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RMAC SECURITIES NO. 1 PLC

(Incorporated with limited liability in England and Wales with registered number 5593541)

MORTGAGE BACKED MEDIUM TERM NOTE PROGRAMME Issue of Series 2006-NS1 Mortgage Backed Floating Rate Notes

Notes	Initial Principal Amount	Ratings (S&P/Moody's/Fitch)	Interest Rate	Maturity Date	Issue Price
A1a	£120,000,000	AAA/Aaa/AAA	LIBOR +0.06%	June 2024	100 per cent.
A1b	USD470,000,000	AAA/Aaa/AAA	USD LIBOR +0.06%	June 2024	100 per cent.
A2a	£385,000,000	AAA/Aaa/AAA	LIBOR +0.15%	June 2044	100 per cent.
A2c	€400,000,000	AAA/Aaa/AAA	EURIBOR +0.15%	June 2044	100 per cent.
M1a	£30,000,000	AA+/Aa3/AA+	LIBOR +0.25%	June 2044	100 per cent.
M1c	€59,000,000	AA+/Aa3/AA+	EURIBOR +0.25%	June 2044	100 per cent.
M2a	£23,250,000	A+/A3/A	LIBOR +0.47%	June 2044	100 per cent.
M2c	€20,000,000	A+/A3/A	EURIBOR +0.47%	June 2044	100 per cent.
B1c	€60,500,000	BBB/Baa3/BBB	EURIBOR +0.88%	June 2044	100 per cent.

Application has been made to the Irish Financial Services Regulatory Authority (IFSRA), as competent authority under Directive 2003/71/EC (the Prospectus Directive), for this document to be approved. Application has been made to the Irish Stock Exchange Limited (the Irish Stock Exchange) for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on its regulated market. This document constitutes a prospectus (hereinafter the Supplement) in connection with the application for the Notes to be admitted to the Official List of the Irish Stock Exchange. Reference throughout this document to "Supplement" shall be taken to read "Prospectus".

This Supplement is a supplement to the Offering Circular (the Offering Circular) dated 28 March 2006, (which Offering Circular comprises a base prospectus for the purposes of the Prospectus Directive) prepared in connection with the Mortgage Backed Medium Term Note Programme (the Programme) established by RMAC Securities No. 1 Plc (the Issuer) on 29 March 2006.

This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular together with the Final Terms set out in Annex 1 hereto (the Final Terms) and relating to the Series of Notes to be issued pursuant hereto (the Series) and the Series Portfolio described herein. The Offering Circular is incorporated by reference into this Supplement. Unless the context otherwise requires, terms defined in the Offering Circular shall have the same meaning when used in this Supplement. Certain Series specific capitalised terms used in this Supplement have the meaning set out in the Index of Defined Terms at the back of this Supplement. References to "Notes" or the "Instruments" (or any class or holder thereof in this Supplement or the Final Terms shall be to "Notes" or "Instruments" (or the relevant class or holder as applicable) of this Series 2006-NS1.

To the extent there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in the Offering Circular (other than the applicable Final Terms), any statement in this Supplement will prevail.

This Supplement has been prepared for the purpose of giving information about the issue of the Series 2006-NS1 Mortgage Backed Floating Rate Notes by the Issuer which will comprise the £120,000,000 A1a Mortgage Backed Floating Rate Notes due June 2024 (the A1a Notes), the USD 470,000,000 A1b Mortgage Backed Floating Rate Notes due June 2024 (the A1b Notes and together with the A1a Notes, the A1 Notes), the £385,000,000 A2a Mortgage Backed Floating Rate Notes due June 2044 (the A2a Notes), the €400,000,000 A2c Mortgage Backed Floating Rate Notes due June 2044 (the A2c Notes and together with the A2a Notes, the A2 Notes and together with the A1 Notes, the A Notes), the £30,000,000 M1a Mortgage Backed Floating Rate Notes due June 2044 (the M1a Notes), the €59,000,000 M1c Mortgage Backed Floating Rate Notes due June 2044 (the M1c Notes and together with the M1a Notes, the M1 Notes), the £23,250,000 M2a Mortgage Backed Floating Rate Notes due June 2044 (the M2a Notes), the €20,000,000 M2c Mortgage Backed Floating Rate Notes due June 2044 (the M2c Notes and together with the M2a Notes, the M2 Notes and together with the M1 Notes, the M Notes) and the €60,500,000 B1c Mortgage Backed Floating Rate Notes due June 2044 (the B1c Notes and together with the A Notes and the M Notes and the Notes). The persons in whose name the Notes are registered shall be defined as the Noteholders.

Interest is payable on the Notes, beginning on 12 June 2006 and thereafter quarterly in arrear on the 12th day in September, December, March and June in each year, unless such day is not a Business Day, in which case interest shall be payable on the following Business Day (each such date, a Distribution Date). Interest on the A1a Notes shall accrue at an annual rate of the London Interbank Offered Rate (LIBOR) for deposits in sterling for three months or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of LIBOR for 2 month sterling deposits and LIBOR for 3 month sterling deposits (Note LIBOR) plus 0.06 per cent. per annum. Interest on the A1b Notes shall accrue at an annual rate of LIBOR for deposits in US dollars (USD-LIBOR) for three months or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of USD-LIBOR for 2 months US dollar deposits and USD-LIBOR for 3 months US dollar deposits (Note USD-LIBOR) plus 0.06 per cent. per annum. Interest on the A2a Notes shall accrue at an annual rate of Note LIBOR plus 0.15 per cent. per annum. Interest on the A2c Notes shall accrue at an annual rate of the Eurozone Interbank Offered Rate (EURIBOR) for deposits in euro for three months or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of EURIBOR for 2 month euro deposits and EURIBOR for 3 month euro deposits (Note EURIBOR) plus 0.15 per cent. per annum. Interest on the M1a Notes shall accrue at an annual rate of Note LIBOR plus 0.25 per cent. per annum. Interest on the M1c Notes shall accrue at an annual rate of Note EURIBOR plus 0.25 per cent. per annum. Interest on the M2a Notes shall accrue at an annual rate of Note LIBOR plus 0.47 per cent. per annum. Interest on the M2c Notes shall accrue at an annual rate of Note EURIBOR plus 0.47 per cent. per annum. Interest on the B1c Notes shall accrue at an annual rate of Note EURIBOR plus 0.88 per cent. per annum. The Notes will be issued on or about 29 March 2006 (the Issue Date).

In addition, on the Issue Date, the Issuer will issue to GMAC-RFC Limited Series 2006-NS1 Mortgage Early Repayment Certificates due June 2044 (the Series MERCs and the holders thereof, the Series MERC Holders) and Series 2006-NS1 Residual Certificates due June 2044 (the Series Residuals and the holders thereof, the Series Residual Holders). The Series MERCs and the Series Residuals are not being offered by this Supplement or by the Offering Circular. The issue of the Series MERCs and the Series Residuals is not conditional upon a rating and the Issuer has not requested any rating of the Series MERCs or the Series Residuals.

An investment in the Notes involves certain risks. For a discussion of the risks affecting the Notes see "Risk Factors" in the Offering Circular and in this Supplement.

Joint Lead Managers

DEUTSCHE BANK

MORGAN STANLEY

THE ROYAL BANK OF SCOTLAND

Co-Manager

GMAC RFC SECURITIES EUROPE

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Issuer (which it has taken reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Barclays Bank PLC accepts responsibility for the information contained in "*Barclays Bank PLC*" below. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Barclays Bank PLC as to the accuracy or completeness of any information contained in this Supplement (other than the information mentioned above) or any other information supplied in connection with the Notes or their distribution.

The Series Currency Swap Counterparty accepts responsibility for the information contained in "*The Series Currency Swap Counterparty*" below. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Series Currency Swap Counterparty as to the accuracy or completeness of any information contained in this Supplement (other than the information mentioned above) or any other information supplied in connection with the Notes or their distribution.

Neither the Programme Arranger, the Dealers in respect of any Series, nor any Series Note Trustee nor the Security Trustee have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Programme Arranger, the Dealers in respect of any Series, any Series Note Trustee or the Security Trustee as to the accuracy or completeness of the information contained in this Supplement or any other information provided by the Issuer in connection with the Programme. Neither the Programme Arranger, the Dealers of any Series, nor any Series Note Trustee, nor the Security Trustee accepts any liability in relation to the information contained in this Supplement or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer, the Programme Arranger, any of the Dealers, the Series Note Trustee or the Security Trustee to give any information or to make any representation not contained in or not consistent with this Supplement or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Programme Arranger, any of the Dealers, the Series Note Trustee or the Security Trustee.

Neither this Supplement nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Seller, the Programme Arranger, any of the Dealers, the Series Note Trustee or the Security Trustee that any recipient of this Supplement or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Supplement nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, the Seller, the Programme Arranger, any of the Dealers, the Series Note Trustee or the Security Trustee to any person to subscribe for or to purchase any Notes.

This Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Supplement in any jurisdiction where such action is required.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**), and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons unless such securities are registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Notwithstanding anything herein to the contrary, from the commencement of discussions with respect to the transaction contemplated by this Supplement, all persons may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transaction described herein and all materials of any kind (including opinions and other tax analyses) that are provided to such persons relating to such tax treatment and tax structure, except to the extent that any such disclosure could reasonably be expected to cause this offering not to be in compliance with securities laws. For purposes of this paragraph, the tax treatment of this transaction is the purported or claimed U.S. federal income tax treatment of this transaction and the tax structure of this transaction is any fact that may be relevant to understanding the purported or claimed U.S. federal income tax treatment of this transaction.

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RISK FACTORS

Interest Rate Matching

Interest on the Notes is payable at a rate equal to Note LIBOR, Note USD LIBOR or Note Euribor, as applicable, plus the applicable margin. Approximately 14.12 per cent. of the Mortgage Loans in the Series Initial Mortgage Pool in the Series Portfolio by value accrue interest on the same basis as the Note LIBOR-linked Notes at a rate (which may be a discounted rate for a certain period) equalling a fixed margin over LIBOR (in some cases after the expiry of an initial fixed rate period). Approximately 85.88 per cent. of the Mortgage Loans in the Series Initial Mortgage Pool by value accrue interest at either a fixed rate for a term of up to 37 months, or at a rate equalling a fixed margin (which may be a discounted rate for a certain period thereafter) over the Bank of England base rate (in some cases after the expiry of an initial fixed rate period). In the event that the Bank of England base rate, the fixed rate and LIBOR diverge such that LIBOR is significantly higher than the Bank of England base rate and the fixed rate, the Issuer may not receive sufficient income from the Mortgage Loans linked to the Bank of England base rate or from the fixed rate loans to meet its obligations due under the Notes.

Risk of losses associated with declining property values

Further to the risk factor "*Risk of Losses Associated with Declining Property Values*" under "*Risk Factors*" in the Offering Circular, the South East of England, Outer Metropolitan London and Greater London represent approximately 34.51 per cent. of the total balance of the Mortgage Loans in the Series Initial Mortgage Pool.

Risk of losses associated with Interest Only Mortgage Loans

Further to the risk factor "*Risk of Losses Associated with Interest Only Mortgage Loans*" under "*Risk Factors*" in the Offering Circular, approximately 52.12 per cent. of the Mortgage Loans in the Series Portfolio by value constitute Interest Only Mortgage Loans (see "*Characteristics of the Series Initial Mortgage Pool*" below).

Risk of losses associated with non-owner occupied properties

Further to the risk factor "*Risk of Losses Associated with Non-Owner Occupied Properties*" under "*Risk Factors*" in the Offering Circular, 211 of the Properties representing approximately 1.41 per cent. of the Mortgage Loans in the Series Initial Mortgage Pool in the Series Portfolio by value are not owner occupied (see "*Characteristics of the Series Initial Mortgage Pool*" below).

First Month Mortgage Loans

Further to the risk factor "*First Month Mortgage Loans*" under "*Risk Factors*" in the Offering Circular, on the First Month Eligible Date, Mortgage Loans will be sold to the Issuer which have not yet had their first Monthly Payment fall due. These First Month Mortgage Loans will form part of the Pre-Funded Mortgage Pool in respect of the Series Portfolio. The First Month Loans will not in any event consist of Mortgage Loans in excess of £50,000,000 in value.

SERIES DOCUMENTS

On or about the Issue Date, the following documents will be entered into (and (other than the Series Subscription Agreement) together with the Security Deed and the Intercreditor Deed, comprise the Series Documents):

- (a) Series Portfolio Purchase Agreement;
- (b) Series Servicing Agreement;
- (c) Series Standby Servicing Agreement;
- (d) Series Cash Management Agreement;
- (e) Series Bank Account Agreement;
- (f) Series Agency Agreement;
- (g) Series Trust Deed;
- (h) Series Security Deed Supplement;
- (i) Series Intercreditor Deed Supplement;
- (j) Series Issuer Declaration of Trust;
- (k) Series Deed of Accession to Declaration of Trust;
- (l) Series Liquidity Facility Agreement;
- (m) Series Currency Swap Agreements;
- (n) Series Interest Rate Cap Agreement;
- (o) Series MER Loan Agreement;
- (p) Series Post-Enforcement Call Option Agreement;
- (q) Series Subscription Agreement;
- (r) Scottish Declaration of Trust; and
- (s) Scottish Supplemental Charge.

See further "*Transaction Documents*" and "*Credit Structure*" in the Offering Circular and "*Credit Structure*" below.

Series Secured Creditors in respect of the Series means the Series Note Trustee and the Security Trustee (and any receiver or other person appointed by either of them), the Noteholders of the Series, the Series MERC Holders, the Series Residual Holders, the Series MER Loan Provider, the Series Servicer, the Series Standby Servicer, the Series Cash Manager, the Series Account Bank, the Series Principal Paying Agent, the Series Agent Bank, the Series Irish Paying Agent, the Series Registrar and Transfer Agent (the Series Principal Paying Agent, the Series Agent Bank, the Series Irish Paying Agent, the Series Registrar and the Transfer Agent together, the **Series Agents**), the Series Liquidity Facility Provider, the Series Cap Provider and the Series Currency Swap Counterparty.

SERIES CREDIT STRUCTURE

In addition to the disclosure under “*Credit Structure*” in the Offering Circular, the following is a summary of the structure and credit arrangements underlying the Notes. Such summary should be read in conjunction with the information appearing elsewhere in this Supplement, the Final Terms and the Offering Circular.

The interest rates payable by Borrowers in respect of the Mortgage Loans may vary. It is anticipated that, on the Issue Date, the revenue generated by applying the weighted average of the interest rates applicable to the Mortgage Loans and amounts made available from the Series Discount Reserve will exceed paragraphs (a) through (e), (g), (i) and (k) of the Series Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments and paragraphs (a) through (e), (g), (i) and (k) of the Series Post-Enforcement, Pre-Acceleration Revenue Priority of Payments, as applicable, by an amount, calculated as a percentage, which, on the Issue Date, will be approximately 1.51 per cent. The actual amount of the excess will vary during the life of the Notes. Among the key factors determining such variations will be the level of delinquencies and defaults experienced, the level of prepayments and the weighted average of the mortgage interest rates from time to time.

Series Hedge Agreements

Series Interest Rate Cap Agreement

As described in the Offering Circular under “*Credit Structure – Series Interest Rate Cap Agreements*”, the Issuer will enter into a Series Interest Rate Cap Agreement with Barclays Bank Plc as Series Cap Provider (the **Series Cap Provider**) dated the Issue Date (the **Series Interest Rate Cap Agreement**) in order to hedge against a possible rise in Note LIBOR to a rate in excess of 9 per cent. from the Issue Date for a period of 4 years. Under the Series Interest Rate Cap Agreement, the excess of (a) the amount produced by applying Note LIBOR for the relevant Interest Period to the notional amount of £240,000,000 (the **Notional Amount**) and (b) the amount produced by applying 9 per cent. to the Notional Amount for the same period will be paid (if such figure is positive) by the Series Cap Provider to the Issuer on or before the next following Distribution Date and such payment will form part of Available Revenue Funds.

In the event that the short-term unsecured, unguaranteed and unsubordinated debt obligations of the Series Cap Provider are downgraded below A-1 by S&P or F1 by Fitch or that the long-term unsecured, unguaranteed and unsubordinated debt obligations of the Series Cap Provider are downgraded below A by Fitch (each a **Series Cap Provider Downgrade Event** and such ratings the **Interest Rate Cap Trigger Ratings**) or such rating is withdrawn, then the Issuer will terminate the Series Interest Rate Cap Agreement thereunder unless the Series Cap Provider, within 30 days, at its own cost either:

- (a) procures a third party to become guarantor or co-obligor in respect of its obligations under the Series Interest Rate Cap Agreement, whose short-term unsecured, unguaranteed and unsubordinated debt obligations are rated A-1 or above by S&P and F1 or above by Fitch and whose long-term unsecured, unguaranteed and unsubordinated debt obligations are rated A or above by Fitch or who is otherwise approved by S&P or Fitch, respectively; or
- (b) transfers all of its rights and obligations under the Series Interest Rate Cap Agreement to a third party provided that such third party's short-term unsecured, unguaranteed and unsubordinated debt obligations are rated A-1 or above by S&P and F1 or above by Fitch and whose long-term unsecured, unguaranteed and unsubordinated debt obligations are rated A or above by Fitch or who is otherwise approved by S&P or Fitch, respectively; or
- (c) provides collateral for its obligations in accordance with the terms of the Series Interest Rate Cap Agreement and on terms acceptable to S&P and Fitch; or
- (d) establishes any other arrangement or takes such other action satisfactory to S&P and Fitch to maintain the then current ratings of the Notes.

In the event that the short-term unsecured, unguaranteed and unsubordinated debt obligations of the Series Cap Provider are downgraded below A-3 by S&P or F2 by Fitch or that the long-term unsecured, unguaranteed and unsubordinated debt obligations of the Series Cap Provider are downgraded below BBB- by S&P, BBB+ by Fitch, then the Issuer will terminate the Series Interest Rate Cap Agreement thereunder unless the Series Cap Provider, within 30 days in the case of a downgrade by Fitch and within 10 days in the case of a downgrade by S&P, at its own cost either:

- (a) procures a third party to become guarantor or co-obligor in respect of its obligations under the Series Interest Rate Cap Agreement, whose short-term unsecured, unguaranteed and unsubordinated debt obligations are rated A-1 or above by S&P and F-1 or above by Fitch and whose long-term unsecured, unguaranteed and unsubordinated debt obligations are rated A+ or above by Fitch or who is otherwise approved by S&P or Fitch, respectively; or
- (b) transfers all of its rights and obligations under the Series Interest Rate Cap Agreement to a third party provided that such third party's short-term, unsecured, unguaranteed and unsubordinated debt obligations are rated A-1 or above by S&P and F-1 or above by Fitch and whose long-term unsecured, unguaranteed and unsubordinated debt obligations are rated A+ or above by Fitch or who is otherwise approved by S&P or Fitch, respectively; or
- (c) establishes any other arrangement or takes such other action satisfactory to S&P or Fitch to maintain the then current ratings of the Notes.

Pending compliance with any of (a), (b) or (c) above, the Series Cap Provider must, at its own cost, provide collateral for its obligations in accordance with the terms of the Series Interest Rate Cap Agreement and on terms acceptable to S&P or Fitch, respectively. If any of (a), (b) or (c) above are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) so transferred by the Series Cap Provider will be retransferred to the Series Cap Provider and the Series Cap Provider will not be required to transfer any additional collateral.

Where the Series Cap Provider provides collateral in accordance with the terms of the Series Interest Rate Cap Agreement, such collateral will, upon receipt by the Issuer, be credited to a separate ledger (created to record such amounts) and transferred (if in cash form) to the Series Transaction Account. Any collateral provided by the Series Cap Provider will not form part of Available Revenue Funds or Actual Redemption Funds except in accordance with the terms of the collateral agreement providing for the payment of such collateral.

Series Currency Swap Agreement

As described in the Offering Circular under "*Credit Structure – Series Currency Swap Agreements*", in order to hedge against currency exchange and interest rate exposure in respect of its obligations under the USD Notes and the Euro Notes, the Issuer will enter into Series Currency Swap Agreements with The Royal Bank of Scotland plc as Series Currency Swap Counterparty (the **Series Currency Swap Counterparty**) dated on the Issue Date (in respect of the A1b Notes, the **A1b USD Note Currency Swap Agreement**, in respect of the A2c Notes, the **A2c Euro Note Currency Swap Agreement**, in respect of the M1c Notes, the **M1c Euro Note Currency Swap Agreement**, in respect of the B1c Notes, the **B1c Euro Note Currency Swap Agreement**, and collectively the **Series Currency Swap Agreements**).

Euro Notes means the A2c Notes, the M1c Notes, the M2c Notes and the B1c Notes.

USD Notes means the A1b Notes.

Sterling Notes means the A1a Notes, the A2a Notes, the M1a Notes and the M2a Notes.

Each Series Currency Swap Agreement may be terminated by the Series Currency Swap Counterparty in circumstances including, broadly, where the Issuer is in default by reason of failure by the Issuer to make payments or the optional redemption in full by the Issuer of the relevant Notes pursuant to Condition 9(e). Each Series Currency Swap Agreement may be terminated by the Issuer in circumstances including, *inter alia*, where the Currency Swap Counterparty is in default by reason of the failure by the Currency Swap Counterparty to make payments, where the Currency Swap Counterparty is otherwise in breach of the Series Currency Swap Agreements and where certain insolvency related events affect the Currency Swap Counterparty.

Each Series Currency Swap Agreement may also terminate early in the event that there are changes in law resulting in the illegality of the obligations to be performed by either party.

Promptly upon the termination of any Series Currency Swap Agreement, the Issuer will notify the Series Note Trustee of each such termination.

Upon termination of a Series Currency Swap Agreement, either the issuer or the Currency Swap Counterparty will be liable to make a termination payment to the other in accordance with the terms of the relevant Series Currency Swap Agreement. The amount of such a termination payment will be based on market quotations of the cost of entering into a swap with the same terms and conditions that would have the effect of

preserving the respective full payment obligations of the parties. Except where the Series Currency Swap Agreement is terminated following a default of the Currency Swap Counterparty or following the combination of (a) a downgrade of the Currency Swap Counterparty and (b) a failure by the Currency Swap Counterparty to comply with its obligations thereunder in respect of and following such downgrade, the termination payment due by the Issuer will rank *pari passu* with the relevant Class of Notes. The Currency Swap Counterparty is not bound to make any other payments. In particular the Currency Swap Counterparty is not obliged to make or guarantee any payments.

As at the Series Issue Date, the Series Currency Swap Counterparty will be required to have a rating assigned for its short-term unsecured, unsubordinated and unguaranteed debt obligations of at least A-1+ by S&P, P-1 by Moody's and F1 by Fitch and a rating assigned for its long-term unsecured, unsubordinated and unguaranteed debt obligation of at least A1 by Moody's and A+ by Fitch (the **Currency Swap Trigger Ratings**). If any such ratings fall below the Currency Swap Trigger Ratings, the Issuer has the right to terminate the Series Currency Swap Agreements unless the Series Currency Swap Counterparty, within 30 days of such downgrade and at its own cost, either:

- (a) provides collateral for its obligations in accordance with the terms of the Series Currency Swap Agreements; or
- (b) obtains a guarantee of its obligations under the Series Currency Swap Agreements from a third party whose ratings are equal to or higher than the Currency Swap Trigger Ratings; or
- (c) transfers all of its rights and obligations under the Series Currency Swap Agreements to a third party, provided that such third party's ratings are equal to or higher than the Currency Swap Trigger Ratings; or
- (d) takes such other actions as agreed with the Rating Agencies rating the Notes in accordance with the terms of the Series Currency Swap Agreements to maintain the current ratings of the Notes.

If the unsecured, unsubordinated and unguaranteed debt obligations of the Series Currency Swap Counterparty cease to be rated as high as: (a) in the case of short-term debt obligations, A-3 by S&P, P-2 by Moody's or F2 by Fitch or (b) in the case of long-term debt obligations, BBB- by S&P, A3 by Moody's or BBB+ by Fitch, then the Issuer will have the right to terminate the Series Currency Swap Agreements unless the Series Currency Swap Counterparty at its own cost takes any of the actions described in (b) to (d) above in the time frame prescribed in the Series Currency Swap Agreements and (if applicable) continues to provide collateral in accordance with (a) above until such action is taken.

The Series Currency Swap Counterparty may in certain circumstances transfer its obligations in respect of a Series Currency Swap Agreement to another entity provided that the Rating Agencies confirm that such transfer of obligations would not result in a downgrade of the then current ratings of the Notes.

The Issuer is not obliged under the Series Currency Swap Agreements to gross up payments made by it under the Series Currency Swap Agreements if withholding taxes are imposed on such payments.

Each of the Series Currency Swap Agreements will be governed by English law.

Series Credit Support Agreement

Series Liquidity Facility Agreement

As described in the Offering Circular under "*Credit Structure – Series Liquidity Facility Agreement*", the Issuer will enter into a Series Liquidity Facility Agreement in respect of the Notes with Barclays Bank PLC as Series Liquidity Facility Provider (the **Series Liquidity Facility Provider**) dated on or about the Issue Date (the **Series Liquidity Facility Agreement**). Pursuant to the Series Liquidity Facility Agreement, the Issuer will be entitled on any Distribution Date to make drawings up to the Liquidity Maximum Amount to the extent that after the application of amounts standing to the credit of the Series Reserve Ledger, there are insufficient amounts available for distribution standing to the credit of the Series Revenue Ledger to satisfy the Issuer's obligations in paragraphs (a) to (k) (other than paragraphs (f), (h) and (j)) of the Series Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments or paragraphs (a) to (k) (other than paragraphs (f), (h) and (j)) of the Series Post-Enforcement, Pre-Acceleration Revenue Priority of Payments, and such drawings will be credited to the Series Transaction Account and the Series Liquidity Ledger, provided that no drawings from the Series Liquidity Ledger may be made to meet interest payments on the M1 Notes, the M2 Notes or, as the case may be, the B1c Notes, to the extent that, after the application of the Available Revenue Funds and any amounts standing to the credit of the Series Reserve Fund, the M1

Principal Deficiency Sub-Ledger would have a debit balance equal to or greater than 20 per cent. of the then aggregate Principal Amount Outstanding of the M1 Notes or, as the case may be, the M2 Principal Deficiency Sub-Ledger would have a debit balance equal to or greater than 20 per cent. of the then aggregate Principal Amount Outstanding of the M2 Notes or, as the case may be, the B1c Principal Deficiency Sub-Ledger would have a debit balance equal to or greater than 50 per cent. of the aggregate Principal Amount Outstanding of the B1c Notes.

Drawings under the Series Liquidity Facility Agreement and any other amounts payable to the Series Liquidity Facility Provider will be paid in accordance with the Series Priorities of Payments and amounts so repaid will be capable of being redrawn.

If, at any time, the credit rating of the Series Liquidity Facility Provider falls below A-1+ by S&P, P-1 by Moody's or F1+ by Fitch or the Series Liquidity Facility Provider has its short-term rating withdrawn, or the liquidity facility under the Series Liquidity Facility Agreement is not renewed and in each case the Series Liquidity Facility is not replaced by an alternative Series Liquidity Facility such that the then current ratings of the Notes are not adversely affected, the Issuer will forthwith draw down the entirety of the undrawn portion of the liquidity facility and credit such amount to a deposit account held with a bank with the above mentioned ratings. The date upon which such amount is drawn down is the **Liquidity Drawdown Date**.

Liquidity Maximum Amount means 5 per cent. of the aggregate Base Currency PAO on the Issue Date, subject to reduction in accordance with the terms of the Series Liquidity Facility Agreement.

Under the terms of the Series Liquidity Facility Agreement, the Liquidity Maximum Amount shall be reduced on each Distribution Date falling on or after the first Distribution Date on which the initial Liquidity Maximum Amount is greater than or equal to 5 per cent. of the aggregate Base Currency PAO of the Notes following application of the Actual Redemption Funds on such Distribution Date, to an amount which is the greater of:

- (a) 5 per cent. of the aggregate Base Currency PAO on the relevant Distribution Date; and
- (b) 1 per cent. of the aggregate Base Currency PAO on the Issue Date.

No reduction of the Liquidity Maximum Amount will be permitted on a Distribution Date if:

- (i) there is a debit balance on any of the Series Principal Deficiency Sub-Ledgers;
- (ii) the Series Servicer or the Series Cash Manager is at that time in breach of any of its obligations under the Series Servicing Agreement, the Series Cash Management Agreement or any other Transaction Document in respect of the Series;
- (iii) any amount is then outstanding under the Series Liquidity Facility Agreement;
- (iv) the aggregate value of the principal losses experienced on the Series Portfolio (whether or not such losses form part of the Series Principal Deficiency Sub-Ledgers at such time) at the immediately preceding Determination Date is greater than 1.25 per cent. of the aggregate Base Currency PAO on the Issue Date;
- (v) as at the immediately preceding Distribution Date the aggregate Balance of Mortgage Loans in respect of which payment is 90 days or more in arrears is higher than 17 per cent. of the aggregate Balance of all Mortgage Loans in the Series Portfolio;
- (vi) the aggregate balance of all Mortgage Loans foreclosed in the Series Portfolio exceeds 2.25 per cent. of the original balance of the Series Portfolio; or
- (vii) the amount constituting the Series Reserve Fund is lower than the Series Reserve Fund Required Amount.

Available Commitment means the commitment under the Series Liquidity Facility Agreement less the outstanding advances, taking into account any repayment thereof.

Base Currency PAO means the Principal Amount Outstanding in sterling of the Notes denominated in sterling and the sterling equivalent of the Principal Amount Outstanding of the USD Notes and the Euro Notes, calculated using the USD Currency Swap Rate and the Euro Currency Swap Rate, respectively, as defined in the relevant Series Currency Swap Agreement.

Liquidity Drawn Amount means on any Determination Date: (a) at any time prior to any Liquidity Drawdown Date, the amount then drawn under the Series Liquidity Facility Agreement and not repaid together with all accrued interest up to (but excluding) the related Distribution Date pursuant to the Series

Liquidity Facility Agreement; and (b) at any time on or after the Liquidity Drawdown Date, the difference between the Liquidity Maximum Amount and the Available Commitment under the Series Liquidity Facility Agreement as at the last day of the month immediately preceding such Determination Date.

Subordinated Liquidity Facility Amounts means amounts relating to a period where the Series Liquidity Facility has been fully drawn for reason of non-renewal of the Series Liquidity Facility by the Series Liquidity Facility Provider equal to the extent to which the applicable margin under the Series Liquidity Facility Agreement payable during such period (which shall for the avoidance of doubt include LIBOR) exceeds the aggregate of (i) the amount of any interest earned on the Series Liquidity Drawn Amount whilst deposited in an interest-bearing account during such period and (ii) the amount of commitment fee under the Series Liquidity Facility Agreement payable if such non-renewal had not occurred.

Reserves

Series Reserve Fund

To provide limited coverage for shortfalls in amounts under paragraphs (a) to (l) inclusive of the Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments and paragraphs (a) to (l) inclusive of the Post-Enforcement, Pre-Acceleration Revenue Priority of Payments, the Issuer will on the Issue Date establish a reserve fund (the **Series Reserve Fund**) in the initial amount of £19,800,000, using part of the proceeds of the advance of the Series MER Loan to be utilised on any Distribution Date where such shortfalls occur.

Series Reserve Fund Required Amount means £19,800,000, provided that, on each Distribution Date falling on or after the first Distribution Date on which the Series Reserve Fund is equal to or greater than 3.30 per cent. of the aggregate Base Currency PAO (the **Reserve Fund Determination Date**) and if the following conditions are satisfied:

- (i) all balances on each of the Series Principal Deficiency Sub-Ledgers (as described below) are zero;
- (ii) no amount is outstanding under the Series Liquidity Facility Agreement (other than a liquidity standby drawing);
- (iii) the amount in the Series Reserve Fund is equal to or greater than the Series Reserve Fund Required Amount as of the relevant Reserve Fund Determination Date;
- (iv) the total balance of all Mortgage Loans in the Series Portfolio which are 90 days or more in arrears does not exceed 17 per cent. of the total balance of all the Mortgage Loans in the Series Portfolio;
- (v) the total balance of all Mortgage Loans foreclosed in the Series Portfolio does not exceed 2.25 per cent. of the original balance of the Series Portfolio; and
- (vi) the total losses suffered by the Issuer from the Issue Date until the relevant Reserve Fund Determination Date are lower than 1.25 per cent. of the original balance of the Series Portfolio,

then the Series Reserve Fund Required Amount will be reduced to an amount equal, on such Reserve Fund Determination Date, to the greater of £9,900,000 and 3.30 per cent. of the then aggregate Base Currency PAO.

Following a reduction to the Series Reserve Fund Required Amount, any amounts standing to the credit of the Series Reserve Fund in excess of the Series Reserve Fund Required Amount (the **Series Reserve Fund Excess**) will be applied as Available Revenue Funds and applied in accordance with the Series Priorities of Payments.

On any Distribution Date to the extent that amounts are available after payment of any amounts under paragraphs (a) to (l) of the Series Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments or paragraphs (a) to (l) of the Series Post-Enforcement, Pre-Acceleration Revenue Priority of Payments, the excess, if any, will be deposited in the Series Reserve Fund to the extent necessary to replenish and maintain the Series Reserve Fund Required Amount as set out under the Series Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments and the Series Post-Enforcement, Pre-Acceleration Revenue Priority of Payments, as applicable.

On any Distribution Date on which the Notes are redeemed in full, the Series Reserve Fund will be applied as Available Revenue Funds in accordance with the Series Priorities of Payments.

Series Discount Reserve

To cover the Expected Differentials (as defined below) resulting from Discounted Mortgage Loans in the Series Portfolio, the Issuer will establish a reserve (the **Series Discount Reserve**) on the Issue Date using part

of the proceeds of the advance of the Series MER Loan (described below) in an amount equal to the Series Discount Reserve Required Amount as at the Issue Date.

On the Issue Date, the Series Cash Manager will determine the Loan Expected Differential (as defined below) and the anticipated Expected Differential for the first Determination Period. In addition, an estimated amount will be computed that will represent the Loan Expected Differential of the Discounted Mortgage Loans for a time period for which it is estimated that discounts will apply in respect of the Discounted Mortgage Loans that are Pre-Funded Mortgage Loans. See further "*Series Portfolio Purchase Agreement – Pre-Funded Mortgage Loans*" below. This additional estimated amount will be included in the Discount Reserve Required Amount on the Issue Date. In respect of Pre-Funded Mortgage Loans which are also Discounted Mortgage Loans to be acquired by the Issuer, the Series Cash Manager will determine the Loan Expected Differential in respect of such Pre-Funded Mortgage Loans on or prior to the date of such acquisition.

On each Determination Date, the Series Cash Manager will calculate the Loan Expected Differential in respect of any Substitute Mortgage Loans, Consolidated Mortgage Loans or Further Advances transferred into the Series Portfolio in the immediately preceding Determination Period which are Discounted Mortgage Loans and any Discounted Mortgage Loans to be transferred into the Series Portfolio or in respect of which Further Advances are to be made on the immediately succeeding Distribution Date and will calculate the Expected Differential in respect of the current Determination Period to take into account such substitutions or advances and any redemptions, repurchases or purchases of Discounted Mortgage Loans and their Related Security during the immediately preceding Determination Period.

On each Distribution Date a portion of the amount standing to the credit of the Series Discount Reserve equal to the amount of any Expected Differential determined in respect of the Determination Period ending immediately prior to such Distribution Date (the **Discount Reserve Applicable Amount**) shall be debited to the Series Discount Reserve and credited to the Series Transaction Account and will be applied as Available Revenue Funds in accordance with the Series Priorities of Payments.

Under the Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments and the Post-Enforcement, Pre-Acceleration Revenue Priority of Payments and subject to the availability of funds, on each Distribution Date the Series Cash Manager will allocate amounts to the Series Discount Reserve to cover the additional Loan Expected Differential arising from anticipated discounts on Substitute Mortgage Loans, Pre-Funded Mortgage Loans, Consolidated Mortgage Loans and Further Advances on Mortgage Loans in the Series Portfolio.

In addition, if at any time the amount standing to the credit of the Series Discount Reserve exceeds the Series Discount Reserve Required Amount, the amount of such excess shall be debited from the Series Discount Reserve and credited to the Series Transaction Account for application in accordance with the Series Priorities of Payments.

On any Distribution Date on which the Notes are redeemed in full or on which all discounts applicable to Discounted Mortgage Loans which then form part of the Series Portfolio have expired, the Series Discount Reserve (if any) will be applied as Available Revenue Funds.

Discount BBR-Linked Mortgage Loans means BBR-Linked Mortgage Loans with the Bank of England Base Rate-Linked Mortgage Rate discounted by between 0.01 per cent. and 1.00 per cent. until one of several dates ending no later than 1 March 2009.

Discount LIBOR-Linked Mortgage Loans means LIBOR-Linked Mortgage Loans with the LIBOR-Linked Mortgage Rate discounted by between 0.75 per cent. and 2.55 per cent. until one of several dates ending no later than 1 April 2008.

Effective Interest Margin means the weighted average margin above LIBOR (in the case of the Discount LIBOR-Linked Mortgage Loans) or the Bank of England base rate (in the case of the Discount BBR-Linked Mortgage Loans) charged to the relevant Borrowers during the period when discounts apply to Discounted Mortgage Loans in the Series Portfolio.

Expected Differential means an amount calculated in respect of each Determination Period that falls during the period when discounts apply to Discounted Mortgage Loans in the Series Portfolio as the difference between the Unadjusted Margin and the Effective Interest Margin, multiplied by the principal amount outstanding of the Discounted Mortgage Loans in the Series Portfolio as of the first day of the relevant Determination Period and the actual number of days to elapse in the relevant Determination Period and divided by 365 (or 366 if the relevant Distribution Date following such Determination Period falls in a leap year).

Loan Expected Differential means, as calculated on the Issue Date and each Determination Date, the aggregate of the Expected Differentials applying to each Determination Period that falls during the period when discounts apply to Discounted Mortgage Loans that form part of the Series Portfolio as at the first day of the relevant Determination Period.

Series Discount Reserve Required Amount means the amount calculated by the Series Cash Manager as being the amount required to meet the Loan Expected Differential in respect of the Series Portfolio, including, as at the Issue Date, an estimate in relation to Pre-Funded Mortgage Loans.

Unadjusted Margin means on any Distribution Date, the weighted average margin above LIBOR (in the case of Discount LIBOR-Linked Mortgage Loans) or the Bank of England base rate (in the case of Discount BBR-Linked Mortgage Loans), that will apply in respect of such Mortgage Loans when the discount period expires.

Use of Proceeds of the Series MER Loan

In connection with the Notes, the Issuer will enter into a Series MER Loan Agreement with Barclays Bank PLC as Series MER Loan Provider (the **Series MER Loan Provider**) dated on or about the Issue Date (the **Series MER Loan Agreement**). Amounts advanced under the Series MER Loan Agreement will be used to fund (a) the costs and expenses arising in respect of the Notes which are issued on the Issue Date, (b) the Series Reserve Fund, (c) the Series Discount Reserve and (d) the Pre-Funded Mortgage Loans Interest Shortfall. See further "*Series Portfolio Purchase Agreement – Pre-Funded Mortgage Loans*" below.

The **Pre-Funded Mortgage Loans Interest Shortfall** is calculated as follows:

$$\frac{(A-B) \times C \times D}{365}$$

A= weighted average Rate of Interest for the Sterling Notes payable to the holders of the Sterling Notes, the USD Notes payable to the Series Currency Swap Counterparty and the Euro Notes payable to the Series Currency Swap Counterparty for the first Interest Period.

B= the rate of interest payable by the Series Account Bank in respect of the Series GIC Account during the first Interest Period pursuant to the Series Bank Account Agreement.

C= the Pre-Funded Mortgage Loans Amount.

D= the number of days from and including the Issue Date to but excluding the first Distribution Date.

Mortgage Early Repayment Charges received by the Issuer in respect of the Series Portfolio in the Determination Period immediately preceding each Distribution Date will be a Permitted Withdrawal on such Distribution Date and applied in repayment in full of all amounts due to the Series MER Loan Provider under the Series MER Loan Agreement. Repayment of the Series MER Loan will also be made under the Series Priorities of Payments to the extent of available funds.

Following payment in full of all amounts outstanding under the Series MER Loan Agreement, Mortgage Early Repayment Charges will be paid to the holders of the Series MERCs described below. See further "*Credit Structure – Series MER Loans*" in the Offering Circular.

Series MERCs

On the Issue Date, the Issuer will issue to GMAC-RFC Limited 20 *pari passu* ranking classes of Mortgage Early Repayment Certificates due June 2044 (the **Series MERCs** and the holders thereof, the **Series MERC Holders**). The Series MERCs constitute amounts payable to Series MERC Holders on a *pro rata* basis from Mortgage Early Repayment Charges received by the Issuer in respect of the Series Portfolio (less any Series MER Payments then payable). See further "*Credit Structure – Series MERCs*" in the Offering Circular.

Series Residuals

On the Issue Date, the Issuer will issue to GMAC-RFC Limited 20 *pari passu* ranking classes of Residual Certificates due June 2044 (the **Series Residuals** and the holders thereof, the **Series Residual Holders**). The Series Residuals will pay on each Distribution Date such residual amount (the **Series Residual Payment**) as is available for such purpose in accordance with the applicable Priorities of Payments relating to the Series (following payment of or provision for all higher ranking items) divided by the number of Series Residuals.

Series Ledgers

In addition to the Series Ledgers described under "*Transaction Documents – Series Cash Management Agreements – Series Ledgers*", the following four Series Sub-Ledgers in respect of the Series Principal Deficiency Ledger will be established by the Series Cash Manager. The four Series Sub-Ledgers will be identified as the "A Principal Deficiency Sub-Ledger", the "M1 Principal Deficiency Sub-Ledger", the "M2 Principal Deficiency Sub-Ledger" and the "B1c Principal Deficiency Sub-Ledger", respectively, and collectively the "Series Principal Deficiency Sub-Ledgers" and will be established in order to record any principal deficiencies as they occur (each, respectively, the A Principal Deficiency, the M1 Principal Deficiency, the M2 Principal Deficiency and the B1c Principal Deficiency, and each a Principal Deficiency).

Any Principal Deficiency shall be debited (a) first, to the B1c Principal Deficiency Sub-Ledger so long as the debit balance on such sub-ledger is less than the Base Currency PAO of the B1c Notes (the **B1c Note Principal Deficiency Limit**), (b) second, to the M2 Principal Deficiency Sub-Ledger so long as the debit balance on such sub-ledger is less than the Base Currency PAO of the M2 Notes (the **M2 Note Principal Deficiency Limit**), (c) third, to the M1 Principal Deficiency Sub-Ledger so long as the debit balance on such sub-ledger is less than the Base Currency PAO of the M1 Notes (the **M1 Note Principal Deficiency Limit**), and (d) fourth, to the A Principal Deficiency Sub-Ledger. For the avoidance of doubt, the A Principal Deficiency will relate to the A1 Notes and the A2 Notes pro rata. A Principal Deficiency will be recorded on the relevant Series Principal Deficiency Sub-Ledger in respect of any amount of principal which remains outstanding under any Mortgage Loan after completion by the Servicer of the arrears and default procedures (as more particularly described under "*Transaction Documents – Series Servicing Agreement – Arrears and Default Procedures*" in the Offering Circular).

Amounts allocated to each Series Principal Deficiency Sub-Ledger shall be reduced to the extent of Available Revenue Funds available therefor on any Distribution Date in accordance with the Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments and the Post-Enforcement, Pre-Acceleration Revenue Priority of Payments, as applicable.

Series Permitted Withdrawals

Further to "*Series Permitted Withdrawals*" under "*Credit Structure*" in the Offering Circular, Series Pro Rata Amounts and the Series Referable Amounts that are Series Permitted Withdrawals in respect of the Series will be the following amounts, as applicable:

- (i) paragraphs (a)(i) and (ii), (b)(i) to the extent such amount is to be applied to a Programme expense to be applied under the Programme Priority of Payments, (b)(ii), (b)(iv), (c)(i) and (ii) and (c)(iv) and (v) of the Series Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments;
- (ii) paragraphs (a)(i) and (ii), (b)(i) to the extent such amount is to be applied to a Programme expense to be applied under the Programme Priority of Payments, (b)(ii), (b)(iv), (c)(i) and (ii) and (c)(iv) and (v) of the Series Post-Enforcement, Pre-Acceleration Revenue Priority of Payments; and
- (iii) paragraphs (a)(i) and (ii), (b)(i) and (ii), (b)(iv) and (v), (c)(ii) to the extent such amount is to be applied to a Programme expense to be applied under the Programme Priority of Payments and (c)(iii) and (iv) of the Series Post-Acceleration Priority of Payments.

SERIES PRIORITIES OF PAYMENTS

Series Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments

On each Distribution Date (and two Business Days before each Distribution Date in the case of payments to the Series Currency Swap Counterparty) prior to the service of a Series Enforcement Notice or a Series Acceleration Notice in respect of the Series, Available Revenue Funds standing to the credit of the Series Transaction Account will be applied by or on behalf of the Issuer in making the following payments and provisions (the **Series Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) first, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Series Pro Rata Amount in respect of any remuneration and indemnity amounts due and payable by the Issuer to the Security Trustee under the Security Deed, the Intercreditor Deed and the other Transaction Documents and any costs, charges, liabilities and expenses incurred by the Security Trustee thereunder to be credited to the Programme Account;
 - (ii) the Series Referable Amount in respect of any remuneration and indemnity amounts due and payable by the Issuer to the Security Trustee under the Security Deed, the Intercreditor Deed and the other Transaction Documents and any costs, charges, liabilities and expenses incurred by the Security Trustee thereunder to be paid to the Security Trustee; and
 - (iii) any remuneration and indemnity amounts due and payable to the Series Note Trustee under the Series Trust Deed and the other Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Series Note Trustee thereunder to be paid to the Series Note Trustee;
- (b) second, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Series Referable Amount in respect of amounts then accrued but remaining unpaid to third parties (including audit fees and value added tax, if any but excluding, for the avoidance of doubt, Series Secured Creditors of the Series) and incurred without breach by the Issuer of the Transaction Documents, to be credited to the Programme Account or paid directly to the relevant third party, as the case may be;
 - (ii) the Series Pro Rata Amount in respect of amounts then accrued but remaining unpaid to third parties (including audit fees and value added tax, if any but excluding, for the avoidance of doubt, Series Secured Creditors of the Series) and incurred without breach by the Issuer of the Transaction Documents to be credited to the Programme Account;
 - (iii) the Series Referable Amount in respect of amounts payable in respect of insurance contracts relating to the Series Portfolio maintained by or on behalf of the Issuer;
 - (iv) the Series Pro Rata Amount in respect of amounts payable in respect of insurance contracts relating to the Series Portfolio maintained by or on behalf of the Issuer to be credited to the Programme Account; and
 - (v) the Series Referable Amount to provide on an accruing basis for Securities Holding's liability or possible liability for tax to be credited to the Programme Account;
- (c) third, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Series Pro Rata Amount in respect of amounts due and payable to the Corporate Services Provider under the Corporate Services Agreement to be credited to the Programme Account;
 - (ii) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Account Bank under the Programme Bank Account Agreement to be credited to the Programme Account;
 - (iii) amounts due and payable to the Series Account Bank under the Series Bank Account Agreement, to be paid to the Series Account Bank;
 - (iv) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Cash Manager under the Programme Cash Management Agreement to be credited to the Programme Account;

- (v) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Financial Servicer under the Programme Cash Management Agreement to be credited to the Programme Account;
 - (vi) amounts due and payable to the Series Cash Manager under the Series Cash Management Agreement, to be paid to the Series Cash Manager;
 - (vii) on a *pro rata* and *pari passu* basis, amounts due and payable to the Series Agents under the Series Agency Agreement, to be paid to the Series Agents; and
 - (viii) on a *pro rata* and *pari passu* basis, amounts due and payable to the Series Servicer, such fee being an amount equal to one quarter of 0.15 per cent. per annum of the average total principal balance of the Mortgage Loans outstanding on the first day of each of the three months immediately prior to the relevant Determination Date, under the Series Servicing Agreement, and to the Series Standby Servicer under the Series Standby Servicing Agreement, as the case may be;
- (d) fourth, amounts due and payable to the Series Liquidity Facility Provider under the Series Liquidity Facility Agreement (other than any Subordinated Liquidity Facility Amounts), to be paid to the Series Liquidity Facility Provider;
 - (e) fifth, (i) first, to pay *pari passu* and *pro rata* (A) amounts (other than in respect of principal) payable in respect of the A Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the A Noteholders), and (B) amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the A1b USD Note Currency Swap Agreement and the A2c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment where "Currency Swap Counterparty Default Payment" means any termination payment due or payable under a Series Currency Swap Agreement as a result of the occurrence of an Event of Default (as defined therein) where the Series Currency Swap Counterparty is the Defaulting Party or an Additional Termination Event relating to the combination of the downgrade of the credit rating of the Series Currency Swap Counterparty and of the failure of the Series Currency Swap Counterparty to comply with its obligations under the relevant Series Currency Swap Agreement in respect of and following such downgrade (as such terms are defined in the relevant Series Currency Swap Agreement)) and if either of the A1b USD Note Currency Swap Agreement or the A2c Euro Note Currency Swap Agreement are not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the relevant Series Currency Swap Agreement in exchange for US dollars or euro in the spot exchange market in order to meet the interest then due on the relevant class of the A Notes and (ii) second, to the extent that in relation to any spot exchange for US dollars or euro, an amount is obtained which is insufficient to pay interest due on the A1b Notes and/or the A2c Notes, as the case may be, to apply such further amounts in exchange for US dollars or euro in the spot exchange market in order to meet such shortfall;
 - (f) sixth, to pay amounts to be credited to the A Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Notes in accordance with Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the balance of the A Principal Deficiency Sub-Ledger has reached zero;
 - (g) seventh, (i) first, to pay *pari passu* and *pro rata* (A) amounts (other than in respect of principal) payable in respect of the M1 Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the M1 Noteholders), and (B) amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the M1c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the M1c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the M1c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the M1c Notes and (ii) second, to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the M1c Notes to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall;

- (h) eighth, to pay amounts to be credited to the M1 Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Notes in accordance with Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the balance of the M1 Principal Deficiency Sub-Ledger has reached zero;
- (i) ninth, (i) first, to pay *pari passu* and *pro rata* (A) amounts (other than in respect of principal) payable in respect of the M2 Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the M2 Noteholders), and (B) amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the M2c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the M2c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the M2c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the M2c Notes and (ii) second, to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the M2c Notes to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall;
- (j) tenth, to pay amounts to be credited to the M2 Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Notes in accordance with Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the balance of the M2 Principal Deficiency Sub-Ledger has reached zero;
- (k) eleventh, (i) first, to pay *pari passu* and *pro rata* (A) amounts (other than in respect of principal) payable in respect of the B1c Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the B1c Noteholders), and (B) amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the B1c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the B1c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the B1c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the B1c Notes and (ii) second, to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the B1c Notes, to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall;
- (l) twelfth, to pay amounts to be credited to the B1c Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Notes in accordance with Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the balance of the B1c Principal Deficiency Sub-Ledger has reached zero;
- (m) thirteenth, to credit the Series Reserve Ledger, until the balance of the Series Reserve Fund reaches the Series Reserve Fund Required Amount;
- (n) fourteenth, to credit the Series Discount Reserve Ledger, to the extent that the amount credited to the Series Discount Reserve Ledger is less than the Series Discount Reserve Required Amount;
- (o) fifteenth, to credit to the Programme Account in respect of Securities Holdings' Profit Ledger an amount equal to 0.01 per cent. of the Available Revenue Funds in respect of such Distribution Date less any liability for tax on such amount as has been provided for in accordance with subparagraph (b)(v) above on such Distribution Date;
- (p) sixteenth, Subordinated Liquidity Facility Amounts due and payable to the Series Liquidity Facility Provider under the Series Liquidity Facility Agreement, to be paid to the Series Liquidity Facility Provider;
- (q) seventeenth, (after taking into account any payments to the Series MER Loan Provider which are Permitted Withdrawals) to pay interest then due and repay principal outstanding in respect of the Series MER Loan;
- (r) eighteenth, in or towards payment of any Currency Swap Counterparty Default Payment payable to the Series Currency Swap Counterparty under the terms of the Series Currency Swap Agreements;
- (s) nineteenth, in or towards satisfaction of all other amounts due and payable to any other Series Creditor that are not otherwise provided for in this priority of payments or in the Series Pre-Acceleration Principal Priority of Payments;

- (t) twentieth, to pay amounts payable in respect of the Series Residuals; and
- (u) twenty-first, to pay any remaining amount to the Issuer or other persons entitled thereto.

Available Revenue Funds on any Distribution Date means the aggregate of:

- (i) the Discount Reserve Applicable Amount, if any;
- (ii) any amount standing to the credit of the Series Discount Reserve in excess of the Series Discount Reserve Required Amount;
- (iii) the Series Reserve Fund Excess, if any;
- (iv) on any Distribution Date on which the Notes are redeemed in full, all amounts standing to the credit of the Series Reserve Fund;
- (v) on any Distribution Date on which all discounts applicable to the Discounted Mortgage Loans in the Series Portfolio have expired, all amounts standing to the credit of the Series Discount Reserve;
- (vi) any swap termination payments received from the Series Currency Swap Counterparty under the Series Currency Swap Agreements and remaining after such payments have been applied towards the appointment of a replacement Series Currency Swap Counterparty;
- (vii) any payment received by the Issuer from a replacement Series Currency Swap Counterparty in consideration for the Issuer entering into replacement Series Currency Swap Agreements in respect of the Series;
- (viii) any amount received by the Issuer from the Series Cap Provider and remaining after such payments have been applied towards the appointment of a replacement Series Cap Provider;
- (ix) to the extent there is a shortfall in funds available for application under paragraphs (a) to (l) inclusive of the Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments or the Post-Enforcement, Pre-Acceleration Revenue Priority of Payments, as applicable, an amount standing to the credit of the Series Reserve Fund equal to such shortfall;
- (x) any drawings in respect of such Distribution Date under the Series Liquidity Facility Agreement available for application in accordance with the terms thereof;
- (xi) in respect of the first Distribution Date, the Pre-Funded Mortgage Loans Interest Shortfall amount; and
- (xii) all other amounts standing to the credit of the Series Transaction Account (including, for the avoidance of doubt, interest receipts in respect of Mortgage Loans in the Series Portfolio) other than (A) Actual Redemption Funds (and any amounts standing to the credit of the Series Principal Ledger), (B) any amounts credited to the Series Discount Reserve Ledger or the Series Reserve Ledger (other than amounts mentioned as Available Revenue Funds in subparagraphs (i) to (v) inclusive and (ix) above), or (C) any amounts credited to the Series Mortgage Early Repayment Charges Ledger, the Series Tax Ledger, the Series Securities Holdings Profit Ledger, the Series Pre-Funded Mortgage Loans Ledger or the Series Further Advances Ledger.

On each Distribution Date, Series Permitted Withdrawals that are not amounts provided for under the applicable Series Priorities of Payments and that are permitted to be made on such Distribution Date in accordance with the terms of the Transaction Documents applicable to the Series will be made out of amounts standing to the credit of the Series Transaction Account and such amounts will not form part of the Available Revenue Funds to be applied on such Distribution Date. See further “*Credit Structure – Series Permitted Withdrawals*” in the Offering Circular.

Series Post-Enforcement, Pre-Acceleration Revenue Priority of Payments

On each Distribution Date (and two Business Days before each Distribution Date in the case of payments to the Series Currency Swap Counterparty) following service of a Series Enforcement Notice but prior to service of a Series Acceleration Notice in respect of the Series, the Security Trustee or any appointee or receiver will hold on trust all Available Revenue Funds received or recovered by it and such Available Revenue Funds will be applied by the Series Cash Manager on behalf of the Security Trustee on each Distribution Date in making the following payments and provisions (the **Series Post-Enforcement, Pre-Acceleration Revenue Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) first, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
- (i) the Series Pro Rata Amount in respect of any remuneration and indemnity amounts due and payable by the Issuer to the Security Trustee under the Security Deed, the Intercreditor Deed and the other Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Security Trustee thereunder and any receiver (including any administrative receiver) or other person appointed by it in respect of the Series under the Security Deed or any other Transaction Document, to be credited to the Programme Account;
 - (ii) the Series Referable Amount in respect of any remuneration and indemnity amounts due and payable by the Issuer to the Security Trustee under the Security Deed, the Intercreditor Deed and the other Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Security Trustee thereunder and any receiver (including any administrative receiver) or other person appointed by it in respect of the Series under the Security Deed or any other Transaction Document, to be paid to the Security Trustee; and
 - (iii) any remuneration and indemnity amounts due and payable to the Series Note Trustee under the Series Trust Deed and the other Transaction Documents and any costs, charges, liabilities and expenses incurred by the Series Note Trustee, to be paid to the Series Note Trustee;
- (b) second, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
- (i) prior to a Programme Insolvency Event and/or deemed service of a Programme Enforcement Notice, the Series Referable Amount in respect of amounts then accrued but remaining unpaid to third parties (including audit fees and value added tax, if any but excluding, for the avoidance of doubt, Series Secured Creditors of the Series) incurred without breach by the Issuer of the Transaction Documents, to be credited to the Programme Account or paid directly to the relevant third party, as the case may be;
 - (ii) prior to a Programme Insolvency Event and/or deemed service of a Programme Enforcement Notice, the Series Pro Rata Amount in respect of amounts then accrued but remaining unpaid to third parties (including audit fees and value added tax, if any but excluding, for the avoidance of doubt, Series Secured Creditors of the Series) incurred without breach by the Issuer of the Transaction Documents to be credited to the Programme Account;
 - (iii) the Series Referable Amount in respect of amounts payable in respect of insurance contracts relating to the Series Portfolio maintained by or on behalf of the Issuer;
 - (iv) the Series Pro Rata Amount in respect of amounts payable in respect of insurance contracts relating to the Series Portfolio maintained by or on behalf of the Issuer to be credited to the Programme Account; and
 - (v) prior to a Programme Insolvency Event and/or service of a Programme Enforcement Notice, the Series Referable Amount to provide on an accruing basis for Securities Holding's liability or possible liability for tax to be credited to the Programme Account;
- (c) third, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
- (i) the Series Pro Rata Amount in respect of amounts due and payable to the Corporate Services Provider under the Corporate Services Agreement to be credited to the Programme Account;
 - (ii) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Account Bank under the Programme Bank Account Agreement to be credited to the Programme Account;
 - (iii) amounts due and payable to the Series Account Bank under the Series Bank Account Agreement, to be paid to the Series Account Bank;
 - (iv) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Cash Manager under the Programme Cash Management Agreement to be credited to the Programme Account;
 - (v) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Financial Servicer under the Programme Cash Management Agreement to be credited to the Programme Account;

- (vi) amounts due and payable to the Series Cash Manager under the Series Cash Management Agreement, to be paid to the Series Cash Manager;
 - (vii) on a *pro rata* and *pari passu* basis, amounts due and payable to the Series Agents under the Series Agency Agreement, to be paid to the Series Agents; and
 - (viii) on a *pro rata* and *pari passu* basis, amounts due and payable to the Series Servicer, such fee being an amount equal to one quarter of 0.15 per cent. per annum of the average total principal balance of the Mortgage Loans outstanding on the first day of each of the three months immediately prior to the relevant Determination Date under the Series Servicing Agreement, and to the Series Standby Servicer under the Series Standby Servicing Agreement, to be paid to the Series Servicer and the Series Standby Servicer, as the case may be;
- (d) fourth, amounts due and payable to the Series Liquidity Facility Provider under the Series Liquidity Facility Agreement (other than any Subordinated Liquidity Facility Amounts), to be paid to the Series Liquidity Facility Provider;
 - (e) fifth, (i) first, to pay *pari passu* and *pro rata* (A) amounts (other than in respect of principal) payable in respect of the A Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the A Noteholders), and (B) amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the A1b USD Note Currency Swap Agreement and the A2c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment where “**Currency Swap Counterparty Default Payment**” means any termination payment due or payable under a Series Currency Swap Agreement as a result of the occurrence of an Event of Default (as defined therein) where the Series Currency Swap Counterparty is the Defaulting Party or an Additional Termination Event relating to the combination of the downgrade of the credit rating of the Series Currency Swap Counterparty and of the failure of the Series Currency Swap Counterparty to comply with its obligations under the relevant Series Currency Swap Agreement in respect of and following such downgrade (as such terms are defined in the relevant Series Currency Swap Agreement)) and if either of the A1b USD Note Currency Swap Agreement or the A2c Euro Note Currency Swap Agreement are not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the relevant Series Currency Swap Agreement in exchange for US dollars or euro in the spot exchange market in order to meet the interest then due on the relevant class of the A Notes and (ii) second, to the extent that in relation to any spot exchange for US dollars or euro, an amount is obtained which is insufficient to pay interest due on the A1b Notes and/or the A2c Notes, as the case may be, to apply such further amounts in exchange for US dollars or euro in the spot exchange market in order to meet such shortfall;
 - (f) sixth, to pay amounts to be credited to the A Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Notes in accordance with Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the balance of the A Principal Deficiency Sub-Ledger has reached zero;
 - (g) seventh, (i) first, to pay *pari passu* and *pro rata* (A) amounts (other than in respect of principal) payable in respect of the M1 Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the M1 Noteholders), and (B) amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the M1c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the M1c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the M1c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the M1c Notes and (ii) second, to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the M1c Notes to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall;
 - (h) eighth, to pay amounts to be credited to the M1 Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Notes in accordance with Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the balance of the M1 Principal Deficiency Sub-Ledger has reached zero;
 - (i) ninth, (i) first, to pay *pari passu* and *pro rata* (A) amounts (other than in respect of principal) payable

in respect of the M2 Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the M2 Noteholders), and (B) amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the M2c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the M2c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the M2c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the M2c Notes and (ii) second, to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the M2c Notes to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall;

- (j) tenth, to pay amounts to be credited to the M2 Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Notes in accordance with **Condition 9 (Redemption and Post-Enforcement Call Option)** until the balance of the M2 Principal Deficiency Sub-Ledger has reached zero;
- (k) eleventh, (i) first, to pay *pari passu* and *pro rata* (A) amounts (other than in respect of principal) payable in respect of the B1c Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the B1c Noteholders), and (B) amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the B1c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the B1c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the B1c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the B1c Notes and (ii) second, to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the B1c Notes, to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall;
- (l) twelfth, to pay amounts to be credited to the B1c Principal Deficiency Sub-Ledger (such amounts to be applied in redemption of the Notes in accordance with **Condition 9 (Redemption and Post-Enforcement Call Option)** until the balance of the B1c Principal Deficiency Sub-Ledger has reached zero;
- (m) thirteenth, to credit the Series Reserve Ledger, until the balance of the Series Reserve Fund reaches the Series Reserve Fund Required Amount;
- (n) fourteenth, to credit the Series Discount Reserve Ledger, to the extent that the amount credited to the Series Discount Reserve Ledger is less than the Series Discount Reserve Required Amount;
- (o) fifteenth, prior to a Programme Insolvency Event and/or service of a Programme Enforcement Notice, to credit to the Programme Account in respect of Securities Holdings' Profit Ledger an amount equal to 0.01 per cent. of the Available Revenue Funds in respect of such Distribution Date less any liability for tax on such amount as has been provided for in accordance with subparagraph (b)(v) above on such Distribution Date;
- (p) sixteenth, Subordinated Liquidity Facility Amounts due and payable to the Series Liquidity Facility Provider under the Series Liquidity Facility Agreement, to be paid to the Series Liquidity Facility Provider;
- (q) seventeenth, (after taking into account any payments to the Series MER Loan Provider which are Permitted Withdrawals) to pay interest then due and repay principal outstanding in respect of the Series MER Loan;
- (r) eighteenth, in or towards payment of any Currency Swap Counterparty Default Payment payable to the Series Currency Swap Counterparty under the terms of the Series Currency Swap Agreements;
- (s) nineteenth, prior to a Programme Insolvency Event and/or service of a Programme Enforcement Notice, in or towards satisfaction of all other amounts due and payable to any other Series Creditor that are not otherwise provided for in this priority of payments or in the Series Pre-Acceleration Principal Priority of Payments;

- (t) twentieth, to provide for amounts payable in respect of the Series Residuals, provided that such amounts will be retained in the Series Transaction Account and applied by or on behalf of the Security Trustee on the next Distribution Date as Available Revenue Funds under this priority of payments or applied under the Series Post-Acceleration Priority of Payments, as applicable. After the satisfaction in full of amounts ranking in priority to the Series Residuals in this priority of payments (taking into account any such amounts payable on any future Distribution Date), Available Revenue Funds in an amount equal to the amount otherwise payable on the Series Residuals under this paragraph will be applied by or on behalf of the Security Trustee as Actual Redemption Funds under the Series Pre-Acceleration Principal Priority of Payments. After the satisfaction in full of all amounts under the Series Pre-Acceleration Principal Priority of Payments (taking into account any such amounts payable on any future Distribution Date), Available Revenue Funds will be applied to make payment on the Series Residuals under this paragraph and shall not be retained by or on behalf of the Security Trustee; and
- (u) twenty-first, to provide for any remaining amount to the Issuer or other persons entitled thereto, provided that such amounts will be retained in the Series Transaction Account and applied by or on behalf of the Security Trustee on the next Distribution Date as Available Revenue Funds under this priority of payments or applied under the Series Post-Acceleration Priority of Payments, as applicable. After the satisfaction in full of amounts ranking in priority to this paragraph (taking into account any such amounts payable on any future Distribution Date), Available Revenue Funds in an amount equal to the amount otherwise payable under this paragraph will be applied by or on behalf of the Security Trustee as Actual Redemption Funds under the Series Pre-Acceleration Principal Priority of Payments. After the satisfaction in full of all amounts under the Series Pre-Acceleration Principal Priority of Payments (taking into account any such amounts payable on any future Distribution Date), Available Revenue Funds payable under this paragraph will be deposited in the Programme Account for application in accordance with the Programme Priority of Payments set out in the Offering Circular.

Series Pre-Acceleration Principal Priority of Payments

On each Distribution Date (and two Business Days before each Distribution Date in the case of payments to the Series Currency Swap Counterparty) prior to the service of a Series Acceleration Notice, Actual Redemption Funds standing to the credit of the Series Transaction Account will be applied by or on behalf of the Issuer in making the following payments and provisions (the **Series Pre-Acceleration Principal Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) first, *pari passu* and at a ratio of 30.82 to 69.18 (being the ratio of Base Currency PAO at issue of A1a Notes to A1b Notes) to (i) the holders of the A1a Notes in respect of principal of the A1a Notes; and (ii) the Series Currency Swap Counterparty in respect of principal under the terms of the A1b USD Note Currency Swap Agreement (except for any termination payment due to the Series Currency Swap Counterparty under such agreement), or, in the case of (ii) above, if there is no A1b USD Note Currency Swap Agreement then in place, to exchange for US dollars in the spot exchange market (all US dollar amounts received under part (ii) above or in the spot exchange market (the "**A1b USD Redemption Amounts**") shall be applied in redemption of the A1b Notes, as provided in **Condition 9 (Redemption and Post-Enforcement Call Option)** until the A1 Notes are redeemed in full;
- (b) second, *pari passu* and at a ratio of 58.26 to 41.74 (being the ratio of Base Currency PAO at issue of A2a Notes to A2c Notes) to (i) the holders of the A2a Notes in respect of principal of the A2a Notes and (ii) the Series Currency Swap Counterparty in respect of principal under the terms of the A2c Euro Note Currency Swap Agreement (except for any termination payment due to the Series Currency Swap Counterparty under such agreement), or, in the case of (ii) above, if there is no A2c Euro Note Currency Swap Agreement then in place, to exchange for euro in the spot exchange market (all euro amounts received under part (ii) above or in the spot exchange market (the "**A2c Euro Redemption Amounts**") shall be applied in redemption of the A2c Notes, as provided in **Condition 9 (Redemption and Post-Enforcement Call Option)** until the A2 Notes are redeemed in full;

- (c) third, *pari passu* and at a ratio of 42.52 to 57.48 (being the ratio of Base Currency PAO at issue of M1a Notes to M1c Notes) to (i) the holders of the M1a Notes in respect of principal of the M1a Notes; and (ii) the Series Currency Swap Counterparty in respect of principal under the terms of the M1c Euro Note Currency Swap Agreement (except for any termination payment due to the Series Currency Swap Counterparty under such agreement), or, in the case of (ii) above, if there is no M1c Euro Note Currency Swap Agreement then in place, to exchange for euro in the spot exchange market (all euro amounts received under part (ii) above or in the spot exchange market (the "M1c Euro Redemption Amounts")) shall be applied in redemption of the M1c Notes as provided in **Condition 9 (Redemption and Post-Enforcement Call Option)** until the M1 Notes are redeemed in full;
- (d) fourth, *pari passu* and at a ratio of 62.50 to 37.50 (being the ratio of Base Currency PAO at issue of M2a Notes to M2c Notes) to (i) the holders of the M2a Notes in respect of principal of the M2a Notes; and (ii) the Series Currency Swap Counterparty in respect of principal under the terms of the M2c Euro Note Currency Swap Agreement (except for any termination payment due to the Series Currency Swap Counterparty under such agreement), or, in the case of (ii) above, if there is no M2c Euro Note Currency Swap Agreement then in place, to exchange for euro in the spot exchange market (all euro amounts received under part (ii) above or in the spot exchange market (the "M2c Euro Redemption Amounts")) shall be applied in redemption of the M2c Notes as provided in **Condition 9 (Redemption and Post-Enforcement Call Option)** until the M2 Notes are redeemed in full; and
- (e) fifth, *pari passu* to the Series Currency Swap Counterparty in respect of principal under the terms of the B1c Euro Note Currency Swap Agreement (except for any termination payment due to the Series Currency Swap Counterparty under such agreement), or, if there is no B1c Euro Note Currency Swap Agreement then in place, to exchange for euro in the spot exchange market (all euro amounts received above or in the spot exchange market (the "B1c Euro Redemption Amounts")) shall be applied in redemption of the B1c Notes as provided in **Condition 9 (Redemption and Post-Enforcement Call Option)** until the B1c Notes are redeemed in full,

provided always that the Actual Redemption Funds shall not be applied in the order set out in the Series Pre-Acceleration Principal Priority of Payments but shall instead be applied pro rata between items (a) to (e) of the Series Pre-Acceleration Principal Priority of Payments on any Distribution Date immediately succeeding a Determination Date on which all of the following conditions are met:

- (i) after the previous Distribution Date, the result produced by the fraction $(M+B1)/(A+M+B1)$ is greater than or equal to twice the result produced by that fraction as at the Issue Date;
- (ii) all balances on each of the Series Principal Deficiency Sub-Ledgers are zero;
- (iii) the balance of the Series Reserve Fund is at the Series Reserve Fund Required Amount;
- (iv) the Liquidity Drawn Amount is zero; and
- (v) the total balance of all Mortgage Loans in the Series Portfolio which are 90 days or more in arrears does not exceed 17 per cent. of the total balance of all the Mortgage Loans in the Series Portfolio.

For the purposes of this paragraph, as at any date:

- A = the aggregate Base Currency PAO of the A Notes on such date;
- M = the aggregate Base Currency PAO of the M Notes on such date; and
- B1 = the aggregate Base Currency PAO of the B1c Notes on such date.

Actual Redemption Funds as at any Determination Date is an amount calculated as the aggregate of:

- (i) the amount standing to the credit of the Series Principal Ledger and the amount (if any) standing to the credit of the Series Further Advances Ledger (before the transfer of the Committed Further Advances calculated on that Determination Date from the Series Principal Ledger) in each case as at the last Business Day of the month immediately preceding such Determination Date;
- (ii) the amount (if any) calculated on the Determination Date pursuant to the Series Pre-Enforcement, Pre-Acceleration Revenue Priority of Payments or the Series Post-Enforcement, Pre-Acceleration Revenue Priority of Payments, as applicable, to be the amount by which the debit balance on any Series Principal Deficiency Sub-Ledger is expected to be reduced by the application of Available Revenue Funds on the immediately succeeding Distribution Date; and

- (iii) the amount (if any) of the Principal Rebate (as defined below) standing to the credit of the Series Pre-Funded Mortgage Loans Ledger on the first Determination Date after the final Eligible Date (as defined below) (see further "Series Portfolio Purchase Agreement – Pre-Funded Mortgage Loans" below),

LESS

the Committed Further Advances calculated on such Determination Date.

Series Post-Acceleration Priority of Payments

Following service of a Series Acceleration Notice, all moneys received or recovered by the Security Trustee (or a receiver appointed on its behalf) in respect of the Series under the Security Deed will be applied by the Series Cash Manager on behalf of the Security Trustee in the following order of priority (the **Series Post-Acceleration Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) first, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Series Pro Rata Amount in respect of any remuneration and indemnity amounts due and payable by the Issuer to the Security Trustee under the Security Deed, the Intercreditor Deed and the other Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Security Trustee thereunder and any receiver (including any administrative receiver) or other person appointed by it under the Security Deed or any other Transaction Document to be credited to the Programme Account;
 - (ii) the Series Referable Amount in respect of any remuneration and indemnity amounts due and payable to the Security Trustee under the Security Deed, the Intercreditor Deed and the other Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Security Trustee thereunder and any receiver (including any administrative receiver) or other person appointed by it under the Security Deed or any other Transaction Document in respect of the Series, to be paid to the Security Trustee; and
 - (iii) any remuneration and indemnity amounts due and payable to the Series Note Trustee under the Series Trust Deed and the other Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Series Note Trustee thereunder, to be paid to the Series Note Trustee;
- (b) second, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Series Pro Rata Amount in respect of amounts due and payable to the Corporate Services Provider under the Corporate Services Agreement to be credited to the Programme Account;
 - (ii) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Account Bank under the Programme Bank Account Agreement to be credited to the Programme Account;
 - (iii) amounts due and payable to the Series Account Bank under the Series Bank Account Agreement, to be paid to the Series Account Bank;
 - (iv) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Cash Manager under the Programme Cash Management Agreement to be credited to the Programme Account;
 - (v) the Series Pro Rata Amount in respect of amounts due and payable to the Programme Financial Servicer under the Programme Cash Management Agreement to be credited to the Programme Account;
 - (vi) amounts due and payable to the Series Cash Manager under the Series Cash Management Agreement, to be paid to the Series Cash Manager;
 - (vii) on a *pro rata* and *pari passu* basis, amounts due and payable to the Series Agents under the Series Agency Agreement, to be paid to the Series Agents; and

- (viii) on a *pro rata* and *pari passu* basis, amounts due and payable to the Series Servicer, such fee being an amount equal to one quarter of 0.15 per cent. per annum of the average total principal balance of the Mortgage Loans outstanding on the first day of each of the three months immediately prior to the relevant Determination Date under the Series Servicing Agreement, and to the Series Standby Servicer under the Series Standby Servicing Agreement, to be paid to the Series Servicer and the Series Standby Servicer, as the case may be;
- (c) third, prior to a Programme Insolvency Event and/or service of a Programme Enforcement Notice, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Series Referable Amount to provide on an accruing basis for Securities Holding's liability or possible liability for tax;
 - (ii) the Series Referable Amount in respect of amounts then accrued but remaining unpaid to third parties (including audit fees and value added tax, if any but excluding, for the avoidance of doubt, Series Secured Creditors of the Series) incurred without breach by the Issuer of the Transaction Documents, to be credited to the Programme Account or paid directly to the relevant third party, as the case may be;
 - (iii) the Series Pro Rata Amount in respect of amounts then accrued but remaining unpaid to third parties (including audit fees and value added tax, if any but excluding, for the avoidance of doubt, Series Secured Creditors of the Series) incurred without breach by the Issuer of the Transaction Documents to be credited to the Programme Account;
 - (iv) the Series Pro Rata Amount in respect of amounts payable in respect of insurance contracts relating to the Series Portfolio maintained by or on behalf of the Issuer to be credited to the Programme Account; and
 - (v) the Series Referable Amount in respect of amounts payable in respect of insurance contracts relating to the Series Portfolio maintained by or on behalf of the Issuer;
- (d) fourth, amounts due and payable to the Series Liquidity Facility Provider under the Series Liquidity Facility Agreement (other than any Subordinated Liquidity Facility Amounts), to be paid to the Series Liquidity Facility Provider;
- (e) fifth, to pay, *pro rata* and *pari passu*:
 - (i) (A) amounts (other than in respect of principal) payable in respect of the A Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the A Noteholders) and amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the A1b USD Note Currency Swap Agreement and the A2c Euro Note Currency Swap Agreement (except in each case for any relevant Currency Swap Counterparty Default Payment) and if any of the Series Currency Swap Agreements are not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the relevant Series Currency Swap Agreement in exchange for US dollars or euro, as applicable, in the spot exchange market in order to meet the interest then due on the relevant class of the A Notes; and (B) to the extent that in relation to any spot exchange for US dollars or euro, an amount is obtained which is insufficient to pay interest due on the A1b Notes and/or the A2c Notes, as the case may be, to apply such further amounts in exchange for US dollars or euro, as applicable, in the spot exchange market in order to meet such shortfall (all US dollar and/or euro amounts received pursuant to exchange in the spot market under (A) and (B) above are to be applied in payment of interest due in respect of the A1b Notes and the A2c Notes, respectively);
 - (ii) at a ratio of 11.43 to 25.65 to 36.66 to 26.26 (being the ratio of Base Currency PAO at issue of A1a Notes to A1b Notes to A2a Notes to A2c Notes) to (A) the holders of the A1a Notes and the A2a Notes in respect of principal of the A1a Notes and A2a Notes, respectively, (B) the Series Currency Swap Counterparty in respect of principal under the terms of the A1b USD Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and (C) the Series Currency Swap Counterparty in respect of principal under the terms of the A2c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment), or, in the case of (B) and/or (C) above, if there is no A1b USD Note Currency Swap Agreement and/or the A2c Euro Note Currency Swap

Agreement (as the case may be) then in place, to exchange for US dollars and/or euro respectively in the spot exchange market (all such A1b USD Redemption Amounts and/or A2c Euro Redemption Amounts (as the case may be) shall be applied in redemption of the A1b Notes and/or A2c Notes (as appropriate) as provided in Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the A Notes are redeemed in full;

(f) sixth, to pay, *pro rata* and *pari passu*:

- (i) (A) amounts (other than in respect of principal) payable in respect of the M1 Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the M1 Noteholders) and amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the M1c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the M1c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the M1c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the M1c Notes; and (B) to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the M1c Notes to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall (all euro amounts received pursuant to exchange in the spot market under (A) and (B) above are to be applied in payment of interest due in respect of the M1c Notes);
- (ii) at a ratio of 42.52 to 57.48 (being the ratio of Base Currency PAO at the issue of M1a Notes to M1c Notes) to (A) the holders of the M1a Notes in respect of principal of the M1a Notes, and (B) the Series Currency Swap Counterparty in respect of principal under the terms of the M1c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment), or, in the case of (B) above, if there is no M1c Euro Note Currency Swap Agreement then in place, to exchange for euro in the spot exchange market (all such M1c Euro Redemption Amounts shall be applied in redemption of the M1c Notes as provided in Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the M1 Notes are redeemed in full;

(g) seventh, to pay, *pro rata* and *pari passu*:

- (i) (A) amounts (other than in respect of principal) payable in respect of the M2 Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the M2 Noteholders) and amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the M2c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the M2c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the M2c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the M2c Notes; and (B) to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the M2c Notes, to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall (all euro amounts received pursuant to exchange in the spot market under (A) and (B) above are to be applied in payment of interest due in respect of the M2c Notes);
- (ii) at a ratio of 62.50 to 37.50 (being the ratio of Base Currency PAO at issue of M2a Notes to M2c Notes) to (A) the holders of the M2a Notes in respect of principal of the M2a Notes and (B) the Series Currency Swap Counterparty in respect of principal under the terms of the M2c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment), or, in case of (B) above, if there is no M2c Euro Note Currency Swap Agreement then in place, to exchange for euro in the spot exchange market (all such M2c Euro Redemption Amounts shall be applied in redemption of the M2c Notes as provided in Condition 9 (*Redemption and Post-Enforcement Call Option*)) until the M2 Notes are redeemed in full;

- (h) eighth, to pay, *pro rata* and *pari passu*:
- (i) (A) amounts (other than in respect of principal) payable in respect of the B1c Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the B1c Noteholders) and amounts payable to the Series Currency Swap Counterparty in respect of notional interest and any termination payment under the terms of the B1c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment) and if the B1c Euro Note Currency Swap Agreement is not in place, to apply *pari passu* and *pro rata* with such amounts an amount up to the amount which would have been so payable by the Issuer under the B1c Euro Note Currency Swap Agreement in exchange for euro in the spot exchange market in order to meet the interest then due on the B1c Notes; and (B) to the extent that in relation to any spot exchange for euro, an amount is obtained which is insufficient to pay interest due on the B1c Notes to apply such further amounts in exchange for euro in the spot exchange market in order to meet such shortfall (all euro amounts received pursuant to exchange in the spot market under (A) and (B) above are to be applied in payment of interest due in respect of the B1c Notes);
 - (ii) to the Series Currency Swap Counterparty in respect of principal under the terms of the B1c Euro Note Currency Swap Agreement (except for any relevant Currency Swap Counterparty Default Payment), or, if there is no B1c Euro Note Currency Swap Agreement then in place, to exchange for euro in the spot exchange market (all such B1c Euro Redemption Amounts shall be applied in redemption of the B1c Notes as provided in **Condition 9 (Redemption and Post-Enforcement Call Option)**) until the B1c Notes are redeemed in full;
- (i) ninth, Subordinated Liquidity Facility Amounts due and payable to the Series Liquidity Facility Provider under the Series Liquidity Facility Agreement, to be paid to the Series Liquidity Facility Provider;
 - (j) tenth, to pay all outstanding interest and repay all outstanding principal in respect of the Series MER Loan;
 - (k) eleventh, in or towards payment of any Currency Swap Counterparty Default Payment payable to the Series Currency Swap Counterparty under the terms of the Series Currency Swap Agreements;
 - (l) twelfth, prior to a Programme Insolvency Event and/or service of a Programme Enforcement Notice, in or towards satisfaction of all other amounts due and payable to any other Series Creditor that are not otherwise provided for in this priority of payments;
 - (m) thirteenth, prior to a Programme Insolvency Event and/or service of a Programme Enforcement Notice, to credit to the Programme Account in respect of Securities Holdings' Profit Ledger an amount equal to 0.01 per cent. of the revenue amounts applied under this priority of payments less any liability for tax on such amount as has been provided for in accordance with subparagraph (c)(i) above on such date;
 - (n) fourteenth, to pay amounts payable in respect of the Series Residuals; and
 - (o) fifteenth, to deposit any remaining amount in the Programme Account of the Issuer.

Determination Date means the date which falls five Business Days prior to a Distribution Date or a Programme Distribution Date, as the case may be.

Distribution Date means 12 June 2006 and thereafter the 12th day in September, December, March and June in each year, unless such day is not a Business Day, in which case it shall be the next following Business Day.

USE OF PROCEEDS

The net proceeds from the issue of Notes (after exchanging the net USD proceeds of the USD Notes for sterling proceeds and the net euro proceeds of the Euro Notes for sterling proceeds, in each case calculated by reference to the relevant Currency Swap Rate under the relevant Series Hedge Agreement) are expected to amount to approximately £1,197,989,000 and will primarily be applied by the Issuer to purchase from the Seller on the Issue Date the Series Completion Mortgage Pool and may also be applied in the purchase of the Pre-Funded Mortgage Loans on the Eligible Dates. To the extent that, on the Issue Date, the net proceeds of the Notes (after exchanging the net USD proceeds of the USD Notes for sterling proceeds and the net euro proceeds of the Euro Notes for sterling proceeds in each case calculated by reference to the relevant Currency Swap Rate) exceed the purchase price for the Series Completion Mortgage Pool, all of that excess will be credited to the Series Pre-Funded Mortgage Loans Ledger on the Issue Date to be used to acquire the Pre-Funded Mortgage Loans on the Eligible Dates (as defined below).

The amounts advanced under the Series MER Loan will be used to fund the expenses of the issue being start-up costs, the Pre-Funded Mortgage Loans Interest Shortfall, the underwriting and selling commissions in respect of the Notes, the Series Discount Reserve and to fund the deposit into the Series Reserve Fund.

The start-up costs (other than underwriting and selling commissions payable in respect of the Notes but including expenses incurred in connection with the offering of the Notes and the fee payable to the Series Cap Provider under the Series Interest Rate Cap Agreement), together with the deposit into the Series Reserve Fund and the Series Discount Reserve relating to the issue of the Notes are estimated not to exceed £30,000,000.

BARCLAYS BANK PLC

Barclays Bank PLC is a public limited company registered in England and Wales under number 1026167. The liability of the members of Barclays Bank PLC is limited. It has its registered head office at 1 Churchill Place, London, E14 5HP. Barclays Bank PLC was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Act 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, Barclays Bank was re-registered as a public limited company and its name was changed from "Barclays Bank International Limited" to "Barclays Bank PLC".

Barclays Bank PLC and its subsidiary undertakings (taken together, the "Group") is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services. The whole of the issued ordinary share capital of Barclays Bank PLC is beneficially owned by Barclays PLC, which is the ultimate holding company of the Group and one of the largest financial services companies in the world by market capitalisation.

The short term unsecured obligations of Barclays Bank PLC are rated A-1+ by Standard & Poor's, P-1 by Moody's and F1+ by Fitch Ratings Limited and the long-term obligations of Barclays Bank PLC are rated AA by S&P, Aa1 by Moody's and AA+ by Fitch Ratings Limited.

From 2005, the Group has prepared financial statements on the basis of International Financial Reporting Standards (collectively IFRS). Based on the unaudited financial information for the year ended 31 December 2005, prepared in accordance with IFRS, the Group had total assets of £924,170 million, total net loans and advances¹ of £300,001 million, total deposits² of £313,811 million, and total shareholders' equity of £24,243 million (including minority interests of £1,578 million). The profit before tax of the Group for the year ended 31 December 2005 was £5,311 million after charging an impairment loss on loans and advances and other credit risk provisions of £1,571 million.

The Group's audited financial statements for the year ended 31 December 2004 were prepared in accordance with UK Generally Accepted Accounting Principles (UK GAAP). On this basis, as at 31 December 2004, the Group had total assets of £522,253 million, total net loans and advances¹ of £330,077 million, total deposits² of £328,742 million and shareholders' funds of £18,271 million (including £690 million of non-equity funds). The profit before tax under UK GAAP for the year ended 31 December 2004 was £4,612 million after charging net provisions for bad and doubtful debts of £1,091 million.

¹ Total net loans and advances include balances relating to both banks and customer accounts.

² Total deposits include deposits from banks and customer accounts.

THE SERIES CURRENCY SWAP COUNTERPARTY

The Royal Bank of Scotland Group plc (the Group) is the holding company of one of the world's largest banking and financial services groups, with a market capitalisation of £56 billion at 31 December, 2005. Headquartered in Edinburgh, the Group operates in the UK, the US and internationally through its two principal subsidiaries, The Royal Bank of Scotland plc (RBS) and National Westminster Bank Plc (NatWest). Both RBS and NatWest are major UK clearing banks whose origins go back over 275 years. The Group has a large and diversified customer base and provides a wide range of products and services to personal, commercial and large corporate and institutional customers.

The Group's operations are conducted principally through RBS and its subsidiaries (including NatWest) other than the general insurance business (primarily Direct Line Group).

The Group had total assets of £776.8 billion and shareholders' equity of £35.4 billion at 31 December 2005. The Group is strongly capitalised with a total capital ratio of 11.7 per cent. and tier 1 capital ratio of 7.6 per cent as at 31 December 2005.

The short-term unsecured and unguaranteed debt obligations of RBS are currently rated A-1+ by S&P, P-1 by Moody's and F1+ by Fitch. The long-term senior unsecured and unguaranteed debt obligations of RBS are currently rated AA by S&P, Aa1 by Moody's and AA+ by Fitch.

In its capacity as Series Currency Swap Counterparty, RBS will be acting through its branch at 135 Bishopsgate, London, EC2M 3UR.

The information contained herein with respect to RBS and the Group relates to and has been obtained from it. Delivery of this Supplement shall not create any implication that there has been no change in the affairs of RBS or the Group since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to its date.

SERIES PORTFOLIO

Key characteristics of the Series Initial Mortgage Pool

As at 28 February 2006 (the Cut-off Date), the Series Initial Mortgage Pool has the characteristics described below.

Key Characteristics of the Initial Mortgage Pool

Aggregate Balance (£)	1,128,420,703.67
Number of Mortgage Loans	10,422
Average mortgage loan balance (£)	108,272.95
Maximum mortgage loan balance (£)	531,544.58
Weighted average seasoning (years)	0.31
Weighted average remaining term (years)	21.74
Weighted average original loan to value ratio (by current balance) %	76.79
Self-certified borrowers (by % of balance)	64.58
Arrears (by % of balance) Days Past Due:	
Current	96.84
30 – 59 days	2.14
60 – 89 days	0.93
90 + days	0.10
Total Portfolio in Arrears (by % of balance)	3.16
CCJs (by % of balance):	
Borrowers with 1 CCJ	10.87
Borrowers with > 1 CCJ	4.98
Total Borrowers with CCJs (by % of balance)	15.85
Geographic concentrations (by % of balance):	
South East, Greater London, Outer Metropolitan	34.51
Mortgage Purpose (by % of balance):	
Refinance	63.24
Purchase	36.76
Right to Buy (purchase and refinance)	6.20
Investment Mortgage Loans	1.41

Most of the Mortgage Loans in the Series Initial Mortgage Pool have been originated by the Seller or the CL Originators (see further “*The Series Portfolios – Origination Procedures and Monitoring of Brokers*” in the Offering Circular). However, 0.09 per cent. by loan count (or 0.05 per cent. by balance) of the Mortgage Loans (the **FM Mortgage Loans**) in the Series Initial Mortgage Pool were originated by Future Mortgages Limited or Future Mortgages 1 Limited (collectively, **FM**) and 1.70 per cent. by loan count (or 1.45 per cent. by balance) of the Mortgage Loans (the **Amber Mortgage Loans**) in the Series Initial Mortgage Pool were originated by Amber Home Loans Limited (**Amber**) generally in accordance with the Amber Lending Criteria (as defined below) as in effect on the date on which they were originated. The Seller also acquired 2.48 per cent. of the Mortgage Loans in the Series Initial Mortgage Pool by value from RMAC 1999-NS1 in September 2005, from RMAC 2000-NS1 in March 2005, from RMAC 2000-NS2 in September 2005, from RMAC 2000-NS3 in March 2006 and from RMAC 2001-NS1 in March 2006, all of which loans were originated by GMAC-RFC, FM or the CL Originators.

Prior to the Issue Date, in forming the Series Completion Mortgage Pool, the Seller will exclude from the Series Initial Mortgage Pool all Mortgage Loans which do not comply with the Lending Criteria or the Amber Lending Criteria (as in effect on the relevant date) or permitted exceptions (as described below), or with the warranties to be given in respect of the Mortgage Loans in the Series Portfolio Purchase Agreement. Accordingly, the aggregate balance of the Series Completion Mortgage Pool may be less than the aggregate balance of the Series Initial Mortgage Pool.

Characteristics of the Mortgage Loans

Repayment Terms

Of the Mortgage Loans in the Series Initial Mortgage Pool, approximately 44.94 per cent. by balance are Repayment Mortgage Loans, approximately 52.12 per cent. by balance are Interest Only Mortgage Loans and approximately 2.94 per cent. by balance are Part and Part Mortgage Loans.

In relation to Amber Mortgage Loans which are either Interest Only Mortgage Loans or Part and Part Mortgage Loans, the type of repayment vehicle to be used by the Borrower is established and noted by Amber at the application stage.

Payment Holidays/Overpayment

Amber Mortgage Loans allow for a Borrower to take Payment Holidays or make overpayments. Payment Holidays may only be taken if a "surplus" exists. A surplus will exist if the Borrower has previously made overpayments in relation to the Mortgage Loan, although such a surplus will be reduced by the aggregate value of any Payment Holidays that the Borrower has already taken. Payment Holidays may be taken for up to three consecutive months, subject to certain conditions, which include,

- No Payment Holiday is allowed until six months after the end of the month when the Amber Mortgage Loan was completed;
- No Payment Holiday is allowed if the Amber Mortgage Loan is in arrears or has been in arrears at any time within the last six months before the Payment Holiday request;
- No Payment Holiday will be allowed if it will result in any surplus being exceeded at the end of the proposed Payment Holiday;
- A Payment Holiday may not be taken in respect of more than six monthly payments in any period of twelve consecutive months; and
- Following the Payment Holiday the outstanding balance of the Amber Mortgage Loan must not exceed 95% of the most recent valuation of the Property.

Although the obligation to make Monthly Payments is suspended during any Payment Holiday, interest continues to be charged on the Amber Mortgage Loan on a daily basis on the amount of the Mortgage Loan which is outstanding. A Borrower's Monthly Payments will be increased following any Payment Holiday.

Prepayment

Amber Mortgage Loans allow for prepayments of the Mortgage Loans in whole or in part at any time during the life of the Mortgage Loan. In connection with any prepayment, a Borrower may be obliged to pay additional fees and to cover any expense of the Seller in relation to the prepayment. Any prepayment will be effective to reduce the balance of the Mortgage Loan for interest charging purposes at the point at which the prepayment is credited to the relevant Mortgage Loan account.

Interest Rate Setting – LIBOR-Linked Mortgage Loans

Approximately 22.54 per cent. by loan count and 18.12 per cent. by balance of the Mortgage Loans in the Series Initial Mortgage Pool are currently LIBOR-Linked Mortgage Loans. Approximately 12.65 per cent. by loan count and 10.37 per cent. by balance of the Mortgage Loans in the Series Initial Mortgage Pool are Discount LIBOR-Linked Mortgage Loans where the LIBOR-Linked Rate has been discounted by between 0.75 per cent. and 2.55 per cent. until one of several dates ending no later than 1 April 2008. Approximately 3.83 per cent. by loan count and 3.99 per cent. by balance of the Mortgage Loans in the Series Initial Mortgage Pool are currently Fixed LIBOR-Linked Mortgage Loans. Approximately 0.48 per cent. by loan count and 0.37 per cent. by balance of the Mortgage Loans in the Series Initial Mortgage Pool are Stepped Discount LIBOR-Linked Mortgage Loans. See further "*Interest Rate Setting*" under "*The Series Portfolios*" in the Offering Circular.

Interest Rate Setting – Bank of England Base Rate-Linked Mortgage Loans

Approximately 77.46 per cent. by loan count and 81.88 per cent. by balance of the Mortgage Loans in the Series Initial Mortgage Pool are currently BBR-Linked Mortgage Loans. Approximately 15.82 per cent. by loan count and 18.25 per cent. by balance of the Mortgage Loans in the Series Initial Mortgage Pool are

Discount BBR-Linked Mortgage Loans where the BBR-Linked Rate has been discounted by between 0.01 per cent. and 1.00 per cent. until one of several dates ending no later than 1 March 2009. Approximately 60.22 per cent. by loan count and 62.12 per cent. by balance of the Mortgage Loans in the Series Initial Mortgage Pool are currently Fixed BBR-Linked Mortgage Loans. See further "*Interest Rate Setting*" under "*The Series Portfolios*" in the Offering Circular.

Interest in relation to each of the Amber Mortgage Loans is linked to LIBOR. LIBOR in relation to both Mortgage Loans originated by the Seller and the Amber Mortgage Loans, is reset on the same dates. No Amber Mortgage Loan is subject to a fixed rate of interest for any period.

Mortgage Payment Dates

The payment date in relation to each Amber Mortgage Loan is the first day of each calendar month.

Right-to-Buy Scheme

Approximately 6.20 per cent. of the Mortgage Loans in the Series Initial Mortgage Pool by balance and 10.12 per cent. by loan count are RTB Mortgage Loans. No Amber Mortgage Loan is a RTB Mortgage Loan.

Origination Procedures

Amber may derive its mortgage business from the use of intermediaries or brokers.

Approximately 5.30 per cent. by balance of the Mortgage Loans in the Series Initial Mortgage Pool were originated under the correspondent lending programme. The remote processing programme operated by the Seller accounts for approximately 32.19 per cent. by balance of the Series Initial Mortgage Pool.

The Seller will sub-delegate to the Issuer under a power of attorney its rights under the power of attorney given to the Seller by Amber in so far as that power of attorney relates to the Amber Mortgage Loans in the Series Portfolio.

Lending Criteria

All of the Mortgage Loans in the Series Initial Mortgage Pool have been extended to Borrowers who broadly satisfy the Non-Conforming Lending Criteria category. The Series Initial Mortgage Pool consists of 9 Mortgage Loans to Non-Conforming Borrowers who have been subject to repossession in the past. See further "*The Series Portfolios – Lending Criteria Categories of the Seller – Non-Conforming*" in the Offering Circular.

Income Multiples

Unless an exception applies, a Mortgage Loan will not exceed (a) the income of the primary Borrower multiplied by 4.25 and added to the income of any secondary Borrower or (b) the Borrower's joint income multiplied by 3.50, except where LTV is higher than 75 per cent., in which case a Mortgage Loan will not exceed either (a) the income of the primary Borrower multiplied by 3.75 and added to the income of any secondary Borrower or (b) the Borrowers' joint income multiplied by 3.25.

Retentions

As of the Cut-Off Date, approximately £18,203 in retention monies relating to the Mortgage Loans in the Series Initial Mortgage Pool were being held by the Seller awaiting completion of required works on the Properties.

There are no retention monies relating to the Amber Mortgage Loans.

Express Completion Service

There are 35 Mortgage Loans in the Series Initial Mortgage Pool that have been originated pursuant to the Express Completion Service, representing an aggregate principal loan balance of approximately 0.20 per cent. of the Series Initial Mortgage Pool.

The Express Completion Service does not relate to the Amber Mortgage Loans.

Mortgages on Let Properties

Only 211 of the Mortgage Loans in the Series Initial Mortgage Pool (representing an aggregate principal loan balance of approximately £15,892,672.18) are Investment Mortgage Loans. These Mortgage Loans represent approximately 1.41 per cent. by balance of the Series Initial Mortgage Pool.

Amber Lending Criteria

The general underwriting guidelines of Amber (the **Amber Lending Criteria**) are similar to the Seller's. In some instances, the Amber Lending Criteria are more restrictive than the Seller's. However, there are a limited number of examples where the Amber Lending Criteria are less restrictive, in particular Amber will, in certain circumstances, accept a flying freehold as security whereas the Seller usually will not.

Collection of payments

As at the Cut-Off Date, approximately 93.60 per cent. of the payments from the Borrowers are made by direct debit and the remaining 6.40 per cent. are made by debit card payments, cash, cheques, paying-in books or standing orders.

CHARACTERISTICS OF THE SERIES INITIAL MORTGAGE POOL

The Series Initial Mortgage Pool has the aggregate characteristics indicated in Tables 1-16 (columns of percentages may not add up to 100 per cent. due to rounding). The valuations quoted in this section are as at the date of the initial origination of the Mortgage Loans.

Table 1
Distribution of Mortgage Loans by Original Loan to Value Ratios

<i>Original LTV</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
0.01% – 25.00%	114	1.09	5,094,250.92	0.45
25.01% – 50.00%	992	9.52	64,848,853.24	5.75
50.01% – 55.00%	373	3.58	29,763,513.64	2.64
55.01% – 60.00%	524	5.03	43,431,238.21	3.85
60.01% – 65.00%	641	6.15	57,022,551.69	5.05
65.01% – 70.00%	771	7.40	71,800,579.31	6.36
70.01% – 75.00%	1,425	13.67	149,330,776.45	13.23
75.01% – 80.00%	1,033	9.91	114,120,450.55	10.11
80.01% – 85.00%	2,508	24.06	323,755,771.78	28.69
85.01% – 90.00%	1,860	17.85	246,076,867.26	21.81
90.01% – 95.00%	181	1.74	23,175,850.62	2.05
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>
Weighted Average LTV	76.79%			
Minimum LTV	8.54%			
Maximum LTV	95.00%			

Table 2
Distribution of Mortgage Loans by Current Principal Balance

<i>Current Principal Balance (£)</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
0.00 – 20,000.00	24	0.23	372,609.46	0.03
20,000.01 – 30,000.00	188	1.80	4,897,564.68	0.43
30,000.01 – 40,000.00	360	3.45	12,614,391.96	1.12
40,000.01 – 50,000.00	637	6.11	28,654,270.37	2.54
50,000.01 – 60,000.00	836	8.02	45,739,034.36	4.05
60,000.01 – 70,000.00	960	9.21	61,898,465.48	5.49
70,000.01 – 80,000.00	955	9.16	71,152,308.74	6.31
80,000.01 – 90,000.00	877	8.41	73,799,369.44	6.54
90,000.01 – 100,000.00	773	7.42	73,149,365.48	6.48
100,000.01 – 110,000.00	681	6.53	70,967,342.12	6.29
110,000.01 – 120,000.00	657	6.30	75,408,801.28	6.68
120,000.01 – 130,000.00	586	5.62	72,849,656.65	6.46
130,000.01 – 140,000.00	501	4.81	67,271,995.40	5.96
140,000.01 – 150,000.00	453	4.35	65,561,404.05	5.81
150,000.01 – 175,000.00	678	6.51	109,362,031.39	9.69
175,000.01 – 200,000.00	439	4.21	81,817,426.55	7.25
200,000.01 – 225,000.00	305	2.93	64,388,986.40	5.71
225,000.01 – 250,000.00	167	1.60	39,292,981.43	3.48
250,000.01 – 350,000.00	256	2.46	72,951,751.07	6.46
350,000.01 – 500,000.00	83	0.80	33,230,271.96	2.94
500,000.01 – 550,000.00	6	0.06	3,040,675.40	0.27
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>
Average Balance	£ 108,272.95			
Minimum Balance	£ 3,193.61			
Maximum Balance	£531,544.58			

Table 3
Distribution of CCIs by Original Loan to Value Ratios

<u>Loan to Value</u>	<u>No. of Mortgage Loans</u>	<u>% of Mortgage Loans</u>	<u>No. 0 CCIs</u>	<u>% 0 CCIs</u>	<u>No. 1 CCIs</u>	<u>% 1 CCIs</u>	<u>No. >1 CCIs</u>	<u>% >1 CCIs</u>
0.01% – 25.00%	114	1.09	88	0.84	16	0.15	10	0.10
25.01% – 50.00%	992	9.52	805	7.72	139	1.33	48	0.46
50.01% – 55.00%	373	3.58	301	2.89	44	0.42	28	0.27
55.01% – 60.00%	524	5.03	431	4.14	55	0.53	38	0.36
60.01% – 65.00%	641	6.15	520	4.99	87	0.83	34	0.33
65.01% – 70.00%	771	7.40	628	6.03	94	0.90	49	0.47
70.01% – 75.00%	1,425	13.67	1138	10.92	182	1.75	105	1.01
75.01% – 80.00%	1,033	9.91	821	7.88	138	1.32	74	0.71
80.01% – 85.00%	2,508	24.06	2040	19.57	315	3.02	153	1.47
85.01% – 90.00%	1,860	17.85	1701	16.32	124	1.19	35	0.34
90.01% – 95.00%	181	1.74	169	1.62	9	0.09	3	0.03
	<u>10,422</u>	<u>100.00</u>	<u>8,642</u>	<u>82.92</u>	<u>1,203</u>	<u>11.54</u>	<u>577</u>	<u>5.54</u>

Table 4
Distribution of CCIs by reversionary Margin (Bank Base Rate Loans)

<u>Margin over Bank Base Rate</u>	<u>No. of Mortgage Loans</u>	<u>% of Mortgage Loans</u>	<u>No. 0 CCIs</u>	<u>% 0 CCIs</u>	<u>No. 1 CCIs</u>	<u>% 1 CCIs</u>	<u>No. >1 CCIs</u>	<u>% >1 CCIs</u>
1.26 – 1.75	161	1.99	141	1.75	16	0.20	4	0.05
1.76 – 2.25	7,182	88.96	6257	77.51	713	8.83	212	2.63
2.26 – 2.75	559	6.92	399	4.94	93	1.15	67	0.83
2.76 – 3.25	169	2.09	102	1.26	44	0.55	23	0.28
3.26 – 6.00	2	0.02	2	0.02	0	0.00	0	0.00
	<u>8,073</u>	<u>100.00</u>	<u>6,901</u>	<u>85.48</u>	<u>866</u>	<u>10.73</u>	<u>306</u>	<u>3.79</u>
Weighted Average Margin		2.11%						
Minimum LTV		1.44%						
Maximum LTV		4.50%						

Table 5
Distribution of CCIs by reversionary Margin (LIBOR Loans)

<u>Margin over LIBOR</u>	<u>No. of Mortgage Loans</u>	<u>% of Mortgage Loans</u>	<u>No. 0 CCIs</u>	<u>% 0 CCIs</u>	<u>No. 1 CCIs</u>	<u>% 1 CCIs</u>	<u>No. >1 CCIs</u>	<u>% >1 CCIs</u>
0.00 – 2.00	321	13.67	261	11.11	36	1.53	24	1.02
2.01 – 2.50	515	21.92	426	18.14	56	2.38	33	1.40
2.51 – 3.00	607	25.84	464	19.75	84	3.58	59	2.51
3.01 – 3.50	336	14.30	236	10.05	55	2.34	45	1.92
3.51 – 4.00	231	9.83	139	5.92	44	1.87	48	2.04
4.01 – 4.50	236	10.05	160	6.81	48	2.04	28	1.19
4.51 – 5.00	55	2.34	30	1.28	9	0.38	16	0.68
5.01 – 5.50	21	0.89	12	0.51	1	0.04	8	0.34
5.51 – 6.00	16	0.68	7	0.30	0	0.00	9	0.38
6.01 – 6.25	11	0.47	6	0.26	4	0.17	1	0.04
	<u>2,349</u>	<u>100.00</u>	<u>1,741</u>	<u>74.12</u>	<u>337</u>	<u>14.35</u>	<u>271</u>	<u>11.54</u>
Weighted Average Margin		3.03%						
Minimum Margin		0.25%						
Maximum Margin		7.50%						

Table 6
Distribution of Mortgage Loans by Loan Purpose

<i>Loan Purpose</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
Purchase	3,705	35.55	414,853,731.51	36.76
Remortgage	6,717	64.45	713,566,972.16	63.24
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>

Table 7
Distribution of Mortgage Loans by Tenure by Original Loan to Value

<i>Original LTV</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>No of Freehold</i>	<i>% of Freehold</i>	<i>No of Leasehold</i>	<i>% of Leasehold</i>	<i>No of Feuhold</i>	<i>% of Feuhold</i>
0.01% – 25.00%	114	1.09	100	0.96	11	0.11	3	0.03
25.01% – 50.00%	992	9.52	890	8.54	83	0.80	19	0.18
50.01% – 55.00%	373	3.58	336	3.22	32	0.31	5	0.05
55.01% – 60.00%	524	5.03	449	4.31	58	0.56	17	0.16
60.01% – 65.00%	641	6.15	560	5.37	65	0.62	16	0.15
65.01% – 70.00%	771	7.40	667	6.40	83	0.80	21	0.20
70.01% – 75.00%	1425	13.67	1,222	11.73	162	1.55	41	0.39
75.01% – 80.00%	1033	9.91	901	8.65	104	1.00	28	0.27
80.01% – 85.00%	2508	24.06	2,142	20.55	260	2.49	106	1.02
85.01% – 90.00%	1860	17.85	1,517	14.56	277	2.66	66	0.63
90.01% – 95.00%	181	1.74	135	1.30	34	0.33	12	0.12
	<u>10,422</u>	<u>100</u>	<u>8,919</u>	<u>85.58</u>	<u>1169</u>	<u>11.22</u>	<u>334</u>	<u>3.20</u>

Table 8
Distribution of Mortgage Loans by Property Type

<i>Property Type</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
Detached Bungalow	203	1.95	27,643,799.75	2.45
Detached House	1,251	12.00	212,831,498.54	18.86
End Terraced	1,327	12.73	132,243,440.23	11.72
Flat/Maisonette	17	0.16	1,869,783.16	0.17
Leasehold Flat	788	7.56	94,002,275.71	8.33
Maisonette	102	0.98	11,924,981.29	1.06
Semi-Detached House	3,424	32.85	353,052,880.73	31.29
Semi-Detached Bungalow	135	1.30	14,389,296.86	1.28
Terraced	3,157	30.29	279,100,395.35	24.73
Terraced Bungalow	18	0.17	1,362,352.05	0.12
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>

Table 9
Distribution of Mortgage Loans by Region

<i>Region</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
East Anglia	358	3.44	40,562,674.00	3.59
East Midlands	595	5.71	61,623,861.07	5.46
Greater London	546	5.24	91,950,760.40	8.15
North	719	6.90	55,935,274.74	4.96
North West	1,589	15.25	142,383,413.72	12.62
Northern Ireland	38	0.36	1,873,882.38	0.17
Outer Metropolitan	659	6.32	107,568,278.65	9.53
Scotland	676	6.49	60,366,493.80	5.35
South East	1,410	13.53	189,941,146.79	16.83
South West	776	7.45	94,005,564.64	8.33
Wales	939	9.01	85,015,205.89	7.53
West Midlands	1,119	10.74	112,020,158.28	9.93
Yorkshire	998	9.58	85,173,989.31	7.55
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>

Table 10
Distribution of Mortgage Loans by Time to Maturity

<i>Months to Maturity</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
0 – 51	9	0.09	736,488.01	0.07
52 – 72	69	0.66	5,608,988.87	0.50
73 – 96	89	0.85	8,694,231.01	0.77
97 – 120	397	3.81	37,992,728.89	3.37
121 – 144	247	2.37	24,327,009.92	2.16
145 – 168	245	2.35	23,215,866.13	2.06
169 – 192	771	7.40	75,801,086.56	6.72
193 – 216	535	5.13	52,841,383.51	4.68
217 – 240	1,716	16.47	186,760,831.03	16.55
241 – 264	604	5.80	63,920,203.56	5.66
265 – 288	780	7.48	84,891,833.09	7.52
289 – 312	4,155	39.87	476,664,076.21	42.24
313 – 336	61	0.59	7,247,498.84	0.64
337 – 360	744	7.14	79,718,478.04	7.06
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>
Weighted Average Months	260.93			
Minimum Months	1			
Maximum Months	360			

Table 11
Distribution of Mortgage Loans by Repayment Method

<i>Repayment Method</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
Interest Only	4379	42.02	588,177,998.72	52.12
Part & Part	307	2.95	33,133,287.86	2.94
Repayment	5,736	55.04	507,109,417.09	44.94
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>

Table 12
Distribution of Mortgage Loans Currently in Arrears

<i>Days Past Due</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
Current	10,106	96.97	1,092,720,573.25	96.84
30 – 59 days	214	2.05	24,141,984.71	2.14
60 – 89 days	90	0.86	10,465,903.56	0.93
90 – 119 days	12	0.12	1,092,242.15	0.10
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>

Table 13
Distribution of Mortgage Loans by Status

<i>Status</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
Full Status	4,219	40.48	399,708,394.21	35.42
Self Certified	6,203	59.52	728,712,309.46	64.58
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>

Table 14
Distribution of Mortgage Loans Rate Type

<i>Rate Type</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
DISCOUNT for 2 Months	72	0.69	6,407,630.49	0.57
DISCOUNT for 3 Months	48	0.46	3,880,232.62	0.34
DISCOUNT for 4 Months	27	0.26	2,167,191.03	0.19
DISCOUNT for 5 Months	80	0.77	7,428,538.21	0.66
DISCOUNT for 6 Months	82	0.79	8,973,861.43	0.80
DISCOUNT for 7 Months	190	1.82	17,197,826.09	1.52
DISCOUNT for 8 Months	20	0.19	1,667,582.55	0.15
DISCOUNT for 9 Months	139	1.33	11,949,686.13	1.06
DISCOUNT for 10 Months	54	0.52	3,440,873.90	0.30
DISCOUNT for 11 Months	419	4.02	38,095,099.83	3.38
DISCOUNT for 12 Months	44	0.42	3,386,042.67	0.30
DISCOUNT for 13 Months	39	0.37	3,624,205.93	0.32
DISCOUNT for 14 Months	90	0.86	8,075,875.39	0.72
DISCOUNT for 17 Months	5	0.05	334,742.97	0.03
DISCOUNT for 18 Months	1	0.01	59,840.98	0.01
DISCOUNT for 19 Months	8	0.08	662,231.86	0.06
DISCOUNT for 20 Months	40	0.38	5,059,832.44	0.45
DISCOUNT for 21 Months	123	1.18	14,393,479.86	1.28
DISCOUNT for 22 Months	350	3.36	44,375,953.13	3.93
DISCOUNT for 23 Months	393	3.77	51,024,176.94	4.52
DISCOUNT for 24 Months	347	3.33	42,460,604.42	3.76
DISCOUNT for 25 Months	362	3.47	44,678,010.53	3.96
DISCOUNT for 26 Months	2	0.02	90,749.35	0.01
DISCOUNT for 31 Months	4	0.04	332,237.88	0.03
DISCOUNT for 32 Months	4	0.04	282,215.49	0.03
DISCOUNT for 33 Months	4	0.04	528,957.76	0.05
DISCOUNT for 34 Months	11	0.11	1,140,182.11	0.10
DISCOUNT for 35 Months	5	0.05	559,420.71	0.05
DISCOUNT for 36 Months	1	0.01	370,396.62	0.03
DISCOUNT for 37 Months	3	0.03	272,464.26	0.02
Total Discount	2,967	28.47	322,920,143.58	28.62
FIXED for 2 Months	2	0.02	312,629.96	0.03
FIXED for 3 Months	2	0.02	175,570.87	0.02
FIXED for 5 Months	9	0.09	1,042,551.52	0.09
FIXED for 7 Months	10	0.10	1,187,001.78	0.11
FIXED for 11 Months	19	0.18	1,889,522.88	0.17
FIXED for 13 Months	6	0.06	605,188.53	0.05
FIXED for 14 Months	145	1.39	16,868,043.25	1.49
FIXED for 15 Months	11	0.11	1,630,843.23	0.14
FIXED for 17 Months	230	2.21	24,048,597.23	2.13
FIXED for 18 Months	56	0.54	7,300,400.95	0.65
FIXED for 19 Months	868	8.33	96,273,197.46	8.53
FIXED for 21 Months	160	1.54	16,813,788.98	1.49
FIXED for 23 Months	4,203	40.33	471,518,370.44	41.79
FIXED for 26 Months	798	7.66	88,807,288.93	7.87
FIXED for 29 Months	6	0.06	760,444.37	0.07
FIXED for 31 Months	16	0.15	2,308,673.67	0.20
FIXED for 37 Months	134	1.29	14,516,550.29	1.29
Total Fixed	6,675	64.05	746,058,664.34	66.12
Variable Rate (BBR)	148	1.42	17,102,886.66	1.52
Variable Rate (LIBOR)	632	6.06	42,339,009.09	3.75
Total Floating	780	7.48	59,441,895.75	5.27
	10,422	100.00	1,128,420,703.67	100.00

Table 15
Distribution of Mortgage Loans by Early Repayment Charges

<i>Mortgage Early Redemption Charges with reference to redemption in years 1,2,3,4,5 and 6</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
1%, 1%, 1%	1	0.01	138,924.94	0.01
3%, 2%, 1%	51	0.49	5,056,377.61	0.45
3%, 3%	3	0.03	328,983.26	0.03
4, 4, 4, 2, 2 Months Gross Interest	9	0.09	565,879.45	0.05
5%, 3%, 2%	116	1.11	6,249,470.93	0.55
5%, 5%	4	0.04	342,389.56	0.03
5%, 5%, 3%	12	0.12	682,165.04	0.06
5%, 5%, 5%	174	1.67	16,049,582.61	1.42
5, 3, 2 Months Gross Interest	10	0.10	567,239.56	0.05
6%, 5%	1,660	15.93	206,507,738.20	18.30
6%, 5%, 4%	1,627	15.61	142,849,276.16	12.66
6%, 5%, 5%	7	0.07	384,274.27	0.03
6%, 6%	6,290	60.35	702,353,132.17	62.24
6%, 6%, 5%	2	0.02	93,590.93	0.01
6%, 6%, 6%	436	4.18	44,256,342.51	3.92
6, 6, 6, 6, 6 Months Gross Interest	17	0.16	1,656,035.64	0.15
7%, 6%, 5%	3	0.03	339,300.83	0.03
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>

Table 16
Distribution of Mortgage Loans by Loan Index

<i>Loan Index</i>	<i>No. of Mortgage Loans</i>	<i>% of Mortgage Loans</i>	<i>Current Principal Balance (£)</i>	<i>% of Total Balance</i>
Bank Base Rate	8,073	77.46	923,986,364.85	81.88
LIBOR	2,349	22.54	204,434,338.82	18.12
	<u>10,422</u>	<u>100.00</u>	<u>1,128,420,703.67</u>	<u>100.00</u>

SERIES PORTFOLIO PURCHASE AGREEMENT

Pre-Funded Mortgage Loans

Pursuant to the Series Portfolio Purchase Agreement, the Issuer will agree to purchase further mortgage loans (the **Pre-Funded Mortgage Loans** and collectively, the **Series Pre-Funded Mortgage Pool**) together with their Related Security on 1 May 2006 (the **First Month Loan Eligible Date**) and at the option of the Seller, on one or more Business Days after the Issue Date, but on or prior to 31 May 2006 (such dates together with the First Month Loan Eligible Date, the **Eligible Dates**). The Pre-Funded Mortgage Loans will be required to comply with the same Lending Criteria as apply to the Series Completion Mortgage Pool in respect of the Series Portfolio including verification of receipt of the first Monthly Payment except in relation to the First Month Mortgage Loans in the Series Pre-Funded Mortgage Pool. See further "*Series Portfolio – Characteristics of the Mortgage Loans – Lending Criteria*" above and "*Transaction Documents – Series Portfolio Purchase Agreements – Pre-Funded Mortgage Loans*" in the Offering Circular. First Month Mortgage Loans may be sold to the Issuer on the First Month Loan Eligible Date on the condition that the first Monthly Payment must be made and received in cleared funds by 31 May 2006 (the **First Month Loan Qualifying Date**). If the first Monthly Payment has not been made and received in cleared funds by the First Month Loan Qualifying Date with respect to any First Month Mortgage Loan in the Series Pre-Funded Mortgage Pool, the Seller will be obliged to repurchase such First Month Mortgage Loan. Any First Month Mortgage Loans so repurchased may be replaced with Substitute Mortgage Loans or with Pre-Funded Mortgage Loans, in each case in respect of which the first Monthly Payment has been received in cleared funds and which also meet the other conditions for such replacement. See further "*Transaction Documents – Series Portfolio Purchase Agreement – Representations and Warranties*" in the Offering Circular. No Amber Mortgage Loans are First Month Mortgage Loans.

Of the net proceeds of the Notes being issued on the Issue Date, approximately £152,200,000 (the **Pre-Funded Mortgage Loans Amount**) will be used to fund the purchase of the Pre-Funded Mortgage Loans, subject to the satisfaction of the following conditions:

- (a) on the Issue Date, the Pre-Funded Mortgage Loans Amount is less than or equal to approximately 12.68 per cent. of the aggregate principal amount of the Notes;
- (b) the amount applied in the purchase of First Month Loans in the Pre-Funded Mortgage Loans pool does not exceed £60,000,000;
- (c) on the relevant Eligible Date, each Pre-Funded Mortgage Loan complies with the representations and warranties specified in the Series Portfolio Purchase Agreement (except that in relation to First Month Loans no Monthly Payment will have been received); and
- (d) the Rating Agencies confirm that the then current ratings of the Notes then outstanding will not be withdrawn or downgraded as a result of the purchase of the Pre-Funded Mortgage Loans.

On the Issue Date, an amount equal to approximately £152,300,000, consisting of the Pre-Funded Mortgage Loans Amount and the Pre-Funded Mortgage Loans Interest Shortfall (see "*Series Credit Structure – Series MER Loan*" above) will be deposited in the Series Transaction Account and recorded in the Series Pre-Funded Mortgage Loans Ledger. The Pre-Funded Mortgage Loans Amount is intended to be used to acquire the Pre-Funded Mortgage Loans on the Eligible Dates. After the final purchase of the Pre-Funded Mortgage Loans, prior to 1 June 2006, an amount equal to the difference between the Pre-Funded Mortgage Loans Amount and the aggregate purchase price for the Pre-Funded Mortgage Loans (the **Principal Rebate**) will be distributed to Noteholders as a mandatory redemption in part in accordance with Condition 9 (Redemption and Post-Enforcement Call Option).

Although no assurance can be given, it is intended that the purchase of the Pre-Funded Mortgage Loans on the Eligible Dates will require the application of substantially all of the Pre-Funded Mortgage Loans Amount and it is not intended that there will be significant amounts of principal being prepaid to Noteholders. However, it is unlikely that the Pre-Funded Mortgage Loans Amount will equal exactly the purchase price for the Pre-Funded Mortgage Loans and the Seller may be unable to repurchase or to provide Substitute Mortgage Loans for the First Month Loans, if any that it is required to repurchase. The Pre-Funded Mortgage Loans Interest Shortfall is intended to be used to make up the difference in the amount of additional interest the Issuer would have received from and including the Issue Date to but excluding the first Distribution Date had the Issuer owned the Pre-Funded Mortgage Loans from the Issue Date. The Pre-Funded Mortgage Loans Interest Shortfall and any interest accrued on the Pre-Funded Mortgage Loans Amount will be distributed in accordance with the Series Priorities of Payments.

Further Advances

As described in the Offering Circular under "*Transaction Documents – Series Portfolio Purchase Agreements – Further Advances*", Further Advances may be made as a Series Permitted Withdrawal on behalf of the Issuer on any date prior to a Series Event of Default. On each Determination Date, the aggregate of (a) the amount of Further Advances in respect of the Series Portfolio which the Seller is committed to advancing (but has not yet advanced) as at the Determination Date and (b) the amount which the Seller anticipates it will require for future (but uncommitted) Further Advances in respect of the Series Portfolio, such amount (in respect of this item (b) only) not to be greater than £500,000 (such aggregate amount, the **Committed Further Advances**) will be transferred from the Series Principal Ledger to the Series Further Advances Ledger. Available Capital Funds may be applied or set aside by the Issuer on any day for the making of Further Advances after any amounts then standing to the credit of the Series Further Advances Ledger have been exhausted.

In addition to the conditions to the making of a Further Advance specified under "*Transaction Documents – Series Portfolio Purchase Agreements – Further Advances*", Further Advances in respect of the Series Portfolio, will be made by the Seller and will be purchased from the Seller subject to the amount of the Further Advance (together with all other Further Advances made with respect to other Mortgage Loans in the Series Portfolio and the aggregate balances of Substitute Mortgage Loans acquired by the Issuer in respect of the Series Portfolio on that day) when added to the amount of any Further Advances previously made and the aggregate balances of Substitute Mortgage Loans in respect of the Series Portfolio previously purchased does not exceed 10 per cent. of the aggregate Balances of the Mortgage Loans in the Series Portfolio on the Issue Date.

Representations and Warranties

In addition to the representations and warranties specified under "*Transaction Documents – Series Portfolio Purchase Agreements – Representations and Warranties*" in the Offering Circular, the following representations and warranties will be required in connection with the purchase of the Series Completion Mortgage Pool:

- (a) the interest payable under the Mortgage Loans in the Series Portfolio is determined by reference to: (a) in the case of LIBOR-linked Mortgage Loans, a fixed margin over LIBOR; (b) in the case of the BBR-linked Mortgage Loans, a fixed margin above the Bank of England base rate; subject, in (a) and (b) above, to certain Mortgage Loans having fixed interest rates until one of 17 dates between 1 April 2006 and 1 March 2009; and
- (b) in the case of each Mortgage Loan in the Series Portfolio (with the exception of 27 Mortgage Loans in the Series Initial Mortgage Pool) secured on leasehold property, the relevant leasehold interest has an unexpired term left to run of not less than 30 years after the maturity of the relevant Mortgage Loan.

Substitute Mortgage Loans

In addition to the conditions to the sale of Substitute Mortgage Loans to the Issuer, the sale of a Substitute Mortgage Loan to the Issuer in respect of the Series Portfolio will only be permitted subject to the amount of the balance of the Substitute Mortgage Loan to be sold (together with the amount of all Further Advances made and the aggregate balances of the other Substitute Mortgage Loans acquired by the Issuer in respect of the Series Portfolio on that day) when added to the amount of any Further Advances previously made and the aggregate balances of Substitute Mortgage Loans previously purchased in respect of the Series Portfolio does not exceed 10 per cent. of the aggregate Balances of the Mortgage Loans in the Series Portfolio on the Issue Date.

WEIGHTED AVERAGE LIVES OF THE NOTES

Weighted average life refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of amounts distributed in net reduction of principal of such security (assuming no losses). The weighted average lives of the Notes will be influenced by, among other things, the actual rate of redemption of the Mortgage Loans in the Series Portfolio and the extent to which Available Revenue Funds are sufficient to cover any Series Principal Deficiencies.

The model used in this Supplement for the Mortgage Loans represents an assumed constant per annum rate of prepayment (CPR) each month relative to the then outstanding principal balance of a pool of mortgages. CPR does not purport to be either an historical description of the prepayment experience of any pool of mortgage loans or a prediction of the expected rate of prepayment of any mortgage loans, including the Mortgage Loans to be included in the Completion Mortgage Pool in respect of the Series Portfolio.

The following tables were prepared based on the characteristics of the Mortgage Loans included in the Series Portfolio and the following additional assumptions (the **Modelling Assumptions**):

- (a) there are no arrears (other than those specified herein) or enforcements;
- (b) no Mortgage Loan is sold by the Issuer;
- (c) no Series Principal Deficiency arises;
- (d) the Seller is not in breach of the terms of the Series Portfolio Purchase Agreement;
- (e) no Mortgage Loan is repurchased by the Seller;
- (f) no Substitute Mortgage Loans are purchased;
- (g) no Further Advances are made in respect of the Series Portfolio;
- (h) the portfolio mix of loan characteristics remains the same throughout the life of the Notes;
- (i) following the expiry of the fixed rate/discount period (if applicable), the interest rate on each Mortgage Loan in the Series Portfolio is equal to LIBOR plus a fixed margin, the Bank of England base rate plus a fixed margin, as applicable;
- (j) the Notes are issued on 29 March 2006 and all payments on the Notes are received on the 12th day of every third calendar month commencing from June 2006;
- (k) LIBOR is equal to 4.64 per cent. and is applied both to the aggregate Base Currency PAO and the Mortgage Loans in the Series Portfolio;
- (l) the Bank of England base rate is equal to 4.50 per cent.;
- (m) in the case of tables stating "with optional redemption", the Notes are redeemed at their Principal Amount Outstanding on the Distribution Date following the Distribution Date on which the aggregate Base Currency PAO is less than 10 per cent. of the initial Base Currency PAO;
- (n) interest on the Notes is always calculated on the basis of actual days elapsed in a 365 year (without adjustment);
- (o) the Series Discount Reserve has not been calculated for the purposes of these calculations;
- (p) the Notes will be redeemed in accordance with the Conditions;
- (q) the Series Portfolio will be purchased on the Issue Date and has the characteristics defined below;
- (r) the Pre-Funded Mortgage Loans are purchased by the Issuer on 31 May 2006; and
- (s) the Mortgage Pool consists of twelve Mortgage Loans acquired on the Issue Date and twelve Pre-Funded Mortgage Loans acquired on 31 May 2006, each having the characteristics as described below (the characteristics relative to the Pre-Funded Mortgage Loans are prefixed with a "P").

Replines

<u>Collateral Line</u>	<u>Current Principal Balance (£)</u>	<u>Mortgage Rate (%)</u>	<u>Fully Indexed Margin (%)</u>	<u>Remaining Term to Maturity (months)</u>	<u>Next Interest Reset (months)</u>	<u>Interest Only Period (months)</u>	<u>Discount (%)</u>	<u>Months to Full Floating Rate</u>
1	10,766,643.12	6.329	1.8288	260	1	259	0.0000	0
2	5,602,356.07	6.308	1.8076	262	1	0	0.0000	0
3	126,776,651.37	6.051	2.1538	245	1	244	0.6025	23
4	70,290,532.21	6.014	2.1269	268	1	0	0.6129	23
5	351,502,383.14	6.182	2.1188	259	22	258	0.0000	22
6	319,399,403.77	6.155	2.0853	274	22	0	0.0000	22
7	59,127,928.36	5.893	3.2021	258	1	257	1.9533	9
8	52,868,479.26	5.562	2.7922	273	1	0	1.8734	10
9	25,473,147.52	7.223	2.9967	251	25	250	0.0000	25
10	17,670,239.38	6.915	2.7931	274	26	0	0.0000	26
11	21,003,971.45	7.939	3.2929	193	1	192	0.0000	0
12	19,518,264.33	7.819	3.1663	213	1	0	0.0000	0
P1	1,196,293.68	6.329	1.8288	260	1	259	0.0000	0
P2	622,484.01	6.308	1.8076	262	1	0	0.0000	0
P3	14,086,294.60	6.051	2.1538	245	1	244	0.6025	23
P4	7,810,059.13	6.014	2.1269	268	1	0	0.6129	23
P5	39,055,820.35	6.182	2.1188	259	22	258	0.0000	22
P6	35,488,822.64	6.155	2.0853	274	22	0	0.0000	22
P7	6,569,769.82	5.893	3.2021	258	1	257	1.9533	9
P8	5,874,275.47	5.562	2.7922	273	1	0	1.8734	10
P9	2,830,349.72	7.223	2.9967	251	25	250	0.0000	25
P10	1,963,359.93	6.915	2.7931	274	26	0	0.0000	26
P11	2,333,774.61	7.939	3.2929	193	1	192	0.0000	0
P12	2,168,696.04	7.819	3.1663	213	1	0	0.0000	0

Collateral lines 1-6 and P1-P6 are linked to BBR

Collateral lines 7-12 and P7-P12 are linked to LIBOR

**Percentage of the Original Principal Amount Outstanding of the A1 Notes at the Specified CPRs
(Without Optional Redemption)**

	<u>0%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>	<u>40%</u>	<u>15%/35%¹</u>
29 March 06	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
12 March 07	97.1	52.0	37.0	21.9	6.8	0.0	0.0	52.0
12 March 08	94.1	10.8	0.0	0.0	0.0	0.0	0.0	0.0
12 March 09	91.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 10	87.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 11	84.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 12	80.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 13	76.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 14	71.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 15	67.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 16	62.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 17	56.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 18	51.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 19	45.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 20	38.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 21	31.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 22	24.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 23	10.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 24	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 25	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 26	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 27	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 28	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 29	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 30	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 31	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 32	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 33	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 34	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 35	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 36	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**Weighted Average Life
(years)**

	11.27	1.16	0.88	0.72	0.60	0.52	0.45	0.97
Payment Window (start)	Jun-06	Jun-06	Jun-06	Jun-06	Jun-06	Jun-06	Jun-06	Jun-06
Payment Window (end)	Jun-24	Sep-08	Dec-07	Sep-07	Jun-07	Mar-07	Mar-07	Dec-07

(With Optional Redemption)

Weighted Average Life (years)	11.27	1.16	0.88	0.72	0.60	0.52	0.45	0.97
Payment Window (start)	Jun-06	Jun-06	Jun-06	Jun-06	Jun-06	Jun-06	Jun-06	Jun-06
Payment Window (end)	Jun-24	Sep-08	Dec-07	Sep-07	Jun-07	Mar-07	Mar-07	Dec-07

¹relates to CPR 15 per cent. in the first 12 months, followed by 35 per cent. thereafter.

**Percentage of the Original Principal Amount Outstanding of the A2 Notes at the Specified CPRs
(Without Optional Redemption)**

	<u>0%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>	<u>40%</u>	<u>15%/35%¹</u>
29 March 06	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
12 March 07	100.0	100.0	100.0	100.0	100.0	95.1	86.2	100.0
12 March 08	100.0	100.0	91.8	78.0	65.1	55.5	47.2	76.5
12 March 09	100.0	85.9	67.9	55.2	45.1	35.7	28.0	47.5
12 March 10	100.0	68.6	53.7	40.9	31.2	23.0	16.6	30.5
12 March 11	100.0	56.7	42.5	30.3	21.6	14.7	9.9	19.6
12 March 12	100.0	47.6	33.5	22.5	14.9	9.5	5.8	12.6
12 March 13	100.0	39.9	26.5	16.6	10.3	6.1	3.5	8.1
12 March 14	100.0	33.4	20.8	12.3	7.1	3.9	2.0	5.2
12 March 15	100.0	27.9	16.4	9.0	4.9	2.5	1.2	3.3
12 March 16	100.0	23.3	12.9	6.7	3.4	1.6	0.7	2.1
12 March 17	100.0	19.4	10.1	4.9	2.3	1.0	0.4	1.3
12 March 18	100.0	16.1	7.9	3.6	1.6	0.6	0.2	0.9
12 March 19	100.0	13.4	6.2	2.6	1.1	0.4	0.1	0.5
12 March 20	100.0	11.1	4.8	1.9	0.7	0.3	0.1	0.3
12 March 21	100.0	9.2	3.7	1.4	0.5	0.2	0.0	0.2
12 March 22	100.0	7.5	2.9	1.0	0.3	0.1	0.0	0.1
12 March 23	100.0	6.0	2.2	0.7	0.2	0.1	0.0	0.1
12 March 24	100.0	4.9	1.7	0.5	0.2	0.0	0.0	0.1
12 March 25	96.0	4.0	1.3	0.4	0.1	0.0	0.0	0.0
12 March 26	90.6	3.3	1.0	0.3	0.1	0.0	0.0	0.0
12 March 27	61.1	2.0	0.6	0.1	0.0	0.0	0.0	0.0
12 March 28	3.6	0.1	0.0	0.0	0.0	0.0	0.0	0.0
12 March 29	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 30	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 31	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 32	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 33	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 34	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 35	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 36	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Weighted Average Life

(years)	21.13	7.39	5.67	4.47	3.67	3.06	2.60	3.69
Payment Window (start)	Jun-24	Sep-08	Dec-07	Sep-07	Jun-07	Mar-07	Mar-07	Dec-07
Payment Window (end)	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29

(With Optional Redemption)

Weighted Average Life (years)	21.11	6.86	5.20	4.07	3.36	2.78	2.37	3.42
Payment Window (start)	Jun-24	Sep-08	Dec-07	Sep-07	Jun-07	Mar-07	Mar-07	Dec-07
Payment Window (end)	Mar-28	Jun-19	Jun-16	Mar-14	Dec-12	Sep-11	Dec-10	Jun-12

¹relates to CPR 15 per cent. in the first 12 months, followed by 35 per cent. thereafter.

**Percentage of the Original Principal Amount Outstanding of the M1 Notes at the Specified CPRs
(Without Optional Redemption)**

	<u>0%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>	<u>40%</u>	<u>15%/35%¹</u>
29 March 06	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
12 March 07	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
12 March 08	100.0	100.0	100.0	100.0	100.0	89.6	77.1	100.0
12 March 09	100.0	100.0	100.0	86.1	69.3	57.6	45.8	71.8
12 March 10	100.0	100.0	79.1	63.9	48.0	37.0	27.2	46.2
12 March 11	100.0	87.7	62.5	47.3	33.2	23.8	16.1	29.6
12 March 12	100.0	73.6	49.4	35.0	22.9	15.3	9.5	19.0
12 March 13	100.0	61.7	38.9	25.9	15.8	9.8	5.6	12.2
12 March 14	100.0	51.6	30.7	19.1	10.9	6.3	3.3	7.8
12 March 15	100.0	43.1	24.1	14.1	7.5	4.0	2.0	5.0
12 March 16	100.0	36.0	19.0	10.4	5.2	2.6	1.2	3.2
12 March 17	100.0	30.0	14.9	7.6	3.5	1.6	0.7	2.0
12 March 18	100.0	25.0	11.6	5.6	2.4	1.0	0.4	1.3
12 March 19	100.0	20.7	9.1	4.1	1.7	0.7	0.2	0.8
12 March 20	100.0	17.2	7.1	3.0	1.1	0.4	0.1	0.5
12 March 21	100.0	14.2	5.5	2.2	0.8	0.3	0.1	0.3
12 March 22	100.0	11.7	4.3	1.6	0.5	0.2	0.0	0.2
12 March 23	100.0	9.3	3.2	1.1	0.3	0.1	0.0	0.1
12 March 24	100.0	7.6	2.5	0.8	0.2	0.1	0.0	0.1
12 March 25	100.0	6.2	1.9	0.6	0.2	0.0	0.0	0.0
12 March 26	100.0	5.0	1.4	0.4	0.1	0.0	0.0	0.0
12 March 27	93.9	3.1	0.8	0.2	0.1	0.0	0.0	0.0
12 March 28	5.6	0.2	0.0	0.0	0.0	0.0	0.0	0.0
12 March 29	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 30	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 31	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 32	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 33	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 34	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 35	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 36	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Weighted Average Life

(years)	21.67	9.62	7.22	5.88	4.79	4.09	3.50	4.59
Payment Window (start)	Mar-27	Sep-10	Jun-09	Dec-08	Jun-08	Mar-08	Dec-07	Sep-08
Payment Window (end)	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29

(With Optional Redemption)

Weighted Average Life (years)	21.64	8.80	6.53	5.25	4.30	3.64	3.12	4.19
Payment Window (start)	Mar-27	Sep-10	Jun-09	Dec-08	Jun-08	Mar-08	Dec-07	Sep-08
Payment Window (end)	Mar-28	Jun-19	Jun-16	Mar-14	Dec-12	Sep-11	Dec-10	Jun-12

¹relates to CPR 15 per cent. in the first 12 months, followed by 35 per cent. thereafter.

**Percentage of the Original Principal Amount Outstanding of the M2 Notes at the Specified CPRs
(Without Optional Redemption)**

	<u>0%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>	<u>40%</u>	<u>15%/35%¹</u>
29 March 06	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
12 March 07	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
12 March 08	100.0	100.0	100.0	100.0	100.0	89.6	77.1	100.0
12 March 09	100.0	100.0	100.0	86.1	69.3	57.6	45.8	71.8
12 March 10	100.0	100.0	79.1	63.9	48.0	37.0	27.2	46.2
12 March 11	100.0	87.7	62.5	47.3	33.2	23.8	16.1	29.6
12 March 12	100.0	73.6	49.4	35.0	22.9	15.3	9.5	19.0
12 March 13	100.0	61.7	38.9	25.9	15.8	9.8	5.6	12.2
12 March 14	100.0	51.6	30.7	19.1	10.9	6.3	3.3	7.8
12 March 15	100.0	43.1	24.1	14.1	7.5	4.0	2.0	5.0
12 March 16	100.0	36.0	19.0	10.4	5.2	2.6	1.2	3.2
12 March 17	100.0	30.0	14.9	7.6	3.5	1.6	0.7	2.0
12 March 18	100.0	25.0	11.6	5.6	2.4	1.0	0.4	1.3
12 March 19	100.0	20.7	9.1	4.1	1.7	0.7	0.2	0.8
12 March 20	100.0	17.2	7.1	3.0	1.1	0.4	0.1	0.5
12 March 21	100.0	14.2	5.5	2.2	0.8	0.3	0.1	0.3
12 March 22	100.0	11.7	4.3	1.6	0.5	0.2	0.0	0.2
12 March 23	100.0	9.3	3.2	1.1	0.3	0.1	0.0	0.1
12 March 24	100.0	7.6	2.5	0.8	0.2	0.1	0.0	0.1
12 March 25	100.0	6.2	1.9	0.6	0.2	0.0	0.0	0.0
12 March 26	100.0	5.0	1.4	0.4	0.1	0.0	0.0	0.0
12 March 27	93.9	3.1	0.8	0.2	0.1	0.0	0.0	0.0
12 March 28	5.6	0.2	0.0	0.0	0.0	0.0	0.0	0.0
12 March 29	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 30	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 31	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 32	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 33	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 34	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 35	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 36	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Weighted Average Life

(years)	21.67	9.62	7.22	5.88	4.79	4.09	3.50	4.59
Payment Window (start)	Mar-27	Sep-10	Jun-09	Dec-08	Jun-08	Mar-08	Dec-07	Sep-08
Payment Window (end)	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29

(With Optional Redemption)

Weighted Average Life (years)	21.64	8.80	6.53	5.25	4.30	3.64	3.12	4.19
Payment Window (start)	Mar-27	Sep-10	Jun-09	Dec-08	Jun-08	Mar-08	Dec-07	Sep-08
Payment Window (end)	Mar-28	Jun-19	Jun-16	Mar-14	Dec-12	Sep-11	Dec-10	Jun-12

¹relates to CPR 15 per cent. in the first 12 months, followed by 35 per cent. thereafter.

**Percentage of the Original Principal Amount Outstanding of the B1c Notes at the Specified CPRs
(Without Optional Redemption)**

	<u>0%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>	<u>40%</u>	<u>15%/35%¹</u>
29 March 06	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
12 March 07	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
12 March 08	100.0	100.0	100.0	100.0	100.0	89.6	77.1	100.0
12 March 09	100.0	100.0	100.0	86.1	69.3	57.6	45.8	71.8
12 March 10	100.0	100.0	79.1	63.9	48.0	37.0	27.2	46.2
12 March 11	100.0	87.7	62.5	47.3	33.2	23.8	16.1	29.6
12 March 12	100.0	73.6	49.4	35.0	22.9	15.3	9.5	19.0
12 March 13	100.0	61.7	38.9	25.9	15.8	9.8	5.6	12.2
12 March 14	100.0	51.6	30.7	19.1	10.9	6.3	3.3	7.8
12 March 15	100.0	43.1	24.1	14.1	7.5	4.0	2.0	5.0
12 March 16	100.0	36.0	19.0	10.4	5.2	2.6	1.2	3.2
12 March 17	100.0	30.0	14.9	7.6	3.5	1.6	0.7	2.0
12 March 18	100.0	25.0	11.6	5.6	2.4	1.0	0.4	1.3
12 March 19	100.0	20.7	9.1	4.1	1.7	0.7	0.2	0.8
12 March 20	100.0	17.2	7.1	3.0	1.1	0.4	0.1	0.5
12 March 21	100.0	14.2	5.5	2.2	0.8	0.3	0.1	0.3
12 March 22	100.0	11.7	4.3	1.6	0.5	0.2	0.0	0.2
12 March 23	100.0	9.3	3.2	1.1	0.3	0.1	0.0	0.1
12 March 24	100.0	7.6	2.5	0.8	0.2	0.1	0.0	0.1
12 March 25	100.0	6.2	1.9	0.6	0.2	0.0	0.0	0.0
12 March 26	100.0	5.0	1.4	0.4	0.1	0.0	0.0	0.0
12 March 27	93.9	3.1	0.8	0.2	0.1	0.0	0.0	0.0
12 March 28	5.6	0.2	0.0	0.0	0.0	0.0	0.0	0.0
12 March 29	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 30	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 31	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 32	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 33	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 34	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 35	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 March 36	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Weighted Average Life
(years)

	21.67	9.62	7.22	5.88	4.79	4.09	3.50	4.59
Payment Window (start)	Mar-27	Sep-10	Jun-09	Dec-08	Jun-08	Mar-08	Dec-07	Sep-08
Payment Window (end)	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29	Mar-29

(With Optional Redemption)

Weighted Average Life
(years)

	21.64	8.80	6.53	5.25	4.30	3.64	3.12	4.19
Payment Window (start)	Mar-27	Sep-10	Jun-09	Dec-08	Jun-08	Mar-08	Dec-07	Sep-08
Payment Window (end)	Mar-28	Jun-19	Jun-16	Mar-14	Dec-12	Sep-11	Dec-10	Jun-12

¹relates to CPR 15 per cent. in the first 12 months, followed by 35 per cent. thereafter.

General

Any U.S. federal tax discussion in this Supplement was not intended or written to be used, and cannot be used, by any taxpayer for purposes of avoiding U.S. federal income tax penalties that may be imposed on the taxpayer. Any such tax discussion was written to support the promotion or marketing of the Notes to be issued or sold pursuant to this Supplement. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax adviser.

The following discussion supplements and must be read in conjunction with the discussion in the accompanying Offering Circular under "*United States Federal Income Taxation*" and describes certain U.S. federal income tax consequences that may be relevant to the acquisition, ownership and disposition of the Notes to be offered under this Supplement to the Offering Circular.

Taxation of U.S. Holders of the Notes

Characterisation of the Notes

The Issuer has obtained an opinion from Allen & Overy LLP, U.S. tax counsel to the Issuer, that although there is no statutory, judicial or administrative authority directly addressing the characterisation of the Notes or instruments similar to the Notes for U.S. federal income tax purposes, the Notes, when issued, will be treated as debt for U.S. federal income taxation purposes. This opinion is based upon, among other things, representations made by the Issuer to Allen & Overy LLP in a representation letter that the Issuer certified to be true and complete in all material respects, as well as certain assumptions. In addition, only the Issuer may rely upon the foregoing opinion and such opinion will not be binding upon the U.S. Internal Revenue Service (the IRS) or the courts, and no ruling will be sought from the IRS regarding this, or any other, aspect of the U.S. federal income tax treatment of the Notes. Accordingly, there can be no assurances that the IRS will not contend, and that a court will not ultimately hold, that the Notes are equity in the Issuer or that any of the other items discussed below are treated differently. If any of the Notes were treated as equity in the Issuer for U.S. federal income tax purposes, there might be adverse tax consequences upon the sale, exchange, or other disposition of, or the receipt of certain types of distributions on, such Notes by a U.S. Holder (as described in the Offering Circular under "*United States Federal Income Taxation – Characterisation of the Notes as Equity*"). The discussion below assumes that the Notes will be treated as debt for U.S. federal income tax purposes.

Prospective investors should consult their own tax advisers regarding the appropriate characterisation of, and U.S. federal income tax and other tax consequences of investing in, the Notes.

Payments of Interest

Interest on a Note will be taxable to a U.S. Holder as ordinary interest income at the time it is received or accrued, depending on the U.S. Holder's method of accounting for U.S. federal income tax purposes subject to, in the case of the M1 Notes, M2 Notes and B1c Notes, the original issue discount (OID) discussion below. Because the Issuer is permitted to defer interest payments on the M1 Notes, M2 Notes and B1c Notes in certain limited circumstances, it is possible the M1 Notes, M2 Notes and B1c Notes could be treated as issued with OID for U.S. federal income tax purposes. A U.S. Holder (including a cash basis holder) of M1 Notes, M2 Notes or B1c Notes treated as issued with OID would be required to accrue OID on such Notes as taxable income for U.S. federal income tax purposes for each day on which the U.S. Holder holds such Notes. The U.S. federal income tax treatment of the M1 Notes, M2 Notes and B1c Notes under the OID rules is uncertain. If the M1 Notes, M2 Notes and B1c Notes are issued at an issue price equal to their principal amount, the Issuer intends not to calculate OID under the "PAC Method" referred to below, and instead to take the position that the amount of OID that accrued on such M1 Notes, M2 Notes and B1c Notes in each accrual period is equal to the amount of interest (including any deferred interest with respect to the M1 Notes, M2 Notes and B1c Notes) that accrues on such M1 Notes, M2 Notes and B1c Notes during such period. Unless the M1 Notes, M2 Notes and B1c Notes are issued at an issue price equal to their principal amount, the Issuer intends, absent definitive guidance, to treat the M1 Notes, M2 Notes and B1c Notes as subject to an income accrual method analogous to the method applicable to debt instruments whose payments are subject to acceleration using an assumption as to the expected prepayments on the M1 Notes, M2 Notes and B1c Notes (the PAC Method). The OID accruing under the PAC Method would likely equal the

amount by which (a) the sum of (i) the present value of all remaining payments to be made as of the end of such period plus (ii) the payments made during such period included in the stated redemption price at maturity, exceeds (b) the "adjusted issue price" as of the beginning of the period. The present value of the remaining payments is calculated based on (x) the original yield to maturity of such instrument, (y) events (including actual prepayments) that have occurred prior to the end of the period and (z) the appropriate prepayment assumption for such Notes. With respect to the M1 Notes, M2 Notes and B1c Notes, the stated redemption price is likely to be the sum of all payments expected thereon, determined in accordance with the appropriate prepayment assumption for such Notes. There can be no assurance that the payments will actually be made in accordance with any prepayment assumption for the M1 Notes, M2 Notes and B1c Notes. The **adjusted issue price** of the M1 Notes, M2 Notes and B1c Notes at the beginning of any accrual period generally would be the sum of the issue price and the amount of OID allocable to all prior accrual periods, less the amount of any payments made in all prior accrual periods. If the OID is negative for any period, the U.S. Holder generally will not be allowed a current deduction for the negative amount but instead will be entitled to offset such amount only against future positive OID from such instruments. The accrual of OID may require holders to recognize income in advance of payments.

Prospective purchasers should consult their own tax advisers regarding the applicability and consequences of the OID rules to the M1 Notes, M2 Notes and B1c Notes.

ADDITIONAL SELLING RESTRICTIONS

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than EUR 43,000,000 and (3) an annual net turnover of more than EUR 50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

France

Each of the Dealers and the Issuer has represented and agreed that:

- (i) Offer to the public in France

it has only made and will only make an offer of Notes to the public (*appel public à l'épargne*) in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers* (AMF), on the date of such publication or, (ii) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval of the Base Prospectus, all in accordance with articles L.412-1 and L.621-8 of the French Code *monétaire et financier* and the *Règlement général* of the AMF; or

- (ii) Private placement in France

it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1 and L.411-2, D.411-1 of the French *Code monétaire et financier*.

Netherlands

This Supplement may not be distributed and the Notes (including rights representing an interest in a Global Note) may not be offered, sold, transferred or delivered as part of their initial distribution or at any time thereafter, directly or indirectly, to individuals or legal entities who or which are established, domiciled or

have their residence in The Netherlands (“**Dutch Residents**”) other than (a) Notes with a denomination of €100,000 or more (or its foreign currency equivalent) each where the identity of initial investors or that of any future investors is not reasonably known to the Issuer; or (b) Notes which can only be purchased as a block or package having an aggregate value of at least €100,000 (or its foreign currency equivalent) where the identity of initial investors or that of any future investors is not reasonably known to the Issuer; or (c) the following entities (hereinafter referred to as “**Professional Market Parties**” or “**PMPs**”) provided they acquire the Notes for their own account and trade or invest in securities in the conduct of a business or profession:

- (i) banks, insurance companies, securities firms, collective investment institutions or pension funds that are supervised or licensed under Dutch law;
- (ii) banks or securities firms licensed or supervised in a European Economic Area member state (other than the Netherlands) and registered with the Dutch Central Bank (De Nederlandsche Bank N.V., or “**DNB**”) or the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) acting through a branch office in the Netherlands;
- (iii) Netherlands collective investment institutions which offer their shares or participations exclusively to professional investors and are not required to be supervised or licensed under Dutch law;
- (iv) the Dutch government (de Staat der Nederlanden), DNB, Dutch regional, local or other decentralised governmental institutions, or any international treaty organisations and supranational organisations located in the Netherlands;
- (v) Netherlands enterprises or entities with total assets of at least €500,000,000 (or the equivalent thereof in another currency) according to their balance sheet at the end of the financial year preceding the date they purchase or acquire the Notes;
- (vi) Netherlands enterprises, entities or individuals with net assets (eigen vermogen) of at least €10,000,000 (or the equivalent thereof in another currency) according to their balance sheet at the end of the financial year preceding the date they purchase or acquire the Notes and who or which have been active in the financial markets on average twice a month over a period of at least two consecutive years preceding such date;
- (vii) Netherlands subsidiaries of the entities referred to under (i) above provided such subsidiaries are subject to prudential supervision;
- (viii) Netherlands enterprises or entities that have a credit rating from an approved rating agency or whose securities have such a rating; and
- (ix) such other Netherlands entities designated by the competent Netherlands authorities after the date hereof by any amendment of the applicable regulations.

Spain

The sale of the Notes by the Dealers on behalf of the Issuer does not form part of any public offer of such Notes in Spain. Each sale of Notes is an individual transaction and has been negotiated and/or agreed with the relevant Dealers in respect of the Notes. Each investor in respect of the Notes acknowledges that they have not received any advertising or marketing material from the relevant Dealers regarding this Supplement. Any subsequent transaction any investor executes regarding the Notes to which this Supplement refers, including requesting the relevant Dealer to transfer the Notes to any entity managed or controlled by them, will be executed on such investor's own behalf or for the account of the relevant Dealer. The Notes may not be directly/indirectly sold, transferred or delivered in any manner, at any time other than to institutional investors in Spain (defined under Spanish law to include only pension funds, collective investment schemes, insurance companies, banks, saving banks and securities companies). Should any investor purchase the Notes, they will be deemed to have represented that (i) they have made their own independent decision to purchase the Notes and have not relied on any recommendation or advice from any Dealer; and (ii) they already have all required information and understand all terms, conditions and restrictions of the Notes.

GENERAL INFORMATION

1. It is expected that each Tranche of Notes which is to be admitted to the Official List of the Irish Stock Exchange will be admitted separately as and when issued, subject only to the issue of a Global Note initially representing the Notes of such Tranche. The listing of the Programme in respect of the Notes was granted on or around 29 March 2006.
2. The Series Irish Paying Agent in respect of the Series will be J.P. Morgan Bank (Ireland) plc.
3. The issue of the Notes was authorised by a resolution of the Board of Directors of the Issuer dated 16 March 2006.
4. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had during the previous 12 months a significant effect on the financial position or profitability of the Issuer.
5. Save as disclosed in this Supplement, there has been no material adverse change in the financial position or prospects of the Issuer since the date of its incorporation.
6. The Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg and DTC as follows:

	<i>Rule 144A ISIN</i>	<i>Rule 144A Common Code</i>	<i>Rule 144A CUSIP</i>	<i>Reg S ISIN</i>	<i>Reg S Common Code</i>
A1a Notes	XS0248587072	024858707	(not applicable)	XS0248586009	024858600
A1b Notes	US749624AA06	024879208	749624AA0	XS0248584723	024858472
A2a Notes	XS0248588716	024858871	(not applicable)	XS0248588047	024858804
A2c Notes	XS0248595331	024859533	(not applicable)	XS0248595091	024859509
M1a Notes	XS0248590290	024859029	(not applicable)	XS0248589524	024858952
M1c Notes	XS0248597204	024859720	(not applicable)	XS0248596735	024859673
M2a Notes	XS0248591009	024859100	(not applicable)	XS0248590613	024859061
M2c Notes	XS0248596149	024859614	(not applicable)	XS0248595687	024859568
B1c Notes	XS0248597972	024859797	(not applicable)	XS0248597543	024859754

7. From the date hereof and for so long as the Notes are outstanding, copies of the following documents will, when published, be available from the registered office of the Issuer and from the specified offices of the Series Paying Agents for the time being in London and in Dublin:
 - (a) this Supplement;
 - (b) the Final Terms relating to the Notes and attached as Annex 1 to this Supplement;
 - (c) the Series Trust Deed relating to the Notes;
 - (d) the Series Intercreditor Deed Supplement relating to the Notes;
 - (e) the Series Portfolio Purchase Agreement relating to the Notes;
 - (f) the Series Servicing Agreement relating to the Notes;
 - (g) the Series Standby Servicing Agreement relating to the Notes;
 - (h) the Series Cash Management Agreement relating to the Notes;
 - (i) the Series Bank Account Agreement relating to the Notes;
 - (j) the Series Agency Agreement relating to the Notes;
 - (k) the Series Liquidity Facility Agreement relating to the Notes;
 - (l) the Series Currency Swap Agreements relating to the Notes;
 - (m) the Series Interest Rate Cap Agreement relating to the Notes;
 - (n) the Series MER Loan Agreement relating to the Notes;
 - (o) the Series Post-Enforcement Call Option Agreement relating to the Notes;
 - (p) the Scottish Declaration of Trust relating to the Notes;
 - (q) the Scottish Supplemental Charge relating to the Notes;
 - (r) the Series Issuer Declaration of Trust; and
 - (s) the Series Deed of Accession to Declaration of Trust.

ANNEX I

FINAL TERMS DATED 29 MARCH 2006

RMAC SECURITIES NO. 1 PLC

(Incorporated with limited liability in England and Wales with registered number 5993541)

MORTGAGE BACKED MEDIUM TERM NOTE PROGRAMME

Issue of Series 2006-NS1 Mortgage Backed Floating Rate Notes

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions as set forth in the Offering Circular dated 28 March 2006 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**) and the supplemental offering circular to the Offering Circular dated 29 March 2006. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular (as supplemented from time to time). Copies of the Offering Circular are available free of charge to the public at the registered office of the Issuer and from the specified office of each of the Series Paying Agents.

PART A: CONTRACTUAL TERMS

- | | | |
|----|-----------------------------------|---|
| 1. | Issuer: | RMAC Securities No. 1 Plc |
| 2. | (a) Series: | 2006-NS1 |
| | (b) Tranche: | 1 |
| 3. | Specified Currency or Currencies: | Sterling in the case of the A1a Notes, the A2a Notes, the M1a Notes and the M2a Notes.
U.S. dollars in the case of the A1b Notes. Euro in the case of the A2c Notes, M1c Notes, M2c Notes and the B1c Notes. |
| 4. | Aggregate Nominal Amount: | |
| | (a) Series: | £120,000,000 A1a Notes
USD 470,000,000 A1b Notes
£385,000,000 A2a Notes
€400,000,000 A2c Notes
£30,000,000 M1a Notes
€59,000,000 M1c Notes
£23,250,000 M2a Notes
€20,000,000 M2c Notes
€60,500,000 B1c Notes |
| | (b) Tranche: | As Series |
| 5. | Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 6. | Specified Denominations: | A minimum of £100,000 with increments of £10,000 thereafter in the case of the A1a Notes, the A2a Notes, the M1a Notes and the M2a Notes; a minimum of \$100,000 with increments of \$10,000 thereafter in the case of the A1b Notes; and a minimum of €100,000 in the case of the A2c Notes, the M1c Notes, the M2c Notes and the B1c Notes with increments of €10,000 thereafter. |
| 7. | (a) Issue Date: | 29 March 2006 |
| | (b) Interest Commencement Date: | 29 March 2006 |

8. Final Maturity Date: June 2044
9. Interest Basis: Floating
10. Rate of Interest:
- In respect of the A1a Notes, 3 month LIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of LIBOR for 2 month sterling deposits and LIBOR for 3 month sterling deposits plus in each case 0.06 per cent.
- In respect of the A1b Notes, 3 month USD LIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of USD-LIBOR for 2 months US dollar deposits and USD-LIBOR for 3 months US dollar deposits plus in each case 0.06 per cent.
- In respect of the A2a Notes, 3 month LIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of LIBOR for 2 month sterling deposits and LIBOR for 3 month sterling deposits plus in each case 0.15 per cent.
- In respect of the A2c Notes, 3 month EURIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of EURIBOR for 2 month euro deposits and EURIBOR for 3 month euro deposits plus in each case 0.15 per cent.
- In respect of the M1a Notes, 3 month LIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of LIBOR for 2 month sterling deposits and LIBOR for 3 month sterling deposits plus in each case 0.25 per cent.
- In respect of the M1c Notes, 3 month EURIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of EURIBOR for 2 month euro deposits and EURIBOR for 3 month euro deposits plus in each case 0.25 per cent.
- In respect of the M2a Notes, 3 month LIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of LIBOR for 2 month sterling deposits and LIBOR for 3 month sterling deposits plus in each case 0.47 per cent.
- In respect of the M2c Notes, 3 month EURIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of EURIBOR for 2 month euro deposits and EURIBOR for 3 month euro deposits plus in each case 0.47 per cent.

11.	Redemption/Payment Basis:	In respect of the B1c Notes, 3 month EURIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of EURIBOR for 2 month euro deposits and EURIBOR for 3 month euro deposits plus in each case 0.88 per cent. EURIBOR means Eurozone Interbank Offered Rate.
12.	Deferral of Interest:	LIBOR means London Interbank Offered Rate. USD LIBOR means LIBOR for deposits in US dollars. (further particulars specified below) Redemption at par So long as there are A Notes outstanding, interest on the M1 Notes may be deferred. So long as there are A Notes or M1 Notes outstanding, interest on the M2 Notes may be deferred. So long as there are A Notes, M1 Notes or M2 Notes outstanding, interest on the B1c Notes may be deferred.
13.	Change of Interest Basis or Redemption/Payment Basis:	Not applicable
14.	Yield	Not Applicable
15.	(a) Listing: (b) Admission to trading:	Irish Stock Exchange It is expected that listing of the Notes on the Official List of the Irish Stock Exchange will be granted on or about 29 March 2006, subject only to the issue of Global Notes.
	(c) Estimate of total expenses related to admission to trading:	The estimated cost of the applications for admission to the Official List and admission to trading on the Irish Stock Exchange's regulated market for listed securities is €3,000.
16.	Method of distribution:	Syndicated

CLASSES OF NOTES

17.	Classes of Notes:	£120,000,000 A1a Mortgage Backed Floating Rate Notes due June 2024, (the A1a Notes) USD 470,000,000 A1b Mortgage Backed Floating Rate Notes due June 2024, (the A1b Notes and together with the A1a Notes, the A1 Notes) £385,000,000 A2a Mortgage Backed Floating Rate Notes due June 2044, (the A2a Notes) €400,000,000 A2c Mortgage Backed Floating Rate Notes due June 2044 (the A2c Notes and together with the A2a Notes, the A2 Notes and together with the A1 Notes, the A Notes) £30,000,000 M1a Mortgage Backed Floating Rate Notes due June 2044, (the M1a Notes)
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18. Ranking between Classes/Subordination provisions:

€59,000,000 M1c Mortgage Backed Floating Rate Notes due June 2044, (the M1c Notes and together with the M1a Notes, the M1 Notes)

€23,250,000 M2a Mortgage Backed Floating Rate Notes due June 2044, (the M2a Notes)

€20,000,000 M2c Mortgage Backed Floating Rate Notes due June 2044, (the M2c Notes and together with the M2a Notes, the M2 Notes and together with the M1 Notes, the M Notes)

€60,500,000 B1c Mortgage Backed Floating Rate Notes due June 2044, (the B1c Notes)

Payments in respect of the Series Residuals are subordinated to, *inter alia*, payments of interest (and if the Series Post-Acceleration Priority of Payments applies, payments of interest and principal) on the A Notes, the M Notes and the B Notes.

Payments of principal and interest on the B1c Notes are subordinated to, *inter alia*, payments of principal and interest on the A Notes, the M1 Notes and the M2 Notes.

Payments of principal and interest on the M2 Notes are subordinated to, *inter alia*, payments of principal and interest on the A Notes and the M1 Notes.

Payments of principal and interest on the M1 Notes are subordinated to, *inter alia*, payments of principal and interest on the A Notes.

Payments of principal on the A2 Notes are subordinated, prior to enforcement of the Series Security, *inter alia*, to payments of principal on the A1 Notes.

The Notes (together with the Series MERCs and Series Residuals) are all constituted by the Series Trust Deed and are secured by the same security, but the A Notes will rank in priority to the M1 Notes, the M2 Notes and the B1c Notes in point of security; the M1 Notes will rank in priority to the M2 Notes and the B1c Notes in point of security; the M2 Notes will rank in priority to the B1c Notes in point of security. The Series MERCs are entitled to payment only from the proceeds of Mortgage Early Repayment Charges in respect of the Series Portfolio, to which the Notes and the Series Residuals are not entitled.

As regards interests of Noteholders, the Series Trust Deed contains provisions requiring the Series Note Trustee to have regard to the interests of the A Noteholders, the M1 Noteholders, the M2 Noteholders, the B1c Noteholders, the Series MERC Holders and the Series Residual Holders as regards all powers, trusts, authorities, duties and discretions of the Series Note Trustee (except where expressly provided otherwise), but requiring the Series Note Trustee in any such case to have regard only to the interests of:

- (i) the A Noteholders if, in the Series Note Trustee's opinion, there is a conflict between the interests of the A Noteholders and the interests of the M1 Noteholders and/or the M2 Noteholders and/or the B1c Noteholders and/or the Series MERC Holders and/or the Series Residual Holders;
- (ii) the M1 Noteholders if all of the A Notes have been redeemed in full and if, in the Series Note Trustee's opinion, there is a conflict between the interests of the M1 Noteholders and the interests of the M2 Noteholders and/or the B1c Noteholders and/or the Series MERC Holders and/or the Series Residual Holders;
- (iii) the M2 Noteholders if all of the A Notes and the M1 Notes have been redeemed in full and if, in the Series Note Trustee's opinion, there is a conflict between the interests of the M2 Noteholders and the interests of the B1c Noteholders and/or the Series MERC Holders and/or the Series Residual Holders; and
- (iv) the B1c Noteholders if all of the A Notes, the M1 Notes and the M2 Notes have been redeemed in full and if, in the Series Note Trustee's opinion there is a conflict between the interests of the B1c Noteholders and/or the Series MERC Holders and/or the Series Residual Holders.

The Series Trust Deed contains provisions (i) limiting the rights of the A1a Noteholders to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution (as defined in the Series Trust Deed) according to the effect thereof on the interests of the A1b Noteholders, the A2a Noteholders and the A2c Noteholders (ii) limiting the rights of the A1b Noteholders to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution (as defined in the Series Trust Deed) according to the effect thereof on the interests of the A1a Noteholders, the A2a Noteholders and the A2c Noteholders, (iii) limiting the rights of the A2a Noteholders to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution (as defined in the Series Trust Deed) according to the effect thereof on the interests of the A1a Noteholders, the A1b Noteholders and the A2c Noteholders and (iv) limiting the rights of the A2c Noteholders to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution (as defined in the Series Trust Deed) according to the effect thereof on the interests of the A1a Noteholders, the A1b Noteholders and the A2a Noteholders.

The Series Trust Deed contains provisions limiting the powers of the M1a Noteholders to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the M1c Noteholders and limiting the rights of the M1c Noteholders to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the M1a Noteholders.

The Series Trust Deed contains provisions limiting the powers of the M2a Noteholders to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the M2c Noteholders and limiting the rights of the M2c Noteholders to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the M2a Noteholders.

The Series Trust Deed contains provisions limiting the powers of the M1 Noteholders, the M2 Noteholders, the B1c Noteholders, the Series MERC Holders and the Series Residual Holders, *inter alia*, to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the A Noteholders. Except in certain circumstances, the Series Trust Deed imposes no limitations on the powers of the A Noteholders, the exercise of which will be binding on the M1 Noteholders, the M2 Noteholders, the B1c Noteholders, the Series MERC Holders and the Series Residual Holders, irrespective of the effect thereof on their interests.

The Series Trust Deed contains provisions limiting the powers of the M2 Noteholders, the B1c Noteholders, the Series MERC Holders and the Series Residual Holders, *inter alia*, to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the M1 Noteholders. Except in certain circumstances, the Series Trust Deed imposes no limitations on the powers of the M1 Noteholders, the exercise of which will be binding on the M2 Noteholders, the B1c Noteholders, the Series MERC Holders and the Series Residual Holders irrespective of the effect thereof on their interests.

The Series Trust Deed contains provisions limiting the powers of the B1c Noteholders, the Series MERC Holders and the Series Residual Holders, *inter alia*, to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the M2 Noteholders. Except in certain circumstances, the Series Trust Deed imposes no limitations on the powers of the M2 Noteholders, the exercise of which will be binding on the B1c Noteholders, the Series MERC Holders and the Series Residual Holders irrespective of the effect thereof on their interests.

The Series Trust Deed contains provisions limiting the powers of the Series MERC Holders and the Series Residual Holders, *inter alia*, to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the B1c Noteholders. Except in certain circumstances, the Series Trust Deed imposes no limitations on the powers of the B1c Noteholders, the exercise of which will be binding on the Series MERC Holders and the Series Residual Holders irrespective of the effect thereof on their interests.

The Series Trust Deed contains provisions limiting the powers of the Series MERC Holders and the Series Residual Holders, *inter alia*, to request or direct the Series Note Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interest of the Noteholders and each other.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

19.	Fixed Rate Note Provisions:	Not Applicable
20.	Floating Rate Note Provisions:	Applicable
	(a) Specified Distribution Dates:	12th of June, September, December and March in each year
	(b) Business Day Convention:	Following Business Day Convention
	(c) Additional Business Centre(s):	New York
	(d) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination
	(e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Series Agent Bank):	Series Agent Bank
	(f) Screen Rate Determination:	Applicable
	– Reference Rate:	In respect of the A1a Notes, the A2a Notes, the M1a Notes and the M2a Notes, 3 month LIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of LIBOR for 2 month sterling deposits and LIBOR for 3 month sterling deposits; in respect of the A1b Notes, 3 month USD LIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of USD-LIBOR for 2 months US dollar deposits and USD-LIBOR for 3 months US dollar deposits; and in respect of the A2c Notes, the M1c Notes, the M2c Notes and the B1c Notes, 3 month EURIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of EURIBOR for 2 month euro deposits and EURIBOR for 3 month euro deposits.

<ul style="list-style-type: none"> – Interest Determination Date(s): 	<p>In relation to the A1a Notes, the A2a Notes, the M1a Notes and the M2a Notes, each Distribution Date (as defined in the Supplement relating to the Series) and in respect of the first Interest Period, the Issue Date.</p> <p>In relation to the A1b Notes, the second Business Day preceding each Distribution Date and in respect of the first Interest Period, two Business Days prior to the Issue Date.</p> <p>In relation to the A2c Notes, the M1c Notes, the M2c Notes and the B1c Notes, the second day on which the TARGET System is open prior to each Distribution Date and in respect of the first Interest Period, the second day on which the TARGET System is open prior to the Issue Date.</p>
<ul style="list-style-type: none"> – Relevant Screen Page: 	<p>Telerate Page 3750 in respect of all Notes other than the A2c Notes, the M1c Notes, the M2c Notes and the B1c Notes.</p> <p>In respect of the A2c Notes, the M1c Notes, the M2c Notes and the B1c Notes, Telerate Page 248.</p>
<p>(g) Margin(s):</p>	<p>In respect of the A1a Notes, +0.06 per cent. per annum</p> <p>In respect of the A1b Notes, +0.06 per cent. per annum</p> <p>In respect of the A2a Notes, +0.15 per cent. per annum</p> <p>In respect of the A2c Notes, +0.15 per cent. per annum</p> <p>In respect of the M1a Notes, +0.25 per cent. per annum</p> <p>In respect of the M1c Notes, +0.25 per cent. per annum</p> <p>In respect of the M2a Notes, +0.47 per cent. per annum</p> <p>In respect of the M2c Notes, +0.47 per cent. per annum</p> <p>In respect of the B1c Notes, +0.88 per cent. per annum</p>
<p>(h) Minimum Rate of Interest:</p>	<p>Not applicable</p>
<p>(i) Maximum Rate of Interest:</p>	<p>Not applicable</p>
<p>(j) Day Count Fraction:</p>	<p>Actual/365 (Sterling) for A1a Notes, A2a Notes, M1a Notes and M2a Notes</p> <p>Actual/360 for A1b Notes, A2c Notes, M1c Notes, M2c Notes and B1c Notes</p>

(k)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	Not Applicable
21.	Zero Coupon Note Provisions:	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
22.	Final Redemption Amount of each Note:	Principal Amount Outstanding on Final Maturity Date
23.	Final Maturity Date:	June 2044 in the case of all Notes other than the A1 Notes; June 2024 in the case of the A1 Notes.
24.	Mandatory Redemption in part:	In accordance with Condition 9 and the Series Pre-Acceleration Principal Priority of Payments applicable to Series 2006-NS1
25.	Optional Redemption:	Applicable
(a)	Optional Redemption for Tax Reasons:	Applicable. Subject to the terms of Condition 9(d).
(b)	Optional Redemption (Minimum Amount Outstanding):	Applicable. Subject to the terms of Condition 9(e)(i), on any Distribution Date following the Distribution Date on which the aggregate Principal Amount Outstanding of the Notes is equal to or less than 10 per cent. of the initial aggregate Base Currency PAO (Optional Redemption Date).
		Base Currency PAO means the Principal Amount Outstanding in sterling of the Notes denominated in sterling and the sterling equivalent of the Principal Amount Outstanding of the USD Notes and the Euro Notes calculated using the USD Currency Swap Rate and the Euro Currency Swap Rate, respectively, as defined in the relevant Series Currency Swap Agreement described in the Supplement applicable to Series 2006-NS1.
(c)	Optional Redemption Amount of each Note:	For purposes of Condition 9(e)(i) the Optional Redemption Amount means the Principal Amount Outstanding of the Notes on the redemption date.
26.	Remarketing/Conditional Purchase:	Not Applicable
27.	Early Redemption Amount of each Note:	For purposes of Condition 9(d) and 9(f) Early Redemption Amount means the Principal Amount Outstanding of the Notes on the redemption date.
28.	Additional Series Event of Default:	Not Applicable
29.	Other	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

30. Form of Notes:

Registered Notes:

The A1a Notes, the A1b Notes and the A2a Notes, the A2c Notes initially offered and sold outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act (such A1a Notes referred to as the **Reg S A1a Notes**, such A1b Notes referred to as the **Reg S A1b Notes** and together with the Reg S A1a Notes the **Reg S A1 Notes**, such A2a Notes referred to as the **Reg S A2a Notes**, such A2c Notes referred to as the **Reg S A2c Notes** and together with the Reg S A2a Notes, the **Reg S A2 Notes** and together with the Reg S A1 Notes, the **Reg S A Notes**) will each be represented by a global note in registered form (a **Reg S Global A1a Note**, a **Reg S Global A1b Note**, a **Reg S Global A2a Note**, a **Reg S Global A2c Note**, respectively, and collectively, the **Reg S Global A Notes**).

The A1a Notes, the A1b Notes, the A2a Notes and the A2c Notes initially offered and sold within the United States to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act), in reliance on Rule 144A under the Securities Act (such A1a Notes referred to as the **Rule 144A A1a Notes**, such A1b Notes referred to as the **Rule 144A A1b Notes** and together with the Rule 144A A1a Notes the **Rule 144A A1 Notes**, such A2a Notes referred to as the **Rule 144A A2a Notes**, such A2c Notes referred to as the **Rule 144A A2c Notes** and together with the Rule 144A A2a Notes, the **Rule 144A A2 Notes** and together with the Rule 144A A1 Notes, the **Rule 144A A Notes**), will each be represented by a global note in registered form (a **Rule 144A Global A1a Note**, a **Rule 144A Global A1b Note**, a **Rule 144A Global A2a Note** and a **Rule 144A Global A2c Note**, respectively, and collectively, the **Rule 144A Global A Notes** and, together with the Reg S Global A Notes, the **Global A Notes**), which, in aggregate, will represent the aggregate principal amount of the outstanding A1a Notes, A1b Notes, A2a Notes and A2c Notes.

The M1a Notes, the M1c Notes, the M2a Notes and the M2c Notes initially offered and sold outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act (the **Reg S M1a Notes**, the **Reg S M1c Notes**, the **Reg S M2a Notes** and the **Reg S M2c Notes**, respectively, and, collectively, the **Reg S M Notes**) will each be represented by a global note in registered form (a **Reg S Global M1a Note**, a **Reg S Global M1c Note**, a **Reg S Global M2a Note** and a **Reg S Global M2c Note**, respectively, and, collectively, the **Reg S Global M Notes**).

The M1a Notes, the M1c Notes, the M2a Notes and the M2c Notes initially offered and sold within the United States to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act), in reliance on Rule 144A under the Securities Act (the **Rule 144A M1a Notes**, the **Rule 144A M1c Notes**, the **Rule 144A M2a Notes** and the **Rule 144A M2c Notes**, respectively, and, collectively, the **Rule 144A M Notes**), will each be represented by a global note in registered form (a **Rule 144A Global M1a Note**, a **Rule 144A Global M1c Note**, a **Rule 144A Global M2a Note** and a **Rule 144A Global M2c Note**, respectively, and, collectively, the **Rule 144A Global M Notes** and, together with the **Reg S Global M Notes**, the **Global M Notes**), which in aggregate will represent the aggregate principal amount of the outstanding M1a Notes, M1c Notes, M2a Notes and M2c Notes.

The B1c Notes initially offered and sold outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act the **Reg S B1c Notes**, together with the **Reg S A Notes** and the **Reg S M Notes**, the **Reg S Notes**) will be represented by a global note in registered form (a **Reg S Global B1c Note** and together with the **Reg S Global A Notes** and the **Reg S Global M Notes**, the **Reg S Global Notes**).

The B1c Notes initially offered and sold within the United States to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), in reliance on Rule 144A under the Securities Act (the Rule 144A B1c Notes, together, the Rule 144A A Notes and the Rule 144A M Notes the Rule 144A Notes) will each be represented by a global note in registered form (a Rule 144A Global B1c Note and together with the Reg S Global B1c Notes, the Global B1c Notes) which, in aggregate, will represent the aggregate principal amount of the outstanding B1c Notes. The Rule 144A Global A Notes, the Rule 144A M Notes and the Rule 144A B1c Note, together the Rule 144A Global Notes.

The Reg S Global Notes and the Rule 144A Global Notes (other than the Rule 144A Global A1b Note) will be registered in the name of a nominee of the common depository of Euroclear and Clearstream, Luxembourg. The Rule 144A Global A1b Note will be registered in the name of a nominee for DTC.

- 31. Additional Financial Centre(s) or other special provisions relating to Distribution Dates: New York
- 32. Detachable Coupons: No
- 33. Talons for future Coupons to be attached to Notes in definitive form (and dates on which such Talons mature): No
- 34. Redenomination applicable: Applicable. The provisions of Condition 5 (Redenomination) will apply.

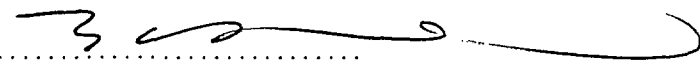
LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Mortgage Backed Medium Term Note Programme of RMAC Securities No. 1 Plc.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Final Terms.

Signed on and behalf of the Issuer:

By:.....

Duly authorised per pro SFM Directors Limited
as Director

PART B: OTHER INFORMATION

DISTRIBUTION

35. (a) Lead Manager(s): Deutsche Bank AG, London Branch
Morgan Stanley & Co. International Limited
The Royal Bank of Scotland plc
- (b) Stabilising Manager (if any): Deutsche Bank AG, London Branch
36. Dealer(s): Lead Managers
RFSC International Limited
37. Whether TEFRA D rules applicable or TEFRA rules not applicable: TEFRA not applicable
38. Additional selling restrictions: Applicable. See Supplement.

OPERATIONAL INFORMATION

39. Clearing system(s): Euroclear
Clearstream, Luxembourg
DTC
40. Names and addresses of additional Series Paying Agent(s) (if any): Not Applicable
41. Ratings: The A1a Notes, the A1b Notes, the A2a Notes, the A2c Notes, the M1a Notes, the M1c Notes, the M2a Notes, the M2c Notes and the B1c Notes are expected on issue to be assigned the relevant ratings set out opposite the relevant Notes in the Supplement by Fitch, Moody's and S&P.
42. Governing Law: English Law
43. Note Notices Newspaper: Pursuant to Condition 19.

RESIDUALS/MERCS

44. Residuals to be issued: Applicable
45. MERCs to be issued: Applicable
46. Instruments: Notes, Series MERCs and Series Residuals

ADDITIONAL INFORMATION RELATED TO THE SERIES

Not Applicable

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