to this Deed.

6.12 Acknowledgement of notice

By and upon executing or acceding to this Deed, each Secured Party acknowledges the notice given under Clause 6.11 (Notice of Security) and consents to the Security Interests made or granted by the Company under or pursuant to this Deed and also acknowledges that as at the date

hereof or, as the case may be, the date of accession it has not received from any other person notice of any other Security Interests over the Secured Property.

6.13 Sums to be held on trust

Each of the Company and each Secured Party (other than the Security Trustee) covenants with and undertakes to the Security Trustee that, if any payment in respect of the Secured Property is made to the Company or such Secured Party other than in accordance with the Transaction Documents, any amounts so paid shall be held on trust by such relevant person for the Security Trustee and shall forthwith be paid over to the Security Trustee, provided however that this Clause 6.13 (Sums to be held on trust) shall only take effect to the extent that it does not constitute or create any Security Interest of any kind.

6.14 Set off

If, at the time a payment is proposed to be made to any Secured Party pursuant to Clause 7.4 (Post Enforcement Priority of Payments), that Secured Party is in default under any of its obligations to make a payment under any of the Transaction Documents to which it is party (the "Defaulted Payment"), then the amount of the payment which may be made to that Secured Party pursuant to Clause 7.4 (Post Enforcement Priority of Payments) shall be reduced by there being withheld from such payment an amount equal to the amount of such Defaulted Payment. Any amount so withheld shall not be available for any other person and shall be paid to that Secured Party as and when (and pro rata to the extent that) the Defaulted Payment is duly made by it (or, if earlier, at such time as all other creditors of the Company have been paid in full) and provided further that the Security Trustee shall be entitled and is hereby authorised to call for and to accept as conclusive evidence thereof a certificate from auditors as to the amounts of the claims of any of the other Secured Parties under Clause 7 (Upon Enforcement) and the amount of any Defaulted Payment.

7 Upon Enforcement

7.1 Acceleration Notice

The Company and the Servicer agree and acknowledge that from the date on which an Acceleration Notice is served upon the Company by the Ruling Agent the Security constituted by, and created pursuant to, this Deed shall become enforceable and the provisions of this Clause 7 (Upon Enforcement) shall apply.

7.2 No withdrawals from the Cayenne Funding Accounts

Notwithstanding the creation of the Security, each of the Company and each other Secured Party hereby agrees, and the Security Trustee concurs that, from the date on which an Acceleration Notice is provided to the Company, no amount may be withdrawn from any of the Cayenne Funding Accounts except to the extent that it is applied in accordance with the order of priorities set out in Clause 7.4 (Post Enforcement Priority of Payments) or as otherwise permitted by the provisions of this Deed that are applicable after the Security has become enforceable.

7.3 Held on trust

Notwithstanding the Security Interests created by or pursuant to this Deed, each of the Company and each other Secured Party hereby agrees, and the Security Trustee concurs, that any monies whatsoever recovered by each of them or on their behalf whether by the Security Trustee or otherwise after the giving of an Acceleration Notice or the Security otherwise becoming enforceable shall subject to Clause 6.13 (Sums to be held on trust) be applied in accordance with the order of priorities set out in Clause 7.4 (Post Enforcement Priority of Payments) and each of the Company and each such Secured Party (other than the Security Trustee) declares that it holds

such monies, and upon receipt such monies will be held, upon trust for the Security Trustee and agrees to pay such amounts to the Security Trustee as soon as practicable after such receipt.

7.4 Post Enforcement Priority of Payments

The Company hereby agrees that all monies received or recovered by the Security Trustee in respect of the Secured Obligations after an Acceleration Notice has been served on the Company shall be held by it to be applied in payment, in the amounts required, in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

- (a) in or towards satisfaction of the remuneration then payable to any Receiver and any costs, charges, liabilities and expenses incurred by such Receiver;
- (b) pro rata, in or towards, on a pari passu basis, capital and interest on any borrowings by any Receiver as provided in this Deed and amounts due from the Company to the Security Trustee expressly under the Transaction Documents together with interest thereon as herein or therein provided;
- (c) pro rata, in or towards, on a pari passu basis, satisfaction of any remuneration then payable to the Backup Servicer and any costs, charges, liabilities and expenses incurred by the Backup Servicer;
- (d) pro rata, in or towards, on a pari passu basis, satisfaction of any remuneration then payable to the Servicer and any Portfolio Expenses;
- (e) pro rata, in or towards, on a pari passu basis, satisfaction of any remuneration then payable to the Corporate Service Provider and any costs, charges, liabilities and expenses incurred by the Corporate Service Provider;
- (f) in or towards satisfaction of any sums then payable to the Hedge Counterparty under the Transaction Documents, excluding any termination payments or close-out amounts payable in respect of the termination of an Interest Rate Swap Agreement to the extent that the Hedge Counterparty is the Defaulting Party or sole Affected Party (each as defined in the Interest Rate Swap Agreement);
- (g) pro rata, in or towards, on a pari passu basis, payment of any interest and fees due but unpaid to the Senior Agent on account of the Senior Lenders in respect of the Warehouse Senior Credit Facility Agreement and any unpaid interest in respect of the Senior Loans in respect of preceding Interest Periods;
- (h) pro rata, in or towards, on a pari passu basis, payment of any other amounts due from the Company to the Senior Agent (other than any principal due but unpaid to the Senior Agent on account of the Senior Lenders in respect of the Warehouse Senior Credit Facility Agreement) under the Transaction Documents;
- (i) in or towards repayment of any principal due but unpaid to the Senior Agent on account of the Senior Lenders in respect of the Warehouse Senior Credit Facility Agreement;
- (j) in or towards payment to the Mezzanine Lenders, pari passu and pro rata, any interest and fees due but unpaid in respect of the Facility B Loans under the Warehouse Mezzanine Credit Facility Agreement and any unpaid interest in respect of the Facility B Loans in respect of preceding Interest Periods;
- (k) in or towards payment to the Mezzanine Lenders, pari passu and pro rata, any interest and fees due but unpaid in respect of the Facility C Loans under the Warehouse Mezzanine Credit Facility Agreement and any unpaid interest in respect of the Facility C Loans in respect of preceding Interest Periods;

- (l) in or towards payment to the Mezzanine Lenders, *pari passu* and *pro rata*, any interest and fees due but unpaid in respect of the Facility D Loans under the Warehouse Mezzanine Credit Facility Agreement and any unpaid interest in respect of the Facility D Loans in respect of preceding Interest Periods;
- (m) *pro rata*, in or towards, on a *pari passu* basis, payment of any other amounts due from the Company to the Mezzanine Agent (other than any principal due but unpaid to the Mezzanine Lenders in respect of the Warehouse Mezzanine Credit Facility Agreement) under the Transaction Documents;
- (n) in or towards repayment of any principal due but unpaid to the Mezzanine Lenders, *pari passu* and *pro rata*, in respect of the Facility B Loans under the Warehouse Mezzanine Credit Facility Agreement;
- (o) in or towards repayment of any principal due but unpaid to the Mezzanine Lenders, *pari passu* and *pro rata*, in respect of the Facility C Loans under the Warehouse Mezzanine Credit Facility Agreement;
- (p) in or towards repayment of any principal due but unpaid to the Mezzanine Lenders, *pari passu* and *pro rata*, in respect of the Facility D Loans under the Warehouse Mezzanine Credit Facility Agreement;
- (q) *pro rata*, in or towards, on a *pari passu* basis, payment of any interest and fees due but unpaid to the Junior Lender in respect of the Warehouse Junior Credit Facility Agreement;
- (r) in or towards satisfaction of any sums then payable to the Hedge Counterparty, all termination payments or close-out amounts payable in respect of the termination of the Interest Rate Swap Agreement to the extent the Hedge Counterparty is the Defaulting Party or sole Affected Party (each as defined in the Interest Rate Swap Agreement);
- (s) in or towards repayment of any principal due but unpaid to the Junior Lender in respect of the Warehouse Junior Credit Facility Agreement;
- (t) to the person(s) entitled thereto, *pari passu* and *pro rata*, any Deferred Purchase Consideration then due and payable to the person(s) entitled thereto; and
- (u) the remainder (if any) to the Company or any person(s) entitled thereto of whom the Security Trustee has notice.

For the purposes of this Clause 7.4 (Post Enforcement Priority of Payments), the Security Trustee shall be entitled, and is hereby authorised, to call for and accept as conclusive evidence thereof a certificate from the Receiver (if any) of the Company, a Secured Party or, in the case of any Senior Lender, the Senior Agent as to the amount of the claims specified above and the identity of the Secured Parties.

7.5 Removal

The Company and each of the other Secured Parties hereby agree, and the Security Trustee concurs, that, save as contemplated in Clause 20 (Security Trustee's Retirement), the Security Trustee shall remain trustee of the Secured Property at all times and shall not be liable to be removed at the behest of any Secured Party (other than for cause by the Ruling Agent, provided that such removal shall only be effective once a replacement security trustee approved by any other Agent for the time being and the Junior Lender has been appointed).

7.6 Binding deed

Each Secured Party shall be bound by the provisions of this Deed as if it contained covenants by each Secured Party in favour of the Security Trustee and every other Secured Party to observe and be bound by all the provisions of this Deed expressed to apply to the Secured Parties.

7.7 Disposal

- (a) If, upon enforcement of the Security, the Security Trustee determines to sell or otherwise dispose of the Secured Property, the Ruling Agent shall appoint an investment bank selected by it to invite bids for the purchase or financing of the Secured Property by way of competitive tender (and based on such assumptions as the Ruling Agent or the relevant investment bank may select).
- (b) If the investment bank appointed pursuant to paragraph (a) above receives a bid or bids, subject to paragraph (c) below, the Security Trustee shall sell the Secured Property at a price no less than that contained in the bid or, in the case of more than one bid, the highest bid.
- (c) Nothing in this Clause 7.7 (Disposal) shall, whether or not following the appointment in paragraph (a) above the Security Trustee has received a bid or bids:
 - (i) prevent the Security Trustee from declining to sell the Secured Property or otherwise postponing any sale; or
 - (ii) require the Security Trustee to sell the Secured Property,if, in either case, the Security Trustee in its absolute discretion determines that it is in the interests of the Secured Parties to do so.

7.8 Retention

If the Security Trustee enforces the Security at a time when either no amounts or not all amounts owing in respect of the Secured Obligations have become due and payable or any of the Secured Obligations are at such time contingent or future, the Security Trustee or a Receiver may, for so long as no such amounts or not all such amounts have become due and payable or any of the Secured Obligations are at such time contingent or future, pay any monies referred to in Clause 7.4 (Post Enforcement Priority of Payments) into, and retain such monies in, an interest bearing account to be held by it as security and applied by it in accordance with Clause 7.4 (Post Enforcement Priority of Payments) as and when any of the amounts referred to therein become due and payable.

7.9 Distribution of amounts in Cayenne Funding Investment Account (Utilisation) and Cayenne Funding Utilisation Account

Each of the Security Trustee and each other Secured Party hereby agrees that, from the date on which an Acceleration Notice is provided to the Company, all amounts standing to the credit of the Cayenne Funding Investment Account (Utilisation) and the Cayenne Funding Utilisation Account shall be distributed to the Beneficiaries (as defined in the Cayenne Funding Investment Account (Utilisation) Declaration of Trust and the Cayenne Funding Utilisation Account Declaration of Trust, as applicable) in the proportions determined by the Cayenne Funding Investment Account (Utilisation) Declaration of Trust and the Cayenne Funding Utilisation Account Declaration of Trust, as applicable. For the avoidance of doubt, no amounts standing to the credit of the Cayenne Funding Investment Account (Utilisation) and the Cayenne Funding Utilisation Account are available for application in accordance with Clause 7.4 (Post Enforcement Priority of Payments).

7.10 Security Trustee Taxes and compliance with Applicable Law and Regulation

- (a) Any payment by the Security Trustee under this Deed will be made subject to any deduction or withholding for or on account of Taxes required by any Applicable Law or Regulation.
- (b) Each of the Company and the Secured Parties acknowledges and agrees that the Security Trustee may debit any amount available in any balance held for any Secured Party and apply any amount in satisfaction of Taxes. If any Taxes become payable with respect to any prior credit to any Secured Party, such Secured Party acknowledges that the Security Trustee may withhold any balance held for such Secured Party and apply amounts so withheld towards satisfaction of such prior Taxes and the Company shall remain liable for any deficiency and agrees that it shall pay any such deficiency upon notice from the Security Trustee. If Taxes are paid by the Security Trustee or any of its affiliates, the Company agrees that it shall promptly reimburse the Security Trustee for such payment to the extent not covered by withholding from any payment or debited from any balance held for it. If the Security Trustee is required to make a deduction or withholding referred to above, it will not be obliged to pay an additional amount in respect of that deduction or withholding to the relevant Secured Party.
- (c) Each of the Company and each Secured Party (other than the Security Trustee) undertakes to the Security Trustee that:
 - (i) it will provide to the Security Trustee all documentation and other information required by the Security Trustee from time to time to comply with any Applicable Law or Regulation forthwith upon request by the Security Trustee; and
 - (ii) it will notify the Security Trustee in writing within 30 days of any change that affects its tax status pursuant to any Applicable Law or Regulation.
- (d) Each of the Company and each Secured Party (other than the Security Trustee) consents to the blocking of any payment or transaction by the Security Trustee where such payment or transaction would result in the Security Trustee or any of its affiliates being in breach of any Applicable Law or Regulation.

7.11 Payment to Senior Agent

Each Secured Party that is a Senior Lender acknowledges and agrees that any payment by the Security Trustee to the Senior Agent on its account in accordance with Clause 7.4 (Post Enforcement Priority of Payments) constitutes a good discharge of the Security Trustee's obligation to make that payment to that Senior Lender.

8 Continuance of Security and Conflict

8.1 Continuing security

Without prejudice to the generality of the foregoing but subject to the provisions of Clauses 6.3 (Release on payment or discharge) and 6.4 (Release pursuant to Sale Agreement), the Security and the covenants and provisions contained in this Deed shall remain in force as a continuing security to the Security Trustee (for itself and on trust for the various other persons to whom the Secured Obligations from time to time become due, owing and payable) notwithstanding any intermediate payment, settlement of account or any other act, event or matter whatsoever, except only the execution by or on behalf of the Security Trustee as its deed of an absolute and unconditional release or the execution by or on behalf of the Security Trustee of a receipt for all (and not part only) of the Secured Obligations, which receipt the Security Trustee is hereby

authorised to execute on behalf of all other persons to whom the Secured Obligations from time to time become due, owing and payable.

8.2 Exercise of security trustee's powers

Without prejudice to the generality of the foregoing, the Security Trustee shall, as regards all the powers, trusts, authorities, duties and discretions vested in it by this Deed or the other Transaction Documents:

- (a) have regard to the interests of the Secured Parties as a whole; and
- (b) will seek, and act on the instructions of:
 - (i) the Agents in all circumstances where required to do so in accordance with the Transaction Documents; and
 - (ii) the Ruling Agent in all other circumstances.

8.3 Acknowledgement

Each of the Secured Parties (other than the Security Trustee) acknowledges that the Security Trustee shall not be bound to take any steps or institute any proceedings against the Company or to enforce the Security after the Security has become enforceable or take any other action under this Deed unless it shall have been indemnified and/or secured and/or pre-funded to its satisfaction provided that, to the extent that the Security Trustee follows the direction of the party entitled to give such direction in accordance with the Transaction Documents, it shall have no obligation to take the interest of any other party into account or to follow the directions given by any other party.

8.4 Impairment

All the liabilities and obligations of the Company under or by virtue of this Deed shall not be impaired by:

- (a) any giving of time, forbearance, indulgence or waiver as regards the Company;
- (b) a discharge or release of the Company; or
- (c) any other matter or event whatsoever whether similar to the foregoing or not which might have the effect of impairing all or any of its liabilities or obligations except proper and valid payment or discharge of all Secured Obligations and amounts whatsoever which this Deed provides are to be paid by the Company or an absolute discharge or release of the Company signed by the other Secured Parties and the Security Trustee.

8.5 Other Security Interests

If the Security Trustee receives notice of any Security Interest affecting the whole or any part of the Secured Property or any of the Security in contravention of the provisions of this Deed:

- (a) the Security Trustee may open a new account in the name of the Company and, if it does not, it shall nevertheless be deemed to have done so at the time it received such notice; and
- (b) all payments made by the Company to the Security Trustee after the Security Trustee receives such notice shall be credited or deemed to have been credited to the new account, and in no circumstances whatsoever shall operate to reduce the Secured Obligations as at the time the Security Trustee received such notice.

8.6 Conditional settlements

Any settlement, discharge or release between (a) the Company and (b) the Security Trustee or any Receiver (the "**Relevant Person(s)**") shall be conditional upon no security or payment granted or

made to the Relevant Person(s) by the Company or any other person being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and, in the event of such security or payment being so avoided or reduced, the Relevant Person(s) shall be entitled to recover the value or amount of such security or payment from the Company and from the security subsequently as if such settlement, discharge or release had not occurred.

8.7 Insolvency

If the Security Trustee shall have reasonable grounds for believing that the Company may be insolvent or deemed to be insolvent pursuant to the provisions of the Insolvency Act 1986 or Scots common law (and production of a solvency certificate of a duly authorised officer of the Company shall be prima facie evidence of the solvency of the Company) as at the date of any payment made by the Company to the Security Trustee and that, as a result, such payment may be capable of being avoided or clawed back, the Security Trustee shall be at liberty to retain the Security until the expiry of a period of one month plus such statutory period within which any assurance, security, guarantee or payment can be avoided or invalidated after the payment and discharge in full of all Secured Obligations notwithstanding any release, settlement, discharge or arrangement which may be given or made by the Security Trustee on, or as a consequence of, such payment or discharge of liability provided that, if at any time within such period, a petition shall be presented to a competent court for an order for the winding up or an application or pending application shall be made for the making of an administration order in respect of the Company, or if the Company shall commence to be wound up or to go into administration or any analogous proceedings shall be commenced by or against the Company, as the case may be, the Security Trustee shall be at liberty to continue to retain the Security for such further period as the Security Trustee may determine and such security shall be deemed to continue to have been held as security for the payment and discharge to the Security Trustee of all Secured Obligations.

8.8 Continuation

This Deed shall remain valid and enforceable notwithstanding any change in the name, composition or constitution of the Security Trustee or the Company or any amalgamation, merger or consolidation by the Security Trustee or the Company, with any other corporation (whether, in the case of the Company, permitted under the Transaction Documents or not) and any corporation into which the Security Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Security Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Security Trustee, shall be the successor of the Security Trustee hereunder without any consent or sanction of the Company or the Secured Parties, without the execution or filing of any paper or any further act on the part of any of the parties hereto (unless otherwise required by applicable law to effect such succession).

9 Fees and Expenses

9.1 Fees

The Company shall pay to the Security Trustee remuneration for its services as security trustee in accordance with and as specified in the Security Trustee Side Letter.

9.2 Expenses

The Company further covenants with and undertakes to the Security Trustee to reimburse, pay or discharge (on the basis of a full indemnity) all Liabilities properly incurred by the Security Trustee, each Receiver or any attorney, manager, agent, custodian, nominee or delegate appointed by the Security Trustee under this Deed or any of the other Transaction Documents in connection with:

- (a) the execution of the Transaction Documents (including properly incurred legal fees, travel and out of pocket expenses);
- (b) the preparation, execution, registration or perfecting of this Deed or any other document relating or arising pursuant hereto;
- (c) the carrying out of the trusts and duties under or in connection with this Deed or any other of the Transaction Documents;
- (d) the exercise, or the attempted or purported exercise, or the consideration of the exercise, by or on behalf of the Security Trustee or the Receiver of any of the powers of the Security Trustee or the Receiver; and
- (e) any other action taken by or on behalf of the Security Trustee or the Receiver with a view to or in connection with the recovery of the Secured Obligations from the Company or any other person or the enforcement of the security for the Secured Obligations,

in each case, together with any VAT or similar tax charged or chargeable in respect thereof. The indemnity contained in this Clause 9 (Fees and Expenses) shall survive the discharge and release of the whole or any part of the Secured Property from the Security.

9.3 Amendment costs

If any Senior Lender, the Senior Agent, any Mezzanine Lender or the Mezzanine Agent requests any amendment, waiver or consent pursuant to the Transaction Documents then the Security Trustee shall use its reasonable endeavours to comply with such request and the relevant Senior Lender or Mezzanine Lender (as applicable) shall, within five Business Days of demand by the Security to the Senior Agent or the Mezzanine Agent (as applicable), reimburse the Security Trustee for all costs and expenses (including legal fees) properly incurred together with any VAT thereon incurred by the Security Trustee in amending the Transaction Documents and in responding to or complying with such request.

10 The Security Trustee's Powers

10.1 Effect of Security becoming enforceable

Section 103 of the Law of Property Act 1925 shall not apply to this Deed and forthwith after the Security has become enforceable:

- (a) the powers conferred by the Law of Property Act 1925 and this Deed shall become immediately exercisable without the restrictions contained in the Law of Property Act 1925; and
- (b) the Company shall be deemed to be in default within the meaning of Condition 9(1)(b) of Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970.

10.2 Statutory powers of sale

The exercise of the statutory power of sale conferred on mortgagees by the Law of Property Act 1925 shall be free from the restrictions imposed by section 101(1) and (2) of the Law of Property Act 1925 and such restrictions shall not apply to this Deed.

The provisions of the Law of Property Act 1925 as applicable relating to the power of sale and the other powers conferred by section 101(1) and (2) of the Law of Property Act 1925 are hereby extended (as if such extensions were contained in the Law of Property Act 1925) to authorise the Security Trustee at its absolute discretion, subject as aforesaid, and upon such terms as the Security Trustee may decide (in each case in its own name, the Company's name and/or the name of one or more of the other Secured Parties):

- (a) to sell, transfer, securitise, realise, convey, license, assign, release or otherwise dispose of or deal with, and also grant any option to purchase, and effect exchanges of, the whole or any part of the Secured Property or any interest therein and grant or accept surrenders, disclaimers and variations in relation to or otherwise affecting the Secured Property in each case in such manner, for such consideration (if any including, without limitation, for shares, debentures or any other securities whatsoever, or in consideration of an agreement to pay all or part of the purchase price in respect of such disposal at a later date or dates, or an agreement to make periodical payments, whether or not any such agreement is secured by a Security Interest or a guarantee, or for such other consideration whatsoever as the Security Trustee may decide) and generally upon such terms (including by deferred payment or payment by instalments) as it may think fit and/or concur in any of the foregoing (and nothing shall preclude any such disposal being made to any person the Security Trustee decides, including the other Secured Parties or any person associated with any of them);
- (b) with a view to, or in connection with, the disposal of the Secured Property, to carry out any transaction, scheme or arrangement which the Security Trustee may, in its absolute discretion, consider appropriate;
- (c) to take possession of, get in, collect and perfect an interest in the Secured Property;
- (d) to carry on and manage or concur in managing the business of the Company;
- (e) to appoint and engage employees, managers, agents and advisers (and nothing shall preclude the Secured Parties or any person associated with any of them) upon such terms as to remuneration and otherwise for such periods as it may determine, and to dismiss them and vary such terms;
- (f) in connection with the exercise, or the proposed exercise, of any of its powers or in order to obtain payment of its remuneration or reimbursement of its expenses (in each case, whether or not already due), to borrow or raise money from any person, without security or on the security of the Secured Property (either in priority to the Security or otherwise) and generally in such manner and on such terms as it may think fit;
- (g) to bring, defend, submit to arbitration, negotiate, compromise, make, enforce, abandon, adjust and settle any claims, accounts, disputes, questions, demands and proceedings concerning the Secured Property or any business of the Company;
- (h) to arrange and/or transfer all or any of the Secured Property and/or of the liabilities of the Company to any other person, company or body corporate, whether or not formed or acquired for the purpose and whether or not a subsidiary or associate of the Security Trustee, the other Secured Parties or a company or body corporate in which the Security Trustee, or any other Secured Party has an interest and to form a subsidiary or subsidiaries of the Company and to arrange for the setting up of any special purpose vehicle or vehicles necessary or appropriate for realisation of Secured Property through any financing technique (including, without limitation, securitisation);
- (i) to call up all or any portion of the uncalled capital (if any) for the time being of the Company;
- (j) to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any of the Secured Property from the charges hereby created;

- (k) to effect, renew and vary insurances in respect of the Secured Property against such risks and for such amounts as it may consider prudent and obtain bonds and performance guarantees;
- (l) to otherwise protect, repair, maintain or improve, the Secured Property or any part thereof in any manner and for any purpose whatsoever as it shall think fit;
- (m) to commence and/or complete any building operations upon any of the freehold, leasehold and heritable properties comprised in the Secured Property and to apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence as the Security Trustee thinks fit;
- (n) to redeem, discharge or compromise any Security Interest against any of the Secured Property (whether or not having priority to the Security) and/or procure the transfer of such Security Interest to the Security Trustee;
- (o) to settle and pass the accounts of any prior mortgagee, chargee, heritable creditor or encumbrancer of the Secured Property;
- (p) to exercise any powers, discretions, voting, conversion or other rights or entitlements in relation to any of the Secured Property or incidental to the ownership of or rights in or to any of the Secured Property and to complete or effect any transaction entered into by the Company or disclaim, abandon or modify all or any of the outstanding contracts or arrangements of the Company relating to or affecting the Secured Property;
- (q) to enter into covenants, undertakings, guarantees, commitments, indemnities and other obligations or liabilities as it shall think fit;
- (r) to generally carry out, or cause or authorise to be carried out, any transaction, scheme or arrangement whatsoever, whether similar or not to any of the foregoing, in relation to the Secured Property which it may consider expedient, acting in its absolute discretion, as effectually as if the Security Trustee were solely and absolutely entitled to the Secured Property;
- (s) to pay and discharge out of the profits and income of the Secured Property and the monies to be made by it in carrying on any such business as aforesaid the expenses incurred in and about the carrying on and management of any such business as aforesaid or in the exercise of any of the powers conferred by this sub-clause or otherwise in respect of the Secured Property and all outgoings which the Security Trustee shall think fit to pay and to apply the residue of the said profits, income or monies in the manner provided by Clause 7.4 (Post Enforcement Priority of Payments);
- (t) to exercise any other powers, rights and/or remedies that may be available at law or in equity including the powers referred to in Schedule 1 to the Insolvency Act 1986; and
- (u) in connection with the exercise of any of its powers, to execute or do, or cause or authorise to be executed or done, on behalf of or in the name of the Company or otherwise, as it may think fit, all documents, acts or things which the Security Trustee may consider appropriate,

but such extension of powers does not and shall not limit the Security Trustee's power to enter into possession of the Secured Property or into receipt of the income therefrom or the Security Trustee's other rights and the exercise by the Security Trustee of such extended powers shall be subject to compliance with any specific restrictions imposed on the Security Trustee in this Deed in relation to dealing with the Secured Property.

10.3 Scottish trust property

The Company hereby covenants and agrees and undertakes that, if at any time after the Security shall have become enforceable the Security Trustee or any Receiver shall so require, it will direct the Originator and/or the relevant Approved Seller and/or each other relevant party to each Scottish Declaration of Trust to sell or dispose of all or any part of the Scottish Trust Property on terms previously approved by the Security Trustee or any Receiver and/or in causing the trusts constituted by the Scottish Declarations of Trust to be wound up and/or performed and it will take and shall procure the taking of all actions and execute and shall procure the execution of all such documents as may be necessary to effect such sale or disposal or winding up or performance and the distribution or transfer of such Scottish Trust Property or any part thereof in accordance with the terms of the Scottish Declarations of Trust and this Deed. The Company hereby acknowledges and consents to the foregoing as beneficiary in terms of the Scottish Declarations of Trust and the Originator hereby acknowledges and consents to the foregoing as trustee in terms of the Scottish Declarations of Trust to which it is a party.

10.4 Delegation

The Security Trustee and any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by either of them under this Deed. Any such delegation may be made upon the terms (including the power to sub-delegate) and subject to any regulations which the Security Trustee or such Receiver (as the case may be) may think fit provided that if the Security Trustee or the Receiver, as appropriate, has exercised reasonable care in the selection of any such delegate neither the Security Trustee nor any Receiver will be in any way liable or responsible to the Company for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub delegate.

10.5 Powers in addition not substitution

The powers conferred by this Deed in relation to the Security or any part thereof on the Security Trustee or on any Receiver of the Secured Property or any part thereof shall be in addition to and not in substitution for the powers conferred on mortgagees or heritable creditors or receivers under the Law of Property Act 1925 and the Insolvency Act 1986 (or the Conveyancing and Feudal Reform (Scotland) Act 1970 if appropriate) and where there is any ambiguity or conflict between the powers contained in any of such Acts and those conferred by this Deed the terms of this Deed shall prevail.

10.6 By way of supplement to the Trustee Act 1925 and the Trustee Act 2000 and subject to Clause 19 (Application to Court), it is expressly declared as follows:

- (a) the Security Trustee may in relation to this Deed act on the advice or opinion of or any information obtained from any lawyer, valuer, accountant, banker, broker, auctioneer, financial adviser or other expert whether obtained by any Secured Party or otherwise and shall not be responsible for any loss occasioned by so acting;
- (b) any such advice, opinion or information may be sent or obtained by letter or email transmission and the Security Trustee shall not be liable for action on any advice, opinion or information purporting to be conveyed by any such letters or email transmission although the same shall contain some error or shall not be authentic;
- (c) the Security Trustee shall not be bound to give notice to any person of the execution of this Deed or any of the other Transaction Documents or any transactions contemplated hereby or thereby or to take any steps to ascertain whether any Event of Default or Potential Event of Default has happened and, until it shall have actual knowledge to the contrary, the Security Trustee shall be entitled to assume that no Event of Default or Potential Event of Default has happened and that the Company and each other party to

any Transaction Document is observing and performing all the obligations on its part contained in this Deed and/or any other Transaction Document to which it is a party;

- (d) save as otherwise expressly provided in this Deed, the Security Trustee's exercise of the discretions vested in it by this Deed (the exercise of which as between the Security Trustee and other Secured Parties shall be conclusive and binding on the Secured Parties) shall be absolute and uncontrolled but whenever the Security Trustee is, under the provisions of this Deed, bound to act at the request or direction of a Secured Party, the Security Trustee shall nevertheless not be so bound unless first indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing;
- (e) any consent or approval given by the Security Trustee for the purposes of this Deed and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Security Trustee thinks fit and notwithstanding anything to the contrary contained in this Deed and any other Transaction Document may be given retrospectively;
- (f) the Security Trustee shall not be responsible for recitals, statements, warranties or representations of any other party contained in any Transaction Document or in any Mortgage or other document entered into in connection therewith or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of any such agreement or other document or any security thereby constituted and the Security Trustee may accept without enquiry, requisition or objection such title as the Company may have to the Secured Property or any part thereof from time to time and shall not be bound to investigate or make any enquiry into the title of the Company to the Secured Property or any part thereof from time to time whether or not any default or failure was known to the Security Trustee or might have been discovered upon examination, inquiry or investigation and whether or not capable of remedy;
- (g) the Security Trustee shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting, improving or perfecting the Security created under this Deed;
- (h) the Security Trustee shall not be obliged (whether or not directed to do so by any Secured Party) to perfect legal title to any Mortgage in its name if, in its opinion, such perfection would or might result in the Security Trustee becoming liable to or incurring any obligation to any Borrower under a Mortgage and if, in its opinion, there is or would be insufficient cash to discharge such liabilities or obligations as and when they arise;
- (i) the Security Trustee shall not be liable for any error or judgment made in good faith by any of its officers or employees assigned by it to administer its corporate trust matters, unless it shall be proved that the Security Trustee was negligent in ascertaining the pertinent facts;
- (j) no provision of this Deed or any other Transaction Document shall require the Security Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it;
- (k) subject to the provisions of this Clause 10.6, the Security Trustee as between itself and the other Secured Parties shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Deed and every such determination,

whether made upon a question actually raised or implied in the acts or proceedings of the Security Trustee, in the absence of manifest error shall be conclusive and shall bind the Secured Parties;

- (l) in connection with any proposed modification, waiver, authorisation or determination permitted by the terms of this Deed, the Security Trustee shall not have regard to the consequences thereof for any Secured Party resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to, the jurisdiction of any particular territory;
- (m) the Security Trustee shall be entitled to refrain from exercising any right, power or discretion vested in it as agent or trustee under any of the Transaction Documents unless and until instructed by the Ruling Agent as to whether or not such right, power or discretion is to be exercised and, if it is to be exercised, as to the manner in which it should be exercised; and
- (n) notwithstanding anything else herein contained, the Security Trustee may refrain without liability from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including, but not limited to, the United States of America or any jurisdiction forming a part of it and England & Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.

10.7 Actions by trustee

Without prejudice to any other rights of the Security Trustee and subject to the terms of the Transaction Documents, the Security Trustee may from time to time at any time after any part or parts of the Security becomes enforceable:

- (a) enter into, make, execute, sign, deliver and do all such contracts, agreements, deeds, receipts, payments, assignments, assignations, transfers, conveyances, assurances and things and bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Secured Property as it may think expedient;
- (b) exercise or refrain from exercising, in such manner as in its absolute discretion the Security Trustee shall think fit, all or any of the rights, powers, authorities, discretions or remedies of the Company under or in relation to the Secured Property or incidental to the ownership thereof and, in particular but without limiting the generality of the foregoing, exercise all rights to vote or to give any consent or notification or make any declaration in relation to such Secured Property. For the avoidance of doubt, the Security Trustee shall not be required to have regard to the interests of the Company in the exercise or non-exercise of any such rights, powers, authorities, discretions and remedies or to comply with any direction given by the Company in relation thereto; and
- (c) demand, sue for and take any advice or institute any proceedings to recover or obtain payment of any amounts which may then be due and payable to the Company but which remain unpaid under or in respect of the Secured Property or any part thereof either in its own name or in the name of the Company.

10.8 Investment in trustee's name

Any moneys which under the trusts of this Deed ought to or may be invested by the Security Trustee (or any agent on its behalf) after the Security created under or pursuant to this Deed shall have become enforceable may be invested in the name of the Security Trustee or in the name of any nominee on its behalf and under the control of the Security Trustee in any investments and the Security Trustee may at any time vary or transfer (or direct its agent to vary or transfer) or

exchange any of such investments for or into other such investments as the Security Trustee in its absolute discretion may determine, and shall not be responsible (save where any loss results from the Security Trustee's breach of trust, fraud, wilful default or negligence or that of its officers or employees) for any loss occasioned by reason of any such investments whether by depreciation in value or otherwise, provided that such investments were made in accordance with the foregoing provisions. If a bank or institution with which any monies placed on deposit in accordance with this Clause 10.8 is the Security Trustee or an affiliate of the Security Trustee, it need only account for an amount of interest equal to the amount of interest which would, at then current rates, be payable by it on such a deposit to an independent customer.

10.9 Perform company's obligations

If the Company for any reason fails to observe or to punctually perform any of its obligations to the Security Trustee, whether under this Deed, any of the other Transaction Documents or otherwise, the Security Trustee shall have power, on behalf of or in the name of the Company or otherwise, to perform the obligation and to take any steps which the Security Trustee may (but shall not be obliged to), in its absolute discretion, consider appropriate with a view to remedying, or mitigating the consequences of, the failure, but so that the exercise of this power, or the failure to exercise it, shall in no circumstances prejudice the Security Trustee's other rights under this Deed.

11 Receiver

11.1 Receiver

- (a) Subject as provided below, at any time after the Security becomes enforceable, or at any time after any event specified in Clause 11.13 (Notice) has occurred, and whether or not the Security Trustee has taken possession of the Secured Property, the Security Trustee may without further notice appoint by writing (under hand or by deed) such person or persons (including an officer or officers of the Security Trustee) (who in the case of administrative receivers shall be qualified persons) as the Security Trustee thinks fit to be a receiver, a receiver and manager or an administrative receiver of the Secured Property or any part thereof and, in the case of an appointment of more than one person, to act together or independently of the other or others.
- (b) In this Deed "**qualified person**" means a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of any company with respect to which he is appointed or to act as an administrative receiver of any such company.
- (c) The Security Trustee may not appoint a receiver, a receiver and manager or an administrative receiver pursuant to this Clause 11.1 solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with leave of the court.
- (d) The Security Trustee may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Secured Property if the Security Trustee is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

11.2 Removal of receiver

Except as otherwise required by statute, the Security Trustee may by writing or by deed remove a Receiver and may appoint another in its place or to act with a Receiver and may appoint another receiver if the Receiver resigns.

11.3 No preclusion

The exclusion of any part of the Secured Property from the appointment of the Receiver shall not preclude the Security Trustee from subsequently extending his appointment (or that of the Receiver replacing him) to that part of the Secured Property or appointing another Receiver over any other part of the Secured Property.

11.4 Agency

The Receiver shall, so far as the law permits, be the agent of the Company and (subject to the Companies Act 1985, Companies Act 1986, Companies Act 2006 and the Insolvency Act 1986) the Company shall be solely responsible for his contracts, engagements, acts, omissions, misconduct, negligence or default and for liabilities incurred by him; and in no circumstances whatsoever shall the Security Trustee or any other Secured Party be in any way responsible for any of his contracts, engagements, acts, omissions, misconduct, negligence or default and for liabilities incurred by him and, if a liquidator of the Company shall be appointed, the Receiver shall act as principal and not as agent for the Security Trustee.

11.5 Remuneration

Subject to section 36 of the Insolvency Act 1986, the remuneration of the Receiver may be fixed by the Security Trustee (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise), but such remuneration shall be payable by the Company alone; and the amount of such remuneration may be debited by the Security Trustee to any account of the Company, but shall, in any event, form part of the Secured Obligations and accordingly be secured on the Secured Property under the Security.

11.6 Powers

Each Receiver shall, in addition to any powers conferred on a Receiver by statute or common law, have the power to:

- (a) take possession of, get in and collect the Secured Property;
- (b) (subject to any restrictions under or in respect of relevant Secured Property) sell, transfer, convey, license, release or otherwise dispose of vary or deal with, and also grant any option to purchase, and effect exchanges of, the whole or any part of the Secured Property or any interest therein and grant or accept surrenders, disclaimers and variations in relation to or otherwise affecting the Secured Property in each case in such manner, for such consideration (if any) and generally upon such terms (including by deferred payment of payment by instalments) as it may think fit and/or concur in any of the foregoing (and nothing shall preclude any such disposal being made to a Secured Party);
- (c) carry out any transaction, scheme or arrangement which it may, in its absolute discretion, consider appropriate with a view to or in connection with the sale of the Secured Property;
- (d) insure the Secured Property against such risks and for such amounts as it may consider prudent and obtain bonds and performance guarantees;
- (e) otherwise protect, maintain or improve, the Secured Property or any part thereof in any manner and for any purpose whatsoever as it shall think fit;
- (f) transfer all or any of the Secured Property and/or any of the liabilities to any other company or body corporate, whether or not formed or acquired for the purpose (and whether or not a subsidiary or associated company of the Security Trustee or any other

party to the Transaction Documents) and to form a subsidiary or subsidiaries of the Company;

- (g) carry on and manage or concur in managing or appoint a manager of, the whole or any part of the business of the Company in such manner as it shall in its absolute discretion think fit including the power to enter into any contract and to perform, repudiate, rescind or vary any contract to which the Company is a party;
- (h) sell or concur in selling the whole or any part of the Company's business whether as a going concern or otherwise;
- (i) appoint, dismiss, engage or vary the terms of employment of any employees, managers, agents or advisers of the Company upon such terms as to remuneration and otherwise for such periods as it may in its absolute discretion think fit;
- (j) in connection with the exercise or proposed exercise of any of its powers or in order to obtain payment of its remuneration or reimbursement of its expenses (in each case, whether or not already due), borrow or raise money from any person, without security or on the security of the Secured Property (either in priority to the security constituted by this Deed or otherwise) and generally in such manner and on such terms as it may think fit;
- (k) bring, defend, submit to arbitration, negotiate, compromise, enforce, abandon and settle actions, suits, claims and proceedings concerning or affecting the Secured Property or the security created under or pursuant to this Deed;
- (l) exercise any powers, discretions, voting, conversion or other rights or entitlements in relation to any of the Secured Property or incidental to the ownership of or rights in or to any of the Secured Property and to complete or effect any transaction entered into by the Company or disclaim, abandon or modify all or any of the outstanding contracts or arrangements of the Company relating to or affecting the Secured Property;
- (m) generally carry out, or cause to be carried out any transaction or scheme or arrangement whatsoever, whether similar or not to any of the foregoing, in relation to the Secured Property which it may consider expedient as if it were solely and absolutely entitled to the Secured Property;
- (n) in connection with the exercise of any of its powers, execute or do, or cause or authorise to be executed or done, on behalf of or in the name of the Company or otherwise, as it may think fit, all documents, acts or things which it may consider appropriate;
- (o) redeem, discharge or compromise any security whether or not having priority to the security created hereunder;
- (p) enter into covenants, guarantees, commitments, indemnities and other obligations or liabilities as it shall think fit;
- (q) pay and discharge out of the profits and income of the Secured Property and the moneys to be made by it carrying on any such business as aforesaid the expenses in and about the carrying on and management of such business or in the exercise of any of the powers conferred by this Clause 11 (Receiver) or otherwise in respect of the Secured Property and all outgoings which it shall think fit to pay and to apply the residue of the said profits, income or moneys in the manner provided by the Post Enforcement Priority of Payments; and

- (r) exercise any other powers, rights and/or remedies that may be available at law or in equity including the powers referred to in Schedule 1 (and where applicable Schedule 2) of the Insolvency Act 1986.

11.7 Security

The Security Trustee may from time to time and at any time require any such Receiver to give security for the due performance of his duties as such Receiver and may fix the nature and amount of the security to be so given but the Security Trustee shall not be bound in any case to require any such security.

11.8 Conformity

The Receiver shall in the exercise of his powers conform to the regulations and directions from time to time made and given by the Security Trustee.

11.9 Trusts

Save so far as otherwise directed by the Security Trustee all monies from time to time received by such Receiver shall be paid over to the Security Trustee to be held by it on the trusts declared by Clause 7 (Upon Enforcement).

11.10 Application

The Security Trustee may pay over to such Receiver any monies constituting part of the Secured Property to the extent that the same may be applied for the purposes of this Deed by such Receiver and the Security Trustee may from time to time determine what funds the Receiver shall be at liberty to keep in hand with a view to the performance of his duties as such Receiver.

11.11 Non application

Section 109(6) and (8) of the Law of Property Act 1925 shall not apply in relation to the Receiver.

11.12 No restrictions

None of the restrictions imposed by the Law of Property Act 1925 in relation to the appointment of receivers or the giving of notice or otherwise shall apply.

11.13 Notice

Upon receipt of notice of an application or pending application to a court of competent jurisdiction for an administration order or the appointment of an administrator in relation to the Company or other order having substantially the same effect to be made on application by a creditor or creditors of the Company, or upon receipt of a notice of intention to appoint an administrator served by the Company or its directors, or after the filing of any documents with the court for the administration of the Company, or the giving of any formal notice of intention to appoint an administrator in relation to the Company, the Security Trustee may, subject to it being indemnified and/or secured and/or pre-funded to its satisfaction, as soon as reasonably practicable appoint a Receiver in accordance with this Deed (who shall, to the extent permitted by law, be an **"administrative receiver"** under section 29(2) of the Insolvency Act 1986 unless prohibited by section 72A of that Act) of the whole of the Secured Property and, if it does so, the Security Trustee shall instruct the Receiver to attend at the hearing of the application if applicable and to notify the Company of his appointment. The other Secured Parties shall co-operate and do all acts and enter into such further documents, deeds or agreements as the Security Trustee may deem necessary or desirable to ensure that an administration order is not made and that an administrative receiver is appointed.

12 Administrator

12.1 Administrator

Subject to any relevant provisions of the Insolvency Act 1986, the Security Trustee may, at its absolute discretion, by any instrument or deed or notice of appointment, appoint one or more persons to be the administrator of the Company at any time after:

- (a) the Security becomes enforceable; or
- (b) being requested to do so by the Company; or
- (c) any application having been made to the court for an administration order under the Insolvency Act 1986; or
- (d) any person having ceased to be an administrator as a result of any event specified in paragraph 90 of Schedule B1 to the Insolvency Act 1986; or
- (e) any notice of intention to appoint an administrator having been given by any person or persons entitled to make such appointment under the Insolvency Act 1986.

12.2 Joint appointments

Where any such appointment is made at a time when an administrator continues in office, the additional administrator shall act either jointly or concurrently with the existing administrator previously appointed hereunder, as the appointment specifies.

12.3 Replacement

Subject to any applicable order of the Court, the Security Trustee may replace any administrator, or seek an order replacing the administrator, in any manner allowed by the Insolvency Act 1986.

12.4 Notice

Where the administrator was appointed by the Security Trustee under paragraph 14 of Schedule B1 to the Insolvency Act 1986, the Security Trustee may, by notice in writing to the Company, replace the administrator in accordance with paragraph 92 of Schedule B1 to the Insolvency Act 1986.

12.5 Insolvency Act

Every such appointment shall take effect at the time and in the manner specified by the Insolvency Act 1986.

12.6 Two Insolvency Act administrators

If at any time and by virtue of any such appointment(s) any two or more persons shall hold office as administrators of the same assets or income, such administrators may act jointly or concurrently as the appointment specifies so that, if appointed to act concurrently, each one of such administrators shall be entitled (unless the contrary shall be stated in any of the deed(s) or other instrument(s) appointing them) to exercise all the functions conferred on an administrator by the Insolvency Act 1986.

12.7 Writing

Every such instrument, notice or deed of appointment, and every delegation or appointment by the Security Trustee in the exercise of any right to delegate its powers herein contained, may be made in writing under the hand of any manager or officer of the Security Trustee or any other authorised person or any delegate.

12.8 Agency

In exercising his functions hereunder and under the Insolvency Act 1986, the administrator acts as agent of the Company and does not act as agent of the Security Trustee.

12.9 Remuneration

Every administrator shall be entitled to remuneration for his services in the manner fixed by or pursuant to the Insolvency Act 1986, the Insolvency rules 1986 or the Insolvency (Amendment) rules 2010.

13 Protection of Third Parties

13.1 Effectiveness

Without prejudice to any other provision of this Deed, the Secured Obligations shall become due for the purposes of section 101 of the Law of Property Act 1925 and the statutory powers of sale and of appointing a receiver which are conferred upon the Security Trustee as varied and extended by this Deed and all other powers shall in favour of any purchaser be deemed to arise and be exercisable immediately after the execution of this Deed.

13.2 Protection

No purchaser from or other person dealing with the Security Trustee and/or any Receiver shall be concerned to enquire whether any of the powers which they have exercised or purported to exercise has arisen or become exercisable, or whether the Secured Obligations remain outstanding, or whether any event has happened to authorise the Security Trustee and/or such Receiver to act, or as to the propriety or validity of the exercise or purported exercise of any such power, or whether the requirements of the proviso to the final paragraph of Clause 7.4 (Post Enforcement Priority of Payments) have been satisfied and the title and position of such a purchaser or other persons shall not be impeachable by reference to any of those matters.

13.3 Discharge

The receipt of the Security Trustee or any Receiver shall be an absolute and a conclusive discharge to any person and shall relieve such person of any obligation to see to the application of any monies paid to or by the direction of the Security Trustee or such Receiver or, if applicable, the other Secured Parties.

14 Protection of Security Trustee and Receiver

14.1 No liability

Neither the Security Trustee, nor any Receiver, nor any other Secured Party shall be liable in respect of any loss or damage which arises out of the exercise, or the attempted or purported exercise of, or the failure to exercise, any of their respective powers, unless such loss or damage is caused by its or his fraud, negligence, wilful default or breach of trust.

14.2 Acceptance

The Security Trustee may accept without investigation, requisition or objection such right and title as the Company may have to the Secured Property and shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Company to the Secured Property whether such defect or failure was known to the Security Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not. Each Secured Party shall be solely responsible for making its own independent appraisal or investigation into the financial condition, creditworthiness, affairs, status and nature of the Company and the Security Trustee shall not at any time have any responsibility for the same and each Secured Party shall not rely on the Security Trustee in respect thereof.

14.3 No responsibility

The Security Trustee shall not be responsible for any unsuitability, inadequacy or unfitness of any of the Secured Property as security for any Secured Obligation and shall not be obliged to make any investigation into, and shall be entitled to assume, the suitability, adequacy and fitness of the Secured Property as security for the Secured Obligations.

14.4 Omission to perfect

The Security Trustee shall not be liable for any failure, omission or defect in perfecting, protecting or further assuring the Security including (without prejudice to the generality of the foregoing):

- (a) any failure, omission or defect in registering, recording, or filing or procuring registration, recording, or filing of, or otherwise protecting or perfecting the Security or the priority thereof or the right or title of any person in or to the assets comprised in the Security by registering under any applicable registration laws in any applicable territory any notice or other entry prescribed or pursuant to the provisions of any such laws; and
- (b) any failure or omission to require any further assurances in relation to the Security.

14.5 Insurance

Without prejudice to the provisions of any Transaction Document relating to insurance, neither the Security Trustee nor any Receiver shall be under any obligation to insure any of the Secured Property or any certificate, note, bond or other evidence in respect thereof, or to require any other person to maintain any such insurance or monitor the adequacy of any such insurance and shall not be responsible for any loss, cost, expense or liability which may be suffered as a result of the lack of or inadequacy of any such insurance.

14.6 No responsibility

Neither the Security Trustee nor any Receiver shall be responsible for any loss, cost, damage, expense or liability occasioned to the Secured Property, however caused, whether by an act or omission of the Company or any other party to the Transaction Documents or any other person acting in accordance with or contrary to the provisions of any of the Transaction Documents or otherwise, and irrespective of whether the Secured Property is held by or to the order of any of such persons, unless such loss is caused by the fraud, wilful default, negligence or breach of trust of the Security Trustee or such Receiver respectively.

14.7 Loss

Neither the Security Trustee nor any Receiver will be liable for any decline in the value nor any loss realised upon any sale or other disposition of any of the Secured Property.

14.8 Monitoring

Neither the Security Trustee nor any Receiver shall be under any obligation to monitor or supervise the functions of the Company or any other person under any of the Transaction Documents and each of the Security Trustee and such Receiver shall be and is hereby entitled and authorised to assume without enquiry, in the absence of knowledge or express written notice to the contrary, that each of the Company and the other parties hereto and thereto is duly performing and observing all the covenants, undertakings and provisions contained in the Transaction Documents relating to it and on its part to be performed and observed.

14.9 Monies in accounts

Until such time as the Security becomes enforceable, the moneys standing to the credit of any account comprised in the Secured Property shall be dealt with in accordance with the provisions of the Transaction Documents and neither the Security Trustee nor the Receiver shall be responsible

in such circumstances or at any other time for any loss, cost, expenses or other liability occasioned thereby whether by depreciation in value or by fluctuation in exchange rates or otherwise.

14.10 Tax

Neither the Security Trustee nor any Receiver shall have any responsibility whatsoever to any Lender as regards any deficiency which might arise because the Security Trustee or the Receiver is subject to any tax in respect of the Secured Property or any part thereof or any income therefrom or any proceeds thereof.

14.11 Possession

Without prejudice to the generality of the foregoing, entry into possession of the Secured Property shall not render the Security Trustee or the Receiver liable to account as mortgagee or heritable creditor in possession or to be liable for any loss on realisation or for any default or omission on realisation or for any default or omission for which a mortgagee or heritable creditor in possession might be liable unless such loss, default or omission is caused by its fraud, negligence, breach of trust or wilful default; and, if and whenever the Security Trustee or the Receiver enters into possession of the Secured Property, it shall be entitled at any time at its pleasure to go out of such possession.

14.12 No indemnity

Each of the Company and the Secured Parties agrees and acknowledges that, in the event of the enforcement of the Security or the appointment of a Receiver, the Security Trustee shall not be obliged to indemnify out of its own money any such Receiver for any of its costs, charges, liabilities or expenses or to advance, in whatever form, any moneys to such a Receiver or any other person arising out of or in connection with such enforcement or to carry on, or to require any Receiver to carry on, any business carried on from time to time in connection with the Secured Property.

14.13 No obligation to perfect legal title

Neither the Security Trustee nor the Receiver shall be obliged to perfect legal title to any Mortgage or charge in its name if, in its opinion, such perfection would or might result in the Security Trustee or the Receiver, as the case may be, becoming liable to or incurring any obligation to any Borrower under a Mortgage and charge and, in its opinion, there is or would be insufficient cash to discharge, in accordance with the provisions of this Deed, such liabilities or obligations as and when they arise.

14.14 No responsibility for the mortgage loans

Without prejudice to the generality of this Clause 14 (Protection of Security Trustee and Receiver), the Security Trustee shall not be responsible for the genuineness, validity, effectiveness, suitability, admissibility in evidence or enforceability of any of the Transaction Documents or any of the Mortgages, Standard Securities, charges or other documents entered into in connection therewith or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted thereby or pursuant thereto, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court and (without prejudice to the generality of the foregoing) the Security Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:

- (a) the nature, status, creditworthiness or solvency of any Borrower or any other person or entity who has at any time provided any security or support whether by way of guarantee, charge or otherwise in respect of any advance made to any Borrower;

- (b) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of the Security or any mortgage or charge or any other document entered into in connection therewith;
- (c) the title, ownership, value, sufficiency or existence of any Property;
- (d) the registration, recording, filing, protection or perfection of the Security or any Mortgage or charge or the priority of the security thereby created whether in respect of any initial advance or any subsequent advance or any other sums or liabilities;
- (e) the scope or accuracy of any representations, warranties or statements made by or on behalf of any Borrower in any application for any advance or in any Mortgage or charge or in any document entered into in connection therewith;
- (f) the performance or observance by any Borrower or any other person of any provisions of any mortgage or charge or in any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating thereto or as to the existence or occurrence at any time of any default, event of default or similar event contained therein or any waiver or consent which has at any time been granted in relation to any of the foregoing;
- (g) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with any of the Security or mortgage or charge;
- (h) the title of the Company to any Mortgage or any other Secured Property;
- (i) the suitability, adequacy or sufficiency of any lending criteria and any arrears and enforcement procedures or compliance therewith or compliance with any applicable criteria for any further advances or the legality or recoverability or enforceability thereof or the priority of the security in relation thereto;
- (j) the compliance with the provisions and contents of and the manner and formalities applicable to the execution of the Mortgages, Standard Securities, charges or other Security Interests and any documents in connection therewith or the making of any advance intended to be secured thereby, with the mortgage indemnity policies and with any applicable laws or regulations;
- (k) the failure by a Seller or the Company to obtain or comply with any licence, consent or other authority in connection with the origination (if applicable), sale or purchase of any of the Mortgage Loans and their Collateral Security in the Portfolio or the making of any advances in connection therewith or the failure to effect or procure registration of or to give notice to any person in relation to or otherwise protect the security created or purported to be created by or pursuant to any of the Mortgage Loans and their Collateral Security or any other security interest or other documents entered into in connection therewith;
- (l) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, Standard Securities, charges or any other charged property or other further assurances in relation to any of the assets the subject matter of any of the documents or any other document;
- (m) any accounts or any other accounts, books, records or files maintained by the Originator or any other person in respect of any of the Mortgages or charges;
- (n) any failure to keep the Title Deeds and Loan Files properly identified as the property of the Company; or

- (o) any other matter or thing relating to or in any way connected with the Security or any Collateral Security or any document entered into in connection therewith whether or not similar to the foregoing.

15 Indemnity

15.1 Company indemnity

Without prejudice to the right of indemnity given by law to trustees, the Company further covenants with and undertakes to the Security Trustee and the Receiver to fully indemnify each of them and their respective officers, employees and agents from and against all Liabilities which any of them may incur or may be made against it (in the case of the Security Trustee, whether before or after the Security has become enforceable and whether before or after the giving of an Acceleration Notice):

- (a) in consequence of anything done or purported to be done or omitted by any of them under or in connection with this Deed or any of the other Transaction Documents to which the Security Trustee is a party or of any failure by the Company to comply with its obligations to any of them under or in connection with this Deed or any other Transaction Document; or
- (b) in consequence of any payment in respect of the Secured Obligations (whether made by the Company or a third person) being impeached or declared void for any reason whatsoever,

save to the extent that the same arise as a result of the fraud, negligence or wilful default by the person claiming to be entitled to be indemnified. The indemnity contained in this Clause 15.1 (Company indemnity) shall survive the discharge and release of the whole or any part of the Secured Property from the Security.

15.2 Payment on demand

The Company covenants with and undertakes to each of the Security Trustee and each Receiver to pay the amounts payable under Clauses 9 (Fees and Expenses) and Clause 15 (Indemnity) on demand with interest after as well as before judgment or decree at the rate of two per cent per annum above 1 month LIBOR from the date on which they were paid, charged or incurred by the Security Trustee or such Receiver (as the case may require) or, in the case of remuneration and fees payable to the Security Trustee as aforesaid, the due date for payment thereof, until payment.

16 Further Assurances and Power of Attorney

16.1 Covenants

The Company covenants with and undertakes to the Security Trustee from time to time (notwithstanding that the Security may not have become enforceable and the Security Trustee may not have served any Acceleration Notice) upon demand:

- (a) to execute, at the Company's cost, any document or do any act or thing which the Security Trustee or any Receiver may specify (including executing such Security Interests over its rights in and over the Secured Property and any other assets of the Company in such form as the Security Trustee and/or any Receiver may require) with a view to:
 - (i) registering, perfecting, recording, protecting or improving any charge or security or Security Interest created or intended to be created by or pursuant to this Deed (including any act or document which may be required or desirable under the laws of any jurisdiction in which any property or assets may be located in order to confer on the Security Trustee security over such property and assets

equivalent or similar to the security intended to be conferred by or pursuant to this Deed) and in such form as the Security Trustee or the Receiver may specify; and/or

- (ii) facilitating the realisation of or enforcement of rights of, all or any part of the Secured Property or the exercise, or proposed exercise, of any of the powers, duties or discretions vested or intended to be vested in the Security Trustee or such Receiver by or pursuant to this Deed or doing any act or thing deemed necessary by the Security Trustee or the Receiver; and/or

- (b) to give or join in giving or procure the giving of any notices to any persons and obtain or procure that there is obtained any necessary acknowledgements in relation to such notices, all in such form, as the Security Trustee or the Receiver may require at the cost of the Company,

and for the purpose of this Clause 16.1 (Further Assurances and Power of Attorney), a certificate in writing signed by the Security Trustee to the effect that any particular assurance or thing is required by it shall be conclusive evidence of that fact provided that the Company shall not be obliged to execute any such documentation or take any other action or steps to the extent that it would conflict with any applicable law (including, without limitation, prior to the occurrence of any Transfer Act).

16.2 Power of attorney

The Company irrevocably and for value, and by way of security, appoints the Security Trustee and every Receiver severally to be its attorney (with full power to appoint substitutes and to delegate, including power to authorise the person so appointed to make further appointments) on its behalf and in its name or otherwise, to execute any document or do any act or thing which the Security Trustee or such Receiver (or such substitute or delegate) may, in its or his absolute discretion, consider appropriate in connection with the exercise of any of the powers of the Security Trustee or the Receiver or which the Company is obliged to execute or do, whether under this Deed or otherwise and without prejudice to the generality of the foregoing following the issue of an Acceleration Notice to make any demand upon or to give any notice or receipt to any person owing monies to the Company and to execute and deliver any charges, legal mortgages, standard securities, assignments, assignations or other security and any transfer of securities and generally in its name and on its behalf to exercise all or any of the powers conferred by or pursuant to this Deed or by statute on the Security Trustee or any such Receiver and (without prejudice to the generality of the foregoing) to seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may deem proper in or for the purpose of exercising any such powers, authorities and directions.

17 Other Security etc

17.1 No merger

The Security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice, any other Security Interest, right of recourse or other right whatsoever which the Security Trustee, or any Secured Party may now or at any time hereafter hold or have (or would, apart from the Security, hold or have) as regards the Company or any other person in respect of the Secured Obligations.

17.2 Consolidation

The restriction on consolidation of mortgages contained in section 93 of the Law of Property Act 1925 shall not apply in relation to the Security.

17.3 Cumulative powers

The powers which this Deed confers on each of the Security Trustee, the Receiver, and the other Secured Parties are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as it or he thinks appropriate; and it or he may, in connection with the exercise of its or his powers, join or concur with any person in any transaction, scheme or arrangement whatsoever; and the Company acknowledges that its or his respective powers shall in no circumstances whatsoever be suspended, waived or otherwise prejudiced by anything other than an express waiver or variation in writing.

18 Warranties and Covenants

18.1 Company representations

The Company hereby represents and warrants to the Security Trustee for itself and the other Secured Parties and to each of them on the Effective Date, and will be deemed to represent and warrant on each Payment Date, in each case by reference to the facts and circumstances then subsisting that:

- (a) it is beneficially entitled (in equity or otherwise) to such of the Secured Property as is purported to be transferred to it pursuant to the Sale Agreements;
- (b) it has taken all necessary steps to enable it to charge or assign by way of security the Secured Property in accordance with Clause 4 (Security);
- (c) it has not taken any action or steps (including, without limitation, disposing of all or any part of the Secured Property or creating any Security Interests over the Secured Property other than in accordance with Clause 4 (Security) or the terms of any Transaction Document) to prejudice its right, title and interest in and to the Secured Property;
- (d) it is the absolute legal and/or beneficial owner of the property, rights and assets expressed to be assigned or charged by it pursuant to this Deed, free and clear of any Security Interests in favour of any third party; and
- (e) for the purposes of sections 710-712, Corporation Tax Act 2010, neither it nor any company which has or has had (for those purposes) control of it, has at any time had control of any company in respect of which there has been a change of ownership and which has any liability to corporation tax which has been outstanding for more than six months after the date of the relevant assessment,

provided that the Originator shall have no rights against the Company in relation to any breach of the representations and warranties under this Clause 18.1 (Company representations) to the extent that such breach results directly or indirectly from any breach by the Originator of any representation, warranty or other obligation given or owed by it to the Company.

18.2 Company covenants and undertakings

Save with the prior written consent of the Security Trustee or as provided in or envisaged by any of the Transaction Documents, the Company hereby covenants with and represents, warrants and undertakes to the Security Trustee, for itself and the other Secured Parties and with each of them, that:

- (a) it will not create or permit to exist upon or affect any of the Secured Property any Security Interest whatsoever other than that which arises by operation of law or is permitted by the Transaction Documents;
- (b) it will not agree or attempt or purport to transfer, sell, convey, lend, part with or otherwise dispose of, or deal with, or grant any option, present or future, or right to acquire, any of

the Secured Property or any interest, estate, right, title or benefit therein or thereto or agree or attempt or purport to do so;

- (c) it shall ensure that no person other than the Company and the Security Trustee shall have any equitable or beneficial interest in the Secured Property;
- (d) it shall give such notices of assignment or assignation in relation to the Secured Property as may be required pursuant to the Sale Agreements or by the Security Trustee;
- (e) it will not have an interest in any bank account other than the Cayenne Funding Accounts and the Pepper (UK) Accounts (by virtue of the Pepper (UK) Declarations of Trust) unless, in each case, such account is immediately charged in favour of and to the satisfaction of the Security Trustee so as to form part of the Security and the Security Trustee receives from the relevant other bank or financial institution an acknowledgement of the Security Interests and rights 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;
- (f) in the event of termination of the Bank Agreement, subject to and in accordance with the provisions of the Bank Agreement, it shall use its reasonable endeavours to enter into a replacement Bank Agreement;
- (g) it shall not pay any dividend (save to the extent of any distributable profits and provided in such case that payment does not otherwise breach the terms of the Transaction Documents) or make any other distribution to its shareholders or repay or redeem any of its share capital or issue any further shares;
- (h) it shall not incur or permit to subsist any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or any obligation of any person other than as permitted by the Transaction Documents;
- (i) it shall not consolidate or merge with any other person or sell, transfer or otherwise dispose of any Funded Mortgage Loans other than as permitted by the Transaction Documents;
- (j) it shall not transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option over, any present or future right to acquire, any of its assets or undertaking or any interest, estate, right, title or benefit therein;
- (k) it shall not permit any of the Transaction Documents or, in each case, the priority of the Security Interests created thereby, to be amended, invalidated, rendered ineffective, terminated, postponed or discharged, or consent to any variation of, or exercise of any powers of consent or waiver pursuant to the terms of the other Transaction Documents or permit any party to any of the Transaction Documents or any other person whose obligations form part of the Security or Secured Property to be released from such obligations, or dispose of any Secured Property;
- (l) it has not applied or become and will not apply to become part of any group for the purposes of section 43 of the Value Added Tax Act 1994 with any other company or group of companies, or any such act, regulation, order, statutory instrument or directive which may from time to time re-enact, replace, amend, vary, codify, consolidate or repeal the Value Added Tax Act 1994;
- (m) it has had, and shall have, its usual place of business in the United Kingdom;
- (n) save where any of the following is done or omitted to be done either in the normal course of its business of the ownership of residential mortgages or in accordance with its normal

administrative procedures in existence from time to time subject in each case to compliance with the specific servicing arrangements applicable to each Funded Mortgage Loan:

- (i) it shall not prior to the Security becoming enforceable, negotiate, compromise, abandon or settle any claim for compensation (whether payable under any enactment or otherwise) or any claim under any of the insurance policies the benefit of which has been sold to the Company by the relevant Approved Seller;
- (ii) it shall not knowingly take or omit to take any action which would result in the avoidance or termination of any insurance policy the benefit of which has been sold to the Company by the relevant Approved Seller or would reduce the amount payable on any claim thereunder provided that, for the avoidance of doubt, this paragraph shall not apply to any avoidance or termination of any insurance policy the benefit of which has been sold to the Company by the relevant Approved Seller or any part thereof that occurs as a result of any matter done or omitted to be done by any Company;
- (iii) it shall not release any Borrower from any of its obligations to the Company under the relevant Mortgage Loan and its Collateral Security except in accordance with the terms of any of the Transaction Documents or save where it reasonably determines that such action is in its best interests or there is no reasonable prospect of the recovery of the relevant Mortgage Loan or a material part of it;
- (o) it shall at all times give to the Security Trustee such information and evidence as the Security Trustee shall require and in such form as the Security Trustee shall require for the purpose of the discharge of the duties, trusts, powers, authorities and discretions vested in it under this Deed, any Transaction Document or by operation of law;
- (p) it shall cause to be prepared and certified by its auditors in respect of each financial year accounts in such form as will comply with the requirements for the time being of the Companies Act 2006;
- (q) it shall send to the Security Trustee (in addition to any copies to which it may be entitled as a holder of any securities of the Company) one copy of every balance sheet, profit and loss account, source and application of funds statement (if any) report or other notice, statement, circular or document issued or given to any creditors of the Company as soon as reasonably practicable following issue of the same;
- (r) it shall pay all premiums or other sums payable by it in respect of insurance policies maintained by it, produce to the Security Trustee upon receipt of reasonable notice and in so far as it is able, all or any of the receipts for the last premiums payable thereunder and comply with the terms and conditions of the relevant policies;
- (s) it shall upon service by the Security Trustee of an Acceleration Notice upon it or upon the Security otherwise becoming enforceable, act solely on the directions of the Security Trustee or any Receiver in relation to the exercise of any rights under the Mortgages (including the right to set interest rates);
- (t) it shall promptly upon request supply certified copies to the Security Trustee of any authorisation, consent or licence required under any regulation or law to enable it to perform its obligations under, or for the validity or enforceability, of this Deed and the other Transaction Documents;

- (u) it shall procure that its obligations under this Deed and the other Transaction Documents do and will rank ahead of all its other present and future obligations, except for those that are mandatorily preferred by law applying to companies generally;
- (v) it shall promptly pay all taxes, assessments and governmental charges imposed upon it or its assets;
- (w) in the event of termination of the Servicing Agreement, subject to and in accordance with the provisions of the Servicing Agreement, it shall use its reasonable endeavours to enter into a replacement Servicing Agreement;
- (x) it shall not offer to surrender to any company any amounts which are available for surrender by way of group relief within Chapter 2 of Part 4 of the Corporation Tax Act 2010 except for full payment at the current applicable rate of corporation tax applied to the surrendered amount and payable at the date when corporation tax is due to be paid by the claimant or would be due in the absence of the surrender;
- (y) it shall file or procure the filing at Companies House pursuant to Part 25 of the Companies Act 2006 (as amended by The Companies Act 2006 (Amendment of Part 25) Regulations 2013) of a duly completed Form MR01 together with an executed original or certified copy of this Deed, each Scottish Supplemental Charge or Scottish Sub-Security with the required fee within 21 days after the date of this Deed, each Scottish Supplemental Security or Scottish Sub-Security (as applicable);
- (z) it shall not purchase or otherwise acquire any debt securities;
- (aa) on the date of this Deed it shall give notice of the assignments by way of security and the Security to each other party to any Transaction Document not being a party to this Deed and on any date hereafter (to the extent only that such notice and acknowledgement is not given under or pursuant to this Deed) give notice of the assignments by way of security and the Security to any party to a Transaction Document entered into by the Company after the date of this Deed in substantially the form set out in Schedule 4 (Form of Notice of Assignment);
- (bb) it shall maintain or cause to be maintained on its behalf books, records, accounts and financial statements which are separate from those of any other entity;
- (cc) it shall not commingle its assets with those of any other entity
- (dd) it shall hold itself out as a separate entity;
- (ee) it shall not conduct business in the name of any other entity and shall correct any misunderstanding relating to its own identity
- (ff) it shall maintain an arm's length relationship with its Affiliates (if any); and
- (gg) it will immediately upon receipt or notice of the same supply to the Security Trustee full details of any application or pending application to the court for an administration order under paragraph 10 of Schedule B1 to the Insolvency Act 1986 made in respect of any Approved Seller and (without prejudice to paragraph 12(2) of Schedule B1 to the Insolvency Act 1986) of any actual or proposed appointment of an administrator by the holder of a qualifying floating charge (within the meaning of paragraph 14 of Schedule B1 to the Insolvency Act 1986) or (without prejudice to paragraph 26(1) of Schedule B1 to the Insolvency Act 1986) by any Approved Seller or its directors,

provided that the Originator shall not have any rights against the Company in relation to any breach of the undertakings under this Clause 18.2 (Company covenants and undertakings) to the

extent that such breach results directly or indirectly from any breach by the Originator of any of the representations, warranties, or other obligations given or owed by it to the Company.

19 Application to Court

The Security Trustee may at any time after the Security has become enforceable apply to the Court for an order that the terms of this Deed or the trusts of this Deed or any of them be carried into execution under the direction of the Court and for the appointment of a Receiver of the Secured Property or any part thereof and for any other order in relation to the administration of the terms of this Deed or the trusts of this Deed or any of them as the Security Trustee shall deem fit and the Security Trustee shall be indemnified by the Company against all Liabilities incurred by it in relation to any such applications or proceedings.

20 Security Trustee's Retirement

20.1 Notice

The Security Trustee may retire at any time on giving not less than 30 days' prior notice to the Company without being responsible for any costs occasioned by such retirement and without giving any reasons.

20.2 Effect

The retirement of the Security Trustee will not take effect until:

- (a) a substitute security trustee approved by the Ruling Agent is appointed to replace the Security Trustee with such approval not to be unreasonably withheld or delayed;
- (b) all of the security created hereunder and all of the Security Trustee's rights, benefits and obligations as security trustee hereunder have been transferred to its successor; and
- (c) its successor has confirmed its agreement to be bound by the provisions hereof (including to accept the same remuneration) and all other related agreements to which the Security Trustee is a party in its capacity as security trustee.

20.3 Successor Security Trustee

If the Security Trustee gives notice of its resignation as security trustee pursuant to Clause 20.1 (Notice), the Ruling Agent may (with the prior approval of the Mezzanine Agent (if not the Ruling Agent) and the Junior Lender) appoint a successor to the Security Trustee during the period of such notice but, if no such successor is so appointed, the Security Trustee, may in consultation with the Ruling Agent (who, if not the Mezzanine Agent, will seek approval from the Mezzanine Agent), appoint such a successor itself.

20.4 Discharge

If a successor to the Security Trustee is appointed under the provisions of Clause 20.3 (Successor Security Trustee):

- (a) the resigning Security Trustee shall be discharged from any further obligation hereunder but shall remain entitled to the benefit of the provisions of Clause 15 (Indemnity) and this Clause 20 (Security Trustee's Retirement); and
- (b) its successor and each of the other parties hereto shall have the same rights and obligations amongst themselves as they would have had if such successor had been a party thereto.

21 Accession of Secured Parties

- (a) Any Approved Seller which accedes to the Cayenne Funding Sale Agreement, in accordance with the terms of the Cayenne Funding Sale Agreement, shall, upon execution of a Seller Accession Certificate in or substantially in the form set out in Schedule 5 (Form of Approved Seller Accession Certificate) by that person and the Company, the Agents and the Security Trustee, become an Approved Seller for the purposes of this Deed with all the rights and obligations of an Approved Seller under this Agreement from the date of the relevant Seller Accession Certificate.
- (b) Any Lender which accedes to a Facility Agreement, in accordance with the terms of that Facility Agreement, shall, upon execution of a Lender Accession Certificate in or substantially in the form set out in Schedule 6 (Form of Lender Accession Certificate) by that person and the Company, the Agents and the Security Trustee, become a Lender for the purposes of this Deed with all the rights and obligations of a Lender under this Deed from the date of the relevant Lender Accession Certificate.
- (c) Any party that is appointed as Backup Servicer shall, shall, upon execution of a Backup Servicer Accession Certificate in or substantially in the form set out in Schedule 7 (Form of Backup Servicer Accession Certificate) by that person and the Company, the Agents and the Security Trustee, become a Backup Servicer for the purposes of this Deed with all the rights and obligations of a Backup Servicer under this Deed from the date of the relevant Backup Servicer Accession Certificate.

22 Miscellaneous

22.1 Waivers

No failure to exercise, nor any delay in exercising, any right under this Deed shall, unless otherwise provided within this Deed, constitute a waiver of that or any other right or constitute an election to affirm its terms. No election to affirm its terms shall be effective unless made in writing nor shall any single or partial exercise of any right or remedy prevent any further exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

22.2 Amendments

- (a) Any term of this Deed may be amended or waived only with the consent of each of the Company, the Security Trustee and the Ruling Agent.
- (b) No variation of this Deed shall be effective unless it is in writing and signed by or on behalf of each of the parties to this Deed and any such amendment or waiver will be binding on all parties.

22.3 No assignment by Company

The Company may not assign (whether by way of security or otherwise) all or any of its rights under this Deed and may not transfer any of its obligations under this Deed without the consent of the Security Trustee.

22.4 No assignment by Secured Party

A Secured Party shall not assign, transfer or create any trust or interest in (whether by way of security or otherwise howsoever) all or any of its rights or interest under this Deed to any person (a "Transferee") unless that Transferee undertakes (in favour of the Security Trustee, the Company and each other Secured Party) to be bound by the provisions of this Deed, as if it had been named as an original Secured Party, any such assumption of obligations by a Transferee to be without prejudice to all obligations of the transferor hereunder which shall continue to subsist.

22.5 Reliance

The Security Trustee shall be entitled to rely on (and to accept as conclusive evidence save in the case of manifest error) a certificate from each Secured Party or, in the case of any Priority Lender, the relevant Agent, as to the amounts owed to such Secured Party under the Transaction Documents. The Security Trustee shall not take into account for the purpose of the application of moneys in accordance with Clause 7.4 (Post Enforcement Priority of Payments) any amounts of which it has not been notified by the intended recipient on or prior to the date in question.

22.6 Certification

The Security Trustee shall be entitled to request and rely upon, and the Company, the Agents and each Secured Party (as applicable) will at all times promptly provide to the Security Trustee and/or any Receiver on request, a certificate setting out:

- (a) in the case of the Secured Parties, detailed information as to the amount of the Secured Obligations to which such Secured Party is entitled; or
- (b) in the case of the Company, the Agents and the Secured Parties, any other such information as the Security Trustee and/or any Receiver may require to enable the Security Trustee and/or any Receiver to perform or facilitate the performance of its function under this Deed or any of the Transaction Documents,

such certificate to be in a form required by the Security Trustee and/or any Receiver. The Security Trustee shall not be bound to call for further evidence or be responsible for any loss that may be occasioned by the Security Trustee acting on such certificate and a certificate provided to the Security Trustee under paragraph (a) above shall be conclusive in the absence of manifest error and shall be binding on all the Secured Parties.

22.7 Statement

In any action, proceedings or claim relating to this Deed or the Security, a statement as to any amount due to any Secured Party or of the Secured Obligations or any part thereof or a statement of any amounts which have been notified to the Security Trustee as being amounts due to any Secured Party which is certified as being correct by an officer of the Security Trustee or an officer of the relevant Secured Party shall, save in the case of manifest error, be conclusive evidence that such amount is in fact due and payable.

22.8 Partial invalidity

If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

22.9 Day count convention

Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days unless the practice in the London interbank market changes, in which case such amounts will accrue in accordance with the practice as so changed in the London interbank market.

22.10 Application of proceeds

Each Agent, the Originator and the Company agree and declare that all monies withdrawn from any of the Pepper (UK) Accounts and Cayenne Funding Accounts subject to a declaration of trust shall be withdrawn in accordance with the provisions of the Transaction Documents on trust to apply those funds for the purposes set out in the Transaction Documents or for the application to

the beneficiary specified in the trust and in default of such application on resulting trust for the relevant trust beneficiary.

23 Notices and Demands

23.1 Communication

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by email or letter.

23.2 Addresses

The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Deed is in respect of:

- (a) the Security Trustee:

Citicorp Trustee Company Limited

Address: Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB

Email: absmbsadmin@citi.com

Fax: +44 207 500 5877

Attention: The Directors, Agency & Trust

- (b) the Company (provided that a copy of any communication or document delivered to the Company is also delivered to the Servicer at the address in paragraph (c) below):

Cayenne Funding Ltd

Address: Fifth Floor, 100 Wood Street, London WC2V 7EX

Email: corpservices@lawdeb.com

Attention: The Directors

- (c) the Servicer

Pepper (UK) Limited

Address: 114a Cromwell Road, London SW7 4ES

Email: rklemmer@peppergroup.co.uk

Attention: Richard Klemmer

With a copy to:

Pepper Europe (UK) Limited

Address: First Floor, 23 Saville Row, London W1S 2ET

- (d) Originator:

Pepper (UK) Limited

Address: 114a Cromwell Road, London SW7 4ES

Email: rklemmer@peppergroup.co.uk

Attention: Chief Executive Officer

- (e) Approved Seller:

Pepper Finance (H73) Limited

Address: Fourth Floor, Two Park Place, Upper Hatch Street, Dublin 2

Email: chelme@peppergroup.ie and pdardis@peppergroup.ie

Attention: Chris Helme and Patricia Dardis

(f) the Senior Agent:

Commonwealth Bank of Australia

Address: Ground Floor
Darling Park Tower 1
201 Sussex Street
SYDNEY NSW 2000
AUSTRALIA

Email: corporatefinanceoperations@cba.com.au

Attention: Debt Markets Securitisation Operations

(g) the Mezzanine Agent:

Challenger Life Debt Investments (Europe) Limited

Address: 19th Floor, Heron Tower
110 Bishopsgate
LONDON
EC2N 4AY

Fax: +44 207 976 3300

Attention: Company Secretary

With a copy to: Level 15, 255 Pitt Street
SYDNEY NSW 2000
AUSTRALIA

Fax: +61 2 9994 7777

Attention: Pete Robinson, Senior Portfolio Manager

(h) any bank, financial institution, trust, fund or other entity which has become a party to this Deed, the one so notified in writing to the Company and the Security Trustee on or prior to the date on which it becomes a party; or

(i) any substitute address, email or department or officer as the party may notify to the Company and the Agents and the Security Trustee by not less than five Business Days' notice.

23.3 Delivery

(a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

(i) if by email, when actually received in legible form;

(ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 23.2 (Addresses), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to an Agent will be effective only when actually received by an Agent and then only if it is expressly marked for the attention of the department or officer identified with an Agent's signature below (or any substitute department or officer as an Agent shall from time to time specify for this purpose).
- (c) Any communication or document made or delivered to the Company in accordance with this Clause 23 (Notices and Demands) will be deemed to have been made or delivered to the Originator.
- (d) Any electronic communication which becomes effective in accordance with this Clause 23 (Notices and Demands) after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.

23.4 English language

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Agents, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

24 Governing Law and Jurisdiction

24.1 Deed generally

This Deed and any dispute or claim arising out of or in connection with it or its subject matter, whether of a contractual or non-contractual nature, shall be governed by and construed in accordance with the laws of England and Wales.

24.2 Scottish provisions

Those terms in this Agreement which are particular to Scots law shall be construed in accordance with the laws of Scotland and any dispute or claim arising out of or in connection with them or their subject matter, whether of a contractual or non-contractual nature, shall be governed by and construed in accordance with the laws of Scotland.

24.3 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This Clause 24.3 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

24.4 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Junior Lender and any Approved Seller which has its primary place of business located other than in England:
 - (i) irrevocably appoints the Servicer as its agent for service of process in relation to any proceedings before the English courts in connection with any Transaction Document (and the Servicer by its execution of this Deed, accepts that appointment); and
 - (ii) agrees that failure by the Servicer as its agent for service of process to notify such Junior Lender or Approved Seller of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Servicer (on behalf of the Junior Lender or Approved Seller) must immediately (and in any event within ten days of such event taking place) appoint another agent on terms acceptable to the Ruling Agent. Failing this, the Ruling Agent may appoint another agent for this purpose.
- (c) The Junior Lender and each relevant Approved Seller expressly agrees and consents to the provisions of this Clause 24.4 (Service of process).

25 Perpetuity Period

The perpetuity period for the purpose of the trust contemplated by this Deed shall be one hundred and twenty five years from the date hereof.

26 Stamp Duties

The Company shall pay and forthwith on demand indemnify the Security Trustee against any liability it bears in respect of any stamp, registration and similar tax which is or becomes payable in connection with the entry into, performance or enforcement of this Deed.

27 Taxes

The provisions of Clause 12 (Tax Gross-Up and Indemnities) of the Priority Facility Agreements shall be incorporated mutatis mutandis into this Deed as if the same were set out in full herein.

28 Set-Off

The Security Trustee may set off (to be exercised only after the delivery of an Acceleration Notice) against any matured obligation owed by the Company under this Deed any obligation (whether or not matured) owed by the Security Trustee to the Company regardless of the place of payment or currency of obligation. If the obligations are in different currencies the Security Trustee may convert either obligations at a market rate of exchange in its usual course of business for the purposes of set-off.

29 Third Party Rights

A person who is not a party to this Deed (other than officers, employees and agents of the Security Trustee in respect of the indemnity in Clause 14 (Indemnity)) shall have no right under the Contracts (Rights of Third Parties) Act 1999 (or equivalent provisions of Scots common law) to enforce or to enjoy the benefit of any term of this Deed.

30 Restrictions on Exercise of Certain Rights

30.1 Restrictions on exercise of power of sale

- (a) Each of the Pepper Companies agrees that, prior to the full and final discharge of the Secured Obligations in respect of the Priority Lenders (the "**Warehouse Discharge Date**") it shall not take any steps to exercise any power of sale, leasing or other disposal with respect to any of the Secured Property or to appoint any Receiver or otherwise enforce their security or to instruct the Security Trustee to carry out any of the foregoing without the prior written consent of the Ruling Agent.
- (b) Each of the Pepper Companies further agrees that it shall not, prior to the full and final discharge of the Secured Obligations in respect of the Priority Lenders, exercise any right of set-off or other similar right against the Company, accept any security or guarantee from the Company or on its own behalf in respect of the Secured Obligations due to it (save as created under this Deed) or seek to enforce by execution, set off or otherwise against the Company or demand or receive any of the Secured Obligations due to it save as contemplated by the Transaction Documents without the prior written consent of the Ruling Agent.

30.2 Trust over monies received

- (a) Any security, monies or benefit received by the Pepper Companies in breach of Clause 30.1 (Restrictions on exercise of power of sale) shall, prior to the Warehouse Discharge Date, be held by it on trust for the Security Trustee and shall, upon demand by the Security Trustee, be applied towards payment of the Secured Obligations.
- (b) If any trust intended to arise pursuant to Clause 30.2 (Trust over monies received) fails or for any reason (including the laws of any jurisdiction in which any assets, moneys, payments or distributions may be situated) cannot be given effect to, the Junior Lender will pay to the Security Trustee for application in accordance with Clause 7.4 (Post Enforcement Priority of Payments) an amount equal to the amount (or the value of the relevant assets) intended to be so held on trust for the Security Trustee.

31 Subordination on Insolvency

31.1 Application

If:

- (a) any order is made or resolution passed for the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
 - (b) the Company enters into any composition, assignment or arrangement with its creditors generally; or
 - (c) any liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer is appointed in respect of the Company or any of its assets; or
 - (d) any Security over any assets of the Company is enforced,
- or any analogous event occurs in any jurisdiction, this Clause 31 (Subordination on Insolvency) shall apply.

31.2 In any of the circumstances mentioned in Clause 31.1 (Application), any Junior Loan will be subordinated in right of payment to amounts outstanding under the Priority Facilities.

31.3 In any of the circumstances mentioned in Clause 31.1 (Application), any of the Lenders, the Agents or Security Trustee, may:

- (a) demand, claim, enforce and prove for amounts outstanding under the relevant Facility Agreements; and
- (b) file claims and proofs, give receipts and take any proceedings in respect of filing such claims or proofs and do anything which any Lender, the Agents or the Security Trustee considers necessary or desirable to recover any amounts outstanding under the relevant Facility Agreements.

32 Protection of Subordination

32.1 Continuing subordination

The subordination provisions in this Deed and in the Warehouse Junior Credit Facility Agreement shall remain in full force and effect by way of continuing subordination and shall not be affected in any way by any intermediate payment or discharge in whole or in part of any amounts owed to the Lenders and/or the Agents.

32.2 Waiver of defences

Neither the subordination provisions in this Deed nor the obligations of any Lender, Agent or the Junior Lender shall be affected in any way by an act, omission, matter or thing which, but for this Clause 32 (Protection of Subordination), would reduce, release or prejudice the subordination or any of those obligations in whole or in part, (without limitation and whether or not known to such person or any other person) including:

- (a) any time, waiver or consent granted to, or composition with, any person;
- (b) the release of any person under the terms of any composition or arrangement with any creditor of any person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (e) any amendment (however fundamental) or replacement of a Transaction Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or security;
- (g) any insolvency or similar proceedings; or
- (h) any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any person under any Transaction Document resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order.

33 Execution and Effectiveness

This Deed shall be fully effective and binding upon the Company and the Security Trustee upon at least one copy of this Deed having been executed and delivered by both the Company and the Security Trustee notwithstanding that any other person expressed to be a party to this Deed has

not then executed and delivered this Deed and notwithstanding any such other party has executed or executes and has delivered or delivers a counterpart of this Deed.

34 The Agents and the Company

34.1 References to the Agents

A reference in this Deed to:

- (a) the Senior Agent is a reference to that party acting in its capacity as agent on the instructions of the parties as described in the definition of the term **"Senior Agent"** in the Master Definitions Schedule;
- (b) the Mezzanine Agent is a reference to that party acting in its capacity as agent on the instructions of the parties as described in the definition of the term **"Mezzanine Agent"** in the Master Definitions Schedule;
- (c) the Ruling Agent is a reference to that party acting in its capacity as agent on the instructions of the parties as described in the definition of the term **"Ruling Agent"** in the Master Definitions Schedule; and
- (d) the Agents is a reference to each of the Senior Agent and the Mezzanine Agent together.

34.2 References to the Company

- (a) The Company may comply with its obligations under this Deed by arranging for the Servicer to comply with them on its behalf subject to the prior agreement of the Servicer. For the avoidance of doubt, if the Servicer does not agree to such arrangement, the Company cannot avoid its obligations under this Deed.
- (b) The Servicer acknowledges and agrees with the provisions of paragraph (a) above.

35 Confidentiality

35.1 Confidential Information

The Security Trustee, each Lender and each Agent agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 35.2 (Disclosure of Confidential Information), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

35.2 Disclosure of Confidential Information

The Security Trustee, each Lender and each Agent may disclose:

- (a) to any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives such Confidential Information as that Security Trustee, Lender or Agent shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;
- (b) to any person:
 - (i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Transaction Documents or which succeeds (or which may potentially succeed)

it as Agent, Lender or Security Trustee and, in each case, to any of that person's Affiliates, representatives and professional advisers;

- (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Transaction Documents and to any of that person's Affiliates, representatives and professional advisers;
- (iii) appointed by the Security Trustee or any Lender or Agent or by a person to whom paragraph (b)(i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Transaction Documents on its behalf;
- (iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (b)(i) or (b)(ii) above;
- (v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to Applicable Law or Regulation;
- (vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
- (vii) to whom or for whose benefit that Security Trustee, Lender or Agent charges, assigns or otherwise creates a Security Interest;
- (viii) who is a party to a Transaction Document;
- (ix) with the consent of the Originator; or
- (x) in respect of the Security Trustee only, to the extent the Security Trustee considers it necessary in order to perform its duties and protect its rights under the Transaction Documents,

in each case, such Confidential Information as the Security Trustee, Lender or Agent shall consider appropriate if:

- (A) in relation to paragraphs (b)(i), (b)(ii) and (b)(iii) above, the person to whom the Confidential Information is to be given has entered into a confidentiality undertaking except that there shall be no requirement for a confidentiality undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;
- (B) in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a confidentiality undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information; and
- (C) in relation to paragraphs (b)(v), (b)(vi) and (b)(vii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential

Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Security Trustee, Lender or Agent, it is not practicable so to do in the circumstances; and

- (c) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Transaction Documents if the rating agency to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information.

35.3 Inside information

The Security Trustee, each Lender and each Agent acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Security Trustee and each Agent undertakes not to use any Confidential Information for any unlawful purpose.

35.4 Notification of disclosure

The Security Trustee and each Agent agrees (to the extent permitted by law and regulation) to inform the Originator:

- (a) of the circumstances of any disclosure of Confidential Information made by it pursuant to Clause 35.2 (Disclosure of Confidential Information) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 35 (Confidentiality).

35.5 Continuing obligations

The obligations in this Clause 35 (Confidentiality) are continuing and, in particular, shall survive and remain binding on the Security Trustee, each Lender and each Agent for a period of 12 months from the earlier of:

- (a) the date on which all amounts payable by the Company under or in connection with this Deed have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
- (b) the date on which such Security Trustee, Lender or Agent otherwise ceases to be a Security Trustee or Agent.

36 Entire Agreement

This Deed constitutes the entire agreement and understanding between the parties in relation to its subject matter and cancels and supersedes all previous agreements, understandings or negotiations, whether express or implied, in relation to that subject matter.

This has been executed as a Deed and delivered on the day and year first before written.

EXECUTED and **DELIVERED** as a
DEED by

CAYENNE FUNDING LTD

as Company

acting by:


Charles Leahy

Signature of Director/~~Secretary~~:

Name of Director/Secretary:

acting by:



Signature of Director/Secretary:

Name of Director/Secretary:

Sharon Martin

Representing L.D.C. Corporate Director No.5 Limited

EXECUTED and DELIVERED as a
DEED by

**COMMONWEALTH BANK OF
AUSTRALIA**

as Original Senior Lender and Senior
Agent

acting by a duly appointed attorney



Signature of Attorney:



Name of Attorney:

EXECUTED and DELIVERED as a
DEED by

CHALLENGER LIFE DEBT
INVESTMENTS (EUROPE) LIMITED

as Original Mezzanine Lender and
Mezzanine Agent

acting by:

VS

Signature of Director:

VASANTHI SMOLE

Name of Director:

in the presence of

David Shear

Signature of witness:

DAVID SHEARER

Name of witness:

*3 MORE LONDON
LONDON SE1 2AR*

Address of witness:

EXECUTED and DELIVERED as a
DEED by

Pepper (UK) Limited

as Originator and Servicer

acting by

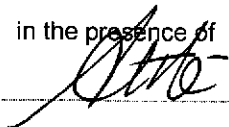


Signature of Director:

WARREN JUSTICE

Name of Director:

in the presence of



Signature of witness:

Witnessed by.....

Alexandra Hunter

Name of witness:

Address of witness:

King & Wood Mallesons LLP
10 Queen Street Place
London EC4R 1BE

Solicitor (NSW)

Occupation of witness:

SIGNED and DELIVERED as a DEED
by

PEPPER FINANCE (H73) LIMITED

as Junior Lender and Approved Seller

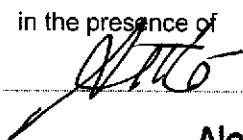
acting by a duly appointed attorney



Signature of Attorney:

Name of Attorney:

in the presence of



Signature of witness:

Witnessed by.....

Alexandra Hunter

Name of witness:

Address of witness:

King & Wood Mallesons LLP
10 Queen Street Place
London EC4R 1BE

Solicitor (NSW)

Occupation of witness:

EXECUTED and DELIVERED as a
DEED by

CITICORP TRUSTEE COMPANY
LIMITED

as Security Trustee

acting by a duly appointed attorney



Signature of Attorney:

DAVIDE PUCHINO

Name of Attorney:

in the presence of



Signature of witness:

Alexandra Hunter

Name of witness:

Address of witness:

Witnessed by.....

King & Wood Mallesons LLP
10 Queen Street Place
London EC4R 1BE



Occupation of witness:

SCHEDULE 1

Form of Scottish Sub-Security (Land Register)

We, Cayenne Funding Ltd, incorporated under the Companies Act 2006 in England (registered number 09120781) and having our registered office at Fifth Floor, 100 Wood Street, London EC2V 7EX (the "**Company**") considering that:

- 1 This deed is supplemental to a warehouse deed of charge dated 8 January 2015 (the "**Warehouse Deed of Charge**") made between, inter alios, the Company and Citicorp Trustee Company Limited (registered number 00235914), whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB as security trustee for the Secured Parties under and in terms of the Warehouse Deed of Charge (the "**Security Trustee**", which expression shall include such company and all other successor persons or companies for the time being acting as trustee or trustees under the Warehouse Deed of Charge).
- 2 In terms of the Warehouse Deed of Charge the Security Trustee holds the security constituted or to be constituted by or pursuant to the Warehouse Deed of Charge and the other Transaction Documents on trust for itself and the other Secured Parties.
- 3 In terms of the Warehouse Deed of Charge we have agreed to grant this deed.
- 4 Unless otherwise defined in this deed or the context otherwise requires, words and expressions used in this deed (including the recitals hereto) have the meanings and constructions ascribed to them in the master definitions schedule signed for the purposes of identification on 19 December 2014 by King & Wood Mallesons LLP, Ashurst LLP, Norton Rose Fulbright LLP and Simmons and Simmons LLP (the "**Master Definitions Schedule**").

Now therefore we the Company in security of the payment and discharge of all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) constituting or comprised within the Secured Obligations and any variation or alteration thereof and in implement pro tanto of Clause 4.3(a) (Scottish Mortgages) of the Warehouse Deed of Charge hereby grant a Standard Security in favour of the Security Trustee overall and whole those Standard Securities granted by the respective parties whose names are specified in Column 3 of the Schedule annexed and executed as relative hereto in favour of the party specified in Column 2 of the said Schedule for all sums due and to become due over the subjects therein described, said respective Standard Securities being registered in the Land Register of Scotland under the Title Number specified in the relative entry in Column 5 of the said Schedule on the date specified in the relative entry in Column 6 of the said Schedule (which said respective Standard Securities are hereinafter together referred to as the "**Principal Securities**"): Together with our whole right, title and interest, present and future therein and thereto: The Standard Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 and any lawful variation thereof operative for the time being (the "**Standard Conditions**") shall apply: And we agree that:

Firstly, Conditions 1 to 7 (inclusive) of the Standard Conditions shall not apply to this Standard Security;

Secondly, the remaining Standard Conditions shall be varied to the effect that in so far as the provisions of the Warehouse Deed of Charge (the terms of which shall be deemed to be incorporated herein) extend, add to, depart from or conflict with the Standard Conditions, the Warehouse Deed of Charge shall, subject to the provisions of the said Act, prevail and take effect;

Thirdly, upon the service of an Acceleration Notice in respect of any Secured Property hereby secured we shall (in addition to the circumstances specified in the said Act) be deemed to be in default within the meaning of Condition 9(1)(b) of the Standard Conditions whereupon and without prejudice to its whole other rights and powers under the said Act or the Transaction Documents, the Security Trustee shall be entitled to enforce this Standard Security in accordance with the provisions of the said Act;

Fourthly, without prejudice to the rights and remedies of the Security Trustee under the said Act or otherwise, in the event of our being in default hereunder (a) we shall on demand grant, execute and deliver a valid assignation of the Principal Securities or any of them in favour of the Security Trustee or any nominee of the Security Trustee and (b) the Security Trustee shall have power to uplift, receive, sue for and discharge all sums and liabilities due and to become due under the Principal Securities and to enforce all the rights and obligations contained or implied therein or thereby and to discharge the same in whole or in part and generally to do whatever is or may be or would, if this deed had not been granted, have been competent to us in respect thereof, and that without the consent of or notice to us and on such terms and conditions as the Security Trustee in its absolute discretion may determine, declaring that the exercise or otherwise by the Security Trustee of all or any of the powers hereby conferred shall be without prejudice to and shall in no way restrict or discharge the obligations undertaken by us herein or otherwise; and

Fifthly, the security rights and interests created, made or given under this deed shall be held by the Security Trustee as trustee for the Secured Parties upon and subject to the terms and conditions of the Warehouse Deed of Charge;

And we grant warrandice: *[insert any exceptions therefrom]* And we further ASSIGN to the Security Trustee in security of the Secured Obligations our whole right, title and interest in and to all and any personal bonds, credit agreements or agreements for loan (howsoever constituted) granted by or entered into with the said respective parties whose names are specified in Column 3 of the said Schedule and secured by the Principal Securities.

In Witness Whereof these presents typewritten on this and the preceding page together with the Schedule annexed hereto are executed at [] on the [] day of [] as follows:

SUBSCRIBED for and on behalf of the said

CAYENNE FUNDING LTD

By: _____

and _____

in the presence of:

Witness Signature: _____

Witness Name: _____

Witness Address: _____

**Schedule referred to in the foregoing Standard Security by CAYENNE FUNDING LTD
in favour of Citicorp Trustee Company Limited**

1	2	3	4	5	6
Account Number	Originator	Borrowers' Full Names	Secured Property	Title Number	Registration Date

Cayenne Funding Ltd

SCHEDULE 2

Form of Scottish Sub-Security (Sasine Register)

We, Cayenne Funding Ltd, incorporated under the Companies Act 2006 in England (registered number 09120781) and having our registered office at Fifth Floor, 100 Wood Street, London EC2V 7EX (the "**Company**") considering that:

- 1 This deed is supplemental to a warehouse deed of charge dated 8 January 2015 (the "**Warehouse Deed of Charge**") made between, inter alios, the Company and Citicorp Trustee Company Limited (registered number 00235914), whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB as security trustee for the Secured Parties under and in terms of the Warehouse Deed of Charge (the "**Security Trustee**", which expression shall include such company and all other successor persons or companies for the time being acting as trustee or trustees under the Warehouse Deed of Charge).
- 2 In terms of the Warehouse Deed of Charge the Security Trustee holds the security constituted or to be constituted by or pursuant to the Warehouse Deed of Charge and the other Transaction Documents on trust for itself and the other Secured Parties.
- 3 In terms of the Warehouse Deed of Charge we have agreed to grant this deed.
- 4 Unless otherwise defined in this deed or the context otherwise requires, words and expressions used in this deed (including the recitals hereto) have the meanings and constructions ascribed to them in the master definitions schedule signed for the purposes of identification on 19 December 2014 by King & Wood Mallesons LLP, Ashurst LLP, Norton Rose Fulbright LLP and Simmons & Simmons LLP (the "**Master Definitions Schedule**").

Now therefore we the Company in security of the payment and discharge of all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) constituting or comprised within the Secured Obligations and any variation or alteration thereof and in implement pro tanto of Clause 4.3(b) (Scottish Mortgages) of the Warehouse Deed of Charge hereby grant a Standard Security in favour of the Security Trustee overall and whole those Standard Securities granted by the respective parties whose names are specified in Column 3 of the Schedule annexed and executed as relative hereto in favour of the party specified in Column 2 of the said Schedule for all sums due and to become due over the subjects therein described lying in the County specified in the relative entry in Column 5 of the said Schedule, said respective Standard Securities being recorded in the General Register of Sasines for the County specified in the relative entry in Column 5 of the said Schedule on the date specified in the relative entry in Column 6 of the said Schedule (which said respective Standard Securities are hereinafter together referred to as the "**Principal Securities**"): Together with our whole right, title and interest, present and future therein and thereto: The Standard Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 and any lawful variation thereof operative for the time being (the "**Standard Conditions**") shall apply: And we agree that:

Firstly, Conditions 1 to 7 (inclusive) of the Standard Conditions shall not apply to this Standard Security;

Secondly, the remaining Standard Conditions shall be varied to the effect that in so far as the provisions of the Warehouse Deed of Charge (the terms of which shall be deemed to be incorporated herein) extend, add to, depart from or conflict with the Standard Conditions, the Warehouse Deed of Charge shall, subject to the provisions of the said Act, prevail and take effect;

Thirdly, upon the service of an Acceleration Notice in respect of any Secured Property hereby secured we shall (in addition to the circumstances specified in the said Act) be deemed to be in default within the meaning of Condition 9(1)(b) of the Standard Conditions whereupon and without prejudice to its whole other rights and powers under the said Act or the Transaction Documents, the Security Trustee shall be entitled to enforce this Standard Security in accordance with the provisions of the said Act;

Fourthly, without prejudice to the rights and remedies of the Security Trustee under the said Act or otherwise, in the event of our being in default hereunder (a) we shall on demand grant, execute and deliver a valid assignation of the Principal Securities or any of them in favour of the Security Trustee or any nominee of the Security Trustee and (b) the Security Trustee shall have power to uplift, receive, sue for and discharge all sums and liabilities due and to become due under the Principal Securities and to enforce all the rights and obligations contained or implied therein or thereby and to discharge the same in whole or in part and generally to do whatever is or may be or would, if this deed had not been granted, have been competent to us in respect thereof, and that without the consent of or notice to us and on such terms and conditions as the Security Trustee in its absolute discretion may determine, declaring that the exercise or otherwise by the Security Trustee of all or any of the powers hereby conferred shall be without prejudice to and shall in no way restrict or discharge the obligations undertaken by us herein or otherwise; and

Fifthly, the security rights and interests created, made or given under this deed shall be held by the Security Trustee as trustee for the Secured Parties upon and subject to the terms and conditions of the Warehouse Deed of Charge;

And we grant warrandice: *[insert any exceptions therefrom]* And we further assign to the Security Trustee in security of the Secured Obligations our whole right, title and interest in and to all and any personal bonds, credit agreements or agreements for loan (howsoever constituted) granted by or entered into with the said respective parties whose names are specified in Column 3 of the said Schedule and secured by the Principal Securities.

In Witness Whereof these presents typewritten on this and the preceding page together with the Schedule annexed hereto are executed at [] on the [] day of [] as follows:

SUBSCRIBED for and on behalf of the said

CAYENNE FUNDING LTD

By: _____

and _____

in the presence of:

Witness Signature: _____

Witness Name: _____

Witness Address: _____

**Schedule referred to in the foregoing Standard Security by CAYENNE FUNDING LTD
in favour of Citicorp Trustee Company Limited**

1	2	3	4	5	6
Account Number	Originator	Borrowers' Full Names	Secured Property	County	Recording Date

SCHEDULE 3

Form of Scottish Supplemental Charge

[Separate charges will be required for separate Approved Sellers]

ASSIGNATION IN SECURITY between:

- (1) **CAYENNE FUNDING LTD**, incorporated under the Companies Act in England (registered number 09120781) and having our registered office at Fifth Floor, 100 Wood Street, London EC2V 7EX (the "**Company**");
- (2) **PEPPER (UK) LIMITED** (registered number 06548489) having its registered office at 114a Cromwell Road, London SW7 4ES/[insert details of other seller/legal title holder under a Sale Agreement] (the "**Originator**"); and
- (3) [Details of relevant Approved Seller] (the "**Approved Seller**").

WHEREAS:

- (A) This Deed is supplemental to a warehouse deed of charge dated 8 January 2015 (the "**Warehouse Deed of Charge**") made between, inter alios, the Company, the Originator and Citicorp Trustee Company Limited as security trustee for the Secured Parties under and in terms of the Warehouse Deed of Charge (the "**Security Trustee**", which expression shall include its successors in terms of the Warehouse Deed of Charge).
- (B) In terms of the Warehouse Deed of Charge, the Security Trustee inter alia holds the security constituted or to be constituted by or pursuant to the Warehouse Deed of Charge on trust for itself and for the Secured Parties.
- (C) Scottish Declaration[s] of Trust dated [●] (the "**Scottish Declaration[s] of Trust**") have been entered into between the Originator, the Approved Seller and the Company and delivered, in terms of which certain Scottish Mortgage Loans together with their related Scottish Mortgages and other Collateral Security relative thereto as more fully specified and defined therein (collectively, the "**Scottish Trust Property**") are held in trust by the Originator for the Company.
- (D) This deed is made by the Company, the Approved Seller and the Originator in favour of the Security Trustee in accordance with and pursuant to Clause 4.4 (Scottish trust security) of the Warehouse Deed of Charge.

Now therefore the parties hereto have agreed and do hereby agree as follows:

- 1 The document entitled the "**Cayenne Funding Master Definitions Schedule**" signed for the purposes of identification on 19 December 2014 ("**Master Definitions Schedule**") by King & Wood Mallesons LLP, Ashurst LLP, Norton Rose Fulbright LLP and Simmons & Simmons LLP is expressly and specifically incorporated into this Deed and, accordingly:
 - (a) unless otherwise defined in this Deed or the context requires otherwise, a term defined in the Master Definitions Schedule has the same meaning in this Deed and in any notice given under or in connection with this Deed; and
 - (b) this Deed shall be construed in accordance with the interpretations provisions set out in Clause 2 (Interpretation) of the Master Definitions Schedule.
- 2 The Company covenants with and undertakes to the Security Trustee and binds and obliges itself that it will duly and punctually pay or discharge the Secured Obligations in accordance with the terms of Clause 3 (The Company's Covenant to Pay) of the Warehouse Deed of Charge.

- 3 The Company as holder of the beneficial interest therein and with absolute warrandice and subject to the proviso for redemption contained in Clause 6 (Redemption and Release) of the Warehouse Deed of Charge hereby assigns to and in favour of the Security Trustee in security for the discharge and payment of the Secured Obligations the Company's whole right, title and interest, present and future, in and to the Scottish Trust Property as defined in the Scottish Declarations of Trust granted in terms of [Clause 4.5(b) (Conditions precedent to each sale) of the Origination and Sale Agreement/[insert details of other Sale Agreements]] and in and to the Scottish Declarations of Trust surrogating and substituting the Security Trustee in its full right and place therein and thereto.
- 4 The Company (for itself and on behalf of the Security Trustee) hereby gives notice of and intimates the assignation in security made in terms of paragraph 3 hereof to the Originator as trustee under the Scottish Declarations of Trust and the Originator by its execution hereof immediately subsequent to the execution of this deed by the Company consents thereto, acknowledges such notice and intimation and confirms that save under or pursuant to the Transaction Documents as at the date hereof it has not received notification of any other dealing with the Scottish Trust Property or any part thereof or the Scottish Declaration[s] of Trust.
- 5 The parties hereby agree that all the obligations, undertakings, covenants, rights and powers specified and contained in the Warehouse Deed of Charge which relate to the property referred to in and the security and other rights and powers created under and pursuant to the Warehouse Deed of Charge shall be deemed to be repeated herein and shall apply mutatis mutandis to the property referred to in paragraph 3 hereof and the security and other rights and powers created under and pursuant hereto and that the whole remaining terms of the Warehouse Deed of Charge shall, except in so far as inconsistent herewith apply mutatis mutandis hereto provided always that this deed shall be without prejudice to the Warehouse Deed of Charge and all of the rights, powers obligations and immunities comprised therein and arising pursuant thereto, which shall remain in full force and effect notwithstanding this deed.
- 6 This deed shall be governed by and construed in accordance with the law of Scotland.

In Witness Whereof these presents and typewritten on this and the preceding page are executed for and on behalf of the Company and the Originator as follows:

SUBSCRIBED for and on behalf of the said

CAYENNE FUNDING LTD

at:

on:

By:

By:

Name:

Name:

Title: Director

Title: Director

in the presence of:

Witness Signature:

Witness Name:

Witness Address:

SUBSCRIBED for and on behalf of the said

PEPPER (UK) LIMITED

at:

on:

By: _____

Name:

Title: Director

By: _____

Name:

Title: Director

in the presence of:

Witness Signature:

Witness Name:

Witness Address:

SCHEDULE 4

Form of Notice of Assignment

To: [Addressee(s)]

In respect of the [Description of Transactions Document or Secured Property]

[Date]

Dear Sirs

Terms and expressions used in this letter are as defined in the Warehouse Deed of Charge (the "**Deed of Charge**") between Cayenne Funding Ltd (the "**Company**"), Citicorp Trustee Company Limited (the "**Security Trustee**") and others dated 8 January 2015.

We give notice to each addressee of this letter that by assignment(s) under or pursuant to the Warehouse Deed of Charge, the Company has assigned absolutely, by way of security for the payment and performance of certain obligations of the Company described in the Warehouse Deed of Charge (the "**Secured Obligations**"), to the Security Trustee all its right, title, benefit and interest under the [Agreement(s)] (the "**Assigned Documents**") [including its right, title interest and benefit in relation to *[describe property]* and including, without limitation, all rights to receive payment of any amounts which may become payable to the Company thereunder, all payments received by the Company thereunder, 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 and the proceeds of any of the foregoing, (hereinafter called "**Company Property**").

By signing the enclosed copy of this notice you acknowledge and consent to the assignments and agree that:

- (a) you may continue to make all payments becoming due to the Company in respect of the Company Property in the manner envisaged by the relevant Assigned Document(s);
- (b) you have not, at the date of this notice, received notice that any third party has or will have any right or interest whatsoever in the Company Property; and
- (c) the Company shall be entitled to exercise its rights, powers and discretions and entitled to and liable to perform its obligations in relation to the Company Property and under the Assigned Documents in accordance with the provisions of the Assigned Documents,

but only until such time as you receive notice from the Security Trustee to the contrary or to the effect that the security created under the Warehouse Deed of Charge has become enforceable, in which event from receipt of such notice you agree that you will pay all monies becoming due and payable to the Company in respect of the Company Property in accordance with any instructions received from the Security Trustee.

This letter is governed by, and shall be construed in accordance with, English law, except that to the extent of any Company Property which may be situated in Scotland at any time, it is governed by and shall be construed in accordance with the laws of Scotland.

Please acknowledge receipt of this notice and your agreement to the above by executing and returning the copy of this letter attached hereto.

Yours faithfully,

For and on behalf of

SUBSCRIBED for and on behalf of the said
CAYENNE FUNDING LTD

By: _____

Name:

Title:

We acknowledge receipt of the above notice and the terms of the assignment created by you in respect of the Company Property.

In respect of the [Agreement]:

For and on behalf of

[Party to Transaction Document]

By: _____

Name:

Title:

SCHEDULE 5

Form of Approved Seller Accession Certificate

Date:

Parties: *[insert name of acceding Approved Seller]* ("**Approved Seller**")

Citicorp Trustee Company Limited ("**Security Trustee**")

Commonwealth Bank of Australia ("**Senior Agent**")

Challenger Life Debt Investments (Europe) Limited ("**Mezzanine Agent**")

Cayenne Funding Ltd ("**Company**")

- 1 We refer to the Warehouse Deed of Charge (the "**Warehouse Deed of Charge**") dated 8 January 2015 and made between, amongst others, (1) Pepper (UK) Limited (as "**Originator**" and "**Servicer**"), (2) Pepper Finance (H73) Limited (as an "**Approved Seller**"), (3) Cayenne Funding Ltd (the "**Company**"), and (4) Citicorp Trustee Company Limited (the "**Security Trustee**").
- 2 The document entitled the "**Cayenne Funding Master Definitions Schedule**" signed for the purposes of identification on 19 December 2014 ("**Master Definitions Schedule**") by King & Wood Mallesons LLP, Ashurst LLP, Norton Rose Fulbright LLP and Simmons & Simmons LLP is expressly and specifically incorporated into this certificate and, accordingly:
 - (a) unless otherwise defined in this certificate or the context requires otherwise, a term defined in the Master Definitions Schedule has the same meaning in this certificate and in any notice given under or in connection with this certificate; and
 - (b) this certificate shall be construed in accordance with the interpretations provisions set out in Clause 2 (Interpretation) of the Master Definitions Schedule.
- 3 The Approved Seller shall as and from the date of this certificate be an Approved Seller for the purposes of the Warehouse Deed of Charge as if named as a party to the Warehouse Deed of Charge in the capacity of an Approved Seller and as if it were a party to the Warehouse Deed of Charge. The Approved Seller agrees to comply with the Warehouse Deed of Charge. All the terms and conditions of the Warehouse Deed of Charge shall bind the Approved Seller accordingly, and it shall be entitled to all rights of an Approved Seller under the Warehouse Deed of Charge.
- 4 This certificate and any dispute or claim arising out of or in connection with it or its subject matter, whether of a contractual or non-contractual nature, shall be governed by and construed in accordance with the laws of England and Wales.

Signed by:

Signature

Print name of signatory

for and on behalf of *[insert name of acceding
Approved Seller]*

Signed by:

Signature

Print name of signatory

for and on behalf of Commonwealth Bank of Australia
as Senior Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Challenger Life Debt Investments
(Europe) Limited as Mezzanine Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Citicorp Trustee Company
Limited as Security Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Cayenne Funding Ltd as
Company

SCHEDULE 6

Form of Lender Accession Certificate

Date:

Parties: [insert name of acceding Lender] ("**Lender**")

Citicorp Trustee Company Limited ("**Security Trustee**")

Commonwealth Bank of Australia ("**Senior Agent**")

Challenger Life Debt Investments (Europe) Limited ("**Mezzanine Agent**")

Cayenne Funding Ltd ("**Company**")

- 1 We refer to the Warehouse Deed of Charge (the "**Warehouse Deed of Charge**") dated 8 January 2015 and made between, amongst others, (1) Pepper (UK) Limited (as "**Originator**" and "**Servicer**"), (2) Pepper Finance (H73) Limited (as an "**Approved Seller**"), (3) Cayenne Funding Ltd (the "**Company**"), and (4) Citicorp Trustee Company Limited (the "**Security Trustee**").
- 2 We refer to the Warehouse [Senior/Mezzanine] Credit Facility Agreement (the "**[Senior/Mezzanine] Facility Agreement**") dated 8 January 2015 and made between, amongst others, (1) Pepper (UK) Limited (as "**Originator**" and "**Servicer**"), (2) Cayenne Funding Ltd (the "**Company**"), (3) the [Senior/Mezzanine] Agent and (4) Citicorp Trustee Company Limited (the "**Security Trustee**").
- 3 The document entitled the "**Cayenne Funding Master Definitions Schedule**" signed for the purposes of identification on 19 December 2014 ("**Master Definitions Schedule**") by King & Wood Mallesons LLP, Ashurst LLP, Norton Rose Fulbright LLP and Simmons & Simmons LLP is expressly and specifically incorporated into this certificate and, accordingly:
 - (a) unless otherwise defined in this certificate or the context requires otherwise, a term defined in the Master Definitions Schedule has the same meaning in this certificate and in any notice given under or in connection with this certificate; and
 - (b) this certificate shall be construed in accordance with the interpretations provisions set out in Clause 2 (Interpretation) of the Master Definitions Schedule.
- 4 The Lender has acceded as a [Senior/Mezzanine] Lender under and pursuant to the [Senior/Mezzanine] Facility Agreement.
- 5 The Lender shall as and from the date of this certificate be a Lender for the purposes of the Warehouse Deed of Charge as if named as a party to the Warehouse Deed of Charge in the capacity of a Lender and as if it were a party to the Warehouse Deed of Charge. The Lender agrees to comply with the Warehouse Deed of Charge. All the terms and conditions of the Warehouse Deed of Charge shall bind the Lender accordingly, and it shall be entitled to all rights of a Lender under the Warehouse Deed of Charge.
- 6 This certificate and any dispute or claim arising out of or in connection with it or its subject matter, whether of a contractual or non-contractual nature, shall be governed by and construed in accordance with the laws of England and Wales.

Signed by:

Signature

Print name of signatory

for and on behalf of *[insert name of acceding Lender]*

Signed by:

Signature

Print name of signatory

for and on behalf of Commonwealth Bank of Australia
as Senior Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Challenger Life Debt Investments
(Europe) Limited as Mezzanine Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Citicorp Trustee Company
Limited as Security Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Cayenne Funding Ltd as
Company

SCHEDULE 7

Form of Backup Servicer Accession Certificate

Date:

Parties: [insert name of acceding Backup Servicer] ("**Backup Servicer**")

Citicorp Trustee Company Limited ("**Security Trustee**")

Commonwealth Bank of Australia ("**Senior Agent**")

Challenger Life Debt Investments (Europe) Limited ("**Mezzanine Agent**")

Cayenne Funding Ltd ("**Company**")

7 We refer to the Warehouse Deed of Charge (the "**Warehouse Deed of Charge**") dated 8 January 2015 and made between, amongst others, (1) Pepper (UK) Limited (as "**Originator**" and "**Servicer**"), (2) Pepper Finance (H73) Limited (as an "**Approved Seller**"), (3) Cayenne Funding Ltd (the "**Company**"), and (4) Citicorp Trustee Company Limited (the "**Security Trustee**").

8 The document entitled the "**Cayenne Funding Master Definitions Schedule**" signed for the purposes of identification on 19 December 2014 ("**Master Definitions Schedule**") by King & Wood Mallesons LLP, Ashurst LLP, Norton Rose Fulbright LLP and Simmons & Simmons LLP is expressly and specifically incorporated into this certificate and, accordingly:

- (a) unless otherwise defined in this certificate or the context requires otherwise, a term defined in the Master Definitions Schedule has the same meaning in this certificate and in any notice given under or in connection with this certificate; and
- (b) this certificate shall be construed in accordance with the interpretations provisions set out in Clause 2 (Interpretation) of the Master Definitions Schedule.

9 The Backup Servicer shall as and from the date of this certificate be an Backup Servicer for the purposes of the Warehouse Deed of Charge as if named as a party to the Warehouse Deed of Charge in the capacity of an Backup Servicer and as if it were a party to the Warehouse Deed of Charge. The Backup Servicer agrees to comply with the Warehouse Deed of Charge. All the terms and conditions of the Warehouse Deed of Charge shall bind the Backup Servicer accordingly, and it shall be entitled to all rights of an Backup Servicer under the Warehouse Deed of Charge.

10 This certificate and any dispute or claim arising out of or in connection with it or its subject matter, whether of a contractual or non-contractual nature, shall be governed by and construed in accordance with the laws of England and Wales.

Signed by:

Signature

Print name of signatory

for and on behalf of [insert name of acceding Backup Servicer]

Signed by:

Signature

Print name of signatory

for and on behalf of Commonwealth Bank of Australia
as Senior Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Challenger Life Debt Investments
(Europe) Limited as Mezzanine Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Citicorp Trustee Company
Limited as Security Agent

Signed by:

Signature

Print name of signatory

for and on behalf of Cayenne Funding Ltd as
Company