



Registration of a Charge

Company name: **ELVET MORTGAGES 2020-1 PLC**

Company number: **12541031**

Received for Electronic Filing: **05/08/2020**



Details of Charge

Date of creation: **28/07/2020**

Charge code: **1254 1031 0002**

Persons entitled: **CITICORP TRUSTEE COMPANY LIMITED**

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:

ALLEN & OVERY LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12541031

Charge code: 1254 1031 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th July 2020 and created by ELVET MORTGAGES 2020-1 PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th August 2020 .

Given at Companies House, Cardiff on 6th August 2020

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**

EXECUTION VERSION

DEED OF CHARGE

28 JULY 2020

Between

ELVET MORTGAGES 2020-1 PLC
as Issuer

CITICORP TRUSTEE COMPANY LIMITED
as Security Trustee and Note Trustee

LAW DEBENTURE CORPORATE SERVICES LIMITED
as Corporate Services Provider

ATOM BANK PLC
as Seller and Servicer

CITIBANK, N.A., LONDON BRANCH
as Cash Manager

ELAVON FINANCIAL SERVICES DAC, UK BRANCH
as Elavon Account Bank

BNP PARIBAS
as Swap Provider

and

CITIBANK, N.A., LONDON BRANCH
as Principal Paying Agent, Custodian, Citi Account Bank, Agent Bank, and Registrar

ALLEN & OVERY

Allen & Overy LLP

0131722-0000001 UKO2: 1711628896.13

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BETWEEN:

- (1) **ELVET MORTGAGES 2020-1 PLC**, a public limited company incorporated in England and Wales (registered number 12541031) whose registered office is at 5th Floor, 100 Wood Street, London, EC2V 7EX (the **Issuer**);
- (2) **CITICORP TRUSTEE COMPANY LIMITED**, a company incorporated in England and Wales (registered number 00235914) whose registered office is at Citigroup Centre, Canada Square, London E14 5LB (in its capacity as **Security Trustee**, which expression shall include such company and all other persons or companies for the time being acting as Security Trustee pursuant to the terms of this Deed and the Note Trustee);
- (3) **LAW DEBENTURE CORPORATE SERVICES LIMITED**, a private company incorporated in England and Wales (registered number 03388362) whose registered office is at 5th Floor, Wood Street, London EC2V 7EX (the **Corporate Services Provider**);
- (4) **ATOM BANK PLC**, a public limited company incorporated in England and Wales (registered number 08632552), whose registered office is at The Rivergreen Centre, Aykley Heads, Durham, England, DH1 5TS (the **Seller and Servicer**);
- (5) **BNP PARIBAS**, acting through its registered office at 16 Boulevard des Italiens, 75009 Paris (the **Swap Provider**);
- (6) **ELAVON FINANCIAL SERVICES DAC, UK BRANCH**, acting out of its office at 5th Floor, 125 Old Broad Street, London EC2N 1AR as **Elavon Account Bank**;
- (7) **CITIBANK, N.A., LONDON BRANCH**, acting through its principal office at Citigroup Centre, Canada Square, London E14 5LB (the **Cash Manager**); and
- (8) **CITIBANK, N.A., LONDON BRANCH**, acting through its principal office at Citigroup Centre, Canada Square, London E14 5LB (the **Agent Bank, Custodian, Citi Account Bank, Principal Paying Agent and Registrar**).

RECITALS:

- (A) 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 Security Trustee relating to the issue of the Notes, Class VRR Notes and Certificates.
- (B) Without prejudice to the foregoing paragraph, all the provisions of the Trust Deed relating to the exercise by the Note Trustee and/or the Security Trustee of its powers, trusts, authorities, rights, discretions and duties shall apply, *mutatis mutandis*, to the discharge by the Note Trustee and/or the Security Trustee of its powers, trusts, authorities, rights, discretions and duties under this Deed and/or each of the other Transaction Documents.

IT IS AGREED:

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 of the Incorporated Terms Memorandum which is dated on or about the date of this Deed and signed for the purpose of identification by each of the Transaction Parties.

2. COMMON TERMS

2.1 Incorporation of Common Terms

Except as provided below, the Common Terms apply to this Deed, where applicable, and shall be binding on the parties to this Deed.

2.2 Amendment to Common Terms

The Common Terms are, for the purposes of this Deed, amended as follows:

- (a) Paragraph 1 (Further Assurance) of part 1 of the Common Terms applies to this Deed as if set out in full in this Deed, and as if the Issuer were the Obligor and the Security Trustee and any Receiver appointed pursuant to Clause 19 (Appointment and Removal of Administrator and Receiver) were each an Obligee for the purposes of such paragraph;
- (b) Paragraph 1 (Governing Law) of part 3 of the Common Terms applies to this Deed as if set out in full in this Deed **provided that** Clauses 4.2, 4.3 (Scottish Trust Security) and 18.6 (Scottish Trust Property) shall be construed in accordance with Scots law; and
- (c) Paragraph 4.1 (Better preservation and enforcement of rights) of Part 1 of the Common Terms shall not apply to this Deed.

2.3 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 where any provision of this Deed relates to VAT, in which case the VAT provisions of the Common Terms shall prevail.

3. ISSUER'S UNDERTAKING TO PAY

The Issuer undertakes to the Security Trustee (for its own account and as trustee for the 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 ISSUER SECURITY

4.1 By way of first fixed security for the payment or discharge of the Secured Amounts the Issuer with full title guarantee in favour of the Security Trustee for the Security 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:

- (a) assigns by way of security (and to the extent not assigned, charges by way of first fixed charge) (subject to the relevant Borrowers' subsisting rights of redemption) the Benefit of the Issuer in the Loans (other than the Scottish Loans) and their Related Security comprised in the Portfolio and any other documents or any security documents in either case setting out the terms of such Loans or their Related Security;
- (b) assigns by way of security (and to the extent not assigned, charges by way of first fixed charge, without prejudice to paragraph (a) above and to the extent that no charge created by paragraph (a) above is (if the Security Trustee were so to require) capable of registration at the Land Registry as a sub charge, in exercise of the power conferred by section 23(2)(b) of the Land Registration Act 2002), all 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

including those registered against the title numbers set out in the relevant annexures to the Mortgage Sale Agreement;

- (c) charges by way of first fixed charge the Benefit of the Issuer in each Authorised Investment;
- (d) charges by way of first fixed charge the Benefit of the Issuer in each of the Elavon Transaction Account, the Citi Transaction Account, each Swap Collateral Account, the Securities Custody Account and any bank or other accounts in which the Issuer may at any time have or acquire any Benefit and (to the extent of its interest) all balances now or in the future standing to the credit of or accrued or accruing on such accounts;
- (e) assigns by way of security (and to the extent not assigned, charges by way of first fixed charge) the Benefit of the Issuer in the Insurance Policy;
- (f) assigns by way of security (and, to the extent not assigned, charges by way of first fixed charge) the Benefit of the Issuer under each Transaction Document except (i) for any Transaction Document which is governed by Scots law and (ii) that the assignment by way of security of the Benefit of the Issuer under the Swap Agreement shall be subject to any rights of set-off or netting provided for thereunder; and
- (g) assigns by way of security (and to the extent not assigned, charges by way of first fixed charge) (but subject to the right of reassignment) the Benefit of the Issuer under the Collection Account Trust.

4.2 The Issuer undertakes to the Security Trustee and binds and obliges itself in the event of any transfer or assignation of legal title to the Scottish Loans and their Related Security or any of them being executed and delivered to the Issuer in terms of clause 7 (Completion of the Transfer of Loans) of the Mortgage Sale Agreement forthwith to execute and deliver to the Security Trustee as continuing security for the payment or discharge of the Secured Amounts:

- (a) a Standard Security or Standard Securities over the Issuer's whole right, title and interest as heritable creditor under the Scottish Mortgages relating to such Scottish Loans, substantially in the form set out in Schedule 2 (Form of Scottish Sub-Security) hereto; and
- (b) an assignation in security in such form as the Security Trustee shall reasonably require of the Issuer's whole right, title and interest in and to the remainder of the Related Security for such Scottish Loans,

and to deliver to the Security Trustee simultaneously with the delivery of any such Scottish Sub-Security the relevant transfers or assignations (including Scottish Transfers) pertaining to such Scottish Loans and their Related Security. The Issuer further undertakes to the Security Trustee to execute and deliver such documents, and in such form and content, and to take such other steps as the Security Trustee shall reasonably consider necessary to enable the Security Trustee to perfect a first ranking heritable security over the Scottish Mortgages and a first ranking assignation in security of all sums secured thereby.

4.3 Scottish Trust Security

- (a) The Issuer undertakes forthwith upon the execution and delivery of the Scottish Declaration of Trust pursuant to the Mortgage Sale Agreement, to execute and deliver to the Security Trustee a Scottish Supplemental Charge substantially in the form set out in Schedule 3 (Form of Scottish Supplemental Charge) to this Deed of Charge. The other parties to this Deed of Charge consent to the entering into of the Scottish Supplemental Charge and the parties hereto authorise and instruct the Issuer to intimate and give notice to the Seller of the assignation in security made thereunder as provided therein;

- (b) The Seller undertakes to execute the Scottish Supplemental Charge as trustee under the Scottish Declaration of Trust; and
- (c) The Issuer undertakes to the Security Trustee at the time of delivery of the Scottish Supplemental Charge under the terms of paragraph (a) above simultaneously to deliver to the Security Trustee the Scottish Declaration of Trust specified therein.

4.4 Security held on trust

The Security Trustee holds the benefit of the Security on trust for the Secured Creditors in accordance with the terms of this Deed.

5. CREATION OF FLOATING CHARGE

- 5.1 As continuing security for the payment or discharge of the Secured Amounts, the Issuer with full title guarantee (or, in relation to rights or assets situated in or governed by the law of Scotland, with absolute warrandice) also hereby charges, in favour of the Security Trustee for the Security 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, rights and revenues, 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 in Clause 4 (Creation of Issuer Security)) and extending over all of its property, assets, rights or revenues as are situated in Scotland or governed by Scots law (whether or not the subject of the fixed charges or assignments aforesaid).
- 5.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 5.
- 5.3 The floating charge created by Clause 5.1 shall be postponed to any valid fixed charges which remain outstanding under or pursuant to this Deed of Charge 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.

6. WARRANTY BY THE ISSUER

The Issuer warrants to the Security Trustee on behalf of itself and for the benefit of the Secured Creditors that:

- (a) it has taken all necessary steps to enable it to create the Security in respect of the Charged Assets 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 Assets; and
- (b) this Deed creates the Security it purports to create and such Security is not liable to be avoided or otherwise set aside upon an occurrence of or in relation to an Issuer Insolvency Event.

7. UNDERTAKING BY THE SELLER

- 7.1 The Seller (as originator) undertakes to the Issuer, the Swap Provider, the Security Trustee and the Note Trustee (on behalf of itself and the Noteholders and the Certificateholders) that it will, for so long as the principal amount of any Note remains outstanding and for so long as any Certificate remains outstanding:
 - (a) acquire and retain on an ongoing basis a material net economic interest of not less than 5% in the nominal value of the securitisation pursuant to Article 6(3)(a) of the Securitisation Regulation in the form of the Class VRR Notes;

- (b) provide the Cash Manager with the information required by Article 7(e)(iii) of the Securitisation Regulation in order to enable the Cash Manager to produce each Investor Report;
- (c) not sell, hedge or otherwise mitigate (and shall procure that none of its affiliates shall sell, hedge or otherwise mitigate) the credit risk under or associated with the Retained Exposures except to the extent permitted under the Securitisation Regulation; and
- (d) not change the manner or form in which it retains the Retained Exposures, except to the extent permitted under the Securitisation Regulation,

provided that the Seller (as originator) will not be in breach of the undertakings given pursuant to this Clause 7.1 if due to events, actions or circumstances beyond the Seller's control, the Seller (as originator) is not able to comply with such undertakings.

7.2 The Seller (as sponsor) undertakes to the Issuer, the Swap Provider, the Security Trustee and the Note Trustee (on behalf of itself and the Noteholders, the Class VRR Noteholders and the Certificateholders) that:

- (a) it is the appropriate entity to comply with all legal requirements imposed on the "sponsor" of a "securitization transaction" in accordance with the U.S. Risk Retention Rules and it will comply with all legal requirements imposed on the "sponsor" of a "securitization transaction" in accordance with the U.S. Risk Retention Rules;
- (b) it will retain an "eligible vertical interest" in the transaction constituted by the Transaction Documents in accordance with the U.S. Risk Retention Rule 4(a)(1) for the duration required in U.S. Risk Retention Rule 12(f) (to the extent such U.S. Risk Retention Rules apply to the Seller), which interest (the **Retained Interest**) will consist of the Class VRR Notes;
- (c) it will be solely responsible for compliance with the disclosure requirements of U.S. Risk Retention Rule 4(c)(2) (to the extent such U.S. Risk Retention Rules apply to the Seller).
- (d) it will not engage in any activities that would constitute impermissible hedging, transfer or financing of the Retained Interest as prohibited by the U.S. Risk Retention Rules for the duration required in U.S. Risk Retention Rule 12(f) (to the extent such U.S. Risk Retention Rules apply to the Seller); and
- (e) it will comply with the requirements of the U.S. Risk Retention Rules applicable to it.

8. NOTICE OF SECURITY

8.1 Issuer's Notices

- (a) The Issuer shall, immediately after the date hereof, give notice of the Security to all relevant parties (other than the Borrowers and the deposit takers and issuers in respect of Authorised Investments), including the following notices:
 - (i) a notice of charge to the Citi Account Bank;
 - (ii) a notice of charge to the Elavon Account Bank;
 - (iii) a notice of charge to the Custodian; and

- (iv) to each of the other parties to the Transaction Documents (other than any Transaction Document which is governed by Scots law), a notice of assignment to Transaction Parties.
- (b) The Issuer hereby gives notice to the Citi Account Bank of the security created by Clause 4 (Creation of Issuer Security) and Clause 5 (Creation of Floating Charge).
- (c) The Issuer hereby gives notice to the Elavon Account Bank of the security created by Clause 4 (Creation of Issuer Security) and Clause 5 (Creation of Floating Charge).
- (d) The Issuer hereby gives notice to the Custodian of the security created by Clause 4 (Creation of Issuer Security) and Clause 5 (Creation of Floating Charge).

8.2 Acknowledgements of Notices

- (a) The Issuer shall use all reasonable efforts to procure that the Citi Account Bank, the Elavon Account Bank and each Transaction Party which receives a notice of assignment to Transaction Parties acknowledges receipt of such notice in the form required by such notice of charge or of assignment.
- (b) The Citi Account Bank hereby acknowledges the notice given by the Issuer under Clause 8.1(b) above and the security created by Clause 4 (Creation of Issuer Security) and Clause 5 (Creation of Floating Charge).
- (c) The Elavon Account Bank hereby acknowledges the notice given by the Issuer under Clause 8.1(c) above and the security created by Clause 4 (Creation of Issuer Security) and Clause 5 (Creation of Floating Charge).
- (d) The Custodian hereby acknowledges the notice given by the Issuer under Clause 8.1(d) above and the security created by Clause 4 (Creation of Issuer Security) and Clause 5 (Creation of Floating Charge).

8.3 Insurances

The Issuer shall procure that the Security over the 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 Security Trustee as to the irrevocable and unconditional payment or discharge of the Secured Amounts, the Security Trustee at the written request of the Note Trustee or the Issuer (and in either case at the cost of the Issuer) will, release, discharge, retrocess or reassign (as appropriate) the Charged Assets to the Issuer or to any other person entitled to the Charged Assets of whom the Security Trustee has notice.

9.2 Release pursuant to Mortgage Sale Agreement

The Security Trustee agrees that if it receives express written notice from the Issuer stating that the Issuer is required to reassign or retransfer a Loan and its Related Security to the Seller pursuant to the Mortgage Sale Agreement relating to circumstances requiring the repurchase of Loans and their Related Security by the Seller, then the Security Trustee will promptly at the request, expense and cost of the Seller execute a deed of release and take such other reasonable steps in order to release the relevant Loan and its Related Security from the Security and acknowledges that, if it is a Scottish Loan, on completion of such repurchase the relevant Loan and its Related Security shall thereupon cease to form part of the Scottish Trust Property all as provided in the Scottish Declaration of Trust. The Security Trustee shall not be liable to any person for effecting a release pursuant to the Mortgage

Sale Agreement in accordance with this Clause 9.2, except in the case of its wilful default, fraud or gross negligence.

9.3 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 any equivalent provision of the common law of any relevant jurisdiction and no release, settlement or discharge given or made by the Security Trustee in reliance on any such assurance, security or payment shall prejudice or affect the right of the Security 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 Security Trustee as and by way of security for the payment to or to the order of the Security Trustee of the Secured Amounts.

9.4 Release pursuant to Swap Agreement

- (a) Notwithstanding the foregoing provisions of this Clause 9 and Clause 9.6 (Form of Release), the Security Trustee agrees that if it receives:
- (i) notice in writing from the Seller or the Swap Provider stating that the Swap Transaction is to be novated, transferred or terminated and replaced pursuant to the Swap Agreement (the **Affected Swap Agreement**); and
 - (ii) in the case of a transfer or novation of the Affected Swap Agreement by the Swap Provider to the Seller only, confirmation in writing from the Issuer that each of the requirements set out in the Affected Swap Agreement in relation to the proposed transfer or novation have been satisfied,

then, in each case, the Security Trustee will (at the request, cost and expense of the Issuer) execute a deed of release and take such other reasonable steps in order to release the Affected Swap Agreement from the Security provided that (i) in the case of a termination and replacement, the Issuer enters into a replacement swap agreement which is subject to the security created by this Deed; or (ii) in the case of a novation or transfer, the Swap Agreement in relation to which such novation or transfer is to take place is subject to the security created by this Deed.

- (b) Any such notice from the Seller or the Swap Provider and confirmation from the Issuer shall be conclusive and binding on all Secured Creditors and the Security Trustee shall not be liable to any person for effecting the release of the Affected Swap Agreement in accordance with this Clause 9.4.

9.5 Release pursuant to exercise of Portfolio Call Option

Pursuant to clause 36 (Portfolio Call Option Current Value Purchase Price and 10 Per Cent. Clean-up Call Current Value Purchase Price) of the Trust Deed, if the Loans and their Related Security comprising the Portfolio are sold pursuant to the Portfolio Call Option or the 10 Per Cent. Clean-up Call Option, the Security over such Loans and their Related Security shall be released automatically without the Security Trustee or the Issuer being required to enter into a release document; provided however that, on request, the Security Trustee will execute any deed required to release any such Loans and their Related Security from or, as appropriate, retrocess or discharge the security created by the Scottish Supplemental Charge or any Scottish Sub-Security.

9.6 Form of Release

The Security shall be released (other than pursuant to Clause 9.2 (Release pursuant to Mortgage Sale Agreement) and Clause 9.4 (Release pursuant to Swap Agreement) and Clause 9.5 (Release pursuant

to exercise of Portfolio Call Option)) only upon the execution by or on behalf of the Security Trustee of either an absolute and unconditional release by way of deed, a retrocession 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 Security Trustee, notwithstanding any intermediate payment or satisfaction of any part of the Secured Amounts or any settlement of account or any other act, event or matter whatsoever, and shall secure the ultimate balance of the Secured Amounts, until execution by or on behalf of the Security Trustee of an absolute and unconditional release by way of deed relating to all (and not part only) of the Charged Assets.

11. PAYMENTS PRIOR TO ENFORCEMENT

Notwithstanding the Security, the Security Trustee acknowledges that, until service of a Security Protection Notice or an Enforcement Notice:

- (a) 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;
- (b) the Issuer may, subject to paragraph (c) below, exercise its rights, powers and discretions and perform its obligations in relation to the Charged Assets and under the Transaction Documents in accordance with the provisions of the Transaction Documents or (as the case may be) such other documents or arrangements; and
- (c) amounts standing to the credit of the Charged Accounts from time to time may be withdrawn therefrom by the Issuer but only in accordance with the provisions of the Cash Management Agreement, the Citi Bank Account Agreement, the Elavon Bank Account Agreement, the Securities Custody Agreement and the Swap Agreement as applicable.

Any amounts withdrawn from any of the Issuer Accounts in accordance with this Clause 11 shall be automatically released (without the need to obtain the Security Trustee's consent) from the security created by this Deed.

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:

- (a) an Event of Default in relation to the Notes, Class VRR Notes or Certificates occurs; or
- (b) the Security Trustee believes that the Charged Assets 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 Security Trustee may, having been directed by the Note Trustee (for so long as any Notes, Class VRR Notes or Certificates remain outstanding), or where there are no Notes, Class VRR Notes or Certificates outstanding, in its absolute discretion, serve on the Issuer a Security Protection Notice (in, or in substantially the form set out in Schedule 1 (Form of Security Protection Notice)).

12.2 Consequences of Delivery of Security Protection Notice

Upon service of a Security Protection Notice, except where the Security Protection Notice has been served as a result of an Issuer Insolvency Event occurring solely due to the Issuer obtaining or taking steps to obtain a moratorium pursuant to Part A1 of the Insolvency Act 1986:

- (a) the Floating Charge 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; and
- (b) 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 Security Trustee in such form as the Security Trustee shall require.

12.3 Withdrawal of Security Protection Notice

The Security Trustee may at any time, unless an Enforcement Notice has been served, 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 Security Trustee serves a Security Protection Notice on the Issuer and unless and until it is withdrawn, no amount (apart from amounts standing to the credit of any Swap Collateral Account, which may be withdrawn in accordance with the Swap Collateral Account Priority of Payments) may be withdrawn from the Charged Accounts without the prior written consent of the Security Trustee, **provided that**, unless an Enforcement Notice has been served, the Security 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 Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments.

13. ENFORCEMENT NOTICE

The parties hereto acknowledge and agree that the circumstances in which the Note Trustee may or shall serve an Enforcement Notice are set out in Note Condition 11 (Events of Default), Class VRR Note Condition 11 (Events of Default) and Certificate Condition 10 (Events of Default).

14. SECURITY ENFORCEABLE

The whole of the Security shall become enforceable:

- (a) upon the service of an Enforcement Notice, except where the Enforcement Notice has been served as a result of an Issuer Insolvency Event occurring solely due to the Issuer obtaining or taking steps to obtain a moratorium pursuant to Part A1 of the Insolvency Act 1986; or
- (b) 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 Security Trustee.

15. ENFORCEMENT

15.1 Consequences of Enforceable Security

From the date on which the Security becomes enforceable:

- (a) if it has not already crystallised, the Floating Charge shall (so far as permitted by applicable law) crystallise;
- (b) subject to the provisions of the Conditions, the VRR Conditions, the Certificate Conditions and the Trust Deed, each of the Note Trustee and the Security Trustee may institute such proceedings against the Issuer and take such action and/or steps as it may think fit to enforce all or any part of its rights under the Transaction Documents or the Security;
- (c) amounts may be withdrawn from the Charged Accounts by the Security Trustee (or the Cash Manager on its behalf) or by any Receiver appointed by it and shall be applied only in accordance with the Post-Enforcement Priority of Payments (apart from amounts standing to the credit of any Swap Collateral Account, which may be withdrawn in accordance with the Swap Collateral Account Priority of Payments);
- (d) the Security Trustee may appoint a Receiver or an administrator in accordance with Clause 19 (Appointment and Removal of Administrator and Receiver);
- (e) whether or not it has appointed a Receiver, the Security Trustee may exercise all or any of the powers, authorities and discretions:
 - (i) conferred by the Trust Documents on any Receiver;
 - (ii) conferred by the LPA (as varied or extended by the Trust Documents) or the CLPAs or the Insolvency Act on mortgagees or heritable creditors; or
 - (iii) otherwise conferred by law on mortgagees, heritable creditors or receivers; and
- (f) in relation to any Scottish Sub-Security, the Issuer shall be deemed to be in default within the meaning of Condition 9(1)(b) of Schedule 3 of the Conveyancing and Feudal Reform (Scotland) Act 1970.

15.2 Directions to Security Trustee

- (a) Each Secured Creditor acknowledges that, following the service of an Enforcement Notice, the Security Trustee shall not be bound to take any action under this Deed or in relation to the Security or give any instructions or direction in relation thereto (including any direction to sell or otherwise dispose of the Loans and their Related Security) unless it is:
 - (i) directed or requested to do so by (A) an Extraordinary Resolution of the Most Senior Class (or the Note Trustee on their behalf) in accordance with Note Condition 12 (Enforcement) or, (B) if there are no Notes outstanding, all of the Certificateholders (or the Note Trustee on their behalf) in accordance with Certificate Condition 11 (Enforcement) or (C) if there are no Notes and no Certificates outstanding, all of the other Secured Creditors; and
 - (ii) fully indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by doing so and, for this purpose, the Security Trustee may demand prior to taking

any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it,

provided that the Security Trustee may at all times, whether or not so directed, take such action in respect of any right, power or discretion which is personal to the Security Trustee or is to preserve or protect the Security Trustee's position or is of a purely administrative nature.

- (b) In having regard to the interests of the Noteholders, Class VRR Noteholders or Certificateholders, the Security Trustee shall be entitled to rely solely upon a confirmation from the Note Trustee as to whether, in the opinion of the Note Trustee, any matter, action or omission is or is not in the interests of or is or is not materially prejudicial to the interests of any Class of Noteholder, Class VRR Noteholders or Certificateholders.
- (c) Where the Security Trustee is required to have regard to the interests of any Secured Creditor (other than the Noteholders, Class VRR Noteholders or Certificateholders), the Security Trustee may consult with that Secured Creditor and shall be entitled to rely solely upon a written confirmation from that Secured Creditor as to whether, in the opinion of that Secured Creditor, any matter, action or omission is or is not in the interests of, or is or is not materially prejudicial to the interests of that Secured Creditor.
- (d) The Security Trustee shall not be liable to any Secured Creditor or to the Issuer for any action it may take in accordance with any instruction received pursuant to 15.2(a) above, except in the case of its wilful default, fraud or gross negligence. The Security Trustee shall be entitled to seek clarification from the relevant instructing party with regard to such instructions and may in its discretion elect not to act pending receipt of such clarification to its satisfaction from such instructing party.

15.3 Directions of Note Trustee

Notwithstanding any provision to the contrary herein, in performing its duties as Security Trustee, the Security Trustee will take instructions from the Note Trustee for as long as any of the Notes or Class VRR Notes remain outstanding and will not be required to take into account the interests of any Secured Creditor other than the Noteholders, Class VRR Noteholders or Certificateholders. If there are no Notes or Class VRR Notes outstanding the Security Trustee, in performing its duties as Security Trustee, will take instructions from the Secured Creditors acting together.

15.4 Restrictions on Disposal of the Charged Assets

If an Enforcement Notice has been served otherwise than by reason of non-payment of any amount due in respect of the Notes, the Security Trustee will not be entitled to dispose of the Charged Assets or any part thereof (apart from amounts standing to the credit of any Swap Collateral Account, which may be withdrawn in accordance with the Swap Collateral Account Priority of Payments) unless either:

- (a) the Cash Manager confirms in writing to the Security Trustee that a sufficient amount would be realised to allow payment in full of all amounts owing to the Noteholders of each class and Class VRR Noteholders after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments; or
- (b) the Security Trustee is of the opinion, which shall be binding on the Noteholders, Class VRR Noteholders or Certificateholders and the other Secured Creditors, reached after considering at any time and from time to time the advice of an investment bank or other financial adviser selected by the Security Trustee which advice shall be binding on the Security Trustee, the Noteholders, Class VRR Noteholders or Certificateholders and the other Secured Creditors (and if the Security Trustee is unable to obtain such advice having made reasonable efforts to

do so this paragraph (b) shall not apply), that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments; and

- (c) the Security Trustee shall not be bound to make the determination contained in paragraph (b) above unless the Security Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

15.5 Security 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 Security Trustee that all Secured Amounts have been satisfied in full, save as otherwise expressly provided in this Deed or as required by the Security 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 Security Trustee or to its order.

16. PRE-ENFORCEMENT PRIORITY OF PAYMENTS

Prior to the service of an Enforcement Notice, the Cash Manager (on behalf of the Issuer) shall apply monies standing to the credit of each Transaction Account in accordance with the Pre-Enforcement Redemption Priority of Payments and the Pre Enforcement Revenue Priority of Payments as set out in Schedule 2 (Cash Management and Maintenance of Ledgers) of the Cash Management Agreement and apply monies standing to the credit of the Swap Collateral Account in accordance with the Swap Collateral Account Priority of Payments as set out in Schedule 2 (Cash Management and Maintenance of Ledgers) of the Cash Management Agreement.

17. POST-ENFORCEMENT PRIORITY OF PAYMENTS

17.1 Post-Enforcement Priority of Payments

- (a) After an Enforcement Notice has been served on the Issuer, the Security Trustee (or the Cash Manager on its behalf or any Receiver appointed by the Security Trustee in connection with the enforcement of the Security) will apply all amounts received or recovered (including any amounts recorded to the credit of the Liquidity Reserve Fund Ledger and the General Reserve Fund Ledger) other than:
 - (i) any amount standing to the credit of the Swap Collateral Account which will be applied in accordance with the Swap Collateral Account Priority of Payments (other than any amount to be applied as Swap Collateral Account Surplus in accordance with the Swap Collateral Account Priority of Payments); and
 - (ii) any amount standing to the credit of the Issuer Profit Ledger (which may be applied by the Issuer) to the extent necessary, in or towards satisfaction of any liability of the Issuer for corporation tax of the Issuer,

in the following order of priority (except that payments in respect of the Class VRR Notes shall be paid *pari passu* with, and not subordinated to, the corresponding amounts at items (f)(i) to (f)(ix) below (inclusive)) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full); and

- (b) On the Refinancing Date (if any) or on the 10 Per Cent. Clean-up Call Date (if any) or on the Portfolio Call Option Completion Date (if any), the Cash Manager (on behalf of the Issuer) will apply the Refinancing Proceeds or, as relevant, the 10 Per Cent. Clean-Up Call Purchase Price, or, as relevant, the Portfolio Call Option Purchase Price. in each case together with any amounts standing to the credit of each of the Transaction Accounts (including any amounts recorded to the credit of the Liquidity Reserve Fund Ledger and the General Reserve Fund Ledger) other than:
- (i) any amount standing to the credit of the Swap Collateral Account which will be applied in accordance with the Swap Collateral Account Priority of Payments (other than any amount to be applied as Swap Collateral Account Surplus in accordance with the Swap Collateral Account Priority of Payments); and
 - (ii) any amount standing to the credit of the Issuer Profit Ledger (which may be applied by the Issuer) to the extent necessary, in or towards satisfaction of any liability of the Issuer for corporation tax of the Issuer, in the following order of priority (except that payments in respect of the Class VRR Notes shall be paid *pari passu* with, and not subordinated to, the corresponding amounts at items (f)(i) to (f)(ix) below (inclusive)) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full), the **Post-Enforcement Priority of Payments** (and, together with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Redemption Priority of Payments, the **Priorities of Payments** and each, a **Priority of Payments**) (which, for the avoidance of doubt, applies to the situations set out in both paragraph (a) above and this paragraph (b)):
- (a) *first*, in or towards satisfaction, pro rata and *pari passu*, according to the respective amounts thereof of:
- (i) any fees, costs, charges, Liabilities, expenses and all other amounts then due and payable to the Note Trustee, Receiver and any Appointee under the provisions of the Trust Deed and the other Transaction Documents, together with (if due and payable) VAT thereon as provided therein; and
 - (ii) any fees, costs, charges, Liabilities, expenses and all other amounts then due and payable to the Security Trustee, Receiver and any Appointee under the provisions of this Deed and the other Transaction Documents, together with (if due and payable) VAT thereon as provided therein;
- (b) *second*, in or towards satisfaction, pro rata and *pari passu*, according to the respective amounts thereof of:
- (i) 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 due and payable) VAT thereon as provided therein;
 - (ii) any amounts then due and payable to the Cash Manager and any fees, costs, charges, Liabilities and expenses then due and payable under the provisions of the Cash Management Agreement, together with (if due and payable) VAT thereon as provided therein;
 - (iii) any amounts then due and payable to the Servicer and any fees (including the Servicing Fee), costs, charges, Liabilities and expenses then due and payable under the provisions of the Servicing Agreement, together with (if due and payable) VAT thereon as provided therein;

- (iv) any amounts then due and payable to the Corporate Services Provider and any fees, costs, charges, Liabilities and expenses then due and payable to the Corporate Services Provider under the provisions of the Corporate Services Agreement together with (if due and payable) VAT thereon as provided therein;
 - (v) any amounts then due and payable to the Custodian and any fees, costs, charges, Liabilities and expenses then due and payable under the provisions of the Securities Custody Agreement, together with (if due and payable) VAT thereon as provided therein;
 - (vi) any amounts then due and payable to the Citi Account Bank and any fees, costs, charges, Liabilities and expenses then due and payable under the Citi Bank Account Agreement, together with (if due and payable) VAT thereon as provided therein;
 - (vii) any amounts then due and payable to the Elavon Account Bank and any fees, costs, charges, Liabilities and expenses then due and payable under the Elavon Bank Account Agreement, together with (if due and payable) VAT thereon as provided therein;
 - (viii) any amounts then due and payable to the Collection Account Bank and any fees, costs, charges, Liabilities and expenses then due and payable under the collections account arrangements, together with (if due and payable) VAT thereon as provided therein;
 - (ix) any amounts then due and payable to the Standby Servicer Facilitator and any fees, costs, charges, Liabilities and expenses then due and payable under the provisions of the Servicing Agreement, together with (if due and payable) VAT thereon as provided therein;
 - (x) any amounts then due and payable to the Standby Servicer and any fees, costs, charges, Liabilities and expenses then due and payable under the provisions of the Standby Servicing Agreement or the Replacement Servicing Agreement (as applicable), together with (if due and payable) VAT thereon as provided therein; and
 - (xi) any amounts then due and payable to any SR Reporting Provider and any fees, costs, charges, Liabilities and expenses then due and payable under the provisions of any document between the Issuer and the SR Reporting Provider setting out the terms of the SR Reporting Provider's appointment, together with (if due and payable) VAT thereon as provided therein;
- (c) *third*, only on the Refinancing Date (if any), or on the 10 Per Cent. Clean-up Call Date (if any) or on the Portfolio Call Option Completion Date (if any) in or towards satisfaction, pro rata and *pari passu*, according to the respective amounts thereof of:
- (i) any amounts due and payable by the Issuer to third parties and incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) provided that the relevant third parties have provided the Issuer with a valid invoice for such amounts, and any amounts required to pay or discharge any liability of the Issuer for corporation tax of the Issuer (but only to the extent not capable of being satisfied out of amounts retained as Issuer Profit Amounts under item (d) below); and
 - (ii) any Transfer Costs which the Servicer has failed to pay pursuant to clause 18.3 of the Servicing Agreement;

- (d) *fourth* to pay the Issuer Profit Amount and any corporation tax of the Issuer not otherwise able to be paid from amounts standing to the credit of the Issuer Profit Ledger;
- (e) *fifth*, to pay in or towards satisfaction of any amounts due and payable to the Swap Provider in respect of the Swap Agreement (including any termination payment due and payable by the Issuer to the extent it is not satisfied by any payments by the Issuer to the Swap Provider under the Swap Collateral Account Priority of Payments) but excluding, if applicable, any related Swap Subordinated Amounts payable under item (f)(ix) below and item (g)(ix) below;
- (f) *sixth, pari passu* with amounts payable under item (g) below, in an amount up to the Post-Enforcement Note Share:
 - (i) to pay, pro rata and *pari passu*, all amounts due and payable on the Class A Notes;
 - (ii) to pay, pro rata and *pari passu*, all amounts due and payable on the Class B Notes;
 - (iii) only on the Refinancing Date (if any), to replenish the Liquidity Reserve Fund Ledger up to 95 per cent. of the Liquidity Reserve Fund Target Level following such Refinancing Date;
 - (iv) to pay, pro rata and *pari passu*, all amounts due and payable on the Class C Notes;
 - (v) to pay, pro rata and *pari passu*, all amounts due and payable on the Class D Notes;
 - (vi) to pay, pro rata and *pari passu*, all amounts due and payable on the Class E Notes;
 - (vii) to pay, pro rata and *pari passu*, all amounts due and payable on the Class Z Notes;
 - (viii) only on the Refinancing Date (if any), to replenish the General Reserve Fund Ledger up to 95 per cent. of the General Reserve Fund Target Level following such Refinancing Date;
 - (ix) to pay in accordance with the terms of the Swap Agreement to the Swap Provider 95 per cent. of any Swap Subordinated Amounts (to the extent not satisfied by payment to the Swap Provider by the Issuer of any applicable Replacement Swap Premium or from the Swap Collateral Account Priority of Payments); and
 - (x) all remaining excess amounts in payment pro rata and *pari passu* to the Certificateholders in respect of the Certificates; and
- (g) *seventh, pari passu* with amounts payable under item (f) above, in an amount up to the Post-Enforcement VRR Share:
 - (i) to pay, pro rata and *pari passu*, a Class VRR Note Payment to each Class VRR Noteholder in an amount equal to the VRR Proportion of amounts paid under item (f)(i) above;
 - (ii) to pay, pro rata and *pari passu*, a Class VRR Note Payment to each Class VRR Noteholder in an amount equal to the VRR Proportion of amounts paid under item (f)(ii) above;
 - (iii) only on the Refinancing Date (if any), to replenish the Liquidity Reserve Fund Ledger up to 5 per cent. of the Liquidity Reserve Fund Target Level following such Refinancing Date;

- (iv) to pay, pro rata and *pari passu*, a Class VRR Note Payment to each Class VRR Noteholder in an amount equal to the VRR Proportion of amounts paid under item (f)(iv) above;
- (v) to pay, pro rata and *pari passu*, a Class VRR Note Payment to each Class VRR Noteholder in an amount equal to the VRR Proportion of amounts paid under item (f)(v) above;
- (vi) to pay, pro rata and *pari passu*, a Class VRR Note Payment to each Class VRR Noteholder in an amount equal to the VRR Proportion of amounts paid under item (f)(vi) above;
- (vii) to pay, pro rata and *pari passu*, a Class VRR Note Payment to each Class VRR Noteholder in an amount equal to the VRR Proportion of amounts paid under item (f)(vii) above;
- (viii) only on the Refinancing Date (if any), to replenish the General Reserve Fund Ledger up to 5 per cent. of the General Reserve Fund Target Level following such Refinancing Date;
- (ix) to pay in accordance with the terms of the Swap Agreement to the Swap Provider 5 per cent. of any Swap Subordinated Amounts (to the extent not satisfied by payment to the Swap Provider by the Issuer of any applicable Replacement Swap Premium or from the Swap Collateral Account Priority of Payments); and
- (x) pro rata and *pari passu* a Class VRR Note Payment to each Class VRR Noteholder in an amount equal to the VRR Proportion of amounts paid under item (f)(x) above.

The Post-Enforcement Priority of Payments will also be used on the Refinancing Date (if any) and on the 10 Per Cent. Clean-up Call Date (if any) and on the Portfolio Call Option Completion Date (if any). In this case, the Security Trustee will not apply any money in accordance with the Post-Enforcement Priority of Payments and such money will be applied by the Cash Manager.

17.2 Monies not required for Secured Amounts

Any monies held by the Receiver or the Security Trustee (apart from amounts standing to the credit of any Swap Collateral Account, which may be withdrawn in accordance with the Swap Collateral Account Priority of Payments) after application of monies received or recovered after service of an Enforcement Notice and not required for application in discharge of the Secured Amounts in accordance with Clause 17.1 (Post-Enforcement Priority of Payments) shall be paid by the Receiver or the Security 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.

18. EXTENSION AND VARIATION OF THE LPA

18.1 Extension of Powers

From the date of this Deed but subject to Clause 18.2 (Powers Exercised on delivery of Enforcement Notice) below, the provisions of the LPA, the CLPA and the CA relating to the power of sale and the other powers conferred by Sections 101(1) and (2) of the LPA, Section 19(1) of the CLPA and Section

4(1) of the CA, are extended to authorise the Security Trustee and/or Receiver upon such terms as the Security Trustee may think fit:

- (a) to sell, exchange, licence or otherwise dispose of or otherwise deal with the Charged Assets 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 Security Trustee may think fit, and also to grant any option to purchase;
- (b) with a view to, or in connection with, the management or disposal of the Charged Assets to carry out any transaction, scheme or arrangement which the Security Trustee and/or Receiver may in its absolute discretion consider appropriate;
- (c) to take possession of, get in and collect the Charged Assets;
- (d) 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;
- (e) 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;
- (f) to bring, defend, submit to arbitration, negotiate, compromise, abandon and settle any claims and proceedings concerning the Charged Assets;
- (g) to transfer all or any of the Charged Assets 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 Security Trustee, the Issuer or the Servicer;
- (h) to call up all or any portion of the uncalled capital (if any) of the Issuer;
- (i) 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 Assets which it may consider expedient as effectually as if it were the absolute, sole legal and beneficial owner of the Charged Assets, subject to any restrictions in the Transaction Documents;
- (j) to pay and discharge, out of the profits and income of the Charged Assets 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 paragraph (j) or otherwise in respect of the Charged Assets 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;
- (k) 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;
- (l) to exercise, or permit any other person to exercise, any rights, powers or privileges of the Issuer in respect of the Charged Assets;
- (m) 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;

- (n) to sanction or confirm anything suffered by the Issuer and concur with the Issuer in any dealing not specifically mentioned above;
- (o) 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
- (p) to use the name of the Issuer for all or any of the foregoing purposes.

18.2 Powers Exercised on delivery of Enforcement Notice

The statutory powers of sale and of appointing a receiver which are conferred upon the Security Trustee, as varied and extended by this Deed, and all other powers shall, in favour of any purchaser, be deemed to arise and be exercisable immediately after the execution of this Deed but shall only be exercised upon and following the service of an Enforcement Notice.

18.3 Restrictions

The restrictions contained in Section 93 and Section 103 of the LPA and Sections 17 and 20 of the CLPA shall not apply to this Deed or to the exercise by the Security 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 Security Trustee without notice to the Issuer on or at any time after the service of an Enforcement Notice.

18.4 Borrowing Powers

The Security Trustee may raise and borrow money on the security of the Charged Assets or any part of the Charged Assets 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 Assets and the remuneration of the Security Trustee). The Security 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 Assets or any of it and either in priority to the Security or otherwise and generally in such manner as the Security Trustee shall think fit and for such purposes may execute and do all such assurances and things as it shall think fit.

18.5 Powers Additional to LPA, CLPAs and Insolvency Act Powers

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

18.6 Scottish Trust Property

The Issuer and the Seller hereby covenant and agree with and undertake to the Security Trustee that, if at any time after the Security shall have become enforceable and the Security Trustee or any Receiver shall so require, they will join together in directing the Seller to sell or dispose of all or any part of the

Scottish Trust Property on terms previously approved by the Security Trustee and/or in causing the trust constituted by the Scottish Declaration of Trust to be wound up or performed and they will take all such actions and execute all such documents as may be necessary to effect such sale or disposal or winding up or performance and the distribution or transfer of the Scottish Trust Property or any part thereof in accordance with the terms of the Scottish Declaration of Trust and this Deed. The Seller and the Issuer hereby acknowledge and consent to the foregoing as trustee and beneficiary respectively in terms of the Scottish Declaration of Trust.

19. APPOINTMENT AND REMOVAL OF ADMINISTRATOR AND RECEIVER

19.1 Appointment of an administrator

At any time after the service of an Enforcement Notice or 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 a notice with the court, the Security Trustee may appoint (or may request the Issuer to appoint and the Issuer shall, if so requested, appoint) one or more persons to be an administrator of the Issuer.

19.2 Appointment of a Receiver

At any time after the service of an Enforcement Notice or 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 a notice with the court the Security Trustee may appoint such person or persons (including an officer or officers of the Security Trustee) as it thinks fit to be a Receiver or Receivers of the Charged Assets 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 Security Trustee shall determine.

19.3 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.

19.4 Insolvency Act Requirements

The Security Trustee shall comply with any requirement under the Insolvency Act that the person appointed to be a Receiver be a licensed insolvency practitioner.

19.5 Removal of Receiver

The Security Trustee may (or may request the Issuer to do so and, if so requested, the Issuer shall) (subject to Section 45 of the Insolvency Act) remove any Receiver whether or not another Receiver is appointed in his place and the Security Trustee may also appoint another receiver if the Receiver resigns.

19.6 Exclusion of part of Charged Assets

The exclusion of any part of the Charged Assets from the appointment of any Receiver shall not preclude the Security Trustee (or the Issuer, at the request of the Security Trustee) from subsequently extending his appointment (or that of the Receiver replacing him) to that part.

19.7 Statutory Powers of Appointment

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

20. PROVISIONS RELATING TO RECEIVER

20.1 Receiver Agent of Issuer

Any Receiver shall be the agent of the Issuer and the Issuer shall be solely responsible for any Receiver's acts and defaults and liable for any contracts or engagements made or entered into by any Receiver; and in no circumstances shall the Security Trustee or the Secured Creditors be in any way responsible or liable for any Breach of Duty by any Receiver or any other act or omission of any Receiver.

20.2 Remuneration of Receiver

The remuneration of any Receiver may be fixed by the Security Trustee (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise) but such remuneration shall be payable by the Issuer alone and the amount of such remuneration shall form part of the Secured Amounts, shall be secured on the Charged Assets under the Security and paid in accordance with the Post-Enforcement Priority of Payments.

20.3 Receiver and Security 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 Security Trustee.

20.4 Security from Receiver

The Security 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 Security Trustee shall not be bound in any case to require any such security.

20.5 Monies Payable to Security Trustee

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

20.6 Payments by Security Trustee to Receiver

The Security Trustee may pay over to any Receiver any monies constituting part of the Charged Assets so that such monies may be applied for the purposes of this Deed by such Receiver and the Security 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.

20.7 Sections 109(6) and (8) of LPA and Sections 24(6) and (8) of the CLPA

Sections 109(6) and (8) of the LPA and Sections 24(6) and (8) of the CLPA (relating to the application of monies received by a receiver) shall not apply in relation to any Receiver.

20.8 LPA and CLPAs Restrictions Inapplicable

None of the restrictions imposed by the LPA or the CLPAs in relation to appointment of receivers or as to the giving of notice or otherwise shall apply to this Deed of Charge.

21. POWERS OF A RECEIVER

21.1 Powers of a Receiver

Subject to applicable law, every Receiver shall (subject to any restrictions in the instrument appointing him) have and be entitled to exercise in relation to the Charged Assets 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):

- (a) all the powers conferred by the LPA and the Conveyancing and Feudal Reform (Scotland) Act 1970 on mortgagees or heritable creditors and on mortgagees or heritable creditors in possession and on receivers;
- (b) all powers of an administrative receiver set out in Schedule 1 of the Insolvency Act (whether or not the Receiver is an administrative receiver);
- (c) 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
- (d) 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:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of any or all of his rights under this Deed; or
 - (iii) the collection or getting in of the Charged Assets.

21.2 Receiver and Transaction Documents

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

22. PROTECTION OF THIRD PARTIES

22.1 Protection of third parties

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

- (a) whether any of the powers which they have exercised or purported to exercise has arisen or become exercisable; or
- (b) whether the Secured Amounts remain outstanding; or
- (c) whether any event has occurred to authorise the Security Trustee and/or any Receiver to act; or
- (d) 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.

22.2 Receipt absolute discharge

The receipt of the Security Trustee or the Receiver shall be an absolute and conclusive discharge to a purchaser or other such person as is referred to in Clause 22.1 (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 Security Trustee or the Receiver.

22.3 Purchaser defined

In Clauses 22.1 (Protection of third parties) and 22.2 (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 Assets.

22.4 Protection of Swap Provider

Notwithstanding Clause 18 (Extension and Variation of the LPA), Clause 19 (Appointment and Removal of Administrator and Receiver) and Clause 20 (Provisions Relating to Receiver), amounts standing to the credit of any Swap Collateral Account may only be withdrawn from the Swap Collateral Account in accordance with the Swap Collateral Account Priority of Payments.

23. PROTECTION OF SECURITY TRUSTEE AND RECEIVER

23.1 Protection of Security Trustee and Receiver

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

- (a) be liable to account to the Issuer or any other person whatsoever for anything except actual receipts in respect of the Charged Assets; or
- (b) be liable to the Issuer or any other person whatsoever for any loss or damage arising from realisation of the Charged Assets 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 Breach of Duty.

23.2 Entry into possession

Without prejudice to the generality of Clause 23.1 (Protection of Security Trustee and Receiver), entry into possession of the Charged Assets or any part thereof shall not render the Security Trustee or the Receiver liable to account as mortgagee or heritable creditor in possession or liable for any loss on realisation or for any default or omission for which a mortgagee or heritable creditor in possession might be liable.

23.3 Going out of possession

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

24. MODIFICATIONS

24.1 Modification of the Transaction Documents

- (a) The Note Trustee may (or in the case of paragraph (iv) below, shall) at any time and from time to time, with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders, Class VRR Noteholders, Certificateholders, or any other Secured Creditors agree with the Issuer and any other parties (and/or direct the Security Trustee to agree with the Issuer or any such other parties) in making or sanctioning any modification:
- (i) other than in respect of a Basic Terms Modification or Class VRR Entrenched Rights, to the Note Conditions, the Class VRR Note Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document, which in the opinion of the Note Trustee (acting in accordance with the Trust Deed) or, as the case may be, the Security Trustee (acting on the directions of the Note Trustee), will not be materially prejudicial to the interests of the Noteholders, the Class VRR Noteholders, the Certificateholders, or the interests of the Note Trustee or the Security Trustee;
 - (ii) other than in respect of a Basic Terms Modification or Class VRR Entrenched Rights, to the Note Conditions, the Class VRR Note Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document for the purposes of making any changes which are necessary to facilitate a Refinancing;
 - (iii) to the Note Conditions, the Class VRR Note Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document if in the opinion of the Note Trustee (acting in accordance with the Trust Deed) or, as the case may be, the Security Trustee (acting on the directions of the Note Trustee), such modification is of a formal, minor or technical nature or to correct a manifest error; or
 - (iv) to the Transaction Documents, the Note Conditions, the Class VRR Note Conditions or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party including the Swap Provider) in order to enable the Issuer (or the Swap Provider) to comply with any requirements which apply to it under European Regulation 648/2012 of 4 July 2012, known as the European Market Infrastructure Regulation (EMIR), irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes, the holders of any Class VRR Notes, the holders of any Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification or Class VRR Entrenched Rights (any such modification, an EMIR Amendment) and subject to receipt by the Note Trustee and the Security Trustee of a certificate of (a) the Issuer signed by two directors or (b) the Servicer on behalf of the Issuer certifying to the Note Trustee and the Security Trustee that the amendments requested by the Issuer (either on its own behalf or at the direction of any transaction party including the Swap Provider) are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under EMIR,

provided that, in respect of any such modification, amendment or supplement to any of the Transaction Documents, the Note Conditions, the Class VRR Note Conditions or Certificate Conditions which

would encroach on any Swap Provider Entrenched Rights, the prior written consent of the Swap Provider is also needed prior to such amendments being made.

Neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification pursuant to this Clause 24 which, in the sole opinion of the Note Trustee or, as the case may be, the Security Trustee, would have the effect of:

- (A) exposing the Note Trustee (or, as the case may be, the Security Trustee) to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or
 - (B) increasing the obligations or duties, or decreasing the protections of the Note Trustee (or, as the case may be, the Security Trustee) in the Transaction Documents and/or the Note Conditions, the Class VRR Note Conditions or the Certificate Conditions.
- (b) Notwithstanding anything to the contrary in the Trust Deed or the other Transaction Documents, when implementing any EMIR Amendment pursuant to this Clause 24, the Note Trustee (or, as the case may be, the Security Trustee) shall not consider the interests of the Noteholders, any other Secured Creditor or any other person, but shall act and rely solely and without further investigation on any certificate provided to it by the Issuer pursuant to this Clause 24 and shall not be liable to any Noteholder, Class VRR Noteholder, Certificateholder or any other Secured Creditor for so acting or relying.

24.2 Additional Right of Modification

- (a) Notwithstanding the provisions of Clause 24.1 (Modification of the Transaction Documents), the Note Trustee shall be obliged, without any consent or sanction of the Noteholders, the Class VRR Noteholders, the Certificateholders or any other Secured Creditor, subject to written consent of the Secured Creditors which are a party to the relevant Transaction Documents (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to agree with the Issuer, and/or to direct the Security Trustee to agree with the Issuer, in making any modification (other than in respect of a Basic Terms Modification or in respect of any Class VRR Entrenched Rights) to the Note Conditions, the Class VRR Note Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document to which it is a party or in relation to which it holds security or to enter into any new, supplemental or additional documents that the Issuer (in each case) considers necessary:
- (i) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that:
 - (A) the Issuer certifies in writing to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and
 - (B) in the case of any modification to a Transaction Document proposed by any of the Seller, the Servicer, the Swap Provider, the Cash Manager the Agent Bank, the Principal Paying Agent, the Citi Account Bank, the Elavon Account Bank, or the Custodian (for the purpose of this Clause 24.2 only, each a Relevant Party), in order (I) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (II) to avoid taking action which it would otherwise be required to take

to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds)):

- I. the Relevant Party certifies in writing to the Issuer, the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (B)(I) and/or (II) above; and
 - II. either:
 - (aa) the Issuer, the Relevant Party or the Servicer (on behalf of the Issuer) obtains from each of the Rating Agencies, a Rating Agency Confirmation (or certifies in writing to the Issuer (in the case of the Relevant Party or the Servicer), the Note Trustee and the Security Trustee that no Rating Agency Confirmation has been received within 30 days of a written request for such Rating Agency Confirmation) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Rated Notes by such Rating Agency and would not result in any Rating Agency placing any Rated Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer (in the case of the Relevant Party or the Servicer), the Note Trustee and the Security Trustee; or
 - (bb) the Issuer, the Relevant Party or the Servicer (on behalf of the Issuer) certifies in writing to the Note Trustee and the Security Trustee that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Rated Notes by such Rating Agency or (y) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent); and
 - III. the Relevant Party pays all costs and expenses (including legal fees) incurred by the Issuer and the Note Trustee and the Security Trustee in connection with such modification; and/or
- (ii) for the purpose of complying with any changes in the requirements of Article 6 of the Securitisation Regulation, including as a result of the adoption of additional regulatory technical standards in relation to the Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and/or
 - (iii) for the purpose of enabling the Designated Reporting Entity, the Notes, the Class VRR Notes and the Certificates to comply with the requirements of the Securitisation Regulation, including relating to (A) the treatment (if any) of the Notes, the Class VRR Notes and the Certificates as a simple, transparent and standardised securitisation, and (B) any related regulatory technical standards authorised under the Securitisation Regulation *provided* that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and/or
 - (iv) for the purpose of complying with any changes in the requirements of (A) Section 15G of the Securities Exchange Act of 1934, as amended, as added by section 941 of the Dodd-Frank

Wall Street Reform and Consumer Protection Act, after the Closing Date, (B) the CRR Amendment Regulation, or (C) any other risk retention legislation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and/or

- (v) for the purpose of enabling the Notes and Class VRR Notes to be (or to remain) listed on Euronext Dublin, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and/or
- (vi) for the purposes of enabling the Issuer or any other person that is party to a Transaction Document (a **Transaction Party**) to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer or the relevant Transaction Party, as applicable, certifies to the Security Trustee and the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and/or
- (vii) for the purposes of making any changes which are necessary to facilitate a Refinancing; and/or
- (viii) for the purposes of making any changes necessary to allow the Issuer to open additional accounts held and maintained at a bank that has the Account Bank Required Minimum Rating, and to enter into additional account bank (or other similar agreements) agreements and agreements ancillary thereto, such additional bank account agreements shall be designated as Transaction Documents,

(the certificate to be provided by the Issuer or Servicer (on behalf of the Issuer), and/or the Relevant Party, as the case may be, pursuant to paragraphs (i) to (viii) above being a **Modification Certificate**); and/or

- (ix) for the purpose of changing the reference rate in respect of the Notes from SONIA to an alternative reference rate (including where such reference rate may remain linked to SONIA but may be calculated in a different manner) (any such reference rate, an **Alternative Reference Rate**) and make such other amendments to any of the Transaction Documents as are necessary or advisable in the reasonable judgement of the Issuer (or the Servicer on behalf of the Issuer) to facilitate such change or which are required as a consequence of adopting an **Alternative Reference Rate** (a **Reference Rate Modification**), provided that:

(A) the Issuer (or the Servicer on behalf of the Issuer), certifies to the Note Trustee and the Security Trustee in writing (such certificate, a **Reference Rate Modification Certificate**) that:

- I. such Reference Rate Modification is being undertaken due to a Reference Rate Disruption; and
- II. such Alternative Reference Rate satisfies the Reference Rate Eligibility Requirement; and
- III. the modifications proposed in the context of the Reference Rate Modification are required solely for the purpose of applying the Alternative Reference Rate and making consequential modifications to the Notes Conditions, the Class VRR Note Conditions, the Certificate Conditions or any Transaction Document which are, as determined by the Issuer (or the Servicer on behalf

of the Issuer) in its commercially reasonable judgement, necessary or advisable, and the modifications have been drafted solely to such effect,

(B) and provided further that either:

- I. the Issuer has obtained from each of the Rating Agencies written confirmation (or certifies in the Reference Rate Modification Certificate that it has been unable to obtain written confirmation from each Rating Agency) that the proposed Reference Rate Modification would not result in (a) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Rated Notes by such Rating Agency or (b) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent) and, if relevant, it has provided a copy of any written confirmation to the Note Trustee and the Security Trustee, with the Reference Rate Modification Certificate; or
- II. the Issuer (or the Servicer on behalf of the Issuer), certifies in the Reference Rate Modification Certificate that it has given the Rating Agencies at least ten Business Days prior written notice of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (a) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Rated Notes by such Rating Agency or (b) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent).

Reference Rate Disruption means the occurrence of any of the following:

- (A) an alternative manner of calculating a SONIA-based rate being introduced and becoming a standard means of calculating interest in the publicly listed asset backed floating rate notes market; or
- (B) a material disruption to SONIA (as determined by the Servicer acting reasonably), an adverse change in the methodology of calculating SONIA (as determined by the Servicer acting reasonably), SONIA ceasing to exist or be published or the administrator of SONIA having used a fall-back methodology for calculating SONIA for a period of at least 30 calendar days; or
- (C) the insolvency or cessation of business of the administrator of SONIA (in circumstances where no successor administrator has been appointed); or
- (D) a public statement by the SONIA administrator that it will cease publishing SONIA permanently or indefinitely (in circumstances where no successor SONIA administrator has been appointed that will continue publication of SONIA) in each case with effect from a date no later than six months after the proposed effective date of such Reference Rate Modification; or
- (E) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued or there will be a material change to the methodology of calculating SONIA with effect from a date no later than six months after the proposed effective date of such Reference Rate Modification; or
- (F) a public statement by the supervisor of the SONIA administrator that means SONIA will be prohibited from being used or that its use is subject to restrictions or adverse consequences with effect from a date no later than six months after the proposed effective date of such Reference Rate Modification; or

- (G) a change in the generally accepted market practice in the publicly listed asset backed floating rate notes market to refer to a benchmark rate endorsed in a public statement by the Bank of England, the Financial Conduct Authority or the Prudential Regulation Authority or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates, despite the continued existence of SONIA; or
- (H) it having become unlawful and/or impossible and/or impracticable for any Agent Bank, the Issuer or the Cash Manager to calculate any payments due to be made to any Noteholder using SONIA; or
- (I) following the implementation of a Reference Rate Modification, it becomes generally accepted market practice in the publicly listed asset backed floating rate notes market to use a Reference Rate of interest which is different from the Alternative Reference Rate which had already been adopted by the Issuer in respect of the Notes pursuant to a Reference Rate Modification; or
- (J) it being the reasonable expectation of the Issuer (or the Servicer on its behalf) that any of the events specified in paragraphs (B) to (I) above (inclusive) will occur or exist within six months of the proposed effective date of such Reference Rate Modification.

Reference Rate Eligibility Requirement means the Alternative Reference Rate being any one of the following:

- (A) a reference rate published, endorsed, approved or recognised by the Bank of England, the Financial Conduct Authority or the Prudential Regulation Authority or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates (which, for the avoidance of doubt, may be an alternative reference rate together with a specified adjustment factor which may increase or decrease the relevant alternative reference rate); or
- (B) a reference rate utilised in 5 publicly-listed new issues of Sterling denominated asset backed floating rate notes prior to the effective date of such Reference Rate Modification; or
- (C) a reference rate utilised in a publicly-listed new issue of Sterling denominated asset backed floating rate notes where the originator of the relevant assets is Atom Bank or an affiliate (including any parent entity of Atom Bank, any subsidiary of any parent entity of Atom Bank and any subsidiary of Atom Bank) of Atom Bank; or
- (D) such other reference rate as the Issuer (or the Servicer on its behalf) reasonably determines, provided that this option may only be used if the Issuer (or the Servicer on behalf of the Issuer) certifies to the Note Trustee and the Security Trustee that, in its reasonable opinion, none of paragraphs (A) to (C) above (inclusive) are applicable and/or practicable in the context of this transaction, and sets out the rationale in the Reference Rate Modification Certificate for choosing the proposed Alternative Benchmark Rate.

In the case of a Reference Rate Modification, such written notice shall include details of the adjustment which the Issuer (or the Servicer on behalf of the Issuer) proposes to make (if any) to the margin payable on each Class of Notes which are the subject of the Reference Rate Modification in order to, so far as reasonably and commercially practicable, preserve what would have been the expected Rate of Interest applicable to each such Class of Notes had no

such Reference Rate Modification been effected (the **Note Rate Maintenance Adjustment** which, for the avoidance of doubt, may effect an increase or a decrease to the margin or may be set at zero), provided that:

- (1) in the event that the Bank of England, the Financial Conduct Authority or the Prudential Regulation Authority or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates, has published, endorsed, approved or recognised a note rate maintenance adjustment mechanism which could be used in the context of a transition from the Relevant Reference Rate to the Alternative Reference Rate, then the Issuer shall propose that note rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Reference Rate Modification; or
- (2) in the event that it has become generally accepted market practice in the Sterling-denominated asset backed floating rate notes market to use a particular note rate maintenance adjustment mechanism in the context of a transition from the Relevant Reference Rate to the Alternative Reference Rate, then the Issuer shall propose that note rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Reference Rate Modification; or
- (x) for the purpose of changing the reference rate that then applies in respect of the Swap Agreement to an alternative reference rate as is necessary or advisable in the commercially reasonable judgement of the Issuer (or the Servicer on its behalf) and the Swap Provider solely as a consequence of a Reference Rate Modification and solely for the purpose of aligning the reference rate of the Swap Agreement to the reference rate of the Notes following such Reference Rate Modification (a **Swap Rate Modification**), provided that the Issuer, or the Servicer on behalf of the Issuer, certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and it has been drafted solely to such effect (such certificate being a **Swap Rate Modification Certificate**),

provided that, in the case of any modification made pursuant to paragraphs (i) to (x) above:

- (A) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee and the Security Trustee;
- (B) the Modification Certificate, Reference Rate Modification Certificate or Swap Rate Modification Certificate, as applicable, in relation to such modification shall be provided to the Note Trustee and the Security Trustee both at the time the Note Trustee and the Security Trustee are notified of the proposed modification and on the date that such modification takes effect; and
- (C) the consent of each Secured Creditor which is party to the relevant Transaction Document has been obtained;
- (D) other than in the case of a modification pursuant to paragraph(a)(i)(B) above, either:
 - I. the Issuer or the Servicer (on behalf of the Issuer) obtains from each of the Rating Agencies a Rating Agency Confirmation (or certifies in the Modification Certificate that no such Rating Agency Confirmation has been received within 30 days of a written request for such Rating Agency Confirmation) that such modification would

not result in (a) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Rated Notes by such Rating Agency or (b) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent); or

- II. the Issuer or the Servicer (on behalf of the Issuer) certifies in the Modification Certificate, Reference Rate Modification Certificate or Swap Rate Modification Certificate, as applicable, that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (a) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Rated Notes by such Rating Agency or (b) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent); and
- (E) the Issuer (or the Servicer on behalf of the Issuer) certifies in writing to the Note Trustee and the Security Trustee (which certification may be in the Modification Certificate, Reference Rate Modification Certificate or Swap Rate Modification Certificate, as applicable) that (I) the Issuer has provided at least 30 calendar days' notice to the Noteholders, Class VRR Noteholders and Certificateholders of the proposed modification in accordance with Note Condition 16 (Notice to Noteholders), Class VRR Note Condition 16 (Notice to Class VRR Noteholders), Certificate Condition 15 (Notice to Certificateholders) and by publication on Bloomberg on the Company News screen relating to the Notes, Class VRR Notes and, if applicable, the Certificates, and (II) Noteholders or Certificateholders representing at least (i) 10% of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding, and/or (ii) 10% of the number of Certificates then in issue have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes and/or Certificates may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification.

If Noteholders or Certificateholders representing at least (i) 10% of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding, and/or (ii) 10% of the number of Certificates then in issue have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes and/or Certificates may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of (i) the Noteholders of the Most Senior Class then outstanding (in the event that the objection is made by such Noteholders), and/or (ii) the Certificates then in issue (in the event that the objection is made by such Certificateholders) is passed in favour of such modification in accordance with Note Condition 13 (Meetings of Noteholders, Certificateholders and Class VRR Noteholders – Modification, Waiver and Substitution) and/or Certificate Condition 12 (Meetings of Noteholders, Certificateholders and Class VRR Noteholders – Modification, Waiver and Substitution). Objections made in writing, other than through the applicable clearing system, must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes and/or the relevant Certificateholder's holding of the Certificates.

When implementing any modification pursuant to this Clause 24.2 (save to the extent the Note Trustee considers that the proposed modification would constitute a Basic Terms Modification or impact any Class VRR Entrenched Rights), neither the Note Trustee nor the Security Trustee shall consider the interests of the Noteholders, Class VRR Noteholders, Certificateholders, any other Secured Creditor or any other person but shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this Clause 24.2 and shall not be liable to the Noteholders, Class VRR Noteholders, Certificateholders or any other Secured Creditor for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.

Neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification which, in the sole opinion of the Note Trustee (or, as the case may be, the Security Trustee) would have the effect of (i) exposing the Note Trustee (or, as the case may be, the Security Trustee) to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee (or, as the case may be, the Security Trustee) in the Transaction Documents and/or the Note Conditions, the Class VRR Note Conditions or the Certificate Conditions.

25. AUTHORISATION OR WAIVER OF BREACH

The Note Trustee (or, as the case may be, the Security Trustee) may, without the consent or sanction of the Noteholders, Class VRR Noteholders, the Certificateholders or the other Secured Creditors and without prejudice to its rights in respect of any further or other breach, from time to time and at any time, but only if and in so far as in its opinion the interests of the holders of the Most Senior Class shall not be materially prejudiced thereby, authorise or waive on such terms and subject to such conditions (if any) as it may decide, any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Certificate Conditions, the Class VRR Note Conditions, the Note Conditions or any of the Transaction Documents by any party thereto, provided that the Note Trustee (or, as the case may be, the Security Trustee) shall not exercise any powers conferred on it by this Clause 25 in contravention of any express direction given by Extraordinary Resolution of the holders of the Most Senior Class or by a direction under Note Condition 11 (Events of Default), Class VRR Note Condition 11 (Events of Default) or Certificate Condition 10 (Events of Default) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made.

26. BINDING NATURE AND NOTIFICATION

Any such modification, waiver, authorisation or determination by the Note Trustee or, as applicable, the Security Trustee, in accordance with Clause 25 (Authorisation or Waiver of Breach) shall be binding on the Noteholders, Class VRR Noteholders and Certificateholders (as relevant) and, unless the Note Trustee or, as applicable, the Security Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Noteholders in accordance with Note Condition 16 (Notice to Noteholders), to the Class VRR Noteholders in accordance with Class VRR Note Condition 16 (Notice to Class VRR Noteholders) and to the Certificateholders in accordance with Certificate Condition 15 (Notice to Certificateholders), the Rating Agencies (while any Rated Notes remain outstanding) and the other Secured Creditors as soon as practicable thereafter.

27. 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 Security 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.

28. APPLICATION TO COURT

The Security 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 Assets 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 Security Trustee shall deem fit and the Security Trustee may assent to or approve any application made to the court by the Secured Creditors and shall be indemnified to its satisfaction by

the Issuer against all costs, charges and expenses incurred by it in relation to any such application or proceedings.

29. INVESTMENT BY THE SECURITY TRUSTEE

No provision of this Deed or the Transaction Documents shall (a) confer on the Security Trustee any right or obligation to exercise any investment discretion in relation to the assets subject to the trust constituted by this Deed and, to the extent permitted by law, Section 3 of the Trustee Act 2000 shall not apply to the duties of the Security Trustee in relation to the trusts constituted by these presents or (b) require the Security Trustee to do anything which may cause the Security Trustee to be considered a sponsor of a covered fund under Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any regulations promulgated thereunder.

30. REMUNERATION OF THE SECURITY TRUSTEE AND EXPENSES

- 30.1 The Issuer will pay to the Security Trustee remuneration for its services as trustee as from the date of this Deed, such remuneration to be at such rate and to be paid on such dates as may from time to time be agreed between the Issuer and the Security Trustee. Such remuneration shall accrue from day to day and be payable up to and including the date when the Secured Amounts have been discharged in full and the Security Trustee has released, reassigned and/or discharged the Charged Assets from the Security as provided under this Deed.
- 30.2 In the event of the enforcement of the Security or if the Security Trustee considers it expedient or necessary or is requested by the Issuer to undertake duties which the Security Trustee and the Issuer agree to be of an exceptional nature or which are otherwise outside the scope of the normal duties of the Security Trustee under this Deed, the Issuer will pay to the Security Trustee such additional remuneration as shall be agreed between them, which may be calculated by reference to the Security Trustee's normal hourly rates in force from time to time.
- 30.3 The Issuer will in addition pay to the Security Trustee an amount equal to the amount of any value added tax or similar tax chargeable in respect of its remuneration under this Deed.
- 30.4 In the event of the Security Trustee and the Issuer failing to agree:
- (a) (in a case to which Clause 30.1 applies) upon the amount of the remuneration; or
 - (b) (in a case to which Clause 30.2 applies) upon whether such duties are of an exceptional nature or otherwise outside the scope of the normal duties of the Security Trustee under this Deed, or upon such additional remuneration,

such matters will be determined by a person (acting as an expert and not as an arbitrator) selected by the Security Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Security Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such person being payable by the Issuer) and the determination of any such person shall be final and binding upon the Security Trustee and the Issuer.

- 30.5 The Issuer will also pay or discharge all costs, charges and expenses incurred by the Security Trustee in relation to the preparation and execution of, the exercise or attempted or purported exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Deed, including but not limited to legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Security Trustee in connection with any action taken or contemplated by or on behalf of the Security Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Deed.

31. INDEMNIFICATION OF THE SECURITY TRUSTEE

- 31.1 Without prejudice to the right of indemnity by law given to trustees, the Issuer will indemnify the Security Trustee, the Receiver and every Appointee and keep it or him indemnified against all Liabilities to which it or he may be or become subject or which may be incurred by it or him in the negotiation and preparation of this Deed and the other Transaction Documents and the execution or purported execution or exercise of any of its or his trusts, duties, rights, powers, authorities and discretions under this Deed or any other Transaction Documents or its or his functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to this Deed or any other Transaction Documents or any such appointment (including all Liabilities incurred in disputing or defending any of the foregoing). Where any amount payable by the Issuer under this Clause 31.1 has instead been paid by any person or persons other than the Issuer (each, an Indemnifying Party), the Issuer will pay to the Security Trustee an equal amount for the purpose of enabling the Security Trustee to reimburse the Indemnifying Parties.
- 31.2 All amounts payable pursuant to Clause 31.1 will be payable by the Issuer on the date specified by the Security Trustee, the Receiver or the relevant Appointee (as the case may be) and in the case of payments actually made by that demanding party or by an Indemnifying Party prior to such demand such payments will carry interest at the rate of two per cent. per annum above the base rate from time to time of the Bank of England (on the date on which the relevant payment was previously made) from the date such demand is made, and in all other cases will (if not paid within 30 days after the date of such demand or, if such demand specifies that payment is to be made on an earlier date, on such earlier date) carry interest at such rate from such 30th day or such earlier date specified in such demand. All remuneration payable to the Security Trustee, the Receiver or the relevant Appointee will carry interest at such rate from the due date therefor.
- 31.3 Unless otherwise specifically stated in any discharge of this Deed, the provisions of this Clause 31 will continue in full force and effect notwithstanding such discharge.

32. SECURITY TRUSTEE'S LIABILITY

Nothing in this Deed will in any case in which the Security Trustee has failed to show the degree of care and diligence required of it as trustee having regard to the provisions of this Deed and the other Transaction Documents conferring on it any trusts, powers, authorities or discretions exempt the Security Trustee from or indemnify it against any liability which by virtue of any rule of law would otherwise attach to it in respect of any gross negligence, wilful default or fraud of which it may be guilty in relation to its duties under this Deed.

33. SECURITY TRUSTEE CONTRACTING WITH THE ISSUER AND OTHERS

- 33.1 Neither the Security Trustee nor any director or officer or holding company, subsidiary or associated company of a corporation acting as a trustee under this Deed will by reason of its or his fiduciary position be in any way precluded from:
- (a) entering into or being interested in any contract or financial or other transaction or arrangement with the Issuer or any other party to any Transaction Document (each a Relevant Company) or any person or body corporate associated with a Relevant Company (including without limitation any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the making of loans or the provision of financial facilities or financial advice to, or the purchase, placing or underwriting of or the subscribing or procuring subscriptions for or otherwise acquiring, holding or dealing with, or acting as paying agent in respect of, the Notes or any other notes, bonds, stocks, shares, debenture stock, debentures or other securities of, a Relevant Company or any person or body corporate associated as aforesaid); or

- (b) accepting or holding the trusteeship of the Trust Deed or any other trust deed constituting or securing any other securities issued by or relating to, or any other liabilities of, a Relevant Company or any person or body corporate associated as aforesaid or any other office of profit under a Relevant Company or any such person or body corporate associated as aforesaid,

and will be entitled to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such contract, transaction or arrangement as is referred to in paragraph (a) above or, as the case may be, any such trusteeship or office of profit as is referred to in paragraph (b) above without regard to the interests of the Secured Creditors and notwithstanding that the same may be contrary or prejudicial to the interests of one or more of the Secured Creditors and will not be responsible for any Liability occasioned to the Secured Creditors thereby and will be entitled to retain and will not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

- 33.2 Where any holding company, subsidiary or associated company of the Security Trustee or any director or officer of the Security Trustee acting other than in his capacity as such a director or officer has any information, the Security Trustee will not thereby be deemed also to have knowledge of such information and, unless it has actual knowledge of such information, it will not be responsible for any loss suffered by the Secured Creditors resulting from the Security Trustee's failing to take such information into account in acting or refraining from acting under or in relation to this Deed or any other Transaction Document.

34. NEW SECURITY TRUSTEE

The power to appoint one or more new trustees under this Deed shall, subject as hereinafter provided, be vested in the Issuer but no person shall be appointed who shall not previously have been approved by (a) Extraordinary Resolution of Noteholders of the Most Senior Class of Notes, so long as there are any Notes outstanding or (b) if there are no Notes outstanding, all of the Certificateholders, or (c) if there are no Notes and no Certificates outstanding, all of the Secured Creditors. One or more persons may hold office as trustee or trustees under this Deed but such trustee or trustees shall be or include a Trust Corporation. Whenever there are more than two trustees under this Deed, the majority of such trustees will be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Security Trustee by this Deed provided that a Trust Corporation is included in such majority. Any appointment of a new trustee under this Deed must as soon as practicable thereafter be notified by the Issuer to the Secured Creditors in accordance with this Deed.

35. SEPARATE AND CO-TRUSTEES

- 35.1 Notwithstanding the provisions of Clause 34 (New Security Trustee), the Security Trustee may, upon giving prior notice to the Issuer (but without the consent of the Issuer, the Noteholders or any other Secured Creditor), appoint any person established or resident in any jurisdiction (whether a Trust Corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Security Trustee:
 - (a) if the Security Trustee considers such appointment to be in the interests of the Secured Creditors;
 - (b) for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts is or are to be performed; or
 - (c) for the purposes of enforcing the Security, obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction of either a judgment already obtained or any of the provisions of this Deed or any other Transaction Document against the Issuer or any other person.

- 35.2 The Issuer irrevocably and by way of security appoints the Security Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of this Deed and the other Transaction Documents) have such rights, powers, trusts, authorities and discretions (not exceeding those conferred on the Security Trustee by or pursuant to this Deed and the other Transaction Documents) and such duties and obligations as shall be conferred or imposed by the instrument of appointment. The Security Trustee shall have power in like manner to remove any such person. Such remuneration as the Security Trustee may pay to any such person, together with any attributable Liabilities incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of this Deed be treated as Liabilities incurred by the Security Trustee

36. SECURITY TRUSTEE'S RETIREMENT AND REMOVAL

A trustee under this Deed may retire at any time on giving not less than 60 days' prior written notice to the Issuer without giving any reason and without being responsible for any Liabilities incurred by reason of such retirement. Any trustee or trustees for the time being of this Deed may be removed by (a) the Noteholders of the Most Senior Class by Extraordinary Resolution, so long as there are any Notes outstanding, or (b) if there are no Notes outstanding, all of the Certificateholders, or (c) if there are no Notes and no Certificates outstanding, all of the Secured Creditors. The Issuer undertakes that, in the event of the only trustee under this Deed which is a Trust Corporation giving notice under this Clause 36 or being removed by Extraordinary Resolution or, as the case may be, direction of all of the Secured Creditors as described above, it will use its best endeavours to procure that a new trustee that is a Trust Corporation is appointed under this Deed as soon as reasonably practicable thereafter. The retirement or removal of any trustee will not become effective until a successor trustee which is a Trust Corporation is appointed. If, in such circumstances, no appointment of such a new trustee has become effective within 60 days of the date of such notice or Extraordinary Resolutions or, as the case may be, direction of all of the Secured Creditors, the Security Trustee will be entitled to appoint a Trust Corporation as trustee under this Deed, but no such appointment will take effect unless previously approved by Extraordinary Resolutions as aforesaid, so long as there are any Notes outstanding or all of the Secured Creditors, if there are no Notes outstanding.

37. SECURITY TRUSTEE'S POWERS TO BE ADDITIONAL

The powers conferred upon the Security Trustee under this Deed are in addition to any powers which may from time to time be vested in the Security Trustee by the general law.

38. PAYMENTS IN RESPECT OF THE NOTES, CLASS VRR NOTES AND CERTIFICATES

Any payment required by this Deed to be made by the Security Trustee in respect of the Notes, Class VRR Notes or Certificates may be paid to the Note Trustee and any such payment to the Note Trustee will be a good discharge to the Security Trustee.

39. FEES, DUTIES AND TAXES

The Issuer will pay any stamp, issue, registration, documentary and other fees, duties and taxes, including interest and penalties, payable on or in connection with (a) the execution and delivery of this Deed and the other Transaction Documents to which the Issuer is a party, (b) the constitution and original issue of the Notes, Class VRR Notes and Certificates and (c) any action taken by or on behalf of the Security Trustee or (where permitted under this Deed so to do) any Secured Creditor to enforce, or to resolve any doubt concerning, or for any other purpose in relation to, this Deed or any of the other Transaction Documents.

40. FURTHER ASSURANCES

40.1 The Issuer must, at its own expense, take whatever action the Security Trustee or a Receiver may require for:

- (a) creating, perfecting or protecting any security intended to be created by or pursuant to this Deed; or
- (b) facilitating the realisation of any Charged Assets, or the exercise of any right, power or discretion exercisable, by the Security Trustee or any Receiver or any of its delegates or sub-delegates in respect of any Charged Asset.

40.2 This includes:

- (a) the execution of any document including any transfer, conveyance, assignation, assignment or assurance of any property, whether to the Security Trustee or to its nominee; or
- (b) the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Security Trustee may think expedient and/or desirable.

41. SUPPLEMENT TO TRUSTEE ACTS

41.1 Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Trustee in relation to the trusts constituted by this Deed. Where there are any inconsistencies between the Trustee Acts and the provisions of this Deed, the provisions of this Deed will, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of this Deed will constitute a restriction or exclusion for the purposes of that Act. The Security Trustee will have all the powers conferred upon trustees by the Trustee Acts and by way of supplement thereto it is expressly declared as follows:

- (a) the Security Trustee may in relation to this Deed or any other Transaction Document act on the advice or opinion of, or a certificate or report from, or any information obtained from, any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert, whether or not obtained by (or addressed to) the Issuer, the Security Trustee, any Receiver or otherwise, and will not be responsible for any Liability occasioned by so acting;
- (b) any such advice, opinion or information may be sent or obtained by letter, telex, telegram, facsimile transmission, cable or email and the Security Trustee will not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, telex, telegram, facsimile transmission, cable or email, including in circumstances where the relevant communication contains one or more errors and/or is not authentic;
- (c) the Security Trustee may call for and will be at liberty to accept as sufficient evidence of any fact or matter or the expediency of any transaction or thing which is prima facie within the knowledge of a party to any of the Transaction Documents a certificate signed by any two Directors of such party and the Security Trustee will not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by it or any other person acting on such certificate;
- (d) the Security Trustee will be at liberty to hold this Deed and the other Transaction Documents and any other documents relating thereto or to deposit them in any part of the world with any banker or banking company or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Security Trustee to be of good

repute and the Security Trustee will not be responsible for or required to insure against any Liability incurred in connection with any such holding or deposit and may pay all sums required to be paid on account of or in respect of any such deposit;

- (e) the Security Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in this Deed or any other Transaction Document or to take any steps to ascertain whether any event which causes or may cause a right on the part of it or the Note Trustee under or in relation to any Transaction Document to become exercisable has happened and, until it shall have actual knowledge or express notice pursuant to this Deed to the contrary, the Security Trustee shall be entitled to assume that no such event has happened and that each of the relevant parties are observing and performing all their respective obligations under the Transaction Documents;
- (f) save as expressly otherwise provided in this Deed or any of the other Transaction Documents, the Security Trustee will have absolute and uncontrolled discretion as to the exercise or non-exercise of its trusts, rights, powers, authorities and discretions under this Deed or any of the other Transaction Documents (the exercise or non-exercise of which as between the Security Trustee and the Secured Creditors shall be conclusive and binding on the Secured Creditors) and will not be responsible for any Liability which may result from their exercise or non-exercise;
- (g) the Security Trustee shall not be liable to any person by reason of having acted upon:
 - (i) any Written Resolution or any Extraordinary Resolution or other resolution purporting to have been passed at any meeting of the Noteholders of any class or classes, Class VRR Noteholders or Certificateholders in respect whereof minutes have been made and signed or any direction of the Noteholders of any class or classes, Class VRR Noteholders or Certificateholders even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution, direction or request was not valid or binding upon such Noteholders; or
 - (ii) any direction provided to it by the Note Trustee or the Secured Creditors even though subsequent to its acting it may be found that there was some defect in the relevant direction;
- (h) the Security Trustee will not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Secured Creditor any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Security Trustee by the Issuer or any other person in connection with this Deed and the other Transaction Documents and no Secured Creditor will be entitled to take any action to obtain from the Security Trustee any such information;
- (i) where it is necessary or desirable for any purpose in connection with this Deed or any of the other Transaction Documents to convert any sum from one currency to another it will (unless otherwise provided by this Deed, the Trust Deed or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be agreed by the Security Trustee in consultation with the Issuer and any rate, method and date so agreed will be binding on the Issuer and the Secured Creditors;
- (j) the Security Trustee as between itself and the Secured Creditors may determine all questions and doubts arising in relation to any of the provisions of this Deed or any other Transaction Document. Every such determination, whether or not relating in whole or in part to the acts

or proceedings of the Security Trustee, shall be conclusive and shall bind the Security Trustee and the Secured Creditors;

- (k) any trustee being a lawyer, accountant, broker or other person engaged in any profession or business will be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his firm in connection with this Deed or any other Transaction Document and also his proper charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with this Deed or any other Transaction Document;
- (l) the Security Trustee may whenever it thinks fit delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint trustee under this Deed or not) all or any of its trusts, rights, powers, authorities and discretions under this Deed or any other Transaction Document. Such delegation may be made upon such terms (including power to sub-delegate) and subject to such conditions and regulations as the Security Trustee may in the interests of the Secured Creditors think fit. The Security Trustee shall not be under any obligation to supervise the proceedings or acts of any such delegate or sub delegate or be in any way responsible for any Liability incurred by reason of any misconduct, omission or default on the part of any such delegate or sub-delegate. The Security Trustee shall within a reasonable time after any such delegation or any renewal, extension or termination give notice thereof to the Issuer;
- (m) the Security Trustee may in relation to this Deed or any other Transaction Document instead of acting personally employ and pay an agent (whether being a lawyer or other professional person) to transact or conduct, or concur in transacting or conducting, any business and to do, or concur in doing, all acts required to be done in connection with this Deed or any other Transaction Document (including the receipt and payment of money). The Security Trustee will not be under any obligation to supervise the proceedings or acts of any such agent or be in any way responsible for any Liability incurred by reason of any misconduct, omission or default on the part of any such agent;
- (n) the Security Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trusts constituted by this Deed as the Security Trustee may determine. The Security Trustee will not be under any obligation to supervise the proceedings or acts of any such person or be in any way responsible for any Liability incurred by reason of any misconduct, omission or default on the part of any such person. The Security Trustee is not obliged to appoint a custodian if it invests in securities payable to bearer;
- (o) the Security Trustee will not have any responsibility for, or have any duty to make any investigation in respect of, or in any way be liable whatsoever for:
 - (i) the nature, status, creditworthiness or solvency of the Issuer or any other party to any Transaction Document;
 - (ii) the execution, delivery, legality, validity, adequacy, admissibility in evidence, enforceability, genuineness, effectiveness or suitability of any Transaction Document or any other document entered into in connection therewith or of any transfer, security or trust effected or constituted or purported to be effected or constituted by any Transaction Document or any other document entered into in connection therewith;
 - (iii) the title to, or the ownership, value, sufficiency or existence of the Charged Assets;

- (iv) the registration, filing, protection or perfection any security or the priority of any such security, whether in respect of any initial advance or any subsequent advance or any other sums or liabilities;
 - (v) any insurance in respect of any of the Charged Assets or to require any other person to maintain any such insurance;
 - (vi) the scope or accuracy of any recital, representation, warranty or statement made by or on behalf of any person in any Transaction Document or any other document entered into in connection therewith;
 - (vii) the failure by any person to obtain or comply with any licence, consent or other authority in connection with any Transaction Document;
 - (viii) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances pursuant to this Deed or the provisions of any other Transaction Document; or
 - (ix) any accounts, books, records or files maintained by any person in connection with or in respect of the Charged Assets;
- (p) except where the receipt of the same by the Security Trustee is expressly provided for by this Deed or any other Transaction Document, the Security Trustee will not be responsible to any person for failing to request, require or receive any legal opinion relating to any security granted pursuant to this Deed or any Transaction Document or any search, report, certificate, advice, valuation, investigation or information relating to any Transaction Document, any transaction contemplated by any Transaction Document, any party to any Transaction Document or any of such party's assets or liabilities or for checking or commenting upon the content of any such legal opinion, search, report, certificate, advice, valuation, investigation or information or for ensuring disclosure to the Secured Creditors of such content or any part of it or for determining the acceptability of such content or any part of it to any Secured Creditor and will not be responsible for any Liability incurred thereby;
- (q) any corporation into which the Security Trustee shall be merged or with which it shall be consolidated or any company resulting from any such merger or consolidation shall be a party hereto and shall be the Security Trustee under this Deed without executing or filing any paper or document or any further act on the part of the parties hereto;
- (r) no provision of this Deed or any other Transaction Document will:
- (i) require the Security Trustee to do anything which may be illegal or contrary to applicable law or regulation or the requirements of any regulatory authority or prevent the Security Trustee from doing anything which is necessary or desirable to comply with any applicable law or regulation or the requirements of any regulatory authority; or
 - (ii) require the Security Trustee, and the Security Trustee will not be bound, to do anything which may cause it to expend or risk its own funds or otherwise incur any Liability in the performance of any of its duties or in the exercise of any of its rights, powers, authorities or discretions or otherwise in connection with this Deed or any other Transaction Document if it believes that repayment of such funds is not assured to it or it is not indemnified to its satisfaction against such Liability and, for this purpose, the Security Trustee may demand prior to taking any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further

demand) sufficient so to indemnify it, provided that, if the Security Trustee is required to appoint a Receiver, the Security Trustee agrees that it is adequately indemnified and secured in respect of such appointment by virtue of its rights against the Issuer under this Deed and the security that it has in respect of such rights;

- (s) the Security Trustee shall have no responsibility whatsoever to the Issuer, any Noteholder or any other person for the maintenance of or failure to maintain any rating of any of the Rated Notes by any Rating Agency;
- (t) any advice, opinion, certificate, report or information called for by or provided to the Security Trustee (whether or not addressed to the Security Trustee) in accordance with or for the purposes of this Deed or any other Transaction Document may be relied upon by the Security Trustee notwithstanding that such advice, opinion, certificate, report or information and/or any engagement letter or other document entered into or accepted by the Security Trustee in connection therewith contains a monetary or other limit on liability of the person providing the same in respect thereof and notwithstanding that the scope and/or basis of such advice, opinion, certificate, report or information may be limited by any such engagement letter or other document or by the terms of the advice, opinion, certificate, report or information itself;
- (u) the Security Trustee will not be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of this Deed except in the case of its wilful default, fraud or gross negligence; and
- (v) the Security Trustee will be entitled to take into account, for the purpose of exercising or performing any right, power, trust, authority, duty or discretion under or in relation to this Deed or any other Transaction Document, among other things, to the extent that it considers, in its sole and absolute discretion, it is necessary and/or appropriate and/or relevant, any confirmation by any Rating Agency (whether or not such confirmation is addressed to, or provides that it may be relied upon by, the Security Trustee and irrespective of the method by which such confirmation is conveyed) (i) that the then current rating by it of the relevant Class of Rated Notes would not be downgraded, withdrawn or qualified by such exercise or performance and/or (ii) if the original rating of the relevant Class of Rated Notes has been downgraded previously, that such exercise or performance will not prevent the restoration of such original rating of such Class of Rated Notes.

42. NO TRANSFER OF OBLIGATIONS

Notwithstanding anything else in this Deed, the Security Trustee does not assume and will not be obliged to perform any obligations of any other Party.

43. POWER OF ATTORNEY

43.1 Appointment of Attorneys and Purposes of Appointment

The Issuer irrevocably and by way of security appoints the Security Trustee and any Receiver jointly and severally to be its attorneys (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 in respect of the Relevant Transaction Documents including the right to fix any variable margin incorporated within the SVR in respect of each Loan and its Related Security;
- (b) to demand, sue for and receive all monies due or payable under or in respect of the Transaction Documents, the Loans and their 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 and do all things that the Attorneys may consider to be necessary for (i) carrying out any obligations imposed on the Issuer under or pursuant to this Deed or (ii) exercising any of the rights conferred on the Attorneys by this Deed or by law (including, after the security constituted by or pursuant to this Deed has become enforceable, the exercise of any right of a legal or a beneficial owner of the Charged Assets).

43.2 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 43.1 (Appointment of Attorneys and Purposes of Appointment) and may revoke any such appointment at any time.

43.3 Delegation

Each of the Attorneys may delegate to one or more persons all or any of the powers referred to in Clause 43.1 (Appointment of Attorneys and Purposes of Appointment) on such terms as it thinks fit and may revoke any such delegation at any time.

43.4 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 43 (Power of Attorney) to the extent that such act, matter or deed is within the power of the Issuer.

43.5 Security

The power of attorney contained in this Clause 43 (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.

43.6 Revocation

The power of attorney contained in this Clause 43 (Power of Attorney) is irrevocable and accordingly, for so long as the obligations referred to in Clause 43.5 (Security) remain undischarged, the power of attorney contained in this Clause 43 (Power of Attorney) shall not be revoked:

- (a) by the Issuer without the consent of each of the Attorneys; or
- (b) on the occurrence of an Issuer Insolvency Event.

43.7 Exercise of Power of Attorney

- (a) The power of attorney contained in this Clause 43 (Power of Attorney) is capable of being exercised for the purposes stated in Clause 43.1(d) (Appointment of Attorneys and Purposes of Appointment) from the date hereof.
- (b) The power of attorney contained in this Clause 43 (Power of Attorney) shall not be capable of being exercised for the purposes stated in Clauses 43.1(a), 43.1(b) and 43.1(c) (Appointment of Attorneys and Purposes of Appointment), unless and until a Seller Insolvency Event occurred.

44. RESIGNATION PURSUANT TO SERVICE OF SERVICE PROVIDER REFINANCING DOCUMENT VETO NOTICE

The Security Trustee shall also have the right to resign following the service of Service Provider Refinancing Document Veto Notice, provided that such resignation shall not be effective until a replacement security trustee has been appointed under a replacement deed of charge substantially on the same terms as this Deed.

45. EXECUTION

The parties have executed this Deed as a deed and intend to deliver, and do deliver, this Deed on the date stated at the beginning of this Deed.

Issuer

EXECUTED and DELIVERED as a DEED by
ELVET MORTGAGES 2020-1 PLC
acting by MARK FILER
and

)
)
)
) Director

~~Director/Secretary~~

in the presence of:

Signature of witness 

Print name BHAVIN PATEL

Address FIFTH FLOOR, 100 WOOD STREET

..... LONDON EC2V 7EX

Occupation ASSISTANT ACCOUNTANT / PAYROLL

Security Trustee and Note Trustee

EXECUTED and DELIVERED as a DEED

by CITICORP TRUSTEE COMPANY LIMITED

acting by its attorney in the presence of:

Signature

Georgia Mitchell
Vice President

Signature of witness

Print name

JAMIN NG

Address

Citibank, N.A.
Citigroup Centre
33 Canada Square
Canary Wharf
London E14 5LB

Occupation

Bank Officer

Seller and Servicer

EXECUTED and DELIVERED as a DEED by
ATOM BANK PLC
acting by
and

)  Mark Mullen
)
) ...
) Director

.....  David McCarthy
.....
Director

Corporate Services Provider

EXECUTED and DELIVERED as a DEED

By LAW DEBENTURE CORPORATE SERVICES LIMITED:

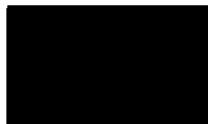

.....
Signature of director MARK FILER

.....
Signature of director/secretary

IN THE PRESENCE OF :

NAME : BHAVIN PATEL

SIGNATURE :



ADDRESS :

Fifth Floor, 100 Wood Street
London EC2V 7EX

OCCUPATION

ACCOUNT ASSISTANT / PAYROLL

Swap Provider

EXECUTED and DELIVERED as a DEED

by BNP PARIBAS, a company incorporated in France, acting by

Keshini Rajan and Stefano Beltramini
who, in accordance with the laws of that territory, are acting under the authority of that company.:

Signature in the name of the company

BNP Paribas

Signature of Keshini Rajan
Authorised Signatory

11/1/2019

[illegible]

Signature of Stefano Beltrami
Authorised Signatory

██████████

Cash Manager

EXECUTED and DELIVERED as a DEED for and on behalf of

CITIBANK, N.A., LONDON BRANCH
acting by its delegated signatory

Name

Georgia Mitchell
Vice President

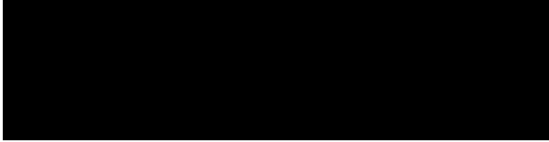
Signature

Principal Paying Agent, Agent Bank, Registrar, Custodian and Citi Account Bank

EXECUTED and DELIVERED as a DEED for and on behalf of

CITIBANK, N.A., LONDON BRANCH
acting by its delegated signatory

.....
Name



Georgia Mitchell
Vice President

.....
Signature

Elavon Account Bank

EXECUTED and DELIVERED as a DEED

by ELAVON FINANCIAL SERVICES DAC, UK BRANCH acting

by its authorised signatory in the presence of:



James Preuss
Authorised Signatory

Authorised signatory

Signature of witness



Print name

CAROLINE PREUSS

Address

117 BURNELL PARK,

CASTLEKNOCK, DUBLIN 15

IRELAND

Occupation

NURSE

SCHEDULE 1

FORM OF SECURITY PROTECTION NOTICE

CITICORP TRUSTEE COMPANY LIMITED

Citigroup Centre
Canada Square
Canary Wharf, London
E14 5LB

[Date]

To: **ELVET MORTGAGES 2020-1 PLC**

Dear Sirs

Deed of Charge dated on or about [●] 2020 between, inter alios, Elvet Mortgages 2020-1 PLC (the Issuer), Citicorp Trustee Company Limited (the Security Trustee and the Note Trustee) and Atom Bank PLC (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 Elvet Mortgages 2020-1 PLC which were the subject of the floating charge.

Yours faithfully

For and on behalf of

[●]

SCHEDULE 2

FORM OF SCOTTISH SUB-SECURITY

We, **ELVET MORTGAGES 2020-1 PLC**, a company incorporated in England and Wales (registered number 12541031) and having our registered office at 5th Floor, 100 Wood Street, London EC2V 7EX (hereinafter referred to as the **Issuer**) **CONSIDERING** that:

- (a) we have entered into a trust deed (hereinafter referred to as the **Trust Deed**) dated [●] 2020 between, among others, us the Issuer and Citicorp Trustee Company Limited, a company incorporated in England and Wales (registered number 00235914) whose registered office is at Citigroup Centre, Canada Square, London E14 5LB (hereinafter referred to as the **Security Trustee and the Note Trustee**, which expressions shall include such company and all other persons or companies for the time being acting as Security Trustee or Note Trustee under the Trust Deed and under the deed of charge aftermentioned) constituting certain mortgage backed floating rate notes;
- (b) in security of the performance of the obligations specified therein we have entered into a deed of charge dated [●] 2020 (hereinafter referred to as the **Deed of Charge**) between, inter alios, us the Issuer, the Security Trustee, and **ATOM BANK PLC** a company incorporated in England and Wales (registered number 08632552) whose registered office is at The Rivergreen Centre, Aykley Heads, Durham, England, DH1 5TS; and
- (c) in terms of the Deed of Charge we have agreed to grant this deed;

NOW THEREFORE we the Issuer 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 implement *pro tanto* of Clause 4.2 (Creation of Issuer Security) of the Deed of Charge HEREBY GRANT a Standard Security in favour of the Security Trustee over ALL and WHOLE those Standard Securities granted by the respective parties whose names are specified in Column 3 of the Schedule annexed and executed as relative hereto in favour of the party specified in the relative entry in Column 2 of the said Schedule over ALL and WHOLE the respective subjects the addresses of which are specified in the relative entry in Column 4 of the said Schedule for all sums due and to become due over the subjects therein described, [registered/recorded] said respective Standard Securities in the [Land Register of Scotland under the Title Number specified in the relative entry in Column 5 of the said Schedule/General Register of Sasines in the Register for the County specified in the relative entry in Column 5 of the said Schedule] on the date specified in the relative entry in Column 6 of the said Schedule (which said respective Standard Securities are hereinafter together referred to as the **Principal Securities**): Together with our whole right, title and interest, present and future therein and thereto: The Standard Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 (the **Standard Conditions**) 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 Schedule set out in Schedule 1 to the Incorporated Terms Memorandum dated [on or about the date of this deed][●] 2020 and signed for the purpose of identification by, inter alios, the Issuer and the Security Trustee and this deed shall be construed in accordance with the principles of interpretation and constructions set out therein;
- (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 Trust Deed or the Deed of Charge (the terms of each of which shall be deemed to be incorporated herein) extend, add to, depart from or conflict with the Standard Conditions, the Trust Deed or the Deed of Charge (as the case may be) shall, subject to the provisions of the said Act, prevail and take effect;
- (Fourth) upon the Security becoming enforceable in accordance with the Deed of Charge we shall (in addition to the circumstances specified in the said Act) be deemed to be in default within the meaning of Condition 9(1)(b) of the Standard Conditions whereupon and without prejudice to its whole other rights and powers under the said Act or the Transaction Documents, the Security Trustee shall be entitled to enforce this Standard Security in accordance with the provisions of the said Act;
- (Fifth) without prejudice to the rights and remedies of the Security Trustee under the said Act or otherwise, in the event of our being in default hereunder (a) we shall on demand grant, execute and deliver a valid assignation of the Principal Securities or any of them in favour of the Security Trustee or any nominee of the Security Trustee and (b) the Security Trustee shall have power to uplift, receive, sue for and discharge all sums and liabilities due and to become due under the Principal Securities and to enforce all the rights and obligations contained or implied therein or thereby and to discharge the same in whole or in part and generally to do whatever is or may be or would, if this deed had not been granted, have been competent to us in respect thereof, and that without the consent of or notice to us and on such terms and conditions as the Security Trustee in its absolute discretion may determine, declaring that the exercise or otherwise by the Security Trustee of all or any of the powers hereby conferred shall be without prejudice to and shall in no way restrict or discharge the obligations undertaken by us herein or otherwise; and
- (Sixth) the security rights and interests created, made or given under this deed shall be held by the Security Trustee for the Security Trustee itself and 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 Security 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 3 of the said Schedule and secured by the Principal Securities:

IN WITNESS WHEREOF these presents consisting of this and the [two] preceding page[s] are together with the Schedule annexed hereto executed at as follows:

Subscribed for and on behalf of the said

ELVET MORTGAGES 2020-1 PLC

at _____

on _____

acting by its attorney:

.....

.....

Signature of attorney

Name of attorney

before this witness:

Witness

Print Full Name

Address

Schedule referred to in the foregoing Standard Security by ELVET MORTGAGES 2020-1 PLC in favour of [●]

1	2	3	4	5	6
Account No.	Originator	Borrowers	Secured Property	Title No./County	Registration/Recording Date

[Attorney], ELVET MORTGAGES 2020-1 PLC

SCHEDULE 3

FORM OF SCOTTISH SUPPLEMENTAL CHARGE

ASSIGNATION IN SECURITY

BY:

- (1) **ELVET MORTGAGES 2020-1 PLC** a public limited company incorporated in England and Wales (registered number 12541031), whose registered office is at 5th Floor, 100 Wood Street, London EC2V 7EX (referred to herein as the **Issuer**);

with the consent of

- (2) **ATOM BANK PLC**, a public limited company incorporated in England and Wales (registered number 08632552), whose registered office is at The Rivergreen Centre, Aykley Heads, Durham, England, DH1 5TS (referred to hereinafter as the **Seller**);

in favour of

- (3) **CITICORP TRUSTEE COMPANY LIMITED**, incorporated in England and Wales (registered number 00235914) whose registered office is at Citigroup Centre, Canada Square, London E14 5LB (the **Security Trustee and the Note Trustee**, which expressions shall include such company and all other persons or companies for the time being acting as Security Trustee or Note Trustee under the Trust Deed and the deed of charge aftermentioned).

WHEREAS:

- (A) This deed is supplemental to a Deed of Charge dated on or around the effective date hereof (the **Deed of Charge**) made between, inter alios, the Issuer and the Security Trustee.
- (B) The Security Trustee inter alia holds the security constituted or to be constituted by or pursuant to the Deed of Charge for itself and on trust for the Secured Creditors (under and in terms of the Trust Deed and the Deed of Charge).
- (C) A Scottish Declaration of Trust dated on or before the effective date hereof (the **Scottish Declaration of Trust**) has been entered into between the Seller and the Issuer and delivered, in terms of which certain Scottish Loans together with their related Scottish Mortgages and other collateral security relative thereto as more fully specified and defined therein (the **Scottish Trust Property**) are held in trust by the Seller for the Issuer; and
- (D) This deed is made by the Issuer and the Seller in favour of the Security Trustee in accordance with and pursuant to Clause 4.3 (Scottish Trust Security) of the Deed of Charge.

NOW THEREFORE the parties **have agreed and do hereby agree** as follows:

1. The Master Definitions Schedule set out in Schedule 1 of the Incorporated Terms Memorandum between inter alios the Issuer and the Seller dated on or around the effective date hereof is expressly and specifically incorporated into this deed and, accordingly, the expressions defined in the Master Definitions Schedule shall, except where the context otherwise requires and save where otherwise defined therein, have the same meanings in this deed, including the recitals hereto and this deed shall be construed in accordance with the interpretation provisions set out in clause 2.2 (Interpretation) of the Master Definitions Schedule.

2. The Issuer covenants with and undertakes to the Security Trustee for its own account and as trustee for the Secured Creditors that it will duly and punctually pay and discharge the Secured Amounts in accordance with the terms of the Deed of Charge and each Transaction Document.
3. 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 Security Trustee in security for the discharge and payment of the Secured Amounts the Issuer's whole right, title and interest present and future, in and to the beneficial interest in the Scottish Trust Property and in and to the Scottish Declaration of Trust, surrogating and substituting the Security Trustee in its full right and place therein and thereto.
4. The Issuer (for itself and on behalf the Security Trustee) hereby gives notice of and intimates the assignation in security made in terms of paragraph 3 hereof to the Seller as trustee under the Scottish Declaration of Trust and the Seller by its execution of this deed consents thereto, acknowledges such notice and intimation and confirms that save under or pursuant to the Transaction Documents as at the effective date hereof it has not received notification of any other dealing with the Scottish Trust Property or the Scottish Declaration of Trust or any part thereof.
5. The parties hereby agree 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 Clause 4 (Creation of Issuer Security) of the Deed of Charge shall be deemed to be repeated herein and shall apply *mutatis mutandis* to the property referred to in paragraph 3 hereof and the security and other rights and powers created under and pursuant hereto and that the whole remaining terms of the Deed of Charge shall, except in so far as inconsistent herewith apply *mutatis mutandis* hereto provided always that this deed shall be without prejudice to the Deed of Charge and all of the rights, powers, obligations and immunities comprised therein and arising pursuant thereto, which shall remain in full force and effect notwithstanding this deed.
6. The parties agree that this deed may be executed in any number of counterparts and by each of the parties on separate counterparts.
7. The parties agree that, where executed in counterpart:
 - (a) this deed will not take effect until each of the counterparts has been delivered;
 - (b) each counterpart will be held as undelivered until the Scottish Declaration of Trust 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 deed.
8. This deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Scots law.

IN WITNESS WHEREOF these presents typewritten on this and the preceding [two] page[s] are executed in counterpart by the parties as undernoted, with an effective date of _____ and with the counterparts executed by the Issuer and the Security Trustee and the Seller being treated as delivered on such date and in such order.

Subscribed for and on behalf of the said

ELVET MORTGAGES 2020-1 PLC

at

on

by:

Mark Filer..... Full Name (Print) Director (Signature)

a director thereof

before this witness:

..... Witness Signature

..... Witness Name

..... Witness Address

.....

Subscribed for and on behalf of the said
ATOM BANK PLC

at

on

by:

..... Full Name (Print)

..... Director (Signature)

a director thereof

before this witness:

..... Witness Signature

..... Witness Name

..... Witness Address

.....

Subscribed for and on behalf of the said
CITICORP TRUSTEE COMPANY LIMITED

at _____

on _____

.....

Signature of attorney

.....

Name of attorney

in the presence of:

.....

Witness Signature

.....

Witness Name

.....

Witness Address

.....