



Registration of a Charge

Company Name: **OTIUM LIFETIME FUNDING NO. 1 LIMITED**

Company Number: **13296666**



Received for filing in Electronic Format on the: **01/11/2023**

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Details of Charge

Date of creation: **31/10/2023**

Charge code: **1329 6666 0001**

Persons entitled: **CITIBANK, N.A., LONDON BRANCH (AS SECURITY TRUSTEE)**

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: **GIORGI KILADZE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 13296666

Charge code: 1329 6666 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st October 2023 and created by OTIUM LIFETIME FUNDING NO. 1 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st November 2023 .

Given at Companies House, Cardiff on 2nd November 2023

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED

31 October

2023

OTIUM LIFETIME FUNDING NO. 1 LIMITED
(as Issuer)

- and -

SCOTTISH WIDOWS LIMITED
(as Junior Note Purchaser, Class A Note Purchaser,
Class B Note Purchaser, Class C Note Purchaser, Class
D Note Purchaser, Class E Note Purchaser and Senior
Note Purchaser in respect of the Initial Series, Start Up
Loan Provider, Direct Seller, Loss Allocation Agent,
Liquidity Facility Provider, and Investment Manager)

- and -

LLOYDS BANK PLC
(as Original Seller, Servicer, and Cash Manager)

- and -

CITIBANK, N.A., LONDON BRANCH
(as Security Trustee)

- and -

CITIBANK, N.A., LONDON BRANCH
(as Registrar and Note Agent)

- and -

INTERTRUST MANAGEMENT LIMITED
(as Corporate Services Provider)

- and -

**STATE STREET BANK AND TRUST COMPANY, LONDON
BRANCH**
(as Custodian)

MASTER DEED OF CHARGE



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LIB02/F2TI/SB/10195194

Hogan Lovells International LLP
Atlantic House, Holborn Viaduct, London EC1A 2FG

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BETWEEN:

- (1) **Otium Lifetime Funding No.1 Limited**, a private limited company incorporated in England and Wales (registered number 13296666) whose registered office is at 1 Bartholomew Lane, London EC2N 2AX (the "**Issuer**");
- (2) **Scottish Widows Limited**, a private limited company incorporated in England and Wales (registered number 03196171) whose registered office is at 25 Gresham Street, London, United Kingdom, EC2V 7HN (as "**Class A Note Purchaser**", "**Class B Note Purchaser**", "**Class C Note Purchaser**", "**Class D Note Purchaser**", "**Class E Note Purchaser**", "**Senior note Purchaser**" in respect of the Initial Series, "**Start Up Loan Provider**", "**Direct Seller**", "**Loss Allocation Agent**", "**Liquidity Facility Provider**", and "**Investment Manager**");
- (3) **Lloyds Bank Plc**, a public limited company incorporated in England and Wales registration number 00002065, and acting through its office at 25 Gresham Street London EC2V 7HN (the "**Original Seller**", "**Servicer**" and "**Cash Manager**");
- (4) **Citibank, N.A., London Branch**, a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 388 Greenwich Street, New York, NY 10013, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018 as Trustee for the Noteholders and security trustee for the Secured Parties (the "**Security Trustee**"), which expression shall, wherever the context so admits, include such company and all other Persons or companies for the time being the trustee or trustees under the Trust Deed;
- (5) **Citibank, N.A., London Branch**, a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 388 Greenwich Street, New York, NY 10013, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018 (the "**Registrar**", and the Series Note Agent in respect of Otium No. 1 Series 2023-1, a "**Series Note Agent**");
- (6) **Intertrust Management Limited**, a private limited company incorporated under the laws of England and Wales with registered number 03853947 and whose registered office is at 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX (the "**Corporate Services Provider**"); and
- (7) **State Street Bank and Trust Company, London Branch**, a bank and trust company organised under the laws of The Commonwealth of Massachusetts, U.S.A., acting through its London Branch at 20 Churchill Place, Canary Wharf, London E14 5HJ, U.K. (the "**Custodian**"),

(each a "**Party**" and together the "**Parties**").

WHEREAS:

- (A) The Issuer shall from time to time acquire certain Loans from the Direct Seller pursuant to the Securitisation Mortgage Sale Agreement.
- (B) The Issuer shall issue the Initial Series of Notes to fund the acquisition of Loans in respect of the Initial Series. The Issuer shall be entitled to issue further Series of Notes to fund the acquisition of additional Loans after the Closing Date.
- (C) The Issuer has agreed to (i) secure the Secured Liabilities of the Issuer to the General Secured Creditors pursuant to the terms of this Deed, and (ii) secure the Secured Liabilities of the Issuer to the Series Secured Creditors pursuant to the terms of the relevant Series Supplemental Deed of Charge.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The master definitions and common terms agreement signed by, amongst others, the parties to this Agreement and dated on or about the date hereof (as the same may be amended, restated, varied or supplemented from time to time, the "**Master Definitions and Common Terms Agreement**") is expressly and specifically incorporated into this Agreement and, accordingly, the expressions defined in the Master Definitions and Common Terms Agreement shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Agreement, including the recitals hereto and this Agreement shall be construed in accordance with the interpretation provisions set out in clause 1 (*Interpretation and Construction*) of the Master Definitions and Common Terms Agreement.

1.2 Interpretation

- (a) The interpretation provisions set out in the Master Definitions and Common Terms Agreement shall be expressly and specifically incorporated into this Deed as though they were set out in full in this document, with any necessary changes. In the event of any conflict between the provisions of this Deed and the Master Definitions and Common Terms Agreement, this Deed shall prevail.
- (b) This Deed is the Master Deed of Charge referred to in the Master Definitions and Common Terms Agreement.
- (c) The term "**this Deed**" means this Deed and any deed (including, for the avoidance of doubt, each Scottish Supplemental Charge and any Scottish Sub-Security) executed in accordance with, or expressed to be supplemental to, this Deed.
- (d) References in this Agreement to clauses are, unless the context otherwise requires, references to clauses of this Agreement.
- (e) References in this Agreement to paragraphs are, unless the context otherwise requires, references to paragraphs in this Agreement.

1.3 Common Terms

The Common Terms shall apply to this Agreement as if the same were set out in this Agreement. If there is any conflict between the provisions of the Common Terms and the provisions of this Agreement, the provisions of this Agreement shall prevail, save that (for

the avoidance of doubt) nothing in this Agreement shall be construed as to prevail over or otherwise alter the provisions of clause 4 (*No recourse, Non-Petition and Limited Recourse*) of the Common Terms, the provisions of which will survive the termination of this Agreement.

1.4 Interpretation

- (a) References in this Deed to paragraphs are, unless the context otherwise requires, references to paragraphs in this Deed.
- (b) Unless the context otherwise requires, a reference to a Charged Assets includes the proceeds of sale or other disposal of such Charged Assets.
- (c) Unless the context otherwise requires, the term "**all of its assets**" includes, with respect to the relevant entity, all of its undertaking and all of its property, assets and rights whatsoever and wheresoever present and future.
- (d) The term "**full title guarantee**" will be construed in accordance with the Law of Property (Miscellaneous Provisions) Act 1989 but so that the covenants implied by the Law of Property (Miscellaneous Provisions) Act 1989 in respect of the Security do not include:
 - (i) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in section 3(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1989; and
 - (ii) section 6(2) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 Notes and Security

Each Series of Notes shall be secured on, and only on:

- (a) the Series Charged Assets specified for such Series as specified in this Deed and the applicable Security Supplement and/or Scottish Supplemental Charge and/or Scottish Sub-Security; and
- (b) the General Charged Assets specified in this Deed,

with recourse limited to such Series Charged Assets and a Series Pro Rata Share of recoveries from the General Charged Assets.

The Notes of each Series shall form a separate Series and accordingly, save where specifically provided in this Deed and the applicable Security Supplement and/or Scottish Supplemental Charge and/or Scottish Sub-Security, each covenant and representation provided in favour of the Security Trustee and all other rights, liabilities and obligations of the Issuer under this Deed and the applicable Security Supplement and/or Scottish Supplemental Charge and/or Scottish Sub-Security shall apply separately to the Notes of each Series, and the expression "**Series Secured Creditors**" shall be construed as a reference to the secured creditors of such Series so that each Series shall be constituted as a separate security trust and, unless otherwise expressly provided, events affecting one Series shall not affect another Series. No Series Secured Creditor shall be entitled to request or require the Security Trustee to take any action, or desist from taking any action, in relation to any Series of Notes or Charged Assets in respect of which such Series Secured Creditor is not a Series Secured Creditor.

1.6 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Transaction Documents and of any side letters between any parties in relation to any Transaction Document are incorporated in this Deed to the extent required to give effect thereto and/or to ensure that any purported disposition of the Charged Property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.7 Execution as a Deed

It is intended that this document take effect as a deed, notwithstanding the fact that a party may only execute this document under hand.

2. ISSUER'S COVENANT TO PAY SECURED LIABILITIES

The Issuer covenants with and undertakes to the Security Trustee that it will duly and punctually pay or discharge all Secured Liabilities as provided in each agreement, instrument or document constituting and/or evidencing such Secured Liabilities (including without limitation, the Security Documents).

3. SECURITY AND DECLARATION OF TRUST

3.1 Loans and Ancillary Rights

The Issuer, with full title guarantee and as continuing security for the payment or discharge of the Secured Liabilities, hereby charges in favour of the Security Trustee, as continuing security for the payment or discharge of the Secured Liabilities owed to the applicable Series Secured Creditors in respect of the applicable Series of Notes, by way of first fixed charge all of its rights, title, interest and benefit, present and future, in, to and under the English Loans and their Ancillary Rights comprised within the Series Mortgage Loan Portfolio and all other related rights under the same including, without limitation, all monies assured by or to become payable under the same and the benefit of all covenants relating thereto and all powers and remedies for enforcing the same and the Title Deeds and documents relating to the Properties situated in England and Wales and the English Loans and their Ancillary Rights comprised within the Series Mortgage Loan Portfolio, including (without prejudice to the generality of the foregoing) any consents, postponements, reports, valuations, opinions, certificates and other statements of fact or opinion or both given in connection with the English Loans and their Ancillary Rights comprised within the Series Mortgage Loan Portfolio (and all causes and rights of action of the Issuer against any person in connection with the same) and any other contractual documents or any security documents in either case setting out the terms of the English Loans and their Ancillary Rights comprised within the Series Mortgage Loan Portfolio.

3.2 The Issuer's contractual rights

(a) Contractual Rights - General Charged Assets

The Issuer, by way of continuing first fixed security for the payment or discharge of the Secured Liabilities, with full title guarantee, hereby conveys, transfers and assigns absolutely to and in favour of the Security Trustee, as continuing security for the payment or discharge of the Secured Liabilities for itself and on behalf of the General Secured Creditors, subject to a proviso for re-assignment on redemption (or, to the extent not assignable, charges by way of a first fixed charge), all its right, title, interest and benefit, present and future, in, under and to the Framework Transaction Documents including all rights to receive payment of any amounts which may become payable to the Issuer thereunder and all payments received by

the Issuer thereunder including all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereto and the proceeds of any of the foregoing, to hold the same unto the Security Trustee.

(b) **Contractual Rights - Series Charged Assets**

The Issuer, by way of continuing first fixed security for the payment or discharge of the Secured Liabilities, with full title guarantee, hereby conveys, transfers and assigns absolutely to and in favour of the Security Trustee, as continuing security for the payment or discharge of the Secured Liabilities for itself and on behalf of the Series Secured Creditors, subject to a proviso for re-assignment on redemption (or, to the extent not assignable, charges by way of a first fixed charge), all its right, title, interest and benefit, present and future, in, under and to the relevant Series Transaction Documents including all rights to receive payment of any amounts which may become payable to the Issuer thereunder and all payments received by the Issuer thereunder including all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereto and the proceeds of any of the foregoing, to hold the same unto the Security Trustee.

(c) The term "all of its rights" as used in this Clause 3.2 includes, unless the context requires otherwise:

- (i) the benefit of all covenants, undertakings, representations, warranties and indemnities;
- (ii) all powers and remedies of enforcement and/or protection;
- (iii) all rights to receive payment of all amounts assured or payable (or to become payable) and all rights to take such steps as are required to cause payment to become due and payable; and
- (iv) all causes and rights of action,

in each case, arising under and in respect of the relevant Transaction Document.

3.3 **Trusts**

The Issuer, as continuing security for the payment or discharge of the Secured Liabilities in respect of the transaction contemplated in the Transaction Documents, with full title guarantee, hereby conveys, transfers and assigns, subject to a proviso for re-assignment on redemption (or, to the extent not assignable, charges by way of a first fixed charge), to the Security Trustee (for itself and on trust for the General Secured Creditors) by way of first fixed security all its right, title, interest and benefit, present and future, in, under and to the following:

- (a) the Collection Account Trust Property and its Investor Beneficiary Interest and all of its respective powers relative thereto; and
- (b) all monies, rights, powers and property whatsoever which may from time to time be distributed or derived from, or accrue on, or relate to, the Collection Account Declaration of Trust and the Declaration of Trust in any way whatsoever including all rights to receive payment of any amounts which may become payable to the

Issuer thereunder and all payments received by the Issuer thereunder and also including all rights to serve notices, give consents and/or make demands and/or otherwise act thereunder and pursuant thereto and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof.

3.4 Permitted Investments

The Issuer, by way of continuing first fixed security for the payment or discharge of the Secured Liabilities, with full title guarantee, hereby conveys, transfers and assigns absolutely to and in favour of the Security Trustee (for itself and on behalf of the Series Secured Creditors), as continuing security for the payment or discharge of the Secured Liabilities, subject to a proviso for re-assignment on redemption (or, to the extent not assignable, charges by way of a first fixed charge), all its right, title, interest and benefit, present and future, in, under and to the Permitted Investments made or purchased from time to time by or on behalf of the Issuer (whether owned by it or held by any nominee on its behalf) including:

- (a) all rights to receive payment of any amounts paid or payable to the Issuer thereunder in relation to such Permitted Investments and all payments received by the Issuer thereunder;
- (b) all rights (whether direct or indirect and whether of sole or co-ownership) against the Custodian and any clearing system or depositary in respect thereof or derived therefrom;
- (c) all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder;
- (d) all rights of action in respect of any breach thereof;
- (e) all rights to receive damages or obtain other relief in respect thereto; and
- (f) the proceeds of any of the foregoing,

in each case, as such Permitted Investment or the abovementioned paragraphs (a) to (f) relate to a relevant Series.

3.5 Issuer Accounts

(a) Issuer Accounts - General Charged Assets

The Issuer, with full title guarantee, and as continuing security for the payment or discharge of the Secured Liabilities hereby charges in favour of the Security Trustee (for itself and on behalf of the General Secured Creditors) by way of first fixed charge all of its rights, title, interest and benefit, present and future, in and to all monies now or at any time hereafter standing to the credit of any Issuer Accounts (with the exception of the Series Transaction Account) or any other Issuer Accounts (with the exception of the Series Transaction Account) opened from time to time, together with all interest accruing from time to time thereon, the debt represented thereby and to proceeds of any of the foregoing.

(b) Issuer Accounts – Series Charged Assets

The Issuer, with full title guarantee, and as continuing security for the payment or discharge of the Secured Liabilities hereby charges in favour of the Security Trustee

(for itself and on behalf of the Series Secured Creditors) by way of first fixed charge all of its rights, title, interest and benefit, present and future, in and to all monies now or at any time hereafter standing to the credit of the relevant Issuer Accounts relating to that Series or any other Issuer Accounts relating to that Series opened from time to time, together with all interest accruing from time to time thereon, the debt represented thereby and to proceeds of any of the foregoing.

3.6 Scottish Sub-Securities

The Issuer hereby undertakes to the Security Trustee and binds and obliges itself:

- (a) following the occurrence of a Perfection Event, upon the delivery to it of any Scottish Transfer from the Original Seller pursuant to the Securitisation Mortgage Sale Agreement forthwith to execute and deliver to the Security Trustee as continuing security for the payment or discharge of the Secured Liabilities owed to the applicable Series Secured Creditors in respect of the applicable Series of Notes a Scottish Sub-Security substantially in the form set out in Schedule 1 (*Form of Scottish Sub-Security (Land Register)*) of this Deed in respect of the Issuer's whole right, title and interest as heritable creditor under the Scottish Mortgages relating to the Scottish Loans and their Related Security to which the Issuer is entitled in terms of such Scottish Transfer;
- (b) at the time of delivery of any Scottish Sub-Security in accordance with the preceding provisions of this clause 3.6 simultaneously to deliver to the Security Trustee the relevant Scottish Transfer respectively pertaining to the applicable Scottish Mortgages specified in the said Scottish Sub-Security;
- (c) following the occurrence of a Perfection Event, if and when called upon to do so by the Security Trustee (but subject to the provisions of the Securitisation Mortgage Sale Agreement), to use all reasonable endeavours and to take all such steps as are necessary to perfect legal title to the Scottish Loans and Scottish Mortgages referred to in the relevant Scottish Transfer and their Related Security, including without limitation the registration of the Issuer as heritable creditor under such Scottish Mortgages at the Registers of Scotland and intimation thereof to the relevant Customers; and
- (d) following the occurrence of a Perfection Event, if and when called upon to do so by the Security Trustee, to use best endeavours to execute and deliver such documents, and in such form, and to take such other steps as the Security Trustee shall consider necessary to enable the Issuer (or a nominee thereof) to perfect a first ranking heritable security over the Scottish Mortgages and a first ranking fixed security over the Scottish Loans, their Related Security and all sums secured thereby.

3.7 Scottish Trust Security

- (a) The Issuer undertakes in favour of the Security Trustee forthwith upon the execution and delivery, on or after the date of this Deed, of each and every Scottish Declaration of Trust pursuant to the Securitisation Mortgage Sale Agreement in relation to each Scottish Loan sold from time to time in accordance with the terms of thereof, to execute and deliver to the Security Trustee as continuing security for the payment or discharge of the Secured Liabilities owed to the applicable Series Secured Creditors in respect of the applicable Series of Notes a Scottish Supplemental Charge substantially in the form set out in Schedule 2 (*Form of Scottish Supplemental Charge*) to this Deed. The Security Trustee authorises and

instructs the Issuer to intimate and give notice to the Original Seller of each assignation in security made thereunder as provided therein.

- (b) The Issuer undertakes to the Security Trustee at the time of delivery of any Scottish Supplemental Charge under the terms of Clause 3.7(a) simultaneously to deliver to the Security Trustee each Scottish Declaration of Trust specified therein (or a redacted copy thereof) and to take all steps as are necessary to give effect to any such Scottish Supplemental Charge.

3.8 Floating Charge

The Issuer, with full title guarantee and as continuing security for the payment or discharge of the Secured Liabilities, hereby charges to the Security Trustee (for itself and on behalf of the General Secured Creditors) by way of first floating charge the whole of its undertaking and all its property and assets whatsoever and wheresoever, present and future, including without limitation its uncalled capital, without prejudice to and including any property or assets from time to time or for the time being secured pursuant to clauses 3.1 to 3.7 (inclusive) or otherwise effectively assigned by way of security or charged by way of fixed security and extending over all of its property, assets, rights and revenues as are situated in Scotland or governed by Scots law. The floating charge created hereby is a "qualifying floating charge" for the purpose of paragraph 14 of Schedule B1 of the Insolvency Act, and accordingly paragraph 14 of Schedule B1 of the Insolvency Act shall apply to the floating charge created hereby and to this Deed, and the Security Trustee may appoint an administrator of the Issuer pursuant to paragraph 14 of Schedule B1 of the Insolvency Act.

3.9 Full Title Guarantee

Each of the dispositions, assignments of or charges over property effected in or pursuant to clauses 3.1 to 3.8 (inclusive) is made with full title guarantee or, in relation to Scottish Loans, Scottish Mortgages and their Related Security, with absolute warrandice.

3.10 Conversion of Floating Charge

The Security Trustee may convert the floating charge over all or any of the Charged Assets (other than Charged Assets situated in Scotland or governed by Scots law) into a fixed charge, or such floating charge may convert automatically, in each case in accordance with Clause 5 (*Crystallisation*).

3.11 Priority

- (a) Any fixed security created by the Issuer and subsisting in favour of the Security Trustee shall (save as the Security Trustee may otherwise declare at or after the time of its creation) have priority over the floating charge created by clause 3.8 (*Floating Charge*).
- (b) Any Security created in the future by the Issuer (except in favour of the Security Trustee) shall be expressed to be subject to this Deed and shall rank in order of priority behind the charges and security created by or pursuant to this Deed.

3.12 Further Acquired Rights

For the avoidance of doubt and subject to clauses 3.6 (*Scottish Sub-Securities*) and 3.7 (*Scottish Trust Security*), it is hereby confirmed that reference herein to Loans (including English Loans and Scottish Loans), their Related Security and related rights under the same include those which are hereafter sold or transferred to or otherwise acquired by the Issuer and that the Series Supplemental Deed of Charge created by or pursuant to clause

3.1 (*English Loans and Ancillary Rights*) to clause 3.5 (*Issuer Accounts*) (inclusive) are, and are intended to be, specific and fixed assignments and assignments by way of security of, or specific and fixed charges or standard securities over (as the case may be), the items to which they relate, both present and future acquired.

3.13 **Security Trustee's Discretion**

Without prejudice to the rights of the Security Trustee after the Series Supplemental Deed of Charge created under this Deed or this Deed has become enforceable, the Issuer hereby authorises the Security Trustee, prior to the Series Supplemental Deed of Charge created by this Deed or this Deed becoming enforceable, to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies under or in respect of the Transaction Documents referred to in this clause 3 in such manner as in its absolute discretion it shall think fit.

3.14 **Issuer Covenant**

Following the delivery of a General Charged Assets Enforcement Notice, the Issuer will exercise its rights under the Collection Account Declaration of Trust, with the instructions of the Security Trustee (acting in accordance with the Intercreditor Deed).

3.15 **Acknowledgment and Undertakings**

- (a) Each of the General Secured Creditors, and each of the parties to this Deed, by its execution hereof expressly acknowledges receipt by it of notice in writing hereunder of each of the assignments, assignments, charges and other Security Interests made or granted by the foregoing provisions of this Clause 3, and in respect of each assignment acknowledges such notice as being notice in writing of the assignment for the purposes of Section 136 of the Law of Property Act 1925, and undertakes to the Security Trustee not to do anything inconsistent with the Security given under or pursuant to this Deed or knowingly to prejudice the Security granted to the Security Trustee pursuant to this Clause 3 or the Charged Assets or the Security Trustee's interest therein provided that, without prejudice to Clause 11 (*Receiver*), nothing herein shall be construed as limiting the rights exercisable by the aforesaid parties in accordance with the terms of their respective agreements with the Issuer.
- (b) On or about the Issue Date in respect of each new Series of Notes, the Issuer shall, at the same time as delivering a Security Supplement in respect of such Series, deliver to the Parties hereto a notice of assignment in substantially the form set out in Schedule 5 (*Form of Notice of Assignment*) and shall use reasonable endeavours to procure the delivery to the Security Trustee of acknowledgments from each such Party in substantially the form set out in Schedule 5 (*Form of Notice of Assignment*).

4. **DECLARATION OF TRUST**

The Security Trustee holds all of the covenants, undertakings, other rights and benefits, in each case, which are expressed to be made or given for the benefit of the other Secured Creditors and Security Interests given under this Deed and the other Transaction Documents on trust for itself and the other Secured Creditors upon and subject to the terms and conditions of this Deed.

5. CRYSTALLISATION OF FLOATING CHARGE

5.1 Crystallisation by notice

The Security Trustee may at any time by notice in writing to the Issuer (so far as permitted by applicable law) convert the floating charge created by clause 3.8 (*Floating Charge*) into a fixed charge with immediate effect as regards any asset comprised within the floating charge created by clause 3.8 (*Floating Charge*) and specified in the notice if:

- (a) a Series Event of Default is continuing and has not been waived and the Security Trustee has been instructed to crystallise the floating charge pursuant to the terms of the Intercreditor Deed;
- (b) the Security Trustee considers that the Charged Assets may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy; or
- (c) the Security Trustee considers that it is desirable to protect the priority of the Security constituted by or pursuant to this Deed.

If no assets are specified in a notice given pursuant to this clause 5.1, it shall take effect (so far as permitted by applicable law) over all the assets comprised within the floating charge specified in the notice and created by clause 3.8 (*Floating Charge*).

5.2 Automatic crystallisation

The floating charge created by clause 3.8 (*Floating Charge*) shall, in addition and without prejudice to any other event resulting in a crystallisation of the floating charge, automatically (so far as permitted by applicable law) and (without notice to the Issuer), be converted into a fixed charge with immediate effect as regards all assets subject to the floating charge if:

- (a) the Issuer creates security over any asset comprised within the floating charge created by clause 3.8 (*Floating Charge*) other than pursuant to this Deed or attempts to do so or any such asset is disposed of contrary to the provisions of the Note Issuance Facility Agreement or the Conditions or is otherwise in jeopardy;
- (b) any person creates a trust over any such asset (other than pursuant to the Transaction Documents);
- (c) any person levies or attempts to levy any distress, execution, diligence, sequestration or other process against any such asset;
- (d) an Insolvency Event in respect of the Issuer has occurred; or
- (e) a General Charged Assets Enforcement Notice has been served.

Nothing in this clause 5.2 (*Automatic crystallisation*) shall affect the crystallisation of the floating charge created by the Issuer under applicable law and, for the avoidance of doubt, the floating charge created by clause 3.8 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:

- (i) the delivery of a Series Acceleration Notice; or
- (ii) the obtaining of a moratorium; or
- (iii) anything done with a view to obtaining a moratorium, under the UK Insolvency Act 2000.

5.3 **Future floating charge assets**

Except as otherwise stated in any notice given under clause 5.1 (*Crystallisation by notice*) or unless that notice relates to all its assets comprised within the relevant floating charge created by clause 3.8 (*Floating Charge*), prospective assets acquired by the Issuer after crystallisation has occurred under clause 5.1 (*Crystallisation by notice*) or 5.2 (*Automatic crystallisation*) shall become subject to the floating charge created by clause 3.8 (*Floating Charge*), so that the crystallisation shall be effective only as to the relevant assets in existence at the date of crystallisation.

5.4 **Reconversion**

Any charge which has crystallised under clause 5.1 (*Crystallisation by notice*) or 5.2 (*Automatic crystallisation*) may, by notice in writing given at any time by the Security Trustee to the Issuer (and so far as permitted by applicable law), be reconverted into a floating charge in relation to the assets specified in that notice.

6. **RELEASE**

6.1 **Upon discharge of Secured Liabilities**

(a) **Final Repayment Date in respect of specific Series**

Upon proof being given to the satisfaction of the Security Trustee as to the irrevocable and unconditional payment or discharge in full by the Issuer of all of the Secured Liabilities following the Final Repayment Date in respect of any given Series, the Security Trustee will, at the cost of the Issuer, take whatever action is necessary to release the security constituted by the Series Supplemental Deed of Charge and, as applicable, any Scottish Supplemental Charge or Scottish Sub-Security in respect of that Series from the Security to, or to the order of, the Issuer, provided that no assurance, security or payment which may be avoided under any enactment relating to bankruptcy or insolvency, and no release, settlement or discharge given or made by the Security Trustee on the faith of any such assurance, security or payment, will prejudice or affect the right of the Security Trustee to enforce the security constituted by the Series Supplemental Deed of Charge or such Scottish Supplemental Charge or Scottish Sub-Security in respect of that Series in respect of the full extent of the moneys and liabilities hereby secured.

(b) **Final Repayment Date in respect of all Series**

Upon proof being given to the satisfaction of the Security Trustee as to the irrevocable and unconditional payment or discharge in full by the Issuer of all of the Secured Liabilities in respect of all the Series, the Security Trustee will, at the cost of the Issuer, take whatever action is necessary to release the security constituted by the Series Supplemental Deed of Charge in respect of each such Series, as well as the security constituted by this Deed, from the Security to, or to the order of, the Issuer, provided that no assurance, security or payment which may be avoided under any enactment relating to bankruptcy or insolvency, and no release, settlement or discharge given or made by the Security Trustee on the faith of any such assurance, security or payment, will prejudice or affect the right of the Security Trustee to enforce the security constituted by this Deed or any Series Supplemental Deed of Charge in respect of the full extent of the moneys and liabilities hereby secured.

6.2 Issuer Accounts

For the avoidance of doubt, notwithstanding clause 6.1 above all amounts which the Cash Manager (on behalf of the Issuer and the Security Trustee or its Appointee) and the Account Bank is permitted to withdraw from any Issuer Account pursuant to the relevant Series Priority of Payments and the express terms of the Transaction Documents will be deemed to be released from the Security constituted by this Deed or the relevant Series Supplemental Deed of Charge upon the relevant withdrawal provided that, where the relevant amount is transferred to another Issuer Account, it will become subject to the Security in respect of that other Issuer Account.

6.3 Permitted Investments

Notwithstanding clause 6.1 above:

- (a) the Issuer may withdraw amounts standing to the credit of the Issuer Accounts from time to time for the purpose of acquiring Permitted Investments in accordance with the terms of the Account Bank Agreement and/or the Cash Management Agreement;
- (b) upon sale, realisation, disposal or redemption of any Permitted Investment charged pursuant to clause 3.4 (*Permitted Investments*), such Permitted Investments will no longer form part of the Charged Property and will automatically be released from any Security Interest constituted by this Deed, provided that the proceeds of such disposal (including any amounts received as a result of a disposal under paragraph (c) below) are paid into the relevant Issuer Account(s), subject to and in accordance with the provisions of the Account Bank Agreement, the Cash Management Agreement and this Deed; and
- (c) notwithstanding the Security, the Issuer may sell or redeem or otherwise dispose of any Permitted Investments in respect of any given Series on any day prior to the service of a Series Acceleration Notice in respect of such Series subject to the terms of this Deed, the Investment Management Agreement and the Cash Management Agreement.

6.4 Repurchase of Loans

On the repurchase by the Original Seller and/or the Direct Seller from the Issuer of any Loan and its related Ancillary Rights in accordance with the terms of the Securitisation Mortgage Sale Agreement, such Loan and its related Ancillary Rights will no longer form part of the Charged Property and will automatically be released from the Security Interest constituted by or pursuant to this Deed or the relevant Series Supplemental Deed of Charge.

6.5 No liability for loss

Without prejudice to clause 14.6 (*Security Trustee's liability*), the Security Trustee will not be liable to the Issuer or any other person for any Liability arising in connection with its acting upon a request made under this clause 6 and/or any release made under this clause 6.

7. RESTRICTIONS ON EXERCISE OF CERTAIN RIGHTS

7.1 Payments to Issuer Account(s)

At all times prior to the release, re-assignment and/or discharge under clause 6 (*Release*) of this Deed, the Issuer will, save as otherwise provided in the Transaction Documents or unless the Security Trustee otherwise agrees in writing, procure that all amounts received by the Issuer under or in respect of the Transaction Documents will be credited to the relevant Issuer Account in accordance with the terms of the Transaction Documents.

7.2 No withdrawals from Issuer Account(s)

No payment, transfer and/or withdrawal may be made from any of the Issuer Accounts other than as expressly permitted in accordance with the terms of this Deed, the Cash Management Agreement, the Servicing Agreement, the Account Bank Agreement or with the prior written consent of the Security Trustee.

8. PAYMENTS OUT OF THE ISSUER ACCOUNT(S)

8.1 No payment after enforcement

- (a) No payment, transfer and/or withdrawal may be made from any of the Issuer Accounts in respect of a given Series at any time after a Series Acceleration Notice has been delivered in respect of such Series without the prior written consent of the Security Trustee.
- (b) No payment, transfer and/or withdrawal may be made from any of the Issuer Accounts at any time after the delivery of a General Charged Assets Enforcement Notice without the prior written consent of the Security Trustee.

8.2 Priority of Payments – Series Pre-Enforcement Priority of Payments

Subject to clause 8.1 (*No payment after enforcement*), the Issuer (or the Cash Manager on its behalf) will apply the relevant Series Available Funds on each Note Payment Date prior to the service of a Series Acceleration Notice (in respect of each relevant Series) or a General Charged Assets Enforcement Notice (in respect of all Series) in accordance with the Series Pre-Enforcement Priority of Payments (in each case, only to the extent that payments or priorities of a higher order of priority have been made in full).

8.3 Priority of Payments – Series Post-Enforcement Priority of Payments

Following the delivery of a Series Acceleration Notice in respect of the relevant Series, or the delivery of a General Charged Assets Enforcement Notice, the Security Trustee shall apply Series Available Funds in accordance with the Series Post-Enforcement Priority of Payments.

8.4 Investments in Permitted Investments

Prior to service of a Series Acceleration Notice (in respect of a relevant Series) or a General Charged Assets Enforcement Notice (in respect of all Series) and notwithstanding the Security Interests constituted by this Deed and the relevant Series Supplemental Deed of Charge, Permitted Investments in respect of a Series or all Series (as the case may be) may be sold, realised, otherwise disposed of, deposited or redeemed and in accordance with the Transaction Documents subject always to the other provisions hereof (including without limitation clauses 3.4 (*Permitted Investments*) and 6.3 (*Permitted Investments*)).

9. ENFORCEMENT BY THE SECURITY TRUSTEE

9.1 Mandatory Enforcement

(a) Notwithstanding anything to the contrary in any of the Transaction Documents, the Security Trustee will not, and will not be bound to, take any steps, institute any proceedings, exercise its rights, powers or discretions and/or take any other action under or in connection with any of the Transaction Documents (including, without limitation, enforcing the Supplemental Security and/or lodging an appeal in any proceedings) unless:

(i) in respect of the General Charged Assets:

(1) the Security Trustee is directed to do so in writing by:

(A) the Instructing Party in accordance with the terms of the Intercreditor Deed; and thereafter

(B) all of the other Secured Creditors if the Notes have been redeemed in full and cancelled; and

(2) the Security Trustee has been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may render itself liable and all costs, charges, damage and expenses which it may incur by doing 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 and/or secure and/or prefund it.

(ii) in respect of the Series Charged Assets:

(1) the Security Trustee is directed to do so in writing by:

(A) the Instructing Party in accordance with the terms of the Intercreditor Deed; and thereafter

(B) all of the other Series Secured Creditors if the Notes of the relevant Series have been redeemed in full and cancelled; and

(2) the Security Trustee has been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may render itself liable and all costs, charges, damage and expenses which it may incur by doing 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 and/or secure and/or prefund it.

provided that the Security Trustee may at all times, whether or not so directed, take such action and be entitled to exercise unfettered discretion in respect of any right, power, authority or discretion which is personal to or exercisable by the Security Trustee under the Transaction Documents or is to preserve or protect the Security Trustee's position or is of a purely administrative nature.

For the avoidance of doubt, the General Charged Assets shall not become enforceable until the delivery of a General Charged Assets Enforcement Notice in accordance with the terms of the Intercreditor Deed.

- (b) The Security Trustee shall not (i) be liable to any Secured Creditor, to the Issuer, or to any other person for any action it may take in accordance with any instructions received pursuant to paragraph (a) above or (ii) be bound to enquire as to the efficacy of such instructions.
- (c) The Security Trustee shall not be responsible for (1) any failure to take any action, proceedings or other consequences to any other person where it has received a request of instruction to that effect or is acting in accordance with any written direction from the Instructing Party and any consequent delay in relation thereto and (2) any inability to exercise (or delay in the exercise of) any rights, powers or discretions and/or take any action as a result of seeking any direction or permission from the Instructing Party.
- (d) 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.
- (e) Other than as specified in the proviso to paragraph (a) above, the Security Trustee will act in a purely mechanical and administrative capacity, in that it will only follow written directions given by the Instructing Party and shall not be entitled to exercise any discretion.
- (f) The Security Trustee shall assume that (1) any written direction received by it from the Instructing Party is authentic and has been duly given by the Instructing Party and (2) unless it has received actual written notice that any such directions given by such party have been revoked, no revocation of any such instruction by such party shall affect any action taken by the Security Trustee in reliance upon such instruction or direction prior to actual receipt of the notice of revocation.

9.2 **Administrative Receiver**

- (a) Subject to clause 9.1 (*Mandatory Enforcement*) and paragraph 9.2(b) below, the Security Trustee may (subject to being indemnified and/or secured and/or prefunded to its satisfaction) appoint an administrative receiver in respect of the Issuer if it has actual notice of:
 - (i) an application for the appointment of an administrator in respect of the Issuer; or
 - (ii) the giving of a notice of intention to appoint an administrator in respect of the Issuer,and that appointment shall take effect not later than the final day by which it must take effect in order to prevent an administration proceeding.
- (b) The Security Trustee is not liable for any failure to appoint an administrative receiver in respect of the Issuer, save in the case of its own gross negligence, wilful default or fraud and, for the avoidance of doubt:
 - (i) nothing in this clause 9.2 (*Administrative Receiver*) shall be construed so as to impose on the Security Trustee any obligation to indemnify any

administrative receiver appointed by it pursuant to this clause 9.2 (*Administrative Receiver*) except to the extent of (and from) the cash and assets comprising the Supplemental Charged Property held by the Security Trustee at such time and available for such purpose; and

- (ii) the Security Trustee shall have no liability if, having used its reasonable endeavours, it is unable to find a person who is willing to be appointed as an administrative receiver on the terms as to indemnification referred to in paragraph (b)(i) above.
- (c) The Issuer waives any claims against the Security Trustee in respect of any appointment made pursuant to this clause, save to the extent arising from the gross negligence, wilful default or fraud of the Security Trustee.
- (d) Immediately on receipt of notice of the same, the Issuer shall supply to the Security Trustee full details of:
 - (i) any application to the court for an administration order under paragraph 10 of Schedule B1 of the Insolvency Act made in respect of the Issuer; and
 - (ii) without prejudice to paragraph 12(2) of Schedule B1 to the Insolvency Act) any actual or proposed appointment of an administrator by the holder of a qualifying floating charge (within the meaning of paragraph 14 of Schedule B1 to the Insolvency Act) or (without prejudice to paragraph 26(1) of Schedule B1 to the Insolvency Act) by the Issuer or its directors.

10. ENFORCEMENT OF SECURITY

10.1 General

Section 103 of the 1925 Act (restricting the power of sale) and Section 93 of the 1925 Act (restricting the right of consolidation) do not apply to the Security Interests comprised in the Supplemental Security.

10.2 Supplemental Security becoming enforceable

The Supplemental Security will, in respect of a relevant Series, become immediately enforceable on and upon the service of a Series Acceleration Notice in respect of such Series.

10.3 Privileges

The Security Trustee and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the 1925 Act on mortgagees and receivers duly appointed under the 1925 Act, except that Section 103 of the 1925 Act does not apply.

10.4 Power of Sale

The power of sale and other powers conferred by Section 101 of the 1925 Act, as extended and varied by this Deed, will arise on the execution of this Deed and be immediately exercisable at any time after the Supplemental Security has become enforceable.

10.5 Extension of the 1925 Act

- (a) The statutory powers of leasing conferred on the Security Trustee are extended so as to authorise the Security Trustee to lease, make agreements for leases, accept

surrenders of leases and grant options as the Security Trustee may think fit and without the need to comply with any provision of Section 99 or 100 of the 1925 Act.

- (b) The statutory powers of sale and the other powers conferred on the Security Trustee by Section 101(1) and (2) of the 1925 Act are extended so as to authorise the Security Trustee (upon such terms as the Security Trustee may think fit and in accordance with the terms of this Deed) to:
 - (i) make demand in the name of the other Secured Creditors or in its own right for any moneys and liabilities in respect of the Supplemental Charged Property; and
 - (ii) do all or any of the things or exercise all or any of the powers referred to in clause 12 (*Powers of Receiver*) as if each of them was expressly conferred on the Security Trustee by this Deed.

10.6 **Mortgagee in possession**

- (a) Neither the Security Trustee nor any Receiver will be liable, by reason of the Supplemental Security or entering into possession of any Supplemental Charged Property, to account as mortgagee or security holder in possession or for any loss on realisation or for any default or omission for which a mortgagee or security holder in possession might be liable. If and whenever the Security Trustee or any Receiver enters into possession of any Supplemental Charged Property, it will be entitled at any time to go out of such possession.
- (b) Each of the Security Trustee, the other Secured Creditors and any Receiver will not take any action (other than, in the case of the other Secured Creditors, with the Security Trustee's prior written consent) which would be likely to lead to the Security Trustee or the other Secured Creditors becoming a mortgagee or security holder in possession in respect of any Supplemental Charged Property.

10.7 **Protection of third parties**

No person (including a purchaser) dealing with the Security Trustee or any Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities remain outstanding or have become payable;
- (b) whether any power which the Security Trustee or that Receiver is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Security Trustee or to that Receiver is to be applied,

and the protections afforded to purchasers from a mortgagee by Section 104 and 107 of the 1925 Act and to persons dealing with an administrative receiver by Section 42(3) of the Insolvency Act 1986 will apply.

10.8 **Contingencies**

If the Supplemental Security is enforced at a time when no amount is due in respect of the Secured Liabilities or any of the Secured Liabilities are contingent or future, the Security Trustee or any Receiver may pay the proceeds of any recoveries effected by it into any

interest-bearing account to be held by it as security and applied in accordance with the terms of this Deed, the Account Bank Agreement and the Cash Management Agreement.

11. RECEIVER

11.1 Appointment of Receiver

- (a) Except as provided below, the Security Trustee (subject to being indemnified and/or secured and/or prefunded to its satisfaction) may appoint any one or more persons to be a Receiver of all or any part of the Supplemental Charged Property if the Supplemental Security has become enforceable.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the 1925 Act) does not apply to this Deed.
- (d) The Security Trustee is not entitled to appoint a Receiver solely as a result of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,under Section 1A of the Insolvency Act 1986.

11.2 Removal

The Security Trustee may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated. The Security Trustee may apply to the court for an order removing an administrative receiver.

11.3 Remuneration

The Security Trustee may fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the 1925 Act will not apply. The Issuer will pay the remuneration of any Receiver in accordance with the terms and in the manner agreed from time to time between the relevant Receiver and the Security Trustee, subject to the terms and conditions of this Deed and in accordance with the relevant Series Post-Enforcement Priority of Payments. The amount of such remuneration shall form part of the Secured Liabilities of the Issuer under this Deed and shall accordingly be secured on the Supplemental Charged Property under the Supplemental Security created by or pursuant to this Deed.

11.4 Agent of the Issuer

- (a) A Receiver will be deemed to be the agent of the Issuer for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the 1925 Act. The Issuer alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.
- (b) If a liquidator of the Issuer is appointed, the Receiver will act as principal and not as agent of the Security Trustee.

- (c) The Issuer alone shall be responsible for any Receiver's acts, defaults, misconduct and negligence and neither the Security Trustee nor any other Secured Creditor shall incur any Liability for such acts, defaults, misconduct or negligence.

11.5 Relationship with Security Trustee

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after the Supplemental Security becomes enforceable be exercised by the Security Trustee in relation to any Supplemental Charged Property without first appointing a Receiver and notwithstanding the appointment of a Receiver.

12. POWERS OF RECEIVER

12.1 General

A Receiver shall have all of the rights, powers and discretions set out in Schedule 3 (*Powers of a Receiver*) in addition to those conferred on it by any law; this includes:

- (a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the 1925 Act and the Insolvency Act 1986.

12.2 Multiple Receivers

If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

13. MODIFICATION, AUTHORISATION, WAIVER AND CONSENT

13.1 Modification

The Security Trustee shall concur with the Issuer or any other person in making any modification to any Transaction Document only if so directed by the Instructing Party and in accordance with the terms of the Intercreditor Deed and if it has been indemnified and/or secured and/or prefunded to its satisfaction.

13.2 Authorisation or Waiver

The Security Trustee shall waive or authorise (without prejudice to its rights in respect of any further or other breach) any breach or proposed breach by the Issuer or any other person of any of the covenants or provisions of any Transaction Document only if so directed by the Instructing Party and if it has been indemnified and/or secured and/or prefunded to its satisfaction.

13.3 Requests for consent or approval

If a request is made to the Security Trustee by the Issuer or any other person in respect of any Transaction Document to give its consent or approval to any event, matter or thing, then (subject to being indemnified and/or secured and/or prefunded to its satisfaction):

- (a) if any Transaction Document specifies that the Security Trustee is required to give its consent or approval to that event, matter or thing if certain specified conditions are satisfied in relation to that event, matter or thing, then the Security Trustee will

give its consent or approval to that event, matter or thing upon being satisfied that those specified conditions have been satisfied; and

- (b) in any other case, the Security Trustee shall give its consent or approval to that event, matter or thing only if so directed by the Instructing Party.

13.4 **Additional terms and conditions**

Any modification, authorisation, waiver, consent or approval provided under this clause 13 may be made or given on such terms and subject to such conditions (if any) as directed by the Instructing Party or by all of the Secured Creditors (as the case may be).

13.5 **Notice to Secured Creditors**

If required by the Security Trustee, the Issuer will as soon as practicable notify:

- (a) the Note Purchasers of the relevant Series in accordance with the Conditions; and
- (b) each of the other Secured Creditors in accordance with paragraph 16 (*Notices*) of the Common Terms,

in each case, of any modification, authorisation, waiver, consent or approval made pursuant to this clause 13.

14. **ADDITIONAL PROVISIONS REGARDING THE SECURITY TRUSTEE**

14.1 **Remuneration and Indemnification of the Security Trustee**

- (a) The Issuer shall 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, but shall in any event be subject to increases as provided in paragraph (b) below. Such remuneration shall accrue from day to day and be payable (in accordance with the applicable Series Priority of Payments) up to and including the date when, all the Notes having become due for redemption in full, the redemption moneys and interest thereon to the date of redemption have been paid to the Note Purchasers.
- (b) Upon the occurrence of a Series Event of Default or in the event of the Security Trustee considering it expedient or necessary or being requested by the Issuer to undertake duties which the Security Trustee and the Issuer agree, such agreement not to be unreasonably withheld, to be of an exceptional nature or otherwise outside the scope of the normal duties of the Security Trustee under these presents or the Transaction Documents to which it is a party the Issuer shall pay to the Security Trustee such additional remuneration as shall be agreed between the Security Trustee and the Issuer (acting on the instructions of the Instructing Party) or, failing agreement, as determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Trustee and approved by the Issuer (acting on the instructions of the Instructing Party) or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and the fee of such investment bank will be payable by the Issuer. The determination of such investment bank will be conclusive and binding on the Issuer, and the Security Trustee and the Secured Creditors.

- (c) The Issuer shall in addition pay to the Security Trustee an amount equal to the amount of any VAT chargeable in respect of its remuneration under these presents subject to being provided with a valid VAT invoice.
- (d) Subject to clause 14.6(a) (*Security Trustee's liability*) but 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 each of their officers, employees, agents, successors and permitted assigns 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 by any person 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) and the Security Trustee, Receiver and every Appointee shall be entitled to be indemnified out of the Supplemental Charged Property (subject to clause 14.6(a)).
- (e) All amounts payable pursuant to clause 14.1(b) to 14.1(d) (inclusive) will be payable by the Issuer on the date specified in a demand 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 prior to such demand such payments will carry interest at the rate of one per cent. per annum above the base rate (on the date on which the relevant payment was previously made) of the Bank of England from the date such demand is made, and in all other cases will (if not paid within 15 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 15th 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. Any amounts payable under this Clause 14 shall be paid before the Security Trustee can release the security constituted by the Series Supplemental Deed of Charge and, as applicable, any Scottish Supplemental Charge or Scottish Sub-Security in respect of any given Series.
- (f) Unless otherwise specifically stated in any discharge of this Deed, the provisions of this clause 14.1 will continue in full force and effect notwithstanding such discharge.

14.2 Supplement to Trustee Acts

To the fullest extent permitted by law, 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) **Independent advice:** the Security Trustee may in relation to this Deed or any other Transaction Document or the performance of its duties hereunder or thereunder, request and/or 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 whether or not the Liability in respect thereof is limited by a monetary cap or otherwise, and will not be responsible for any Liability occasioned by so acting. Any such advice, opinion or information may be sent or obtained by letter, facsimile transmission, e-mail or any other written means and the Security Trustee will not be liable for acting on, not acting on, or relying on any advice, opinion or information purporting to be conveyed by any such letter, facsimile transmission, e-mail or other written means, including in circumstances where the relevant communication contains one or more errors and/or is not authentic;

- (b) **Certificate:** the Security Trustee may call for and will be at liberty to rely on and/or 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 investigation or be responsible for any Liability that may be occasioned by it or any other person acting on such certificate;
- (c) **Holding on deposit:** 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;
- (d) **No notice:** 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, any Note Purchaser or the Note Agent 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;
- (e) **Discretion:** save as expressly otherwise provided in this Deed (including as provided for by clause 13 (*Modification, Authorisation, Waiver and Consent*)) or any of the other Transaction Documents, the Security Trustee will (subject to being indemnified and/or secured and/or prefunded to its satisfaction) 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 other Secured Creditors shall be conclusive and binding on the other Secured Creditors) and will not be responsible for any Liability which may result from their exercise or non-exercise but whenever the Security Trustee is under the provisions of this Deed, the Notes under the Series, or the Transaction Documents bound to act at the request or direction of the Secured Creditors or the Instructing Party, the Security Trustee will nevertheless not be so bound unless first indemnified and/or provided with security and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all Liabilities which it may incur in so doing;

- (f) **Directions:** the Security Trustee shall not be liable to any person by reason of having acted upon any direction provided to it by the Instructing Party even though subsequent to its acting it may be found that there was some defect in the relevant direction;
- (g) **Non-disclosure:** 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 or any other person 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 or any other person will be entitled to take any action to obtain from the Security Trustee any such information;
- (h) **Currency conversion:** where it is reasonably 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 or the Note Issuance Facility Agreement or a Series Supplement 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 other Secured Creditors;
- (i) **Determinations:** the Security Trustee as between itself and the other 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 other Secured Creditors;
- (j) **Professional charges:** 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 reasonable 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;
- (k) **Delegation:** 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. The Security Trustee shall not 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;
- (l) **Appointment of agents:** 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. The Security Trustee shall not be in any way responsible for any Liability incurred by reason of any misconduct, omission or default on the part of any such agent;

- (m) **Custodian or nominee:** 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. The Security Trustee shall not be 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;
- (n) **No investigation:** 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, condition, affairs, financial condition 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, suitability or admissibility in evidence 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, suitability, fitness or existence of the Supplemental Charged Property;
 - (iv) the registration, filing, protection, monitoring, maintaining or perfection of, (or any failure to register, file, protect, monitor, maintain or perfect), the Supplemental 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 Supplemental Charged Property 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, assignments, legal mortgages, charges or other further assurances pursuant to this Deed or the provisions of any other Transaction Document;
 - (ix) any accounts, books, records or files maintained by any person in connection with or in respect of the Supplemental Charged Property;

- (o) **Legal opinions, reports etc.:** the Security Trustee will not be responsible to any person for failing to request, require or receive any legal opinion relating to the Supplemental Security or any Transaction Document or any opinion, 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, monitoring, reviewing or commenting upon the content of any such legal or other 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;
- (p) **Merger:** 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;
- (q) **Illegality:** notwithstanding anything else herein contained, the Security Trustee may refrain without liability from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including but not limited to the United States of America or any jurisdiction forming a part of it, the European Union and England & Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in its opinion, necessary to comply with any such law, directive or regulation;
- (r) **Expenditure of own funds:** no provision of this Deed or any other Transaction Document will 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 and/or secured and/or prefunded 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.
- (s) **Limitation on liability:** 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;
- (t) **No liability:** the Security Trustee, subject to clause 14.6 (*Security Trustee's liability*) below, will not be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it or any other party to the Transaction Documents or any other person acting in accordance with or contrary

to the provisions of this Deed or any other Transaction Document or otherwise and irrespective of whether the Supplemental Security is held by or to the order of any such persons;

- (u) **Consents:** subject to clause 13.3 (*Requests for consent or approval*), any consent or approval given by the Security Trustee for the purposes of this Deed or any of the other Transaction Documents may be given on such terms and subject to such conditions (if any) as the Security Trustee thinks fit and, notwithstanding anything to the contrary contained in this Deed or any of the other Transaction Documents, may be given retrospectively;
- (v) **Value of Supplemental Charged Property:** the Security Trustee will not be liable for any decline in value nor any loss realised upon any sale or other disposition pursuant to this Deed of any of the Supplemental Charged Property. In particular and without limitation, the Security Trustee shall not be liable for any such decline or loss directly or indirectly arising from its acting or failing to act as a consequence of an opinion reached by it in good faith based on advice received by it in accordance with this Deed and the Transaction Documents;
- (w) **Tax:** the Security Trustee shall have no responsibility whatsoever to the Issuer, Secured Creditors or any other party to the Transaction Documents as regards any deficiency which might arise because the Security Trustee is subject to any Tax or stamp duty in respect of all or any of the Supplemental Charged Property, the income therefrom or the proceeds thereof;
- (x) **Banker, broker etc.:** any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Deed and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Deed, including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person;
- (y) **Withholding:** notwithstanding anything contained in this Deed or the other Transaction Documents, if the Security Trustee is required by law to make any deduction or withholding for or on account of Tax from any distribution or payment made by it under this Deed or if the Security Trustee is otherwise charged to, or may become liable to, Tax (other than any taxes on the Security Trustee's own net income) as a consequence of performing its duties under this Deed or the other Transaction Documents, then the Security Trustee shall make such deduction or withholding or (as the case may be) be entitled to retain out of sums received by it an amount sufficient to discharge any liability to Tax which relates to sums so received or distributed or to discharge any such other liability of the Security Trustee to Tax from the funds held by the Security Trustee on the trusts of this Deed;
- (z) **No default:** until the Security Trustee has received written notice of the occurrence of a Series Event of Default it is entitled to assume without enquiry that no event has occurred which constitutes a Series Event of Default or which would cause a right or remedy to become exercisable, whether by the Issuer or the Security Trustee, under or in respect of any of the Transaction Documents; and
- (aa) **Interests of the Secured Creditors:**

- (i) where the Security Trustee is required to have regard to the interests of any Secured Creditor, the Security Trustee may consult with such Secured Creditor and may (acting in accordance with Clause 9.1 (*Mandatory Enforcement*)) rely on the written confirmation of such Secured Creditor as to whether any act, matter or thing is or is not in the interests of, or materially prejudicial to the interests of, such Secured Creditor; and
- (ii) where under the Transaction Documents, the Security Trustee is required to consider whether any event or the exercise by it of any of its powers, authorities or discretions is or will be materially prejudicial to the interests of the Secured Creditors (or any of them), the Security Trustee shall be entitled to call for and rely and act upon the advice or opinion of any reputable financial or other adviser (whether or not such financial adviser shall be a Secured Creditor or otherwise party to any Transaction Documents) and if relied upon by the Security Trustee shall be binding on the Secured Creditors and the Security Trustee shall not incur any Liability by reason of so acting or relying.

14.3 No Supervision

The Security Trustee shall be under no obligation or duty to investigate, monitor or supervise the functions or performance by any party to any of the Transaction Documents of such party's duties or obligations under any of the Transaction Documents or any other agreement or document relating to the transactions in the Transaction Documents and contemplated by the Transaction Documents and shall be entitled, in the absence of actual knowledge to the contrary, to assume that such party is properly performing and complying with its functions and obligations under the Transaction Documents and shall have no Liability to any person from any Loss arising therefrom.

14.4 No Other Duties

The Security Trustee shall have no duties or responsibilities other than those set out in the Transaction Documents and none shall be implied.

14.5 No Transfer of Obligations

Notwithstanding anything else in this Deed, it is hereby agreed that the Security Trustee does not assume, nor shall the Security Trustee be obliged to perform, any obligations of any other party to this Deed or the other Transaction Documents or of the Issuer in respect of the Supplemental Security and nothing in this Deed shall be construed so as to transfer any of such obligations to the Security Trustee.

14.6 Security Trustee's liability

- (a) 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 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.
- (b) Notwithstanding any provision of these presents to the contrary, the Security Trustee shall not in any event be liable for indirect or consequential damages of any kind whatsoever (including, but not limited to loss of profits), whether or not

foreseeable, even if advised of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise.

14.7 **Security Trustee contracting with the Issuer and others**

- (a) 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:
 - (i) 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
 - (ii) accepting or holding the trusteeship of 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 (i) above or, as the case may be, any such trusteeship or office of profit as is referred to in paragraph (ii) 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.

- (b) 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.

14.8 **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 the Instructing Party. One or more persons may hold office as trustee or trustees under this Deed. 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. 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.

14.9 **Separate and co-trustees**

- (a) Notwithstanding the provisions of clause 14.11 (*Security Trustee's retirement and removal*), the Security Trustee may, upon giving prior notice to the Issuer (but without the consent of the Issuer, the Note Purchasers or any other Secured Creditor), appoint any person established or resident in any jurisdiction to act either as a separate trustee or as a co-trustee jointly with the Security Trustee:
 - (i) if the Security Trustee considers such appointment to be in the interests of the Secured Creditors;
 - (ii) 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
 - (iii) for the purposes of enforcing the Supplemental 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.

14.10 The Issuer irrevocably 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 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.

14.11 **Security Trustee's retirement and removal**

A trustee under this Deed may retire at any time on giving not less than 30 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 on not less than 30 days' written notice by the Instructing Party. The Issuer undertakes that, in the event of the only trustee under this Deed giving notice under this clause or being removed by the Instructing Party as described above, it will use its best endeavours to procure that a new trustee 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 is appointed. If, in such circumstances, no appointment of such a new trustee has become effective within 45 days of the date of such notice or, as the case may be, direction of the Instructing Party will be entitled to appoint a trustee under this Deed, but no such appointment will take effect unless previously approved by the Instructing Party.

14.12 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.

14.13 Payments in respect of the Notes

Any payment required by this Deed to be made by the Security Trustee in respect of the relevant Series of Notes shall be made to the Note Purchasers listed in the Register.

14.14 Fees, duties and taxes

The Issuer will, subject to and in accordance with the applicable Series Priority of Payments, pay any stamp, issue, registration, documentary and other fees, duties and similar Tax, 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 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 action taken pursuant to and in accordance with, this Deed or any of the other Transaction Documents. For the avoidance of doubt, the Security Trustee is not responsible for: (A) the payment of any Taxes or stamp duty as a result of (i) it holding the Supplemental Security, (ii) it enforcing any Supplemental Security held by it, or (iii) in respect of any remuneration or other amounts payable to it for its own account; or (B) making any deductions or withholding in respect of taxes or other governmental charges in respect of any amounts paid by the Security Trustee from the proceeds of any enforcement of the Supplemental Security.

15. ISSUER POWER OF ATTORNEY

Immediately upon execution of this Deed, the Issuer will execute and deliver to the Security Trustee the Issuer Power of Attorney substantially in the form set out in Schedule 4 (*Issuer Power of Attorney*). The Security Trustee confirms that it may only exercise the powers conferred under the Issuer Power of Attorney if:

- (a) the Supplemental Security in respect of a Series has become enforceable;
- (b) the security over the General Charged Assets has become enforceable;
- (c) it considers such action necessary for the protection or preservation of the Attorney's (as defined in the Power of Attorney) interests and rights in and to the Supplemental Charged Property; and/or
- (d) it considers such action ought to be done under the covenants, undertakings and provisions contained in this Deed.

16. FURTHER ASSURANCE

16.1 The Issuer must, at its own expense, take whatever action the Security Trustee or a Receiver may require or reasonably request in relation to the Supplemental Charged Property and any Transaction Document, including 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 Supplemental Charged Property, 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 Supplemental Charged Property.

This includes:

- (i) the execution of any document including any transfer, conveyance, assignment, assignation or assurance of any property, whether to the Security Trustee or to its nominee; or
- (ii) 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.

17. ADDITIONAL PROVISIONS RELATING TO THE SECURITY

17.1 Continuity of Security

This Deed shall be a continuing security for the Secured Creditors, notwithstanding any intermediate payment or settlement of any part of the Secured Liabilities or other matter whatever and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien, or other rights exercisable by any Secured Creditor against the Issuer or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by any Secured Creditor for any of the Secured Liabilities.

17.2 No merger

The Supplemental Security is in addition to, and will not be merged in, or in any way exclude or prejudice any other Security Interest or other right which the Security Trustee or any other Secured Creditor may now or at any time have (or would apart from the Security have) as regards the Issuer or any other person in respect of the Secured Liabilities.

17.3 Avoidance of Security or Payment

- (a) If an amount paid to the Security Trustee, the Note Purchasers or any of the other Secured Creditors under a Transaction Document is capable of being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (b) Any settlement, discharge or release between the Issuer and the Security Trustee (or any Receiver) will be conditional upon no security or payment granted or made to the Security Trustee (or any Receiver, as the case may be) by the Issuer or any other person being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force.
- (c) If any security or payment is avoided or reduced in the circumstances described in paragraph (a) above, then the Security Trustee (or any Receiver, as the case may be) will be entitled to recover the value or amount of such security or payment from the Issuer as if the relevant settlement, discharge or release had not occurred.

17.4 Retention of Security

- (a) If the Security Trustee has grounds for believing that the Issuer may be unable to pay its debts as they fall due as at the date of any payment made by the Issuer to the Security Trustee, the Note Purchasers or any of the other Secured Creditors, then the Security Trustee may retain the Supplemental Security until the expiry of a period of (subject to paragraph (b) below) one month plus the statutory period

within which any assurance, security, guarantee or payment can be avoided or invalidated after the payment and discharge in full of all Secured Liabilities notwithstanding any release, settlement, discharge or arrangement which may be given or made by the Security Trustee on, or as a consequence of, such payment or discharge of liability.

- (b) If, at any time within the period referred to in paragraph (a) above, any person presents a petition, or files documents with a court or any registrar for the winding-up or administration of the Issuer or any analogous proceedings are commenced by or against the Issuer, the Security Trustee may continue to retain the Security for such further period as it may determine and the Supplemental Security will be deemed to continue to be held as security for the payment and discharge to the Security Trustee of all of the Secured Liabilities.

17.5 Change of name, etc.

This Deed will remain valid and enforceable notwithstanding any change in the name, composition or constitution of the Security Trustee or the Issuer or any merger, amalgamation or consolidation by the Security Trustee or the Issuer with any other corporation.

18. ISSUER REPRESENTATIONS AND WARRANTIES

18.1 Title

The Issuer represents and warrants to the Security Trustee that it is the beneficial owner of the Supplemental Charged Property and the Supplemental Charged Property is free of any Encumbrances (except for Permitted Encumbrances) and any other rights or interests (including any licences) in favour of third parties.

18.2 No restriction

The Issuer represents and warrants to the Security Trustee that as at the Closing Date, none of its property, assets and/or undertaking are subject to any restriction (whether contractual or otherwise) that may render the Supplemental Security granted by the Issuer under this Deed ineffective or which otherwise prohibit the grant of such Supplemental Security.

18.3 Steps taken

The Issuer represents and warrants to the Security Trustee that it has taken all necessary steps to enable it to create the Supplemental Security in accordance with this Deed and has taken no actions or steps which will or may prejudice its rights, title and interest in, to and under the Supplemental Charged Property.

18.4 Nature of security

The Issuer represents and warrants to the Security Trustee that this Deed creates the Supplemental Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or administration or otherwise.

19. ISSUER COVENANTS

19.1 Negative pledge

Save with the prior written consent of the Security Trustee or unless otherwise permitted under any of the Transaction Documents, the Issuer covenants to the Security Trustee that

it will not, so long as any of the Secured Liabilities remain outstanding, create or permit to subsist any Encumbrance (unless arising by operation of law or a Permitted Encumbrance) over any of its assets or undertaking.

19.2 **Registration of Security**

The Issuer covenants to the Security Trustee that it will make filings with the Registrar of Companies of duly completed Forms MR01 in respect of itself together with a certified copy of this Deed, each Scottish Supplemental Charge or Scottish Sub-Security entered into pursuant hereto and each Series Supplemental Deed of Charge within the applicable time limit.

19.3 **Scottish Trust Property**

The Issuer and the Original Seller (in its capacity as trustee under each Scottish Declaration of Trust) each hereby covenant and agree with and undertake to the Security Trustee that if, at any time after the relevant Supplemental Security shall have become enforceable and the Security Trustee or any Receiver shall so require, they will, as soon as reasonably practicable, join in directing the Original 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 relevant Scottish Declaration of Trust to be wound up or performed and it will take all such action and execute all such documents as may be reasonably necessary to effect such sale or disposal or winding up or performance and the distribution or transfer of the relevant Scottish Trust Property or any part thereof in accordance with the terms of the relevant Scottish Declaration of Trust and this Deed. The Issuer and the Original Seller hereby acknowledge and consent to the foregoing as beneficiary and trustee respectively in terms of each Scottish Declaration of Trust.

20. **EVIDENCE OF INDEBTEDNESS**

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

- (a) any amount due to any Secured Creditor;
- (b) all or any part of the Secured Liabilities; or
- (c) any amounts which have been notified to the Security Trustee as being amounts due to any Secured Creditor,

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

21. **SURVIVAL**

Clause 14.1 (*Remuneration and Indemnification of the Security Trustee*) will survive the termination of this Deed and the repayment of the Notes.

22. **GOVERNING LAW**

This Deed and all non-contractual obligations arising out of or in connection with it are governed by English law.

IN WITNESS hereof this Deed has been duly executed as a Deed on the date stated at the beginning.¹

ISSUER

Executed as a deed by Otium Lifetime
Funding No.1 Limited acting by:

Per pro Intertrust Directors 1 Limited
Authorised Signatory

)
)
)
)
)
)

Alasdair Watson

In the presence of:

Witness name:

Jackie Sarpong

Address:

Title:

Manager

**1 Bartholomew Lane
London
EC2N 2AX**

JUNIOR NOTE PURCHASER

Executed as a deed for and on behalf of

SCOTTISH WIDOWS LIMITED

(in its capacity as Junior Note Purchaser)

acting by:

)
)
)
)
)
)

Authorised attorney

In the presence of:

Witness name:

Address:

22. GOVERNING LAW

This Deed and all non-contractual obligations arising out of or in connection with it are governed by English law.

IN WITNESS hereof this Deed has been duly executed as a Deed on the date stated at the beginning.¹

ISSUER)
)
 Executed as a deed by Otium Lifetime)
 Funding No.1 Limited acting by:)
)
 Per pro Intertrust Directors 1 Limited)
 Authorised Signatory)

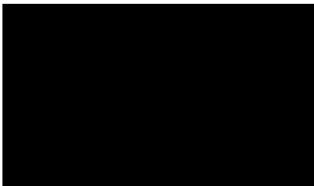
In the presence of:

Witness name:

Address:

Title:

JUNIOR NOTE PURCHASER)
)
 Executed as a deed for and on behalf of)
 SCOTTISH WIDOWS LIMITED)
 (in its capacity as Junior Note Purchaser))
 acting by:)



Authorised attorney



In the presence of:

Witness name:

Borbála Galyone dr Perczes

Address:



CLASS A NOTE PURCHASER)
)
Executed as a deed for and on behalf of)
SCOTTISH WIDOWS LIMITED)
(in its capacity as Class A Note Purchaser))
acting by:)
)
Authorised signatory)
)
In the presence of:)
)
Witness name: Borbala Galyone dr Pereczes
Address:)

CLASS B NOTE PURCHASER)
)
Executed as a deed for and on behalf of)
SCOTTISH WIDOWS LIMITED)
(in its capacity as Class B Note Purchaser))
acting by:)
)
Authorised attorney)
)
In the presence of:)
)
Witness name: Borbala Galyone dr Pereczes
Address:)

CLASS C NOTE PURCHASER)
)
Executed as a deed for and on behalf of)
SCOTTISH WIDOWS LIMITED)
(in its capacity as Class C Note Purchaser))
acting by:)
)
Authorised attorney)
)
In the presence of:)
)
Witness name: Borbala Galyone dr Pereczes
Address:)

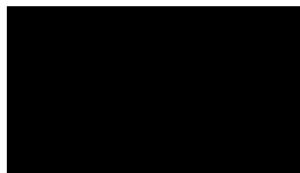
CLASS D NOTE PURCHASER)
)
Executed as a deed for and on behalf of)
SCOTTISH WIDOWS LIMITED)
(in its capacity as Class D Note Purchaser))
acting by:)
)
Authorised attorney)
)
In the presence of:)
)
Witness name: Borbala Galyone dr Pereczes
Address:)

CLASS E NOTE PURCHASER)
)
Executed as a deed for and on behalf of)
SCOTTISH WIDOWS LIMITED)
(in its capacity as Class E Note Purchaser))
acting by:)
)
Authorised attorney)
)
In the presence of:)
)
Witness name: Borbala Galyone dr Pereczes
Address:)n

SENIOR NOTE PURCHASER)
)
Executed as a deed for and on behalf of)
SCOTTISH WIDOWS LIMITED)
(in its capacity as Senior Note Purchaser))
acting by:)
)
Authorised attorney)
)
In the presence of:)
)
Witness name: Borbala Galyone dr Pereczes
Address:)

**START UP LOAN PROVIDER, DIRECT SELLER,)
LOSS ALLOCATION AGENT AND LIQUIDITY)
FACILITY PROVIDER**

Executed for and on behalf of **SCOTTISH)
WIDOWS LIMITED**)
(in its capacity as Start Up Loan Provider)
Direct Seller, Loss Allocation Agent and)
Liquidity Facility Provider))
acting by:



Authorised attorney



In the presence of:

Witness name: Borbála Galyone dr Pereczes

Address:



INVESTMENT MANAGER)

Executed as a deed for and on behalf of)
SCOTTISH WIDOWS LIMITED)
(in its capacity as Investment Manager))
acting by:)



Authorised attorney



In the presence of:

Witness name: Borbála Galyone dr Pereczes

Address:



ORIGINAL SELLER

Executed as a deed for and on)
behalf of **LLOYDS BANK PLC**)
(in its capacity as Original Seller))
acting by:)

Authorised Signatory

In the presence of:

Witness name:

Address:

**START UP LOAN PROVIDER, DIRECT SELLER,)
LOSS ALLOCATION AGENT AND LIQUIDITY)
FACILITY PROVIDER**

Executed for and on behalf of **SCOTTISH)
WIDOWS LIMITED**)
(in its capacity as Start Up Loan Provider)
Direct Seller, Loss Allocation Agent and)
Liquidity Facility Provider))
acting by:

Authorised attorney

In the presence of:

Witness name:

Address:

INVESTMENT MANAGER)
)
Executed as a deed for and on behalf of)
SCOTTISH WIDOWS LIMITED)
(in its capacity as Investment Manager))
acting by:)

Authorised attorney

In the presence of:

Witness name:

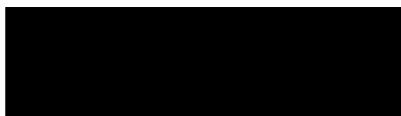
Address:

ORIGINAL SELLER

Executed as a deed for and on)
behalf of **LLOYDS BANK PLC**)
(in its capacity as Original Seller))
acting by:)



Authorised Signatory



In the presence of:

Witness name: Samantha Louise Young

Address: 125 London wall, London, EC2Y 5AS

SERVICER

Executed as a deed for and on)
behalf of **LLOYDS BANK PLC**)
(in its capacity as Servicer) acting)
by:)

Authorised Signatory

In the presence of:

Witness name: Samantha Louise Young

Address: 125 London wall, London, EC2Y 5AS

CASH MANAGER)
)
Executed as a deed for and on behalf of)
LLOYDS BANK PLC)
(in its capacity as Cash Manager))
acting by)

Authorised Signatory

In the presence of:

Witness name: Sarah Freston

Address:

SECURITY TRUSTEE)
)
Executed as a deed by and on behalf of)
CITIBANK, N.A., LONDON BRANCH)
(in its capacity as Security Trustee))
acting by a delegated signatory:)

Delegated signatory:

SERVICER

Executed as a deed for and on)
behalf of **LLOYDS BANK PLC**)
(in its capacity as Servicer) acting)
by:)

Authorised Signatory

In the presence of:

Witness name:

Address:

CASH MANAGER)
)
Executed as a deed for and on behalf of)
LLOYDS BANK PLC)
(in its capacity as Cash Manager))
acting by)

Authorised Signatory

In the presence of:

Witness name:

Address:

SECURITY TRUSTEE)
)
Executed as a deed by and on behalf of)
CITIBANK, N.A., LONDON BRANCH)
(in its capacity as Security Trustee))
acting by a delegated signatory:)



Stuart N. Hoare
Vice President

Delegated signatory:

REGISTRAR

)

)

Executed as a deed for and on behalf of

)

CITIBANK, N.A., LONDON BRANCH

)

(in its capacity as Registrar)

acting by a delegated signatory:

Stuart N. Hoare
Vice President

Delegated signatory:

SERIES NOTE AGENT

)

)

Executed as a deed for and on behalf of

)

CITIBANK, N.A., LONDON BRANCH

)

(in its capacity as Series Note Agent)

acting by a delegated signatory:

Stuart N. Hoare
Vice President

Delegated signatory:

CORPORATE SERVICES PROVIDER

)

)

Executed as a deed for and on behalf of

)

INTERTRUST MANAGEMENT LIMITED acting by

)

Director

In the presence of

Witness signature:

Witness name:

Witness address:

- 39 -

REGISTRAR)
)
Executed as a deed for and on behalf of)
CITIBANK, N.A., LONDON BRANCH)
(in its capacity as Registrar)
acting by a delegated signatory:

Delegated signatory:

SERIES NOTE AGENT)
)
Executed as a deed for and on behalf of)
CITIBANK, N.A., LONDON BRANCH)
(in its capacity as Series Note Agent)
acting by a delegated signatory:

Delegated signatory:

CORPORATE SERVICES PROVIDER)
)
Executed as a deed for and on behalf of)
INTERTRUST MANAGEMENT LIMITED acting by)

Director

In the presence of

Witness signature:

Witness name: Aline Sternberg

Witness address:

CUSTODIAN

Executed as a deed for and on behalf of
STATE STREET BANK AND TRUST COMPANY,
LONDON BRANCH ACTING by its duly authorised
signatory



In the presence of

Witness signature:



Witness name: Molly Banks

Witness address: State Street, 20 Churchill Place, London, E14 5HJ

SCHEDULE 1

Form of Scottish Sub-Security

We, **Otium Lifetime Funding No. 1 Limited** a private limited company incorporated under the Companies Act in England and Wales (company number 13296666) and having our registered office at 1 Bartholomew Lane, London EC2N 2AX (hereinafter referred to as the "**Issuer**")
CONSIDERING that:

1. We have entered into a Note Issuance Facility Agreement dated [***] (as the same may amended, restated, varied, supplemented or amended and restated from time to time) between, among others, us and **Scottish Widows Limited** a private limited liability company incorporated under the laws of England and Wales, having its registered office at 25 Gresham Street London EC2V 7HN and with company number 03196171 (in various capacities) ("**Note Issuance Facility Agreement**");
2. Pursuant to the [Note issuance Facility Agreement][an Issue Deed dated [***] (the "**Issue Deed**") we have issued the Series [***] Notes (the "**Notes**")
3. In security of the performance inter alia of the obligations specified in the Note Issuance Facility Agreement we have entered into a master deed of charge dated [***] between us and **Citibank, N.A., London Branch** (the "**Security Trustee**" which expression shall include such persons and all other persons for the time being acting as the security trustee thereunder) (the "**Master Deed of Charge**") and a security supplement between *inter alios* us and the Security Trustee dated on or about [***] (being together with the Master Deed of Charge, the "**Deeds of Charge**").
4. In terms of the Deeds of Charge we have agreed to grant this Deed;
5. This Deed is made in respect of the following Series: Otium No. 1 Series 2023-1 (the "**Series**"); and
6. Capitalised terms in this Deed (including the recitals hereto) shall, except where the context otherwise requires and save where otherwise defined herein, bear the meanings ascribed to them in the master definitions and common terms agreement (hereinafter referred to as "**Master Definitions and Common Terms Agreement**") dated [***] (as the same may be amended, restated, varied, supplemented or amended and restated from time to time) between inter alios ourselves and the Security Trustee and this Deed shall be construed in accordance with the principles of interpretation and construction set out therein:

NOW THEREFORE we the Issuer, in security of the payment or 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 Liabilities in clause 2 (*Issuer's covenant to pay Secured Liabilities*) of the Master Deed of Charge owed to the applicable Series Secured Creditors in respect of the Notes HEREBY GRANT a Standard Security in favour of the Security Trustee (for itself and on behalf of the Series Secured Creditors in respect of the Notes) over ALL and WHOLE those Standard Securities granted by the Customers whose names are specified in Column 2 of the Schedule annexed and signed as relative hereto and whose individual mortgage account numbers with Lloyds Bank plc (the "**Original Seller**") are specified in the relative entry in Column 1 of the said Schedule in favour of the Original Seller over the property therein described (the address of which is specified in the relative entry in Column 3 of the said Schedule), [the said Standard Securities being registered in the Land Register of Scotland under the Title Number(s) specified in the relative entry in Column 4 of the said Schedule on the date specified in the relative entry in Column 5 of the said Schedule] [OR] [lying in the county specified in the relative entry in Column 4 of the said Schedule, the said respective

Standard Securities being recorded in the General Register of Sasines for the county specified as aforesaid in the relative entry in Column 4 of the said Schedule on the date specified in the relative entry in Column 5 of the said Schedule] (which said Standard Securities are hereinafter together referred to as the "**Principal Securities**" and individually referred to as a "**Principal Security**"): Together with our whole right, title and interest, present and future therein and thereto: The Standard Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 and any lawful variation thereof operative for the time being shall apply: And we agree that:

- (First)** Conditions 1 to 7 (inclusive) of the Standard Conditions shall not apply to this Standard Security;
- (Second)** the remaining Standard Conditions shall be varied to the effect that insofar as the provisions of the Deeds of Charge (the terms of which shall be deemed to be incorporated herein) extend, add to, depart from or conflict with the said Standard Conditions, the Deeds of Charge shall, subject to the provisions of the said Act, prevail and take effect;
- (Third)** upon the Deeds of Charge becoming immediately enforceable, in accordance with the provisions of clauses 9 and/or 10 of the Master 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;
- (Fourth)** 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
- (Fifth)** the security rights and interests created, made or given under or pursuant to this Deed shall be held by the Security Trustee for itself and the Series Secured Creditors for the Notes upon and subject to the terms and conditions of the Deeds of Charge and the Principal Securities and other property and rights secured pursuant to this Deed shall be Series Charged Assets applicable to the Notes:

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 (i) the Scottish Loans granted by or entered into with the said Customers whose names are specified in Column 2 of the said Schedule annexed hereto and whose individual mortgage account numbers with the Seller are specified in the relative entries in Column 1 of the

said Schedule annexed hereto and secured by the Principal Securities, and (ii) the Related Security (other than the related Principal Security):

This Deed shall be governed by and construed in accordance with Scots law.

IN WITNESS WHEREOF these presents written on this [and the two preceding page[s]] are executed at [] on [] as follows:

Subscribed for and on behalf of the
said **Otium Lifetime Funding No. 1**
Limited by:

Name:
Position: Director

In the presence of:

Signature of witness:

Name of witness:

Address of witness:

[Note: When completing this Sub-Security Deed, please ensure that the pro forma signature details appear on the final page of the Sub-Security Deed, ie on a page containing part of the text of the Sub-Security Deed, and that the signatory of Otium Lifetime Funding No. 1 Limited also signs the right hand corner of the Schedule.]

This is the Schedule referred to in the foregoing Standard Security by Otium Lifetime Funding No. 1 Limited in favour of Citibank, N.A., London Branch

1	2	3	4	5
Account Number	Customers	Secured Property Address	Title Numbers/County	Registration/Recording Date

Definitions and Common Terms Agreement shall, except where the context otherwise requires and save where otherwise defined herein, 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 the Master Definitions and Common Terms Agreement.

2. In security for the payment or 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 Liabilities in clause 2 (*Issuer's covenant to pay Secured Liabilities*) of the Master Deed of Charge owed to the applicable Series Secured Creditors in respect of the Notes, the Issuer as holder of the beneficial interest therein and with absolute warrandice and subject to the proviso for release contained in clause 6 (*Release*) of the Master Deed of Charge HEREBY ASSIGNS to and in favour of the Security Trustee (as trustee for itself and the Series Secured Creditors in respect of the Notes) the Issuer's whole right, title and interest, present and future, in and to 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.
3. The Issuer (for itself and on behalf of the Security Trustee) hereby gives notice of and intimates the assignation in security made in terms of clause 2 hereof to the Original Seller and the Original Seller by its execution hereof 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 Loans or the Scottish Trust Property or any part thereof.
4. The parties hereby agree that all the obligations, undertakings, covenants, rights and powers specified and contained in the Deeds of Charge which relate to the property referred to in and the security and other rights and powers created under and pursuant to clause 3 (*Security*) of the Master Deed of Charge shall be deemed to be repeated herein and shall apply *mutatis mutandis* to the property referred to in clause 2 hereof and the security and other rights and powers created under and pursuant hereto and that the whole remaining terms of the Master 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 Deeds 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.
5. This deed may be executed in any number of counterparts and by each of the parties on separate counterparts. Where executed in counterpart:
 - (a) this deed will not take effect until each of the counterparts hereof, together with the Scottish Declaration of Trust, have been delivered;
 - (b) each counterpart will be held as undelivered until 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.
6. This deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the law of Scotland.

IN WITNESS WHEREOF these presents written on this [and the preceding page] are executed in counterpart by the parties as undernoted, with an effective date of [●] and with the counterparts

executed by the Issuer and the Original Seller being treated as delivered on such date and in such order as follows:

SUBSCRIBED for and on behalf of the said
Otium Lifetime Funding No. 1 Limited

at

on

by

Full Name

Director/authorised signatory for and on behalf
of Intertrust Directors 1 Limited as Director

In the presence of this witness:

Witness

Full Name

Address

SUBSCRIBED for and on behalf of the said
Lloyds Bank plc

at

on

by

Full Name

Authorised Signatory

in the presence of this witness

Witness

Full Name

Address

SCHEDULE 3

Powers of a Receiver

1. **Possession:** A Receiver may take immediate possession of, get in and collect any Supplemental Charged Property (or such part thereof in respect of which it may be appointed) or any part thereof including income whether accrued before or after the date of its appointment.
2. **Carry on business:** A Receiver may carry on, manage, concur in or authorise the management of, or appoint a manager of, the whole or any part of the business of the Issuer in any manner he thinks fit.
3. **Employees:**
 - (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
 - (b) A Receiver may discharge any person appointed by the Issuer.
4. **Borrow money:** In connection with the exercise or the proposed exercise of any of its powers or in order to obtain payment of its remuneration (whether or not it is already payable), A Receiver may raise and borrow money either unsecured or on the security of any Supplemental Charged Property either in priority to the Supplemental Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.
5. **Sale of Assets:**
 - (a) A Receiver may sell, exchange, convert into money and realise any Supplemental Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit.
 - (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
6. **Transfer:** A Receiver may transfer all or any of the Supplemental Charged Property and/or any of the liabilities to any other company or body corporate, whether or not formed or acquired for the purpose and to form a subsidiary or subsidiaries of the Issuer.
7. **Compromise:** A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Issuer or relating in any way to any Supplemental Charged Property, provided that, any such claim has priority to or ranks *pari passu* with this Deed.
8. **Legal Actions:** A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Supplemental Charged Property which he thinks fit.
9. **Receipts:** A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Supplemental Charged Property.
10. **Subsidiaries:** A Receiver may form a Subsidiary of the Issuer and transfer to that Subsidiary any Supplemental Charged Property.
11. **Delegation:** A Receiver may delegate his powers in accordance with this Deed.

12. **Lending:** A Receiver may lend money or advance credit to any customer of the Issuer.
13. **Protection of Assets:** A Receiver may:
 - (a) effect any repair or insurance and do any other act which the Issuer might do in the ordinary conduct of its business to protect or improve any Supplemental Charged Property; and/or
 - (b) to protect, maintain, repair, alter, improve, replace, exploit, add to and develop or concur in so doing the Supplemental Charged Property or any part thereof in any manner and for any purpose whatsoever,in each case as he thinks fit.
14. **Uncalled Capital:** A Receiver may call up or require the directors of the Issuer to call up any uncalled capital of the Issuer.
15. **Payment of Expenses:** A Receiver may pay and discharge, out of the profits and income of the Supplemental Charged Property and any moneys made by it in carrying on the business of the Issuer, the expenses incurred by it in connection with the carrying on and management of that business or in the exercise of any of the powers conferred by this clause or otherwise in respect of the Supplemental Charged Property and all other expenses which it shall think fit to pay and will apply the residue of those profits and income in accordance with the terms of this Deed.
16. **Scheme of arrangement:** A Receiver may generally carry out, or cause or authorise to be carried out, any transaction, scheme or arrangement whatsoever, whether similar or not to any of the foregoing, in relation to the Supplemental Charged Property which it may consider expedient as effectually as if it were solely and absolutely entitled to the Supplemental Charged Property.
17. **Delegate:** A Receiver may delegate its powers by way of power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed on the terms (including the power to sub-delegate) and subject to any regulations which such Receiver may think fit and such Receiver will not be liable or responsible in any way to the Issuer or the Security Trustee for any loss or liability arising from any act, omission, negligence, wilful default or fraud on the part of any such delegate or sub-delegate.
18. **Other Powers:** A Receiver may:
 - (a) exercise all powers as are described in Schedule 1 and Schedule 2 to the Insolvency Act 1986 whether or not the Receiver is an "administrative receiver" as defined in that Act or Order (as applicable);
 - (b) do all other acts and things which he may consider desirable or necessary for realising any Supplemental Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
 - (c) exercise in relation to any Supplemental Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Supplemental Charged Property; and
 - (d) use the name of the Issuer for any of the above purposes.

Provided nevertheless that a Receiver will not be authorised to exercise any of the aforesaid powers, authorities and discretions if and insofar and so long as (i) the Security Trustee excludes the same in writing whether at the time of his appointment or subsequently and/or (ii) the Security Trustee is prohibited from exercising such powers, authorities or discretions by the terms of any Transaction Document.

SCHEDULE 4

Issuer Power of Attorney

THIS POWER OF ATTORNEY is made on [***] by **Otium Lifetime Funding No. 1 Limited** (registered number 13296666), and having its registered office at 1 Bartholomew Lane, London EC2N 2AX (the "**Principal**").

WHEREAS

- (1) By virtue of a master deed of charge dated [***] (the "**Master Deed of Charge**") and made between the Principal and the Security Trustee provision was made under clause 15 (*Issuer Power of Attorney*) for the execution by the Principal of this Power of Attorney.
- (2) Words and phrases used in this Power of Attorney shall (save where expressed to the contrary) have the same meanings as the words and phrases in the Master Deed of Charge.

NOW THIS POWER OF ATTORNEY WITNESSES

1. The Principal, by way of security for the performance of the covenants and undertakings on the part of the Principal contained in the Master Deed of Charge, hereby irrevocably appoints the Security Trustee and any other person or persons for the time being the trustee or trustees of and under the Master Deed of Charge (the "**Attorney**") and any Receiver (including any administrative receiver) and any manager (together, the "**Receiver**") appointed from time to time by the Attorney or on its behalf to be its true and lawful attorney with full power and authority of the Principal in its name or otherwise for and in the Principal's name or otherwise jointly and severally to do any act or thing in the circumstances set out in clause 15 (*Issuer Power of Attorney*) of the Master Deed of Charge including (without limitation):
 - (a) to do every act or thing which the Attorney or Receiver may deem to be reasonably necessary, proper or expedient for fully and effectually vesting, transferring or assigning the Security and/or the Supplemental Charged Property or any part thereof and/or the Principal's estate, right, title, benefit and/or interest therein or thereto in or to the Attorney and its successors in title or other person or persons entitled to the benefit thereof in the same manner and as fully and effectually in all respects as the Principal could have done; and/or
 - (b) to do every act or thing which the Attorney or Receiver reasonably considers in each case bona fide necessary for the protection or preservation of the Attorney's interests and rights in and to the Supplemental Charged Property or the security constituted by the General Charged Assets; and/or
 - (c) the Attorney shall have the power by writing under its hand by an officer of the Attorney (including every Receiver appointed under the Master Deed of Charge) from time to time to appoint a substitute attorney (each a "**Substitute**") who shall have the power to act on behalf of the Principal as if that Substitute shall have been originally appointed Attorney by this Power of Attorney and/or to revoke any such appointment at any time without assigning any reason therefore.
2. In favour of the Attorney, any Receiver and/or Substitute, or a person dealing with any of them and the successors and assigns of such a person, all acts done and documents executed or signed by the Attorney, a Receiver or a Substitute in the purported exercise of

any power conferred by this Power of Attorney shall for all purposes be valid and binding on the Principal and its successors and assigns.

- (a) The Principal irrevocably and unconditionally undertakes to indemnify the Attorney and each Receiver and/or Substitute appointed from time to time by the Attorney and their respective estates against all actions, proceedings, claims, costs, expenses and liabilities of every description arising from the exercise, or the purported exercise, of any of the powers conferred by this Power of Attorney.
 - (b) The provisions of this clause 2 shall continue in force after the revocation or termination, howsoever arising, of this Power of Attorney.
3. The laws of England shall apply to this Power of Attorney and the interpretation thereof and to all acts of the Attorney and each Receiver and/or Substitute carried out or purported to be carried out under the terms hereof.
4. The Principal hereby agrees at all times hereafter to ratify and confirm whatsoever the said Attorney or its attorney or attorneys or any Receiver or Substitute shall lawfully do or cause to be done in and concerning the Security and/or the Supplemental Charged Property.

IN WITNESS whereof this Power of Attorney has been EXECUTED and delivered as a DEED by the Principal the day and year first before written.

EXECUTED as a deed by **Otium**)
Lifetime Funding No. 1 Limited (in)
its capacity as the Issuer) acting by)
two directors)

Director

Director/Secretary

SCHEDULE 5

FORM OF NOTICE OF ASSIGNMENT

FROM: Otium Lifetime Funding No. 1 Limited
To: Bank of Scotland plc
CC: Citibank, N.A., London Branch

Date [●]

Dear Sirs

We hereby give you notice that, in respect of a master deed of charge between, among others, us and the Security Trustee dated [***] (the "**Master Deed of Charge**"), we have entered into a security supplement with the Security Trustee dated [***] (the "**Series Supplemental Deed of Charge**") where we have, among other things, assigned absolutely (subject to re-assignment on redemption) to the Security Trustee all our rights, title, interest and benefit, present and future, in, to and under all the charged documents specified in the Series Supplemental Deed of Charge (such documents being the "**Charged Documents**").

Words and expressions used herein and not defined shall have the meanings given to them in or through the Master Deed of Charge.

Subject to any other instructions given to you by the Security Trustee, you are authorised and instructed to deal with us in relation to the Charged Documents to which you are a party as if the assignment referred to in the preceding paragraph had not taken place, save that you are not authorised or instructed to recognise the exercise by us of any right to vary or terminate the Charged Documents to which you are a party unless the prior written consent of the Security Trustee has been obtained thereto or as otherwise provided in the Charged Documents to which you are a party.

You are authorised and instructed to give notice to the Security Trustee in the event that we are in breach of any of our material obligations under the Charged Documents to which you are a party which would permit you to terminate or cancel such Charged Document(s).

For the avoidance of doubt, so long as you comply with this notice and the terms of the Transaction Documents to which you are a party, you shall not be responsible to the Security Trustee for the correctness of any payments or withdrawals made from any Issuer Account(s) and you shall not be deemed to be a trustee for the Security Trustee of any Issuer Account.

None of the instructions, authorisations and confirmations in this notice can be revoked in any way except with the Security Trustee's prior written consent. Please acknowledge receipt of this notice to the Security Trustee by way of countersignature.

This notice (and all non-contractual obligations and liabilities arising out of or in connection with it) shall be governed by and construed in accordance with English law. We irrevocably submit to the exclusive jurisdiction of the Court of England and Wales in respect of any claim, dispute or difference arising out of or in connection with this notice.

Yours faithfully

.....
Otium Lifetime Funding No. 1 Limited

Agreed and acknowledged:

.....

Bank of Scotland plc

SCHEDULE 6

Form of Security Supplement

This Security Supplement is made as a Deed on [●].

This Security Supplement is made in respect of the following Series: [***]

BETWEEN:

- (1) **OTIUM LIFETIME FUNDING No.1 LIMITED**, a private limited company incorporated in England and Wales (registered number 13296666) whose registered office is at 1 Bartholomew Lane, London EC2N 2AX (the "**Issuer**"); and
- (2) **CITIBANK, N.A., LONDON BRANCH**, a national banking association organised under the laws of the United States of America, acting through its London Branch, with its registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, branch number BR001018, registered at Companies House, Cardiff (acting in its capacity as the "**Security Trustee**", which expression shall include such company and all other persons or companies for the time being acting as security trustee (or co-trustee) pursuant to the this Deed).

WHEREAS:

- (A) The parties have entered into the Master Deed of Charge which secures the Secured Liabilities of the Issuer to the General Secured Creditors.
- (B) In accordance with the terms of the Transaction Documents, the Issuer may issue additional Series of Notes and may grant additional security in respect of such new Series issuances.
- (C) In connection with the issuance of the Series [***] Notes (the "**Notes**") the parties propose to enter into this Security Supplement pursuant to which the Issuer will secure the Series Charged Assets in favour of the Security Trustee (for itself and on behalf of the relevant Series Secured Creditors).
- (D) Once executed, this Security Supplement, together with the Master Deed of Charge, will constitute a Series Supplemental Deed of Charge in respect of the relevant Series of Notes.

1. SECURITY

- 1.1 The Issuer and the Security Trustee have entered into this Security Supplement to specify the Series Charged Assets applicable to the Notes.
- 1.2 The terms of the Master Deed of Charge shall apply to this Security Supplement as though they were set out in full herein as supplemented by the definitions and relevant issue specific information set out below.
- 1.3 For the purposes of clause 3.2(b) (*Contractual rights – Series Charged Assets*) of the Master Deed of Charge, the Issuer as continuing security for the payment or discharge of the Secured Liabilities owed to the applicable Series Secured Creditors in respect of the applicable Series of Notes, with full title guarantee hereby conveys, transfers and assigns to the Security Trustee (for itself and on trust for the Series Secured Creditors) by way of first fixed security all its right, title, interest and benefit, present and future, in, under and to the Series Charged Assets of the applicable Series set out below and all of its powers related thereto to hold the same unto the Security Trustee for its own account and as security trustee for the Series Secured Creditors:

Series Charged Account(s)	Issuer	[Insert details]
Series Mortgage Portfolio	Loan	[Insert details of Pool designated as part of such Series]
Series Charged Rights	Contractual	[The contractual rights under the relevant Series Liquidity Facility Agreement, Series Supplement, and Series Start Up Loan Agreement]
Other		[TBC]

2. COVENANT TO PAY

The Issuer hereby acknowledges and agrees to uphold the covenant to pay set out in clause 2 (*Issuer's Covenant to Pay*) of the Master Deed of Charge.

3. ACKNOWLEDGEMENT OF PRIORITIES OF PAYMENT

The Issuer hereby gives notice and the Security Trustee acknowledges that it has notice of the Series Pre-Enforcement Priority of Payment and the Series Post-Enforcement Priority of Payments.

4. SEPARATE AGREEMENTS

Each agreement or deed entered into as a result of the execution of this Security Supplement:

- (a) is an agreement or deed between the parties thereto in the capacity or capacities specified in respect of each such agreement or deed but only in respect of the agreements and deeds to which such person in respect of such capacity is stated to be a party in the provisions above; and
- (b) is capable of variation as between as parties in accordance with the terms thereof by means of a deed supplemental to this Security Supplement.

Any such variation of an agreement or deed entered into by executing this Security Supplement shall only require the approval of the parties thereto and subject to the provisions of the agreements and deed constituted hereby, no other party need approve or execute such variation.

5. NOTICES

Communications shall be made in accordance with the Master Deed of Charge.

6. GOVERNING LAW

This Security Supplement and the Series Supplemental Deed of Charge constituted by the Master Deed of Charge and this Security Supplement and all non-contractual obligations relating thereto shall be governed by and construed in accordance with English law, save to the extent that any agreement or deed (or part of such agreement or deed) which is constituted by this Security Supplement and which is expressed to be governed by a law other than English law are governed by, and shall be construed in accordance with, the law of the jurisdiction specified therein.

7. THIRD PARTY RIGHTS

No person other than a party to this Security Supplement shall have any right by virtue of the Contracts (Right of Third Parties) Act 1999 to enforce any term (express or implied) of

this Security Supplement, but this is without prejudice to any right or remedy of a third party which may exist or be available apart from that Act.

8. COUNTERPARTS

This Security Supplement may be executed and delivered in any number of counterparts, each of which is an original and which, together, have the same effect as if each signatory had signed the same document.

IN WITNESS WHEREOF this Security Supplement has been executed as a deed on the date stated at the beginning.

THE ISSUER

Executed as a Deed by **Otium Lifetime**)
Funding No. 1 Limited acting by two)
directors:)

Director:

Director:

SECURITY TRUSTEE

Executed as a Deed by **Citibank, N.A.,**)
London Branch acting by a delegated)
signatory:)

Delegated signatory