



Registration of a Charge

Company name: **Towd Point Mortgage Funding 2017 - Auburn 11 Plc**
Company number: **10539679**



Received for Electronic Filing: **23/02/2017**

Details of Charge

Date of creation: **21/02/2017**
Charge code: **1053 9679 0001**
Persons entitled: **U.S. BANK TRUSTEES LIMITED, 125 OLD BROAD STREET, LONDON, EC2N 1AR (AS TRUSTEE FOR ITSELF AND FOR THE OTHER SECURED CREDITORS)**
Brief description: **N/A.**
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 SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

CLIFFORD CHANCE LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10539679

Charge code: 1053 9679 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st February 2017 and created by Towd Point Mortgage Funding 2017 - Auburn 11 Plc was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd February 2017 .

Given at Companies House, Cardiff on 24th February 2017

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

DATED 21 FEBRUARY 2017

TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC
AS ISSUER

CERBERUS EUROPEAN RESIDENTIAL HOLDINGS B.V.
AS SELLER

U.S. BANK TRUSTEES LIMITED
AS TRUSTEE

DEED OF CHARGE

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THIS DEED is made on 21 February 2017

AMONG:

- (1) **TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC**, (registered number 10539679) a public limited company incorporated under the laws of England and Wales with its registered office at c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London EC2R 7AF (the "**Issuer**");
- (2) **CERBERUS EUROPEAN RESIDENTIAL HOLDINGS B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) with corporate seat (*statutaire zetel*) in Baarn, the Netherlands and having its address at Oude Utrechtseweg 32, 3743 KN Baarn, the Netherlands, registered with the Dutch Trade Register of the Chamber of Commerce under number 62579533 (the "**Seller**"); and
- (3) **U.S. BANK TRUSTEES LIMITED** (registered number 02379632), whose registered office is at 125 Old Broad Street, London EC2N 1AR (the "**Trustee**").

INTRODUCTION:

This Deed is supplemental to the Trust Deed, which is dated on or about the date of this Deed and made between the Issuer and the Trustee relating to the issue of the Notes and the Certificates.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

Unless otherwise defined in this Deed or the context requires otherwise, words and expressions used in this Deed have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in Schedule 1 (*Master Definitions Schedule*) of the Incorporated Terms Memorandum which is dated on or about the date of this Deed and signed for the purpose of identification by the parties to this Deed and others, (as the same may be amended, varied and supplemented from time to time with the consent of the parties to this Deed, the "**Incorporated Terms Memorandum**"). This Deed shall be construed in accordance with the principles of construction and interpretation set out in such Master Definitions Schedule.

2. COMMON TERMS

2.1 Incorporation of Common Terms

The Common Terms apply to this Deed and shall be binding on the parties to this Deed as if set out in full in this Deed.

2.2 Conflict with Common Terms

If there is any conflict between the provisions of the Common Terms and the provisions of this Deed, the provisions of this Deed shall prevail, save for (i) where any provision of this Deed relates to VAT, in which case the VAT provisions of the Common Terms shall prevail, and (ii) if there is a conflict between the provisions of

this Deed and paragraph 7.2 (*Limited Recourse*) of the Common Terms, in which case paragraph 7.2 (*Limited Recourse*) of the Common Terms shall prevail.

2.3 Obligor/Obligee

2.3.1 For the purpose of this Deed, Part 1, Paragraph 1 (*Further Assurance*) of Schedule 2 of the Incorporated Terms Memorandum applies to this Deed as if set out in full in this Deed and as if the Issuer were an Obligor and the Trustee and any Receiver appointed pursuant to Clause 18 (*Appointment and Removal of Administrators and Receivers*) were each an Obligee for the purposes of such Paragraph.

2.3.2 The Issuer shall (at its own cost) promptly do whatever the Trustee requires to perfect or protect the Security or the priority of the Security or to facilitate the realisation of the Charged Property or the exercise of any rights vested in the Trustee or any Receiver, including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Trustee or its nominees or otherwise), making any registration and giving any notice, order or direction.

2.4 Governing Law and Jurisdiction

This Deed and all non-contractual obligations arising out of or in connection with it shall be governed by English law in accordance with Part 3, Paragraph 1 (*Governing Law*) of Schedule 2 of the Incorporated Terms Memorandum. Part 3, Paragraph 2 (*Jurisdiction*) of Schedule 2 of the Incorporated Terms Memorandum applies to this Deed as if set out in full in this Deed, **provided that**, any terms and expressions herein which are particular to the law of Scotland shall be governed by and construed in accordance with Scots law and provided that any terms of this agreement that are particular to the laws of Northern Ireland shall be governed by and construed in accordance with the laws of Northern Ireland.

3. ISSUER'S UNDERTAKING TO PAY

The Issuer undertakes to the Trustee (for its own account and as trustee for the other Secured Creditors) that it shall duly, unconditionally and punctually pay and discharge to each of the Secured Creditors when due all monies and liabilities whatsoever constituting the Secured Amounts.

4. CREATION OF FIXED SECURITY

4.1 The Fixed Security

As continuing security for the payment or discharge of the Secured Amounts the Issuer with full title guarantee (or, in relation to rights and assets situated in Scotland or governed by Scots law, with absolute warrandice; or in relation to rights and assets situated in Northern Ireland or governed by Northern Irish law, as beneficial owner under Section 7 of the Conveyancing Act 1881) in favour of the Trustee for the Trustee itself and on trust for the Secured Creditors, but subject always to the right of release and discharge set out in Clause 9 (*Redemption and Release*), hereby:

- 4.1.1 charges by way of first fixed charge the Benefit of the Issuer's interest in the Mortgage Loans and the Related Security (which, until notice is served on the Borrowers and, in respect of mortgages of property comprising of registered land, until registration is effected, will take effect as an equitable assignment);
- 4.1.2 charges by way of first fixed charge the Benefit, present and future, of each Authorised Investment;
- 4.1.3 charges by way of first fixed charge the Benefit, present and future, in and to and all monies now or in the future standing to the credit of (and all interest accruing thereon from time to time) the Deposit Account and any other bank accounts of the Issuer established on or after the Closing Date in accordance with the Account Bank Agreement or the other Transaction Documents;
- 4.1.4 assigns by way of security the Issuer's interests in the Life Policies and the Charges relating to the Mortgage Loans;
- 4.1.5 assigns by way of security the Issuer's interests in the Insurance Policies;
- 4.1.6 charges by way of first fixed charge the Issuer's interests in the Guarantees and the Borrower Charges;
- 4.1.7 assigns by way of security of the Benefit, present and future, under each relevant Transaction Document; and
- 4.1.8 charges at law indebtedness comprising an obligation or liability to pay money secured by each registered charge of which it is registered as proprietor at the Land Registry of England and Wales or secured by each mortgage or charge of which it is registered as the registered owner at the Land Registry of England and Wales or secured by each mortgage or charge of which it is registered as the registered owner at the Land Registry of Northern Ireland or the Registry of Deeds for Northern Ireland (as applicable);

4.2 Scottish Trust Security

- 4.2.1 The Issuer undertakes forthwith upon the execution and delivery of the Scottish Trust Transfer, to execute and deliver (and procure the execution and delivery) to the Trustee of a Scottish Trust Security substantially in the form set out in Schedule 4 (*Form of Scottish Trust Security*) to this Deed. The other parties to this Deed consent to the entering into of such Scottish Trust Security and the Trustee authorises and instructs the Issuer to intimate and give notice to the Legal Title Holder (as trustee under the Scottish Declaration of Trust) of the assignation in security made thereunder as provided therein.
- 4.2.2 The Issuer undertakes to the Trustee at the time of delivery of the Scottish Trust Security under the terms of Clause 4.2 simultaneously to deliver to

the Trustee the Scottish Declaration of Trust and the Scottish Trust Transfer.

4.3 Scottish Sub-Securities

The Issuer, subject to Clause 9 (*Redemption and Release*), hereby undertakes to the Trustee and binds and obliges itself:

- 4.3.1 upon the delivery to it of any Scottish Transfer pursuant to clause 7 (*Perfection*) of the Mortgage Sale Agreement forthwith to execute and deliver to the Trustee in security for the payment and discharge of the Secured Amounts a Scottish Sub-Security substantially in the form set out in Schedule 5 (*Form of Scottish Sub-Security*) to this Deed in respect of the Issuer's whole right, title and interest in and to all of the Scottish Mortgages (and the Scottish Loans secured thereby) to which the Issuer is entitled in terms of such Scottish Transfer;
- 4.3.2 at the time of delivery of any Scottish Sub-Security in accordance with the preceding provisions of this Clause 4.3 simultaneously to deliver to the Trustee the relevant Scottish Transfer pertaining to the Scottish Mortgages specified in that Scottish Sub-Security unless such Scottish Transfer is held by Registers of Scotland;
- 4.3.3 if and when called upon to do so by the Trustee (but subject to the provisions of the Mortgage Sale Agreement), to use all reasonable endeavours and to take all such steps as are necessary to complete and perfect legal title to the Scottish Loans and their Related Security from time to time comprised in the Portfolio, including the registration or recording of the Issuer as heritable creditor under such Scottish Mortgages at the Land Register of Scotland or the General Register of Sasines and intimation thereof to the relevant Borrowers; and
- 4.3.4 if and when called upon to do so by the Trustee, to use all reasonable endeavours to execute and deliver such documents, and in such form, and to take such other steps as the Trustee shall reasonably consider necessary to enable the Trustee to (but that the Trustee shall be under no obligation to) obtain and perfect a first ranking heritable security over the Scottish Mortgages relating to Scottish Loans from time to time comprised in the Portfolio and a first ranking fixed security over the rights, title and interest of the Issuer in and to the other Related Security relating to Scottish Loans from time to time comprised in the Portfolio and all sums secured thereby.

4.4 Fixed Security

Clause 4.1 (*The Fixed Security*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment by way of security over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage, fixed charge or assignment by way of security (whether arising out of this Deed or any act or omission by any party) on any one asset shall not affect the nature of any mortgage, fixed charge or assignment imposed on any other asset whether within that same class of assets or not.

5. CREATION OF FLOATING CHARGE

5.1 The Floating Charge

As continuing security for the payment or discharge of the Secured Amounts, the Issuer with full title guarantee and, in relation to assets situated in Scotland or otherwise governed by Scots law, with absolute warrandise; or in relation to rights and assets situated in Northern Ireland or governed by Northern Irish law, as beneficial owner under Section 7 of the Conveyancing Act 1881, also hereby charges, in favour of the Trustee for the Trustee itself and on trust for the Secured Creditors, by way of first floating charge the whole of its undertaking and all its property, assets and rights whatsoever and wheresoever present and future including its uncalled capital (including assets expected to be subject to a fixed charge or assignment by way of security or absolute assignment as described above) and extending over all of its property, assets, rights or revenues (whether or not the subject of the fixed charges or assignments described above).

5.2 Paragraph 14, Schedule B1, Insolvency Act

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 or as applicable paragraph 15 of Schedule B1 of the Insolvency (Northern Ireland) Order 1989 apply to the floating charge created pursuant to this Clause 5 (*Creation of Floating Charge*).

5.3 Floating Charge postponed

The floating charge created by Clause 5.1 (*The Floating Charge*) shall be postponed to any valid fixed charges, assignments or assignments in security which remain outstanding under or pursuant to this Deed from time to time and any rights of the Issuer 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.

5.4 Conversion to Fixed Charge

The floating charge created by this Clause will (so far as permitted by applicable law) automatically convert into a fixed charge as regards:

5.4.1 all of the Issuer's assets subject to the floating charge, upon the service of an Enforcement Notice; and

5.4.2 any assets of the Issuer subject to the floating charge if those assets (contrary to the covenants and undertakings contained in the Transaction Documents) are or become subject to any Encumbrance in favour of any person other than the Trustee immediately prior to that Encumbrance arising or that sale, transfer or other disposition being made.

5.5 No conversion into Fixed Charge

The floating charge created by this Clause 5 may not be converted into a fixed charge solely by reason of:

5.5.1 the obtaining of a moratorium; or

5.5.2 anything done with a view to obtaining a moratorium,

under Section 1A of the Insolvency Act 1986 or as applicable Article 14A of the Insolvency (Northern Ireland) Order 1989.

5.6 Treatment of floating charge assets post conversion

The Issuer undertakes to the Trustee that, following the occurrence of any of the events set out in Clause 5.4 (*Conversion to Fixed Charge*), it:

- 5.6.1 shall not sell, transfer, convey, lease, licence, assign (or enter into any agreement in connection thereto) or otherwise deal with or dispose of the Converted Assets;
- 5.6.2 shall deliver as soon as possible to the Trustee or otherwise as agreed with the Trustee in writing, such information as the Trustee shall require to identify the Converted Assets including, for the avoidance of doubt, a full description (including account numbers, contract details etc) of all of the assets comprised in the Converted Assets; and
- 5.6.3 shall deliver as soon as possible to the Trustee or otherwise as agreed with the Trustee in writing, all documents of title relating to such Converted Assets.

"Converted Assets" means assets that were the subject of a floating charge that has now converted to a fixed charge pursuant to Clause 5.4 (*Conversion to Fixed Charge*) and/or Clause 12.2 (*Consequences of Delivery of Security Protection Notice*).

6. WARRANTY BY THE ISSUER

The Issuer warrants to the Trustee that:

- 6.1.1 it has taken all necessary steps to enable it to create the Security in respect of the Charged Property in accordance with this Deed and has taken no action or steps which will or may prejudice its right, title and interest in, to and under the Charged Property; and
- 6.1.2 this Deed creates the Security it purports to create and such Security is not liable to be avoided or otherwise set aside in the winding-up of the Issuer.

7. UNDERTAKINGS BY THE SELLER

7.1 Risk Retention Undertaking

The Seller, as originator for the purposes of the CRR, the AIFMR and the Solvency II, undertakes to the Issuer and the Trustee (on behalf of itself and the Noteholders) that it will, whilst any of the Notes remain outstanding:

- 7.1.1 hold and retain on an ongoing basis a material net economic interest of at least 5 per. cent in accordance with each of Article 405 of Regulation (EU) No. 572/2013 (the Capital Requirements Regulation (the "**CRR**")) the CRR and Article 51 of Regulation (EU) No. 231/2013, referred to as the

Alternative Investment Fund Manager Regulation (the "**AIFMR**") and Article 254(2) of the Commission Delegated Regulation (EU) 2015/25 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking up and pursuit of the business of Insurance and Reinsurance (Solvency II) (the "**Solvency II Delegated Act**") the Solvency II Delegated Act (which, in each case, does not take into account any corresponding national measures), to the extent the regulations above continue to apply and in each case as they are interpreted and applied on the Closing Date (and in the case of AIFMR taking into account Article 56 of the AIFMR);

- 7.1.2 comply with its obligations under Article 409 of the CRR, subject always to any requirement of law;
- 7.1.3 disclose in the Investor Report (or in such other manner as the Seller may determine), in accordance with Article 409 of the CRR and Article 52 of the AIFMR, any change in the manner in which such retained interest is held (which as at the Closing Date will be the retention by the Seller of the Retention Notes, in accordance with Article 405 of the CRR, Article 51 of the AIFMR and Article 254(2) of the Solvency II Delegated Act); and
- 7.1.4 will not sell, hedge or otherwise mitigate its credit risk under its retained material net economic interest, except to the extent permitted by the CRR,

provided that (i), with respect to Clause 7.1.1 only, the Seller will not be in breach of the undertakings given pursuant to this Clause 7 if due to events, actions or circumstances beyond the Seller's control, the Seller is not able to comply with such undertakings and (ii) the Seller is only required to so comply to the extent that the retention and disclosure requirements under Articles 405 and 409 of the CRR or Articles 51 and 52 of the AIFMR remain in effect.

7.2 U.S. Credit Risk Retention Undertaking

The Seller, undertakes to the Issuer and the Trustee (on behalf of itself and the Noteholders) that:

- 7.2.1 each of Cerberus European Residential Holdings B.V. and FirstKey Mortgage, LLC is the appropriate entity to comply with all legal requirements imposed on the "sponsor" of a "securitization transaction" in accordance with the U.S. Credit Risk Retention Rules and Cerberus European Residential Holdings B.V. will comply with all legal requirements imposed on the "sponsor" of a "securitization transaction" in accordance with the U.S. Credit Risk Retention Rules;
- 7.2.2 the Seller will retain an eligible horizontal residual interest in the transaction in accordance with U.S. Credit Risk Retention Rules for the duration required in the U.S. Credit Risk Retention Rules, which interest will consist of a minimum 5 per cent. in the fair value of the Notes and the Certificates by retaining 100% of the Class DC1 Certificates and Class SDC Certificates and 100% of the Principal Amount Outstanding of the

Class E Notes and the Class Z Notes (the "**Retained Interest**"), as determined using the fair value measurement framework under U.S. generally accepted accounting principles;

- 7.2.3 the Seller will be solely responsible for compliance with the disclosure requirements of U.S. Credit Risk Retention Rules. Without limiting any liability that the Seller has under any section hereunder other than this Clause 7.2 or otherwise, (i) the Seller will be responsible for ensuring that the disclosure required by U.S. Credit Risk Retention Rules is contained in the Prospectus, (ii) the Seller will be solely responsible for the content of that disclosure and (iii) if any disclosure is required after the date hereof pursuant to U.S. Credit Risk Retention Rules, the Seller will be solely responsible for making and delivering such disclosure in a medium that does not involve any action or participation by the Managers; and
- 7.2.4 the Seller will hold the Retained Interest for the duration required in U.S. Credit Risk Retention Rules. The Seller will not engage in any activities that would constitute impermissible hedging, transfer or financing of the Retained Interest as prohibited by the U.S. Credit Risk Retention Rules for the duration required in U.S. Credit Risk Retention Rules.

8. NOTICE OF SECURITY

8.1 Issuer's Notices

- 8.1.1 The Issuer shall by way of the Notice of Assignment to Transaction Parties give notice of the Security to each of the other relevant parties to the Transaction Documents.
- 8.1.2 The Issuer shall by way of the Notice of Charge and Assignment to Issuer Account Bank give notice of the Security over the Charged Accounts to the Issuer Account Bank.

8.2 Acknowledgements of Notices

The Issuer shall use all reasonable efforts to procure that the Issuer Account Bank and each other Transaction Party which receives the Notice of Assignment to Transaction Parties and/or the Notice of Charge and Assignment to Issuer Account Bank acknowledges receipt of such notices sent to it pursuant to Clause 8.1 (*Issuer's Notices*) in the form required by such notices.

8.3 Insurances

The Issuer shall ensure that the Security over any Insurance Policy is noted thereon.

9. REDEMPTION AND RELEASE

9.1 Release on payment or discharge

Upon proof being given to the satisfaction of the Trustee as to the irrevocable and unconditional payment or discharge of the Secured Amounts, the Trustee will, at the request and cost of the Issuer, release, discharge or reassign the Charged Property to

the Issuer or to any other person entitled to the Charged Property of whom the Trustee has notice.

9.2 No avoidance

No assurance, security or payment which is avoided under any enactment relating to bankruptcy or under Sections 238 to 245 or Section 423 of the Insolvency Act or as applicable Sections 202 to 207 or Section 367 of the Insolvency (Northern Ireland) Order 1989 or any equivalent provision of common law and no release, settlement or discharge given or made by the Trustee in reliance on any such assurance, security or payment shall prejudice or affect the right of the Trustee to enforce the Security to the full extent of the Secured Amounts. The Issuer agrees that, notwithstanding any such avoidance, release, settlement or discharge, the Security shall be deemed always to have been and to have remained held by the Trustee as and by way of security for the payment to or to the order of the Trustee of the Secured Amounts.

9.3 Release pursuant to the Mortgage Sale Agreement

The Trustee agrees that if, following the delivery of an Enforcement Notice, it receives notice from the Issuer, or the Cash Manager on behalf of the Issuer, stating that the Issuer is required to reassign or retransfer a Mortgage Loan and its Related Security to the Seller pursuant to the provisions of the Mortgage Sale Agreement relating to release, then the Trustee will execute a memorandum of release pursuant to clause 11.3 (*Trustee consent to release security*) of the Mortgage Sale Agreement and take such other steps as may be necessary in order to release the relevant Mortgage Loans and their Related Security from the Security in accordance with the Mortgage Sale Agreement.

9.4 Form of Release

The Security shall be released only upon the execution by or on behalf of the Trustee of either an absolute and unconditional release by way of deed or a receipt, in each case relating to all (and not part only) of the Secured Amounts.

10. CONTINUANCE OF SECURITY

The Security and the covenants, undertakings and provisions contained in this Deed shall remain in force as a continuing security to the Trustee, notwithstanding any intermediate payment or satisfaction of any part of the Secured Amounts or any other act, event or matter whatsoever, and shall secure the ultimate balance of the Secured Amounts.

11. PAYMENTS PRIOR TO ENFORCEMENT

Notwithstanding the Security, the Trustee acknowledges that, until delivery of a Security Protection Notice, the delivery of an Enforcement Notice or the Security otherwise becoming enforceable:

- 11.1.1 payments becoming due to the Issuer under any of the Transaction Documents, together with all other monies payable to the Issuer pursuant to any other documents or arrangements to which it is a party, may be made to the Issuer in accordance with the provisions of the relevant

Transaction Documents or (as the case may be) the documents or arrangements concerned;

- 11.1.2 the Issuer may, subject to Clause 11.1.3 below, exercise its rights, powers and discretions and perform its obligations in relation to the Charged Property and under the Transaction Documents and any other documents or arrangements to which it is a party in accordance with the provisions of the Transaction Documents or (as the case may be) such other documents or arrangements; and
- 11.1.3 amounts standing to the credit of the "**Charged Accounts**" being the Deposit Account and any bank account in which the Issuer may at any time acquire a Benefit and over which the Issuer has created an Encumbrance in favour of the Trustee pursuant to this Deed from time to time may be withdrawn therefrom by the Issuer (and, in the case of the Deposit Account, by the Issuer Account Bank) but only in accordance with the provisions of the Cash Management Agreement and the Account Bank Agreement.

12. SECURITY PROTECTION NOTICE

12.1 Delivery of Security Protection Notice

Subject to the provisions of Clause 15 (*Enforcement*) if, at any time while any of the Secured Amounts remain outstanding:

- 12.1.1 an Event of Default or a Certificates Event of Default (as applicable) occurs in relation to the Notes or the Certificates; or
- 12.1.2 the Trustee believes that the Charged Property or any part thereof is in danger of being seized or sold under any form of distress, diligence or execution levied, executed or threatened or to be otherwise in jeopardy,

then the Trustee may, in its absolute discretion, deliver to the Issuer a Security Protection Notice (in, or substantially in, the form set out in Schedule 2 (*Form of Security Protection Notice*)).

12.2 Consequences of Delivery of Security Protection Notice

Upon delivery of a Security Protection Notice, except where the Security Protection Notice has been delivered as a result of an Insolvency Event occurring solely because the Issuer has obtained or taken steps to obtain a moratorium pursuant to Section 1A of the Insolvency Act 1986 or as applicable Article 14A of the Insolvency (Northern Ireland) Order 1989:

- 12.2.1 the Floating Charge created pursuant to this Deed shall (so far as permitted by applicable law) crystallise into a fixed charge or fixed charges as regards any assets specified in the Security Protection Notice;
- 12.2.2 the Issuer shall be in default for the purposes of Standard Condition 9(1)(b) of the Conveyancing and Feudal Reform (Scotland) Act 1970; and

- 12.2.3 by way of further assurance of such fixed charge or fixed charges the Issuer shall promptly execute over such assets a fixed charge or fixed charges or other Encumbrance in favour of the Trustee in such form as the Trustee shall require.

Clause 5.6 (*Treatment of floating charge assets post conversion*) shall apply to any asset converted to fixed charge assets pursuant to this Clause 12.2.

12.3 Withdrawal of Security Protection Notice

The Trustee may at any time, unless an Enforcement Notice has been delivered, by notice in writing to the Issuer withdraw a Security Protection Notice.

12.4 No Withdrawals from Charged Accounts

From and including the date on which the Trustee delivers a Security Protection Notice to the Issuer and unless and until it is withdrawn, no amount may be withdrawn from the Charged Accounts without the prior written consent of the Trustee, provided that, unless an Enforcement Notice has been delivered, the Trustee shall not act under this Clause 12.4 in such a way as to require any payment other than in accordance with the Pre-Enforcement Priorities of Payments or other applicable provisions of the Cash Management Agreement or the Account Bank Agreement.

13. SECURITY ENFORCEABLE

The whole of the Security shall become enforceable:

- 13.1.1 upon the delivery of a Enforcement Notice on the Issuer pursuant to Condition 13 (*Events of Default*) or (provided there are no Notes outstanding) Certificate Condition 11 (*Certificates Events of Default*), except where the Enforcement Notice has been delivered as a result of an Issuer Insolvency Event occurring solely due to the Issuer obtaining or taking steps to obtain a moratorium pursuant to Section 1A of the Insolvency Act 1986 or as applicable Article 14A of the Insolvency (Northern Ireland) Order 1989; or
- 13.1.2 if any person who is entitled to do so presents a petition or an application for the appointment of an administrator of the Issuer, gives notice of intention to appoint an administrator of the Issuer or files such notice with the court the occurrence of which shall have been notified in writing to the Trustee.

14. ENFORCEMENT NOTICE

The parties hereto acknowledge and agree that the relevant circumstances in which the Trustee may or shall deliver an Enforcement Notice and the conditions applicable to delivery of an Enforcement Notice are set out in:

- 14.1.1 while any of the Notes remain outstanding, Conditions 13.2 (*Delivery of Enforcement Notice*) and 13.3 (*Conditions to delivery of Enforcement Notice*) in relation to the Notes; or

- 14.1.2 while there are no Notes outstanding, Certificate Conditions 11.2 (*Delivery of Enforcement Notice*) and 11.3 (*Conditions to delivery of Enforcement Notice*),

and the consequences of delivery of an Enforcement Notice are set out in Conditions 13.4 (*Consequences of delivery of Enforcement Notice*) and 14 (*Enforcement*) in relation to the Notes or in Certificate Conditions 11.4 (*Consequences of delivery of Enforcement Notice*) and 12 (*Enforcement*) in relation to the Certificates.

15. ENFORCEMENT

15.1 Consequences of Enforceable Security

From the date on which the Security becomes enforceable:

- 15.1.1 if it has not already crystallised, the Floating Charge created pursuant to this Deed (so far as permitted by applicable law) shall crystallise;
- 15.1.2 subject to the provisions of the Conditions, the Certificate Conditions and the Trust Deed, the Trustee may institute such actions, steps or proceedings against the Issuer and any other Transaction Party and take such action, step or proceeding as it may think fit to enforce all or any part of the Security;
- 15.1.3 amounts may be withdrawn from the Charged Accounts only by the Trustee and shall be applied only in accordance with the Post-Enforcement Priority of Payments and the terms of the Cash Management Agreement;
- 15.1.4 the Trustee may appoint a Receiver or an administrator in accordance with Clause 18 (*Appointment and Removal of Administrators and Receivers*); and
- 15.1.5 whether or not it has appointed a Receiver, the Trustee may exercise all or any of the powers, authorities and discretions:
 - (a) conferred by the Trust Documents on any Receiver or creditor;
 - (b) conferred by the LPA, the Conveyancing Acts 1881 and 1911 (as varied or extended by the Trust Documents) or the Conveyancing and Feudal Reform (Scotland) Act 1970 on mortgagees or creditors;
 - (c) otherwise conferred by law on mortgagees, creditors or receivers (in either case as varied or extended hereby); or
 - (d) to the extent it is not already, the Issuer shall be in default for the purposes of Standard Condition 9(1)(b) of the Conveyancing and Feudal Reform (Scotland) Act 1970.

15.2 Provisions applicable to enforcement

The parties to this Deed acknowledge and agree that if the Security becomes enforceable in accordance with Clause 13 (*Security Enforceable*) the provisions of Condition 14 (*Enforcement*) (for as long as any Notes are still outstanding) or Certificate Condition 12 (*Enforcement*) (while there are no Notes outstanding), as the case may be, apply in relation, *inter alia*, to the proceedings of the Trustee, directions to the Trustee and the disposal of the Charged Property as well as other relevant provisions of the Transaction Documents.

15.3 Trustee Rights upon Enforcement

In addition to any other rights expressly provided in this Deed, for the period commencing upon the service of an Enforcement Notice and terminating upon the notification to the Secured Creditors by the Trustee that all Secured Amounts have been satisfied in full, save as otherwise expressly provided in this Deed or as required by the Trustee, all payments under or arising from this Deed and all amounts payable to the Issuer by any party to this Deed under any Transaction Document shall be paid to the Trustee or to its order to be applied in accordance with the Post-Enforcement Priority of Payments.

15.4 Enforcement when not all monies are enforceable

If the Security is enforced at a time when no amount is due in respect of the Secured Amounts or any of the Secured Amounts are contingent or future, the Trustee or any Receiver shall pay the proceeds of any recoveries effected by it into any interest-bearing account to be held by it as security and may, pending application of such proceeds in accordance with the terms of the Trust Deed, invest such proceeds in accordance with the provisions of the Trust Deed.

16. POST-ENFORCEMENT PRIORITY OF PAYMENTS

16.1 Post-Enforcement Priority of Payments

Following the service of an Enforcement Notice by the Trustee on the Issuer, the Trustee (or the Cash Manager on its behalf or a Receiver) will apply all monies held in the Charged Accounts (other than any amounts standing to the credit of the Liquidity Standby Ledger following the credit to the Liquidity Standby Ledger of any Liquidity Standby Drawing made under the Liquidity Facility Agreement) and all amounts received or recovered following service of an Enforcement Notice in the following order of priority:

- 16.1.1 in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (a) any fees, costs, charges, liabilities, expenses and all other amounts then due and payable to the Trustee or any Appointee, under the provisions of the Trust Deed and the other Transaction Documents, together with (if payable) VAT thereon as provided therein; and
 - (b) any fees, costs, charges, liabilities, expenses and all other amounts then due and payable to any Receiver appointed by the Trustee or any

Appointee under the provisions of the Deed of Charge and the other Transaction Documents, together with (if payable) VAT thereon as provided therein;

16.1.2 in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:

- (a) any remuneration then due and payable to the Agent Bank, the Registrar and the Paying Agents and any costs, charges, liabilities and expenses then due and payable to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;
- (b) any amounts then due and payable to the Cash Manager and any costs, charges, liabilities and expenses then due and payable to the Cash Manager or any such amount to become due and payable to the Cash Manager in the immediately succeeding Interest Period under the provisions of the Cash Management Agreement, together with (if payable) VAT thereon as provided therein;
- (c) any amounts then due and payable to the Back-Up Cash Manager and any costs, charges, liabilities and expenses then due and payable to the Back-Up Cash Manager or any such amount to become due and payable to the Back-Up Cash Manager in the immediately succeeding Interest Period under the provisions of the Back-Up Cash Management Agreement, together with (if payable) VAT thereon as provided therein;
- (d) any amounts then due and payable to the Collection Account Bank (including any Direct Debit Liability Amount then due and payable to the Collection Account Bank), the Issuer Account Bank or to such bank at which any other account in the name of the Issuer is held and any costs, charges, liabilities and expenses then due and payable to the Collection Account Bank, the Issuer Account Bank or to such bank at which any other account in the name of the Issuer is held, any such amount to become due and payable to the Collection Account Bank, the Issuer Account Bank or to any such other bank, as applicable, in the immediately succeeding Interest Period under the provisions of the Collection Account Agreement, the Account Bank Agreement or agreement governing the operation of any other account in the name of the Issuer, together with (if payable) VAT thereon as provided therein;
- (e) any amounts then due and payable to the Corporate Services Provider and any costs, charges, liabilities and expenses then due and payable or to become due and payable in the immediately succeeding Interest Period to the Corporate Services Provider under the provisions of the Corporate Services Agreement, together with (if payable) VAT thereon as provided therein;
- (f) any amounts due and payable to the Back-Up Servicer Facilitator, and any costs, charges, liabilities and expenses then due and payable to the Back-Up Servicer Facilitator, or any such amount to become due and

payable to the Back-Up Servicer Facilitator in the immediately succeeding Interest Period under the provisions of the Servicing Agreement, together with (if payable) VAT thereon as provided therein;

- (g) any amounts due and payable to the Back-Up Servicer (including any Transfer Costs which the Servicer has failed to pay) and any costs, charges, liabilities and expenses then due and payable to the Back-Up Servicer or any such amount to become due and payable to the Back-Up Servicer in the immediately succeeding Interest Period under the provisions of the Back-Up Servicing Agreement, together with (if payable) VAT thereon as provided therein; and
 - (h) amounts due and payable to the Servicer and any costs, charges, liabilities and expenses then due and payable to the Servicer or any such amount to become due and payable to the Servicer in the immediately succeeding Interest Period under the provisions of the Servicing Agreement, together with (if payable) VAT thereon as provided therein;
- 16.1.3 to pay any amounts and liabilities then due and payable to the Liquidity Facility Provider including any fees, costs, charges and expenses then due under the provisions of the Liquidity Documents, together with (if payable) VAT thereon as provided therein;
 - 16.1.4 in or towards payment *pro rata* and *pari passu* first of interest and then principal due and payable on the Class A1 Notes until the Principal Amount Outstanding of the Class A1 Notes has been redeemed in full;
 - 16.1.5 in or towards payment *pro rata* and *pari passu* first of interest and then principal due and payable on the Class A2 Notes until the Principal Amount Outstanding of the Class A2 Notes has been redeemed in full;
 - 16.1.6 to pay *pro rata* and *pari passu*, all SDC Payments due (if any) on the Class SDC Certificates;
 - 16.1.7 in or towards payment *pro rata* and *pari passu* first of interest and then principal due and payable on the Class B Notes until the Principal Amount Outstanding of the Class B Notes has been redeemed in full;
 - 16.1.8 in or towards payment *pro rata* and *pari passu* first of interest and then principal due and payable on the Class C Notes until the Principal Amount Outstanding of the Class C Notes has been redeemed in full;
 - 16.1.9 in or towards payment *pro rata* and *pari passu* first of interest and then principal due and payable on the Class D Notes until the Principal Amount Outstanding of the Class D Notes has been redeemed in full;
 - 16.1.10 in or towards payment of the Subordinated Servicing Fees in excess of the Servicer Compensation Cap, **provided that** the amounts due to the Back-Up Servicer shall be paid first;

- 16.1.11 in or towards payment *pro rata* and *pari passu* of interest and then principal due and payable on the Class E Notes until the Principal Amount Outstanding of the Class E Notes has been redeemed in full;
- 16.1.12 to pay sequentially in the following order of priority: (i) to pay *pro rata* and *pari passu* any Net WAC Additional Amounts due and payable on the Class B Notes; (ii) to pay *pro rata* and *pari passu* any Net WAC Additional Amounts due and payable on the Class C Notes; (iii) to pay *pro rata* and *pari passu* any Net WAC Additional Amounts due and payable on the Class D Notes; and (iv) to pay *pro rata* and *pari passu* any Net WAC Additional Amounts due and payable on the Class E Notes;
- 16.1.13 to the Issuer, the Issuer Profit Amount and amounts required to discharge any liability of the Issuer for corporation tax (which cannot be met out of amounts previously retained as the Issuer Profit Amount);
- 16.1.14 in or towards payment *pro rata* and *pari passu* of principal due and payable on the Class Z Notes until the Principal Amount Outstanding of the Class Z Notes has been reduced to zero; and
- 16.1.15 to pay, *pro rata* and *pari passu*, the DC1 Payment due on the Class DC1 Certificates.

16.2 Monies not required for Secured Amounts

Any monies held by the Receiver or the Trustee after application of monies received or recovered after the Security has become enforceable in accordance with Clause 13 (*Security Enforceable*) and not required for application in discharge of the Secured Amounts in accordance with Clause 16.1 (*Post-Enforcement Priority of Payments*) shall be paid by the Receiver or the Trustee to the Issuer for application in or towards meeting the obligations of the Issuer, which do not constitute Secured Amounts, as such obligations fall due.

16.3 Application of monies standing to the Liquidity Reserve Fund Ledger

After the Security has become enforceable in accordance with Clause 13 (*Security Enforceable*), all monies standing to the credit of the Liquidity Reserve Fund Ledger shall be held by the Trustee upon trust to be applied in payment of the amounts required to be paid by the Issuer in the order of priority specified in Clause 16.1 (*Post-Enforcement Priority of Payments*).

17. EXTENSION AND VARIATION OF THE LPA OR THE CONVEYANCING ACTS 1881 AND 1911

17.1 Extension of Powers

From the date of this Deed but subject to Clause 17.2 (*Powers Exercised on delivery of Enforcement Notice*) below, the provisions of the LPA or as applicable the Conveyancing Acts 1881 and 1911 or the Conveyancing and Feudal Reform (Scotland) Act 1970 relating to the power of sale and the other powers conferred by Sections 101 (1) and (2) of the LPA or as applicable Section 19 of the Conveyancing Act 1881 and Section 4 of the Conveyancing Act 1911 or the Conveyancing and

Feudal Reform (Scotland) Act 1970 are extended to authorise the Trustee upon such terms as the Trustee may think fit:

- 17.1.1 to sell, exchange, licence or otherwise dispose of or otherwise deal with the Charged Property or any interest in the same, and to do so for shares, debentures or any other securities whatsoever, or in consideration of an agreement to pay all or part of the purchase price at a later date or dates, or an agreement to make periodical payments, whether or not the agreement is secured by an Encumbrance or a guarantee, or for such other consideration (if any) and upon such terms whatsoever as the Trustee may think fit, and also to grant any option to purchase;
- 17.1.2 with a view to, or in connection with, the management or disposal of the Charged Property to carry out any transaction, scheme or arrangement which the Trustee may in its absolute discretion consider appropriate;
- 17.1.3 to take possession of, get in and collect the Charged Property;
- 17.1.4 to carry on and/or manage and/or concur in managing the business of the Issuer as it thinks fit and to demand, sue for and collect and get in all monies due to the Issuer as it thinks fit;
- 17.1.5 to appoint and engage managers, agents and advisers upon such terms as to remuneration and otherwise and for such periods as it may determine, and to dismiss them;
- 17.1.6 to bring, defend, submit to arbitration, negotiate, compromise, abandon and settle any claims and proceedings concerning the Charged Property;
- 17.1.7 to transfer all or any of the Charged Property and/or any of the liabilities of the Issuer to any other company or body corporate whether or not formed or acquired for the purpose and whether or not an affiliate of the Trustee, the Issuer or the Servicer;
- 17.1.8 to call up all or any portion of the uncalled capital (if any) of the Issuer;
- 17.1.9 generally to carry out, or cause or authorise to be carried out, any transaction, scheme or arrangement whatsoever, whether or not similar to any of the foregoing, in relation to the Charged Property which it may consider expedient as effectually as if it were the absolute, sole legal and beneficial owner of the Charged Property, subject to any restrictions in the Transaction Documents;
- 17.1.10 to pay and discharge, out of the profits and income of the Charged Property and the monies to be made by it in carrying on the business of the Issuer, the expenses incurred in and about the carrying on and management of any such business or in the exercise of any of the powers conferred by this Clause 17.1 or otherwise in respect of the Charged Property and all outgoings which it shall think fit to pay and apply the residue of such profits and income in accordance with the Post-Enforcement Priority of Payments;

- 17.1.11 to exercise any of the powers and perform any of the duties conferred on the Issuer by or pursuant to any of the Transaction Documents or any statute, deed or contract;
- 17.1.12 to exercise, or permit any other person to exercise, any rights, powers or privileges of the Issuer in respect of the Charged Property;
- 17.1.13 to disclaim, discharge, abandon, disregard, alter or amend on behalf of the Issuer all or any outstanding contracts of the Issuer except where such amendment is proscribed by the terms of any Transaction Document and allow time for payment of any monies either with or without security;
- 17.1.14 to sanction or confirm anything suffered by the Issuer and concur with the Issuer in any dealing not specifically mentioned above;
- 17.1.15 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 Issuer or otherwise, as it may think fit, all documents, acts or things which it may consider appropriate or incidental or conducive to the exercise of any of the powers referred to above; and
- 17.1.16 to use the name of the Issuer for all or any of the foregoing purposes.

17.2 Powers Exercised on delivery of Enforcement Notice

The statutory powers of sale and of appointing a receiver which are conferred upon the 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 but shall only be exercised upon and following the delivery of an Enforcement Notice.

17.3 Restrictions

The restrictions contained in Section 93 and Section 103 of the LPA or as applicable Sections 17 and 20 of the Conveyancing Act 1881 shall not apply to this Deed or to the exercise by the Trustee of its right to consolidate all or any of the Security with any other security in existence at any time or to its power of sale, which powers may be exercised by the Trustee without notice to the Issuer on or at any time after the delivery of an Enforcement Notice.

17.4 Borrowing Powers

The Trustee may raise and borrow money on the security of the Charged Property or any part of the Charged Property for the purpose of defraying any monies, costs, charges, losses and expenses paid or incurred by it in relation to this Deed (including the costs of realisation of any or all of the Charged Property and the remuneration of the Trustee). The Trustee may raise and borrow such money at such rate of interest and generally on such terms and conditions as it shall think fit and may secure the repayment of the money so raised or borrowed with interest on the same by mortgaging or otherwise charging the Charged Property or any of it and either in priority to the Security or otherwise and generally in such manner as the Trustee shall

think fit and for such purposes may execute and do all such assurances and things as it shall think fit.

17.5 Powers Additional to the LPA, the Conveyancing Acts 1881 and 1911, Insolvency Act, Insolvency (Northern Ireland) Order 1989 and the Conveyancing and Feudal Reform (Scotland) Act 1970 Powers

The powers conferred by this Deed in relation to the Security on the Trustee or on any Receiver of the Charged Property or any part of the Charged Property shall be in addition to and not in substitution for the powers conferred on mortgagees or receivers under the LPA, the Conveyancing Acts 1881 and 1911, the Insolvency Act, the Insolvency (Northern Ireland) Order 1989 or the or the Conveyancing and Feudal Reform (Scotland) Act 1970 where there is any ambiguity or conflict between the powers contained in either of such acts and those conferred by this Deed, the terms of this Deed shall prevail.

17.6 Right of appropriation

To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended, (the "**Regulations**") apply to any of the Charged Property, the Trustee shall have the right to appropriate all or any part of such Charged Property in or towards the payment or discharge of the Secured Amounts and may exercise such right to appropriate upon giving written notice to the Issuer. For this purpose, the parties agree that the value of that Charged Property shall be:

- (a) in the case of cash, the amount standing to the credit of each of the Issuer Accounts, together with any accrued but unposted interest, at the time of appropriation; and
- (b) in the case of any Authorised Investments, the market value of such Authorised Investments determined by the Trustee by reference to a public index or independent valuation , or by such other process as the Trustee may select.

In each case, the parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

18. APPOINTMENT AND REMOVAL OF ADMINISTRATORS AND RECEIVERS

18.1 Appointment of an Administrator

- 18.1.1 At any time after the delivery of an Enforcement Notice or if any person who is entitled to do so presents an application for the appointment of an administrator of the Issuer, gives notice of intention to appoint an administrator of the Issuer, or files such a notice with the court, the Trustee may appoint one or more persons to be an administrator of the Issuer.

18.1.2 The Trustee is not liable for any failure to appoint an administrator or Receiver in respect of the Issuer and, for the avoidance of doubt:

- (a) nothing in this Clause 18 (*Appointment and Removal of Administrators and Receivers*) shall be construed so as to impose on the Trustee any obligation to indemnify any administrative receiver appointed by it pursuant to this Clause 18 (*Appointment and Removal of Administrators and Receivers*) except to the extent of (and from) the cash and assets comprising the Security held by the Trustee at such time; and
- (b) the Trustee shall have no liability if, having used its reasonable endeavours, it is unable to find a person who is willing to be appointed as an administrative receiver on the terms as to indemnification referred to in paragraph (a) above.

18.1.3 The Issuer waives any claims against the Trustee in respect of any appointment not made pursuant to this clause.

18.2 Appointment of a Receiver

18.2.1 At any time after the delivery of an Enforcement Notice or if any person who is entitled to do so presents an application for the appointment of an administrator of the Issuer, gives notice of intention to appoint an administrator of the Issuer, or files such a notice with the Court the Trustee may appoint such person or persons (including an officer or officers of the Trustee) as it thinks fit to be a Receiver or Receivers of the Charged Property or any part thereof to act jointly or jointly and severally as receiver, manager, receiver or manager, administrative receiver, compulsory or interim manager or other similar officer as the Trustee shall determine.

18.2.2 Except as otherwise provided in this Deed, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA or as applicable section 24 of the Conveyancing Act 1881) does not apply to this Deed.

18.3 Waiver no prejudice to Future Appointment

No delay or waiver of the right to exercise the power to appoint a Receiver shall prejudice the future exercise of such power.

18.4 Insolvency Act and Insolvency (Northern Ireland) Order 1989 Requirements

The Trustee shall comply with any requirement under the Insolvency Act or as applicable the Insolvency (Northern Ireland) Order 1989 that the person appointed to be a Receiver be a licensed insolvency practitioner.

18.5 Removal of Receiver

The Trustee may (subject to Section 45 of the Insolvency Act or as applicable Article 55 of the Insolvency (Northern Ireland) Order 1989) remove any Receiver whether or

not appointing another in his place and the Trustee may also appoint another receiver if the Receiver resigns.

18.6 Exclusion of part of Charged Property

The exclusion of any part of the Charged Property from the appointment of any Receiver shall not preclude the Trustee from subsequently extending his appointment (or that of the Receiver replacing him) to that part.

18.7 Statutory Powers of Appointment

The power of appointing a Receiver shall be in addition to all statutory and other powers of appointment of the Trustee under the LPA or as applicable the Conveyancing Acts 1881 and 1911 (as extended by this Deed) or otherwise and such powers shall remain exercisable from time to time by the Trustee in respect of any of the Charged Property.

19. PROVISIONS RELATING TO RECEIVER

19.1 Receiver Agent of Issuer

Any Receiver shall, so far as the law permits, be the agent of the Issuer and (subject to applicable law) the Issuer shall be solely responsible for any Receiver's acts and defaults and liable on any contracts or engagements made or entered into by any Receiver and in no circumstances shall the Trustee or the Secured Creditors be in any way responsible for any acts or omissions of or Breach of Duty by any Receiver.

19.2 Remuneration of Receiver

The remuneration of any Receiver may be fixed by the 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 Issuer alone and the amount of such remuneration shall form part of the Secured Amounts, shall be secured under the Security and paid in accordance with the Post-Enforcement Priority of Payments.

19.3 Receiver and Trustee's Directions

Each Receiver shall in the exercise of his powers, authorities and discretions conform to the regulations and directions from time to time made and given by the Trustee.

19.4 Security from Receiver

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

19.5 Monies Payable to Trustee

Except as otherwise directed by the Trustee or as otherwise required by law, all monies from time to time received by any Receiver shall be paid over to the Trustee to be applied by it in accordance with the Post-Enforcement Priority of Payments.

19.6 Payments by Trustee to Receiver

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

19.7 Sections 109(6) and (8) of the LPA or Section 24 of the Conveyancing Act 1881

Sections 109(6) and (8) of the LPA or as applicable Section 24 of the Conveyancing Act 1881 (relating to the application of monies received by a receiver) shall not apply in relation to any Receiver.

19.8 LPA and Conveyancing Acts 1881 or 1911 Restrictions Inapplicable

None of the restrictions imposed by the LPA or the Conveyancing Acts 1881 and 1911 in relation to the appointment of receivers or as to the giving of notice or otherwise shall apply to this Deed.

20. POWERS OF A RECEIVER

20.1 Powers of a Receiver

Every Receiver shall (subject to any restrictions in the instrument appointing him) have and be entitled to exercise in relation to the Charged Property in respect of which he is appointed, and as varied and extended by the provisions of this Deed (in the name of or on behalf of the Issuer or in his own name and, in each case, at the cost of the Issuer):

- 20.1.1 all the powers conferred by the LPA on mortgagees and on mortgagees in possession and on receivers as extended by Clause 17 (*Extension and Variation of the LPA or the Conveyancing Acts 1881 and 1911*);
- 20.1.2 all powers of an administrative receiver set out in schedule 1 of the Insolvency Act or as applicable schedule 1 of the Insolvency (Northern Ireland) Order 1989 (whether or not the Receiver is an administrative receiver);
- 20.1.3 all powers and rights of an absolute owner and power to do or omit to do anything which the Issuer itself could do or omit to do; and

20.1.4 power to do all things (including bringing or defending proceedings in the name or on behalf of the Issuer) which seem to the Receiver to be incidental or conducive to:

- (a) any of the functions, powers, authorities or discretions conferred on or vested in him;
- (b) the exercise of any or all of his rights under this Deed; or
- (c) the collection or getting in of the Charged Property.

20.2 Receiver and Transaction Documents

No Receiver shall have any power to take any action in relation to the Charged Property which the Trustee is prohibited from taking by the terms of any Transaction Document.

21. PROTECTION OF THIRD PARTIES

21.1 Protection of third parties

No purchaser from, or other person dealing with, the Trustee and/or any Receiver shall be concerned to enquire:

- 21.1.1 whether any of the powers which they have exercised or purported to exercise has arisen or become exercisable; or
- 21.1.2 whether the Secured Amounts remain outstanding; or
- 21.1.3 whether any event has occurred to authorise the Trustee and/or any Receiver to act; or
- 21.1.4 as to the propriety or validity of the exercise or purported exercise of any such powers,

and the title of such a purchaser and the position of such other person shall not be impeachable by reference to any of those matters.

21.2 Receipt absolute discharge

The receipt of the Trustee or the Receiver shall be an absolute and conclusive discharge to a purchaser or other such person as is referred to in Clause 21.1 (*Protection of third parties*) and shall relieve such purchaser or other person of any obligation to see to the application of any monies paid to or by the direction of the Trustee or the Receiver.

21.3 Purchaser Defined

In Clauses 21.1 (*Protection of third parties*) and 21.2 (*Receipt absolute discharge*) "**purchaser**" includes any person acquiring in good faith, for money or money's worth, the benefit of any Encumbrance over, or any other interest or right whatsoever in relation to, the Charged Property.

22. PROTECTION OF THE TRUSTEE AND ANY RECEIVER

22.1 Protection of the Trustee and any Receiver

The Trustee shall not nor shall any Receiver, attorney or agent of the Trustee by reason of taking possession of the Charged Property or any part thereof or for any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever:

22.1.1 be liable to account to the Issuer or any other person whatsoever for anything except actual receipts in respect of the Charged Property; or

22.1.2 be liable to the Issuer or any other person whatsoever for any loss or damage arising from realisation of the Charged Property or any part thereof or from any act, default or omission in relation to the Security or any part thereof or from any exercise or non-exercise by it of any power, authority or discretion conferred upon it in relation to the Security or any part thereof or otherwise,

unless such loss or damage shall be caused by its own gross negligence, wilful default or fraud.

22.2 Entry into possession

Without prejudice to the generality of Clause 22.1 (*Protection of Trustee and Receiver*), entry into possession of the Charged Property or any part thereof shall not render the Trustee or the Receiver liable to account as mortgagee or creditor in possession or liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

22.3 Going out of possession

If and whenever the Trustee or the Receiver enters into possession of the Charged Property, it shall be entitled at any time at its discretion to go out of or forfeit such possession.

22.4 Protective provisions and exculpations

22.4.1 The protective provisions and exculpations in relation to the Trustee as set out in the Trust Deed are hereby incorporated into this Deed, *mutatis mutandis*, and shall take effect as if set out in full herein.

22.4.2 Neither the Trustee nor any Receiver will be liable for any loss or damages which arises out of the exercise or the attempted or purported exercise of, or failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence, wilful default or fraud) in relation to all or any part of the Charged Property.

23. EVIDENCE OF INDEBTEDNESS

In any action proceedings or claim relating to this Deed or the Security, any statement (which will contain information in reasonable detail in support thereof) as to:

- 23.1.1 any amount due to any Secured Creditor;
- 23.1.2 all or any part of the Secured Amounts; or
- 23.1.3 any amounts which have been notified to the Trustee as being amounts due to any Secured Creditor,

in each case, which is certified as being correct by an officer of the Trustee or an officer of the relevant Secured Creditor will be conclusive evidence that such amount is in fact due and payable.

24. **OTHER SECURITY**

The Security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice or be affected by, any other Encumbrance, right or recourse or other right whatsoever which the Trustee may now or at any time after the date of this Deed hold or have (or would apart from the provisions of this Deed hold or have) as regards the Issuer or any other person in respect of the Secured Amounts.

25. **APPLICATION TO COURT**

The Trustee may at any time apply to any court of competent jurisdiction for an order that the terms of this Deed or any document entered into pursuant hereto be carried into execution under the direction of the court and for the appointment of a Receiver of the Charged Property and for any other order in relation to the administration of the terms of this Deed or any document entered into pursuant hereto as the Trustee shall deem fit and the Trustee may assent to or approve any application made to the courts of England and Wales by the Secured Creditors and shall be indemnified by the Issuer against all costs, charges and expenses incurred by it in relation to any such application or proceedings.

26. **POWER OF ATTORNEY**

26.1 **Appointment of Attorneys and Purposes of Appointment**

The Issuer by way of security appoints the Trustee and any Receiver to be its attorneys following delivery of an Enforcement Notice (each, an "**Attorney**" and together, the "**Attorneys**") for the following purposes in the Issuer's name, on its behalf and as its act and deed:

- (a) to exercise the Issuer's rights, powers and discretions under and in respect of the Transaction Documents, the Mortgage Loans and the Related Security including the right to fix the Seller Standard Variable Rate in respect of any Mortgage Loan and to carry out any obligation imposed on the Issuer under this Deed or any other Transaction Document;
- (b) to demand, sue for and receive all monies due or payable under or in respect of the Transaction Documents, the Mortgage Loans and the Related Security;
- (c) upon payment of such monies or any part thereof to give good receipt and discharge for the same and to execute such receipts, releases, surrenders, instruments and deeds as may be requisite or advisable; and

- (d) to execute, deliver and perfect all documents, deeds, charges, assignments, assignations, security documents (including but not limited to Scottish Sub-Securities) and transfers, notices, intimations and instructions and do all things that the Attorneys may consider to be necessary or desirable for:
 - (i) carrying out any obligations imposed on the Issuer under this Deed; or
 - (ii) exercising any of the rights, powers and discretions conferred on the Attorneys by this Deed or any other Transaction Document or by law (including, after the security constituted by this Deed has become enforceable, the exercise of any right of a legal or a beneficial owner of the Charged Property).

26.2 Substitution

Each of the Attorneys may appoint one or more persons to act as substitute or substitutes in its place for all or any of the purposes referred to in Clause 26.1 (*Appointment of Attorneys and Purposes of Appointment*) and may revoke any such appointment at any time.

26.3 Delegation

Each of the Attorneys may delegate to one or more person all or any of the powers referred to in Clause 26.1 (*Appointment of Attorneys and Purposes of Appointment*) on such terms as it thinks fit and may revoke any such delegation at any time.

26.4 Ratification

The Issuer undertakes to ratify whatever act, matter or deed the Attorneys or either of them may lawfully do or cause to be done under the authority or purported authority of this Clause 26 (*Power of Attorney*) to the extent that such act, matter or deed is within the power of the Issuer.

26.5 Security

The power of attorney contained in this Clause 26 (*Power of Attorney*) is given by way of security to secure the proprietary interests of, and the performance of the obligations of the Issuer to, the Attorneys under this Deed.

26.6 Revocation

The power of attorney contained in this Clause 26 (*Power of Attorney*) is irrevocable and accordingly, for so long as the obligations referred to in Clause 26.5 (*Security*) remain undischarged, the power of attorney contained in this Clause 26 (*Power of Attorney*) shall not be revoked:

- 26.6.1 by the Issuer without the consent of each of the Attorneys; or
- 26.6.2 on the occurrence of an Insolvency Event in respect of the Issuer.

27. **EXECUTION**

The parties have executed this Deed as a deed.

EXECUTION PAGES

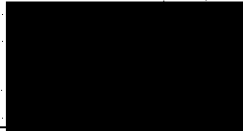
The Issuer

EXECUTED as a **DEED** for and on behalf
of **TOWD POINT MORTGAGE**
FUNDING 2017 - AUBURN 11 PLC
by a Director
in the presence of:

)
)
)
)



Daniel Wynne
Director



(Witness' Signature)

Laurie Mouton-Hoan
(Witness' Name)



(Witness' Address)



(Witness' Occupation)

The Seller

EXECUTED as a **DEED** by
CERBERUS EUROPEAN
RESIDENTIAL HOLDINGS B.V.
by a Director
in the presence of:



L.C. Baaijens
Managing Director



G.J. Schipper
Managing Director

(Witness' Signature)

(Witness' Name)

(Witness' Address)

(Witness' Occupation)

Trustee

EXECUTED as a **DEED** by
U.S. BANK TRUSTEES LIMITED
acting by two authorised signatories

)
)
)
)

Signed: _____



Name: _____

Chris Yates
Authorised Signatory

Title: _____

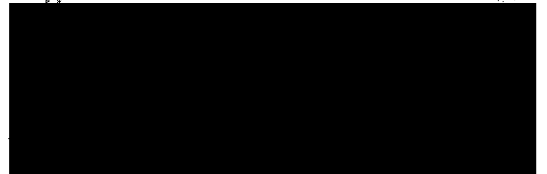
Signed: _____



Name: _____

Jamie Martin-Groom

Title: _____



SCHEDULE 1
FORM OF NOTICE OF CHARGE AND ASSIGNMENT TO ISSUER ACCOUNT
BANK

PART 1
FORM OF NOTICE OF CHARGE AND ASSIGNMENT

Date: [•] 2017

From: **TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC**
Third Floor
1 King's Arms Yard
London EC2R 7AF
as "**Issuer**"

To: **ELAVON FINANCIAL SERVICES D.A.C., UK BRANCH**
125 Old Broad Street,
London EC2N 1AR
For the attention of Structured Finance Relationship Management
as "**Issuer Account Bank**"

With a copy to **U.S. BANK TRUSTEES LIMITED**
125 Old Broad Street,
London EC2N 1AR
For the attention of Structured Finance Relationship Management
as "**Trustee**"

Dear Sirs

Notice of Charge and Assignment
Towd Point Mortgage Funding 2017 - Auburn 11 plc – Account No [•]
(the "Deposit Account")

1. We give you notice that, by a Deed of Charge dated [•] 2017 between Towd Point Mortgage Funding 2017 - Auburn 11 plc (the "**Issuer**"), Capital Home Loans Limited (the "**Seller**") and U.S. Bank Trustees Limited (the "**Trustee**"), a copy of which is attached hereto (the "**Deed of Charge**") we:
 - (a) charged by way of first fixed charge all our Benefit, present and future, in and to and all monies now or in the future standing to the credit of the Deposit Account – account number [*specify*] – and all interest accruing thereon from time to time;
 - (b) charged by way of first fixed charge all our Benefit, present and future, in any Authorised Investment;
 - (c) charged by way of first fixed charge all our Benefit in the Mortgage Loans and the Related Security;
 - (d) assigned our interests in the Life Policies and the Charges relating to the Mortgage Loans;

- (e) charged by way of first fixed charge over our interests in the Guarantees and the Borrower Charges;
 - (f) assigned all our Benefit present and future, in, to and under each relevant Transaction Document;
 - (g) assigned all our interest in the Insurance Policies; and
 - (h) a charge at law over indebtedness comprising an obligation or liability to pay money secured by each registered charge of which it is registered as proprietor at the Land Registry of England and Wales (the "**Land Registry**")
2. Words and expressions used in this notice shall have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in Schedule 1 of the Incorporated Terms Memorandum dated [•] 2017 and signed for the purpose of identification by each of the parties to the Deed of Charge and others.
3. We authorise and instruct you, until receipt by you of further written instructions from the Trustee in accordance with the provisions of the Account Bank Agreement (after which time you will comply with the directions of the Trustee) to permit the Deposit Account and any Additional Accounts established in accordance with clause 9 (*Additional Accounts*) of the Account Bank Agreement to be operated by Capital Home Loans Limited (the "**Cash Manager**"), in accordance with the terms of:
- (a) the Account Bank Agreement;
 - (b) the relevant Mandates in respect of the Deposit Account and any Additional Account; and
 - (c) the Deed of Charge.
4. You are not authorised to recognise any action on the part of the Issuer or the Cash Manager to close the Deposit Account or any Additional Account or to vary or terminate the Account Bank Agreement unless the prior written consent of the Trustee has been obtained.
5. We agree that you are not bound to enquire whether the right of the Trustee to withdraw any monies from the Deposit Account or any Additional Account has arisen or be concerned with (A) the propriety or regularity of the exercise of that right or (B) notice to the contrary or (C) to be responsible for the application of any monies received by the Trustee. Further, we agree that you shall have no liability for having acted on instructions which on their face appear to be genuine, and which comply with the latest Deposit Account Mandate held by you or relevant electronic banking system procedures in the case of an electronic instruction.
6. For the avoidance of doubt, so long as you comply with this notice, you shall not be responsible to the Trustee for the correctness of any payments or withdrawals made from the Deposit Account or any Additional Account and you shall not be deemed to be a trustee for the Trustee of the Deposit Account or any Additional Account.
7. Please note that the foregoing authorisations and instructions may not be revoked or varied without the prior written consent of the Trustee.

8. Please acknowledge receipt of this notice and your acceptance of the instructions herein contained by signing two copies of the attached form of acknowledgement and returning one copy to ourselves and sending the other directly to the Trustee at 125 Old Broad Street, London EC2N 1AR.
9. This notice of charge and assignment and any non-contractual obligations arising out of it or in connection with it are governed by the laws of England and Wales.

Yours faithfully,

For and on behalf of

TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC
as Issuer

PART 2
FORM OF ACKNOWLEDGEMENT OF CHARGE AND ASSIGNMENT

[Letterhead of [•]]

[Date]

To: **TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC**
Third Floor
1 King's Arms Yard
London EC2R 7AF
For the attention of the Directors
as "**Issuer**"

And to: **U.S. BANK TRUSTEES LIMITED**
125 Old Broad Street,
London EC2N 1AR
For the attention of Structured Finance Relationship Management
as "**Trustee**"

Dear Sirs,

Acknowledgement of Charge and Assignment
Towd Point Mortgage Funding 2017 - Auburn 11 plc – Account No [•] (the "Deposit Account")

1. We acknowledge receipt of the Notice of Charge and Assignment dated on or about [•] 2017, a copy of which is attached.
2. Words and expressions used in this Acknowledgement of Charge and Assignment shall have the meanings and constructions ascribed to them in the Notice of Charge and Assignment.
3. We confirm that as at the date of this Acknowledgement of Charge and Assignment we have not received from any other person any notice of any assignment or charge of, or of any interest in, the Deposit Account, the Account Bank Agreement or any other matter the subject of the Notice of Charge and Assignment.
4. In consideration of your agreeing to maintain or establish the Deposit Account with us, we agree, and confirm to the Trustee, that we accept and will comply with the authorisations and instructions contained in the Notice of Charge and Assignment and will not accept or act on any instructions contrary thereto unless the same shall be in writing signed by the Trustee.
5. This acknowledgment and any non-contractual obligations arising out of it or in connection with it are governed by the laws of England and Wales.

Yours faithfully

For and on behalf of
ELAVON FINANCIAL SERVICES D.A.C., UK BRANCH
as Issuer Account Bank

SCHEDULE 2
FORM OF SECURITY PROTECTION NOTICE

U.S. BANK TRUSTEES LIMITED
125 Old Broad Street, London EC2N 1AR

[Date]

To: **TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC**
Third Floor
1 King's Arms Yard
London EC2R 7AF
as "**Issuer**"

Dear Sirs

Deed of Charge dated [•] 2017 between Towd Point Mortgage Funding 2017 - Auburn 11 plc (the "Issuer"), U.S. Bank Trustees Limited (the "Trustee") and Cerberus European Residential Holdings B.V. (the "Seller") (the "Deed of Charge")

We wish to notify you of the conversion with immediate effect of the floating charge created by Clause 5 (*Creation of Floating Charge*) of the Deed of Charge (the "**Floating Charge**") into a fixed charge over all the assets of Towd Point Mortgage Funding 2017 - Auburn 11 plc which were the subject of the floating charge.

Yours faithfully,

For and on behalf of
U.S. BANK TRUSTEES LIMITED

SCHEDULE 3
FORM OF NOTICE OF ASSIGNMENT TO TRANSACTION PARTIES

PART 1
FORM OF NOTICE OF ASSIGNMENT TO TRANSACTION PARTIES

[Date]

From: **TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC**
Third Floor
1 King's Arms Yard
London EC2R 7AF
as "**Issuer**"

To: *[Name of each party to a Transaction Document other than the Issuer, the Issuer Account Bank and the Trustee]*

With a copy to: **U.S. BANK TRUSTEES LIMITED**
125 Old Broad Street,
London EC2N 1AR
For the attention of Structured Finance Relationship Management
as "**Trustee**"

For the attention of *[specify]*

Dear Sirs,

Notice of Assignment

Towd Point Mortgage Funding 2017 - Auburn 11 plc

£732,500,000 Class A1 Residential Mortgage Backed Floating Rate Notes due 2045

£50,000,000 Class A2 Residential Mortgage Backed Floating Rate Notes due 2045

£52,500,000 Class B Residential Mortgage Backed Floating Rate Notes due 2045

£37,500,000 Class C Residential Mortgage Backed Floating Rate Notes due 2045

£37,500,000 Class D Residential Mortgage Backed Floating Rate Notes due 2045

£22,500,000 Class E Residential Mortgage Backed Floating Rate Notes due 2045

£67,500,000 Class Z Residential Mortgage Backed Notes due 2045

(the "Notes")

1. We give you notice that, by a Deed of Charge, dated [•] 2017 and each between Towd Point Mortgage Funding 2017 - Auburn 11 plc (the "**Issuer**"), Cerberus European Residential Holdings B.V. (the "**Seller**") and U.S. Bank Trustees Limited (the "**Trustee**"), the Issuer assigned to the Trustee the Benefit of the Transaction Documents.
2. Words and expressions used in this notice shall have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in Schedule 1 of the Incorporated Terms Memorandum dated [•] 2017 and signed for the purpose of identification by each of the addressees of this Notice and others.
3. We authorise and instruct you until receipt by you of further written instructions from the Trustee (after which time you will comply with the directions of the Trustee) to deal with the Issuer in relation to such Transaction Documents as if the assignment

referred to in the first paragraph of this notice had not taken place, save that you are not authorised to recognise the exercise by the Issuer of any right to vary or terminate the Transaction Documents unless the prior written consent of the Trustee to such exercise has been obtained.

4. The authority arising under this notice is irrevocable.
5. Please acknowledge receipt of this notice and your acceptance of the instructions contained herein by signing two copies of the attached form of acknowledgement, returning one copy to us and sending the other copy direct to the Trustee at 125 Old Broad Street, London EC2N 1AR
6. This acknowledgement and any non-contractual obligations arising out of it or in connection with it are governed by the laws of England.

Yours faithfully,

For and on behalf of

TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC
as Issuer

PART 2
FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT

[Date]

To: **TOWD POINT MORTGAGE FUNDING 2017 - AUBURN 11 PLC**
Third Floor
1 King's Arms Yard
London EC2R 7AF
For the attention of the Directors
as "**Issuer**"

And to: **U.S. BANK TRUSTEES LIMITED**
125 Old Broad Street,
London EC2N 1AR
For the attention of Structured Finance Relationship Management
as "**Trustee**"

Dear Sirs,

Acknowledgement of Assignment
Towd Point Mortgage Funding 2017 - Auburn 11 plc
£732,500,000 Class A1 Residential Mortgage Backed Floating Rate Notes due 2045
£50,000,000 Class A2 Residential Mortgage Backed Floating Rate Notes due 2045
£52,500,000 Class B Residential Mortgage Backed Floating Rate Notes due 2045
£37,500,000 Class C Residential Mortgage Backed Floating Rate Notes due 2045
£37,500,000 Class D Residential Mortgage Backed Floating Rate Notes due 2045
£22,500,000 Class E Residential Mortgage Backed Floating Rate Notes due 2045
£67,500,000 Class Z Residential Mortgage Backed Notes due 2045
(the "Notes")

1. We acknowledge receipt of the Notice of Assignment to Transaction Parties dated [•], a copy of which is attached. We further acknowledge that the assignment is effective to confer on the Trustee the Benefit of the Issuer in and to the Transaction Documents (as defined in the Notice of Assignment to Transaction Parties).
2. Words and expressions used in this acknowledgement shall have the meanings and constructions assigned to them in the Notice of Assignment to Transaction Parties.
3. We confirm that as at the date of this Acknowledgement of Assignment we have not received from any other person any notice of assignment or charge of, or of any interest in, any of the Transaction Documents.
4. We agree not to recognise the exercise by the Issuer of any right to vary or terminate any of the Transaction Documents without the Trustee's prior written consent and to give the Trustee notice forthwith of any attempt by the Issuer to do so. We further agree not to amend or modify any of the Transaction Documents without the Trustee's prior written approval.
5. This acknowledgment and any non-contractual obligations arising out of it or in connection with it are governed by the laws of England.

Yours faithfully

For and on behalf of

[Name of relevant parties to relevant Transaction Document]

SCHEDULE 4
FORM OF SCOTTISH TRUST SECURITY

ASSIGNATION IN SECURITY

BY

- (1) **TOWD POINT MORTGAGE FUNDING 2017 – AUBURN 11 PLC**, a private limited liability company incorporated under the laws of England and Wales with company number 10539679 and having its registered office at c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London EC2R 7AF (the "**Issuer**");

IN FAVOUR OF

- (2) **U.S. BANK TRUSTEES LIMITED**, a limited company registered under the laws of England and Wales with company number 02379632 and having its registered office at 125 Old Broad Street, Fifth Floor, London EC2N 1AR for itself and as security trustee for the other Secured Creditors under and in terms of the Deed of Charge (the "**Trustee**", which expression shall include its successor or successors as Trustee under and in terms of the Trust Deed);

WITH THE INTIMATION TO AND ACKNOWLEDGEMENT OF

- (3) **CAPITAL HOME LOANS LIMITED**, a private limited company incorporated under the laws of England and Wales with company number 02174236 and having its registered office at Admiral House, Harlington Way, Fleet, Hampshire GU51 4YA (the "**Legal Title Holder**").

WHEREAS:

- (A) This deed (the "**Scottish Trust Security**") is supplemental to a Deed of Charge dated on or about the effective date of this Scottish Trust Security made between, *inter alios*, the Issuer and the Trustee, (the "**Deed of Charge**");
- (B) In terms of the Deed of Charge the Trustee *inter alia* holds the security constituted or to be constituted by or pursuant to the Trust Deed and/or the Deed of Charge on trust for the Secured Creditors;
- (C) By a Scottish Declaration of Trust dated on or around the effective date hereof (the "**Scottish Declaration of Trust**"), the Legal Title Holder declared that it holds on trust for Cerberus European Residential Holdings B.V. ("**CERH**") and for its successors and assignees certain Scottish Loans together with their Related Security as more fully specified and described therein (the "**Scottish Trust Property**");
- (D) By an assignment granted by CERH in favour of the Issuer and intimated to the Legal Title Holder on or before the effective date hereof (the "**Scottish Trust Transfer**"), CERH has assigned its beneficial interest in and to the Scottish Trust Property and the Scottish Declaration of Trust to the Issuer; and

- (E) This Scottish Trust Security is made by the Issuer in favour of the Trustee in accordance with and pursuant to Clause 4.2 (*Scottish Trust Security*) of the Deed of Charge.

NOW THEREFORE IT IS AGREED as follows:

1. Expressions and words defined in the Deed of Charge (including by reference) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Scottish Trust Security, including the recitals hereto and this Scottish Trust Security shall be construed in accordance with the interpretation provisions set out in the Deed of Charge, and such terms shall be deemed to be incorporated herein *mutatis mutandis*.
2. The Issuer as holder of the beneficial interest therein and with absolute warrandice and subject to the proviso for release contained in Clause 9 (*Redemption and Release*) of the Deed of Charge HEREBY ASSIGNS to and in favour of the Trustee in security for the discharge and payment of the Secured Amounts, the Issuer's whole right, title, interest and benefit, present and future, in and to the Scottish Trust Property and in and to the Scottish Declaration of Trust, surrogating and substituting the Trustee in its full right and place therein and thereto.
3. The Issuer and the Trustee intimate to the Legal Title Holder the assignation in security granted in terms of Clause 2 hereof and the Legal Title Holder by its execution hereof acknowledges such intimation and confirms that save under or pursuant to the Transaction Documents as at the effective date of this Scottish Trust Security it has not received notification of any other dealing with the Scottish Trust Property or any part thereof or the Scottish Declaration of Trust (other than as detailed in the Scottish Declaration of Trust itself and the Scottish Trust Transfer).
4. The Issuer hereby agrees that all the obligations, undertakings, covenants, rights and powers specified and contained in the Deed of Charge which relate to the property referred to in and the security and other rights and powers created under and pursuant to Clauses 4 and 5 of the Deed of Charge shall be deemed to be repeated herein and shall apply *mutatis mutandis* to the property referred to in Clause 2 hereof and the security and other rights and powers created under and pursuant hereto and that the whole remaining terms of the Deed of Charge shall, except in so far as inconsistent herewith apply *mutatis mutandis* hereto provided always that this Scottish Trust Security shall be without prejudice to the 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 Scottish Trust Security.
5. This Scottish Trust Security may be executed in any number of counterparts and by each of the parties on separate counterparts. Where executed in counterpart:
 - (a) this Scottish Trust Security will not take effect until each of the counterparts has been delivered;
 - (b) each counterpart will be held as undelivered until the Scottish Trust Transfer has become effective and the parties agree a date on which the counterparts are to be treated as delivered; and

(c) the date of delivery may be inserted in the testing clause in the space provided for the effective date of this Scottish Trust Security.

6. This Scottish Trust Security shall be governed by and construed in accordance with Scots law.

IN WITNESS WHEREOF these presents typewritten on this and the preceding [two] pages are executed in counterpart by the parties as undernoted with an effective date of 2017 and with the counterparts executed by the Issuer, the Trustee and the Legal Title Holder being treated as delivered on such date in such order as follows:

SUBSCRIBED for and on behalf of the said

TOWD POINT MORTGAGE FUNDING 2017 – AUBURN 11 PLC

At

on

By

in the presence of this witness:

Witness Signature:

Full Name:

Address:

SUBSCRIBED for and on behalf of the said

CAPITAL HOME LOANS LIMITED

At

on

By

in the presence of this witness:

Witness Signature:

Full Name:

Address:

SCHEDULE 5
FORM OF SCOTTISH SUB-SECURITY

STANDARD SECURITY

WE, TOWD POINT MORTGAGE FUNDING 2017 – AUBURN 11 PLC, a private limited liability company incorporated under the laws of England and Wales with company number 10539679 and having our registered office at c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London EC2R 7AF (hereinafter referred to as the "**Issuer**") **CONSIDERING** that:

- (A) we have entered into a trust deed (as the same may be amended, restated, novated, varied or supplemented from time to time, the "**Trust Deed**") dated [•] between us and U.S. BANK TRUSTEES LIMITED a company incorporated in England and Wales (registered number 02379632) as note trustee thereunder with its registered office at 125 Old Broad Street, Fifth Floor, London, EC2N 1AR (hereinafter referred to as the "**Note Trustee**", which expression shall include such company and all other persons or companies for the time being acting as trustee or trustees under the Trust Deed) constituting certain mortgage-backed floating rate notes and certificates;
- (B) in security of the performance of the obligations specified therein to the Note Trustee and others we have entered into a deed of charge dated [•] (the same may be amended, restated, novated, varied or supplemented from time to time, the "**Deed of Charge**") between us, U.S. BANK TRUSTEES LIMITED a company incorporated in England and Wales (registered number 02379632) as security trustee for the Secured Creditors thereunder, with its registered office at 125 Old Broad Street, Fifth Floor, London, EC2N 1AR (the "**Trustee**", which expression shall include such company and all other persons and successors for the time being acting as security trustee or trustees under the Deed of Charge) and others dated [•]; and
- (C) in terms of the Deed of Charge we have agreed to grant this deed.

NOW THEREFORE we, the Issuer, hereby 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 Amounts and any variation or alteration thereof and in implementation *pro tanto* of Clause 4.3 (*Scottish Sub-Securities*) of the Deed of Charge **GRANT** a Standard Security in favour of the Trustee over ALL and WHOLE those Standard Securities granted by the respective parties whose names are specified in Column 2 of the Schedule annexed and executed as relative hereto in favour of the party whose name is specified in the relative entry in Column 3 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(s)] [ALL and WHOLE the subjects described in the relative entry in Column 4 of the said Schedule lying in 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 (the "**said Act**") and any lawful variation thereof operative for the time being shall apply: And we agree that:

- (First) capitalised terms in this deed (including the recitals hereto) shall, except where the context otherwise requires and save where otherwise defined herein, bear the meanings ascribed to them in the master definitions and construction schedule set out in Schedule 1 to the Incorporated Terms Memorandum made between, amongst others, us the Issuer and the Trustee dated [] (as the same may be amended, restated, novated, varied or supplemented from time to time with the consent of the parties thereto, the "Master Definitions and Construction Schedule") and this deed shall be construed in accordance with the principles of interpretation and constructions set out in the Master Definitions and Construction Schedule;
- (Second) Conditions 1 to 7 (inclusive) of the Standard Conditions shall not apply to this Standard Security;
- (Third) the remaining Standard Conditions shall be varied to the effect that in so far as the provisions of the Deed of Charge (the terms of which shall be deemed to be incorporated herein) extend, add to, depart from or conflict with the said remaining Standard Conditions, the Deed of Charge shall, subject to the provisions of the said Act, prevail and take effect;
- (Fourth) upon the Deed of Charge becoming immediately enforceable, in accordance with the provisions of Clause 13 (*Security Enforceable*) thereof, we shall 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 Trustee shall be entitled to enforce this Standard Security in accordance with the provisions of the said Act;
- (Fifth) without prejudice to the rights and remedies of the Trustee under the said Act or otherwise, in the event of our being in default hereunder and provided that an Enforcement Notice has been served by the Trustee (a) we shall on demand grant, execute and deliver a valid assignation of the Principal Securities or any of them in favour of the Trustee or any nominee of the Trustee and (b) the 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 Trustee in its absolute discretion may determine, declaring that the exercise or otherwise by the 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
- (Sixth) the security rights and interests created, made or given under or pursuant to this deed shall be held by the Trustee as trustee for the Secured Creditors upon and subject to the terms and conditions of the Deed of Charge:

And we grant warrandice [[insert any exceptions therefrom]]: And we further ASSIGN to the Trustee in security of all monies, obligations and liabilities foresaid 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 2 of the said Schedule and secured by the Principal Securities:

In witness whereof this Deed typewritten on this and the two preceding pages, together with the Schedule annexed and executed as relative hereto, are executed as follows:

Subscribed for and on behalf of the said

**TOWD POINT MORTGAGE
FUNDING 2017 – AUBURN 11 PLC**

At:

On:

By:

.....
[•]

.....
[•]

In the present of this witness

Witness signature

Full Name

Address

**Schedule referred to in the foregoing Standard Security by TOWD POINT
MORTGAGE FUNDING 2017 – AUBURN 11 PLC in favour of U.S. Bank Trustees
Limited (as Trustee)**

1	2	3	4	5	6
Account Number	Borrowers' Full Names	Originator	Secured Property	[Recording County] / [Title Number]	Date of [Recording] / [Registration]

**TOWD POINT MORTGAGE
FUNDING 2017 – AUBURN 11 PLC**

**TOWD POINT MORTGAGE
FUNDING 2017 – AUBURN 11 PLC**