

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE U.S.

IMPORTANT: YOU MUST READ THE FOLLOWING BEFORE CONTINUING. THE FOLLOWING APPLIES TO THE PROSPECTUS FOLLOWING THIS PAGE, AND YOU ARE THEREFORE ADVISED TO READ THIS CAREFULLY BEFORE READING, ACCESSING OR MAKING ANY OTHER USE OF THE FOLLOWING PROSPECTUS. IN ACCESSING THE FOLLOWING PROSPECTUS, YOU AGREE TO BE BOUND BY THE FOLLOWING TERMS AND CONDITIONS, INCLUDING ANY MODIFICATIONS TO THEM ANY TIME YOU RECEIVE ANY INFORMATION FROM US AS A RESULT OF SUCH ACCESS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF THE ISSUER. THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE RETENTION HOLDER (A "**U.S. RISK RETENTION CONSENT**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES AND THE RESIDUAL CERTIFICATES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES, THE RESIDUAL CERTIFICATES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES OR RESIDUAL CERTIFICATES BY ITS ACQUISITION OF THE NOTES, THE RESIDUAL CERTIFICATE OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (i) IS NOT A RISK RETENTION U.S. PERSON OR (ii) IT HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE RETENTION HOLDER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

THE FOLLOWING PROSPECTUS HAS BEEN DELIVERED TO YOU ON THE BASIS THAT YOU ARE A PERSON INTO WHOSE POSSESSION THE FOLLOWING PROSPECTUS MAY BE LAWFULLY DELIVERED IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN

WHICH YOU ARE LOCATED. BY ACCESSING THE FOLLOWING PROSPECTUS, YOU SHALL BE DEEMED TO HAVE CONFIRMED AND REPRESENTED TO US THAT (A) YOU HAVE UNDERSTOOD AND AGREE TO THE TERMS SET OUT HEREIN, (B) YOU CONSENT TO DELIVERY OF THE FOLLOWING PROSPECTUS BY ELECTRONIC TRANSMISSION, (C) YOU ARE NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) OR ACTING FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON AND THE ELECTRONIC MAIL ADDRESS THAT YOU HAVE GIVEN TO US AND TO WHICH THIS EMAIL HAS BEEN DELIVERED IS NOT LOCATED IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS) OR THE DISTRICT OF COLUMBIA AND (D) IF YOU ARE A PERSON IN THE UNITED KINGDOM, THEN YOU ARE A PERSON WHO (I) HAS PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT (FINANCIAL PROMOTION) ORDER 2005 (THE "**ORDER**") OR (II) IS A HIGH NET WORTH ENTITY FALLING WITHIN ARTICLES 49(2)(A) TO (D) OF THE ORDER.

The following prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Stratton Mortgage Funding 2021-1 plc (the "**Issuer**"), Ertow Holdings V Designated Activity Company (the "**Sunbury Seller**") and Ertow Holdings VII Designated Activity Company (the "**Moonraker Seller**") (each a "**Seller**" and together the "**Sellers**"), Burlington Loan Management Designated Activity Company (the "**Retention Holder**"), Merrill Lynch International (the "**Lead Manager**" and the "**Arranger**") nor any person who controls any such person nor any director, officer, employee or agent of any such person or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the following prospectus distributed to you in electronic format and the hard copy version available to you on request from the Lead Manager.

Stratton Mortgage Funding 2021-1 plc

(Incorporated under the laws of England & Wales with limited liability, registered number 13042422)

Legal Entity Identifier: 213800IOSXVMHGXEJ68

Securitisation transaction unique identifier: 213800IOSXVMHGXEJ68N20211

Class of Notes	Initial Principal Amount	Issue Price	Reference Rate	Margin	Step-Up Margin (payable from Optional Redemption Date)	Ratings (S&P / Fitch)	Final Maturity Date
Class A Notes	£340,650,000	99.9247	Compound ed Daily SONIA	0.85% per annum	1.70% per annum	AAA/AAA	The Interest Payment Date falling in September 2051
Class B Notes	£28,500,000	99.6954	Compound ed Daily SONIA**	1.40% per annum	2.10% per annum	AA/AA	The Interest Payment Date falling in September 2051
Class C Notes	£24,200,000	99.8483	Compound ed Daily SONIA**	1.70% per annum	2.55% per annum	A/A	The Interest Payment Date falling in September 2051
Class D Notes	£22,000,000	100.0000	Compound ed Daily SONIA**	2.10% per annum	3.15% per annum	BBB/BBB	The Interest Payment Date falling in September 2051
Class E Notes	£8,800,000	99.7022	Compound ed Daily SONIA**	2.75% per annum	4.125% per annum	BB/BB	The Interest Payment Date falling in September 2051
Class X1 Notes	£6,600,000	27.6172	Compound ed Daily SONIA**	4.00% per annum	N/A*	Not Rated	The Interest Payment Date falling in September 2051
Class X2 Notes	£2,200,000	20.0000	Compound ed Daily SONIA**	4.00% per annum	N/A*	Not Rated	The Interest Payment Date falling in September 2051
Class Z1 Notes	£15,400,000	100.0000	N/A	N/A	N/A	Not Rated	The Interest Payment Date falling in September 2051
Class Z2 Notes	£8,310,000	100.0000	N/A	N/A	N/A	Not Rated	The Interest Payment Date falling in September 2051

The Optional Redemption Date is the Interest Payment Date falling in March 2024. From the Collection Period End Date immediately preceding the Optional Redemption Date, the Option Holder has the right to exercise the Call Option in relation to the Portfolio, which would result in an early redemption of the Notes.

* On and from the Optional Redemption Date, the Class X Notes will not bear interest.

** Capped at 8%.

ARRANGER
BofA Securities¹

The date of this Prospectus is 11 February 2021

¹ BofA Securities means Merrill Lynch International.

Issue Date	The Issuer will issue the Notes in the classes set out above and the Residual Certificates on or about 12 February 2021 (the " Closing Date ").
Standalone/ programme issuance	Standalone issuance.
Listing	<p>This document comprises a prospectus (the "Prospectus") for the purposes of Regulation (EU) 2017/1129 as amended (the "EU Prospectus Regulation"). This Prospectus has been approved as a prospectus by the Central Bank of Ireland (the "Central Bank") as the competent authority under the EU Prospectus Regulation. The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Prospectus. Such approval relates to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (together, the "Rated Notes"), the Class X1 Notes, the Class X2 Notes (together with the Class X1 Notes, the "Class X Notes"), the Class Z1 Notes and the Class Z2 Notes (together with the Class Z1 Notes, the "Class Z Notes"). The Rated Notes together with the Class Z1 Notes are the "Collateralised Notes". The Collateralised Notes together with the Class X Notes and the Class Z2 Notes are the "Notes", which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, "EU MiFID II" or the "Markets in Financial Instruments Directive") and/or which are to be offered to the public in any Member State of the European Economic Area.</p> <p>Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin, ("Euronext Dublin") for the Notes to be admitted to the official list (the "Official List") and traded on its regulated market (the "Regulated Market"). The Regulated Market of Euronext Dublin is a regulated market for the purposes of EU MiFID II. Investors should make their own assessment as to the suitability of investing in the Notes.</p> <p>The Prospectus is valid for 12 months from its date. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once the Notes are admitted to the Official List and trading on the Regulated Market of Euronext Dublin.</p>
Underlying Assets	<p>The Issuer will make payments on the Notes from, <i>inter alia</i>, payments of principal and revenue received from a portfolio comprising mortgage loans and their related security sold on the Closing Date (and any related Flexible Drawing subsequently sold) by Ertow Holdings V Designated Activity Company (the "Sunbury Seller") and Ertow Holdings VII Designated Activity Company (the "Moonraker Seller") (each a "Seller" and together the "Sellers") and originated by the Originators (as defined below) and secured over residential properties located in England, Wales, Northern Ireland and Scotland which will be purchased by the Issuer on the Closing Date.</p> <p>See the sections entitled "<i>Transaction Overview – Portfolio and Servicing</i>", "<i>The Loans</i>" and "<i>Characteristics of the Provisional Portfolio</i>" for further details.</p>
Credit Enhancement	Credit enhancement of the Notes is provided in the following manner:

- in relation to each Class of the Rated Notes, the overcollateralisation funded by the Collateralised Notes ranking junior to such Class of Notes in the relevant Priority of Payments (if any);
- in relation to each Class of Notes, (other than the Class Z Notes) the amount by which Available Revenue Receipts exceed the amounts required to pay interest (and, in the case of the Class X Notes, principal and interest (where applicable)) on the relevant Class of Notes and all other amounts ranking in priority thereto in accordance with the Pre-Enforcement Revenue Priority of Payments;
- prior to the earlier of the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, in relation to all Classes of Notes, any Liquidity Reserve Fund Excess Amount as Available Redemption Receipts in the Pre-Enforcement Redemption Priority of Payments, subject to the Liquidity Availability Conditions;
- on the earlier of the Class D Note Redemption Date, the Optional Redemption Date and the Final Redemption Date, the Liquidity Reserve Fund will provide credit enhancement to all of the Notes (other than the Class X Notes) as Available Redemption Receipts in the Pre-Enforcement Redemption Priority of Payments;
- on and after the Optional Redemption Date, Available Revenue Receipts to be applied at item (p) in the Pre-Enforcement Revenue Priority of Payments as Available Redemption Receipts in the Pre-Enforcement Redemption Priority of Payments; and
- following the delivery of an Enforcement Notice, the Liquidity Reserve Fund will provide credit enhancement to the Notes in accordance with the Post-Enforcement Priority of Payments.

See the sections entitled "*Transaction Overview – Credit Structure and Cashflow*" and "*Credit Structure*" for further details. In relation to the Liquidity Reserve Fund, see the section entitled "*Credit Structure – Liquidity Reserve Fund and Liquidity Reserve Fund Ledger*" for further details.

Liquidity Support

Liquidity support for the Notes is provided in the following manner:

- in relation to each Class of Notes, the subordination in payment of those Classes of Notes (if any) ranking junior in the Pre-Enforcement Revenue Priority of Payments and the Residual Certificates;
- in relation to each Class of the Rated Notes, the amount by which Available Revenue Receipts exceed the amounts required to pay interest on the relevant Class of Notes in accordance with the Pre-Enforcement Revenue Priority of Payments and all other amounts ranking in priority thereto;
- in relation to the Class X Notes, the amount by which Available Revenue Receipts exceed the amounts required to pay principal and interest (where applicable) on the relevant Class of X Notes in accordance with

the Pre-Enforcement Revenue Priority of Payments and all other amounts ranking in priority thereto;

- in relation to each Class of the Rated Notes, Available Redemption Receipts applied as Principal Addition Amounts to provide for any Revenue Deficits (after having applied amounts standing to the credit of the Liquidity Reserve Fund) where such Class of Rated Notes is the Most Senior Class of Notes;
- the Liquidity Reserve Fund, which will provide liquidity support:
 - (a) to the Class A Notes at all times;
 - (b) prior to the date on which the Class A Notes have been redeemed in full (the "**Class A Note Redemption Date**"), conditionally to the Class B Notes, the Class C Notes and the Class D Notes;
 - (c) after the Class A Note Redemption Date but on or prior to the date on which the Class B Notes have been redeemed in full (the "**Class B Note Redemption Date**"), to the Class B Notes at all times;
 - (d) prior to the Class B Note Redemption Date, conditionally to the Class C Notes and the Class D Notes;
 - (e) after the Class B Note Redemption Date but on or prior to the date on which the Class C Notes have been redeemed in full (the "**Class C Note Redemption Date**"), to the Class C Notes at all times;
 - (f) prior to the Class C Note Redemption Date, conditionally to the Class D Notes;
 - (g) after the Class C Note Redemption Date but on or prior to the date on which the Class D Notes have been redeemed in full (the "**Class D Note Redemption Date**"), to the Class D Notes at all times.

See the sections entitled "*Transaction Overview – Credit Structure and Cashflow*" and "*Credit Structure*" for further details. In relation to the Liquidity Reserve Fund, see the section entitled "*Credit Structure – Liquidity Reserve Fund and Liquidity Reserve Fund Ledger*" for further details.

Redemption Provisions

Information on any mandatory redemption of the Notes is summarised on page 92 ("*Transaction Overview – Overview of the Characteristics of the Notes and the Residual Certificates*") and set out in full in Condition 8 (*Redemption*) of the terms and conditions of the Notes (the "**Conditions**").

Benchmarks Regulation

Interest payable under the Rated Notes and the Class X Notes is calculated by reference to the Sterling Overnight Index Average ("**SONIA**"). As at the date of this Prospectus, the administrator of SONIA is not included in FCA's register of administrators under Article 36 of the Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**"). The Bank of England, as administrator of SONIA, is exempt

under Article 2 of the UK Benchmarks Regulation but has issued a statement of compliance with the principles for financial benchmarks issued in 2013 by the International Organisation of Securities Commissions.

Credit Rating Agencies

S&P Global Ratings UK Limited ("**S&P**") and Fitch Ratings Ltd. ("**Fitch**") (each a "**Rating Agency**" and together, the "**Rating Agencies**").

As of the date of this prospectus (the "**Prospectus**"), S&P is a credit rating agency established in the UK (the "**UK**") and is registered by the FCA under Regulation (EU) No 1060/2009 (as amended) as it forms part of domestic UK law (the "**UK CRA Regulation**").

As at the date of this Prospectus, Fitch is a credit rating agency based in the UK and supervised by the FCA.

Credit Ratings

The ratings assigned to the Rated Notes by S&P address, *inter alia*:

- the likelihood of full and timely payments due to the holders of the Class A Notes of interest on each Interest Payment Date;
- the likelihood of full and ultimate payment of interest to the holders of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (where the Class B Notes, the Class C Notes and the Class D Notes are not the Most Senior Class of Notes then outstanding), respectively, by a date that is not later than the Final Maturity Date;
- the likelihood of full and timely payment of interest due to the holders of the Class B Notes (where the Class B Notes are the Most Senior Class of Notes then outstanding), Class C Notes (where the Class C Notes are the Most Senior Class of Notes then outstanding), the Class D Notes (where the Class D Notes are the Most Senior Class of Notes then outstanding), respectively, on each Interest Payment Date; and
- the likelihood of ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Final Maturity Date.

The ratings assigned to the Rated Notes by Fitch address, *inter alia* (a) the likelihood of full and timely payment to the holders of the Class A Notes and the Class B Notes, and the Class C Notes and the Class D Notes (where the Class C Notes and the Class D Notes are the Most Senior Class of Notes) of interest on each Interest Payment Date in accordance with the Conditions; (b) the likelihood of full payment to the holders of the Rated Notes (other than the Class A Notes and the Class B Notes) of all payments of interests in relation to the Rated Notes on or prior to the Final Maturity Date, (c) the likelihood of full and ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Final Maturity Date.

Ratings are expected to be assigned to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes on or before the Closing Date.

The Class X Notes and the Class Z Notes will not be rated. The Residual Certificates will not be rated.

The assignment of a rating to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes by any Rating Agency is not a recommendation to invest in the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes respectively or to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

Obligations

The Notes and the Residual Certificates will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity named in the Prospectus.

EU Securitisation Regulation and UK Securitisation Regulation

On the Closing Date, Burlington Loan Management Designated Activity Company, (the "**Retention Holder**") will, as an originator for the purposes of the Securitisation Regulations retain on an on-going basis a material net economic interest of not less than 5 per cent. in the securitisation as required by Article 6(1) of the EU Securitisation Regulation and Article 6(1) of the UK Securitisation Regulation. As at the Closing Date, the Retained Interest will be comprised by the Retention Holder holding through its interest and exposure in the profit participating loan entered into with the Sunbury Seller on 1 April 2020 (as may be amended and restated from time to time) (the "**Sunbury PPL**") and the profit participating loan entered into with the Moonraker Seller on 23 December 2020 (as may be amended and restated from time to time) (the "**Moonraker PPL**"), as applicable, an interest in the first loss tranche and other tranches having the same or a more severe risk profile than those transferred or sold to investors, represented in this case by the retention by each of the Sellers of the Class Z Notes, in accordance with Article 6(3)(d) of the EU Securitisation Regulation and Article 6(3)(d) of the UK Securitisation Regulation. The relative proportions of the Sunbury PPL and the Moonraker PPL shall reflect the approximate initial proportion of Z Notes that the Sunbury Seller and the Moonraker Seller hold (as applicable). The aggregate Principal Amount Outstanding of the Class Z Notes as at the Closing Date is equal to at least 5 per cent of the nominal value of the securitised exposures. The Retention Holder will undertake to retain the material net economic interest and will give further undertakings with respect to the Retained Interest (as to which, see the section entitled "*Certain Regulatory Requirements*"). Any change in the manner in which the interest is held will be notified to the Noteholders.

Under Article 7 of the EU Securitisation Regulation, the Retention Holder (as "originator" for the purposes of the EU Securitisation Regulation) is required to provide certain information before pricing as well as EU Loan Reports and EU Investor Reports on a quarterly basis, and will appoint Euro ABS to provide such reports. See the section entitled "*The Securitisation Regulations apply to the Notes and any non-compliance may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes*" for more information.

Under Article 7 of the UK Securitisation Regulation the Issuer is required to provide certain information before pricing as well as UK Loan Reports and UK Investor Reports on a quarterly basis, and will appoint Euro ABS to provide such reports. See the section entitled "*The Securitisation Regulations apply to the Notes and any non-compliance may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes*" for more information.

See the section entitled "*Certain Regulatory Requirements*" for further information.

**U.S Risk
Retention Rules**

The Retention Holder, as the sponsor under the U.S. Risk Retention Rules, does not intend to retain at least 5 per cent. of the credit risk of the securitized assets for purposes of compliance with the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**"), but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. See the section entitled "*Risk Factors – U.S. Risk Retention Requirements*".

**ERISA
Considerations**

The Notes may not be purchased or held by any "employee benefit plan" as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), which is subject thereto, or any "plan" as defined in Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") to which Section 4975 of the Code applies, or by any person any of the assets of which are, or are deemed for purposes of ERISA or Section 4975 of the Code to be, assets of such an "employee benefit plan" or "plan", or by any governmental, church or non-U.S. plan which is subject to any state, local, other federal law of the United States or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"), and each purchaser of the Notes will be deemed to have represented, warranted and agreed that it is not, and for so long as it holds the Notes will not be, such an "employee benefit plan", "plan", person or governmental, church or non-U.S. plan subject to Similar Law.

**Significant
Investor**

The Sunbury Seller will on the Closing Date purchase 70 per cent. of the Class X1 Notes, 70 per cent. of the Class X2 Notes, 70 per cent. of the Class Z1 Notes and 70 per cent. of the Class Z2 Notes. The Moonraker Seller will on the Closing Date purchase 30 per cent. of the Class X1 Notes, 30 per cent. of the Class X2 Notes, 30 per cent. of the Class Z1 Notes and 30 per cent. of the Class Z2 Notes. The Sellers are not obliged to retain any Notes other than the Class Z Notes. See the section entitled "*Certain Regulatory Requirements*" for further details.

**Residual
Certificates**

In addition to the Notes, the Issuer will issue the Residual Certificates to each of the Sunbury Seller and the Moonraker Seller on the Closing Date. The relative proportions of the Residual Certificates held by the Sunbury Seller and the Moonraker Seller shall reflect approximately the relevant size of Sunbury Loans and Moonraker Loans (by Outstanding Principal Balance) in the Portfolio on the Closing Date - the Sunbury Seller shall hold 70 per cent. of the Residual Certificates and the Moonraker Seller shall hold 30 per cent. of the Residual Certificates. The Residual Certificates represent the right to receive deferred consideration for the purchase of the Portfolio (consisting of the Residual Payments in respect of the Portfolio). See the section entitled "*Terms and Conditions of the Residual Certificates*" for further details.

Volcker Rule

The Issuer is of the view that it is not now, and immediately after giving effect to the offering and sale of the Notes and the application of the proceeds thereof on the Closing Date will not be, a "covered fund" for purposes of regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended (commonly known as the "Volcker Rule"). In reaching this conclusion, although other statutory or regulatory exclusions and/or exemptions under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") and under the Volcker Rule and its related regulations may be available, the issuing entity has relied on the determinations that it may rely on an

exemption from registration under the Investment Company Act under Section 3(c)(5) of the Investment Company Act and, accordingly, may rely on the exemption from the definition of a "covered fund" under the Volcker Rule made available to certain issuers that do not rely solely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for their exemption from registration under the Investment Company Act. However, the general effects of the Volcker Rule remain uncertain. Any prospective investor in the Notes or Residual Certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

THE "RISK FACTORS" SECTION CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED IN THE SECTION.

IMPORTANT NOTICE

THE NOTES WILL BE OBLIGATIONS OF THE ISSUER ONLY. THE NOTES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY PERSON OTHER THAN THE ISSUER. IN PARTICULAR, THE NOTES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY OF THE SELLERS, THE ORIGINATORS, THE SUNBURY LEGAL TITLE HOLDERS, THE MOONRAKER LEGAL TITLE HOLDERS, THE RETENTION HOLDER, THE ARRANGER, THE LEAD MANAGER, THE SUNBURY SERVICERS, THE MOONRAKER SERVICER, THE BACK-UP SERVICER FACILITATOR, THE CASH MANAGER, THE ISSUER ACCOUNT BANK, THE PRINCIPAL PAYING AGENT, THE COLLECTION ACCOUNT BANKS, HOLDINGS, THE CORPORATE SERVICES PROVIDER, THE AGENT BANK, THE REGISTRAR, THE NOTE TRUSTEE, THE SECURITY TRUSTEE, STRATTON FINANCE II LIMITED, THE CO-OPERATIVE BANK P.L.C., MORTGAGE AGENCY SERVICES NUMBER FOUR LIMITED, MORTGAGE AGENCY SERVICES NUMBER FIVE LIMITED, PLATFORM FUNDING LIMITED ANY COMPANY IN THE SAME GROUP OF COMPANIES AS ANY SUCH ENTITIES (INCLUDING THEIR RESPECTIVE AFFILIATES) OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (TOGETHER, THE "RELEVANT PARTIES" AND EACH A "RELEVANT PARTY"). NO LIABILITY WHATSOEVER IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES SHALL BE ACCEPTED BY ANY OF THE RELEVANT PARTIES OR BY ANY PERSON OTHER THAN THE ISSUER.

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class Z1 Notes and the Class Z2 Notes will each be represented on issue by a global note certificate in registered form (a "**Global Note**"). The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class Z1 Notes and the Class Z2 Notes may be issued in definitive registered form under certain circumstances.

The Residual Certificates will be represented on issue by a global residual certificate in registered form (a "**Global Residual Certificate**"). The Residual Certificates may be issued in definitive registered form under certain circumstances.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING OF THE NOTES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. NO REPRESENTATION IS MADE BY THE ISSUER OR BY ANY RELEVANT PARTY THAT THIS PROSPECTUS MAY BE LAWFULLY DISTRIBUTED, OR THAT THE NOTES MAY BE LAWFULLY OFFERED, IN COMPLIANCE WITH ANY APPLICABLE REGISTRATION OR OTHER REQUIREMENTS IN ANY SUCH JURISDICTION, OR PURSUANT TO AN EXEMPTION AVAILABLE THEREUNDER, AND NONE OF THEM ASSUMES ANY RESPONSIBILITY FOR FACILITATING ANY SUCH DISTRIBUTION OR OFFERING. IN PARTICULAR, SAVE FOR OBTAINING THE APPROVAL OF THIS PROSPECTUS AS A PROSPECTUS FOR THE PURPOSES OF THE EU PROSPECTUS REGULATION BY THE CENTRAL BANK OF IRELAND, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER OR BY ANY RELEVANT PARTY WHICH WOULD PERMIT A PUBLIC OFFERING OF THE NOTES OR DISTRIBUTION OF THIS PROSPECTUS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED, IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS PROSPECTUS COMES ARE REQUIRED BY THE ISSUER AND THE

ARRANGER TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT ("**REGULATION S**")) ("**U.S. PERSONS**") EXCEPT PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS. THE NOTES ARE BEING OFFERED FOR SALE OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATIONS UNDER THE SECURITIES ACT. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON REALES OR TRANSFERS, SEE "*TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS*".

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE RETENTION HOLDER (A "**U.S. RISK RETENTION CONSENT**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES AND THE RESIDUAL CERTIFICATES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES, THE RESIDUAL CERTIFICATES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES OR THE RESIDUAL CERTIFICATES, BY ITS ACQUISITION OF THE NOTES, THE RESIDUAL CERTIFICATES OR A BENEFICIAL INTEREST THEREIN WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (i) IS NOT A RISK RETENTION U.S. PERSON OR (ii) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE RETENTION HOLDER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

Each initial and subsequent purchaser of the Notes will be deemed by its acceptance of such Notes to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of the Notes as set out in the Subscription Agreement and described in this Prospectus and, in connection therewith, may be required to provide confirmation of its compliance with such resale and other transfer restrictions in certain cases. See "*Transfer Restrictions and Investor Representations*".

None of the Issuer nor any Relevant Party makes any representation to any prospective investor or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations.

The Residual Certificates are not intended to be marketable securities and are not offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any investor.

EU MiFID II PRODUCT GOVERNANCE / ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE / ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties (as defined in the FCA Handbook Conduct of Business Sourcebook) and professional clients (as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA (as defined below) ("**UK MiFIR**") only, and (ii) all channels for distribution of the Notes to such eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; *however*, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of EU MiFID II (as amended); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended the "**PRIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) a customer within the meaning of the UK Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the Regulation (EU) No 1286/2014 (as amended) (the "**PRIPs Regulation**") as it forms part of domestic law by virtue of the EUWA (the "**UK PRIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIPs Regulation.

EACH SELLER AND EACH SUBSEQUENT PURCHASER OF THE NOTES WILL BE DEEMED BY ITS ACCEPTANCE OF SUCH NOTES TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF THE NOTES AS DESCRIBED IN THIS PROSPECTUS AND (IN RESPECT OF EACH SELLER) AS SET OUT IN THE SUBSCRIPTION AGREEMENT AND, IN CONNECTION THEREWITH, MAY BE REQUIRED TO PROVIDE CONFIRMATION OF ITS COMPLIANCE WITH SUCH RESALE AND OTHER TRANSFER RESTRICTIONS IN CERTAIN CASES. SEE "*TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS*".

NONE OF THE ISSUER NOR ANY RELEVANT PARTY OR ANY OF THEIR RESPECTIVE AFFILIATES MAKES ANY REPRESENTATION TO ANY PROSPECTIVE INVESTOR OR PURCHASER OF THE NOTES REGARDING THE LEGALITY OF INVESTMENT THEREIN BY SUCH PROSPECTIVE INVESTOR OR PURCHASER UNDER APPLICABLE LEGAL INVESTMENT OR SIMILAR LAWS OR REGULATIONS.

THE ISSUER ACCEPTS RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS. TO THE BEST OF ITS KNOWLEDGE, THE INFORMATION CONTAINED IN THIS PROSPECTUS IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. ANY INFORMATION SOURCED FROM THIRD PARTIES CONTAINED IN THIS PROSPECTUS HAS BEEN ACCURATELY REPRODUCED (AND IS CLEARLY SOURCED WHERE IT APPEARS IN THIS PROSPECTUS) AND, AS FAR AS THE ISSUER IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

EXCEPT AS SPECIFICALLY EXCLUDED THEREIN, EACH SELLER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTIONS HEADED "*THE SUNBURY SELLER*" AND "*THE MOONRAKER SELLER*" (AS APPLICABLE), "*THE LOANS*" AND "*CHARACTERISTICS OF THE PROVISIONAL PORTFOLIO*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE SELLERS, THE INFORMATION CONTAINED IN THE SECTIONS REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY EITHER SELLER AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTIONS REFERRED TO ABOVE AND NOT SPECIFICALLY EXCLUDED THEREIN) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE CASH MANAGER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE CASH MANAGER, ISSUER ACCOUNT BANK, PAYING AGENT AND AGENT BANK*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE CASH MANAGER, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE CASH MANAGER AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE LASI SERVICER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE LASI SERVICER*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE LASI SERVICER, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE LASI SERVICER AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE LMSL SERVICER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE LMSL SERVICER*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE LMSL SERVICER, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE LMSL SERVICER AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE SUNBURY LASI LEGAL TITLE HOLDER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE SUNBURY LASI LEGAL TITLE HOLDER*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE SUNBURY LASI LEGAL TITLE HOLDER, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE SUNBURY LASI LEGAL TITLE HOLDER AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE SUNBURY SRL LEGAL TITLE HOLDER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE SUNBURY SRL LEGAL TITLE HOLDER*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE SUNBURY SRL LEGAL TITLE HOLDER, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE SUNBURY SRL LEGAL TITLE HOLDER AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE MOONRAKER SERVICER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE MOONRAKER SERVICER*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE MOONRAKER SERVICER, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF

SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE MOONRAKER SERVICER AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

EACH OF THE MOONRAKER LEGAL TITLE HOLDERS ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE MOONRAKER LEGAL TITLE HOLDERS*" (AS APPLICABLE TO EACH MOONRAKER LEGAL TITLE HOLDER). TO THE BEST OF THE KNOWLEDGE AND BELIEF OF EACH OF THE MOONRAKER LEGAL TITLE HOLDERS, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY EACH OF THE MOONRAKER LEGAL TITLE HOLDERS AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE ISSUER ACCOUNT BANK ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE CASH MANAGER, ISSUER ACCOUNT BANK, PAYING AGENT AND AGENT BANK*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE ISSUER ACCOUNT BANK, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE ISSUER ACCOUNT BANK AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTIONS REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE NOTE TRUSTEE AND THE SECURITY TRUSTEE ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE NOTE TRUSTEE AND SECURITY TRUSTEE*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE NOTE TRUSTEE AND THE SECURITY TRUSTEE, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE NOTE TRUSTEE OR THE SECURITY TRUSTEE AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTIONS REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

THE CORPORATE SERVICES PROVIDER AND THE BACK-UP SERVICER FACILITATOR ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE CORPORATE SERVICES PROVIDER AND THE BACK-UP SERVICER FACILITATOR*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE CORPORATE SERVICES PROVIDER AND THE BACK-UP SERVICER FACILITATOR, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION.

NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE CORPORATE SERVICES PROVIDER AND THE BACK-UP SERVICER FACILITATOR AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE RETENTION HOLDER AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES AND/OR RESIDUAL CERTIFICATES OR THEIR DISTRIBUTION.

NO PERSON IS AUTHORISED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFERING OR SALE OF THE NOTES OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER, THE RETENTION HOLDER, THE SUNBURY SELLER, THE MOONRAKER SELLER, THE NOTE TRUSTEE OR THE SECURITY TRUSTEE, THE ORIGINATORS, THE SUNBURY LEGAL TITLE HOLDERS, THE MOONRAKER LEGAL TITLE HOLDERS, THE ARRANGER, THE LEAD MANAGER OR ANY OF THEIR RESPECTIVE AFFILIATES OR ADVISERS. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE OR ALLOTMENT MADE IN CONNECTION WITH THE OFFERING OF THE NOTES SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION OR CONSTITUTE A REPRESENTATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER, THE RETENTION HOLDER, THE SUNBURY SELLER, THE MOONRAKER SELLER, THE SUNBURY LEGAL TITLE HOLDERS, THE MOONRAKER LEGAL TITLE HOLDERS OR THE ORIGINATORS IN THE OTHER INFORMATION CONTAINED HEREIN SINCE THE DATE HEREOF. THE INFORMATION CONTAINED IN THIS PROSPECTUS WAS OBTAINED FROM THE ISSUER AND THE OTHER SOURCES IDENTIFIED HEREIN, BUT NO ASSURANCE CAN BE GIVEN BY THE NOTE TRUSTEE, THE SECURITY TRUSTEE, THE ORIGINATORS, THE SUNBURY LEGAL TITLE HOLDERS, THE MOONRAKER LEGAL TITLE HOLDERS, THE RETENTION HOLDER, THE SUNBURY SELLER, THE MOONRAKER SELLER, THE ARRANGER OR THE LEAD MANAGER AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. NONE OF THE ARRANGER, THE LEAD MANAGER, THE RETENTION HOLDER, THE SUNBURY SELLER, THE MOONRAKER SELLER, THE ORIGINATORS, THE SUNBURY LEGAL TITLE HOLDERS, THE MOONRAKER LEGAL TITLE HOLDERS, THE NOTE TRUSTEE OR THE SECURITY TRUSTEE HAVE SEPARATELY VERIFIED THE INFORMATION CONTAINED HEREIN. ACCORDINGLY, NONE OF THE ARRANGER, THE LEAD MANAGER, THE RETENTION HOLDER, THE SUNBURY SELLER, THE MOONRAKER SELLER, THE ORIGINATORS, THE SUNBURY LEGAL TITLE HOLDERS, THE MOONRAKER LEGAL TITLE HOLDERS, THE NOTE TRUSTEE OR THE SECURITY TRUSTEE MAKES ANY REPRESENTATION, EXPRESS OR IMPLIED, OR ACCEPTS ANY RESPONSIBILITY, WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF ANY OF THE INFORMATION IN THIS PROSPECTUS. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE CONTENTS OF THIS PROSPECTUS SHOULD NOT BE CONSTRUED AS PROVIDING LEGAL, BUSINESS, ACCOUNTING OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN LEGAL, BUSINESS, ACCOUNTING AND TAX ADVISERS PRIOR TO MAKING A DECISION TO INVEST IN THE NOTES.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OF, OR AN INVITATION BY OR ON BEHALF OF, THE ISSUER, THE RETENTION HOLDER, THE SUNBURY SELLER, THE MOONRAKER SELLER, THE ORIGINATORS, THE SUNBURY LEGAL TITLE HOLDERS, THE MOONRAKER LEGAL TITLE HOLDERS, THE NOTE TRUSTEE, THE SECURITY TRUSTEE, THE ARRANGER, THE LEAD MANAGER OR ANY OF THEM TO SUBSCRIBE FOR OR PURCHASE ANY OF THE NOTES IN ANY JURISDICTION WHERE SUCH ACTION WOULD BE UNLAWFUL AND NEITHER THIS PROSPECTUS, NOR ANY PART THEREOF, MAY BE USED FOR OR IN CONNECTION WITH ANY OFFER TO, OR SOLICITATION BY, ANY PERSON IN ANY JURISDICTION OR IN ANY CIRCUMSTANCES IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORISED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

PAYMENTS OF INTEREST AND PRINCIPAL IN RESPECT OF THE NOTES WILL BE SUBJECT TO ANY APPLICABLE WITHHOLDING TAXES WITHOUT THE ISSUER OR ANY OTHER PERSON BEING OBLIGED TO PAY OTHER AMOUNTS THEREFOR.

IN THIS PROSPECTUS ALL REFERENCES TO "**POUNDS**", "**STERLING**", "**GBP**" AND "**£**" ARE REFERENCES TO THE LAWFUL CURRENCY FOR THE TIME BEING OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (THE "**UNITED KINGDOM**" OR "**UK**"). REFERENCES IN THIS PROSPECTUS TO "**€**", "**EUR**" AND "**EURO**" ARE REFERENCES TO THE SINGLE CURRENCY INTRODUCED AT THE THIRD STAGE OF EUROPEAN ECONOMIC AND MONETARY UNION PURSUANT TO THE TREATY ESTABLISHING THE EUROPEAN COMMUNITIES AS AMENDED FROM TIME TO TIME.

THE ARRANGER AND THE LEAD MANAGER DO NOT ACCEPT ANY RESPONSIBILITY FOR THE COMPLIANCE OF THE ISSUER, THE RETENTION HOLDER, THE ORIGINATOR, THE SELLERS OR ANY OTHER TRANSACTION PARTY WITH REQUIREMENTS OF THE SECURITISATION REGULATIONS.

In this Prospectus all references to the "**FCA**" are to the United Kingdom Financial Conduct Authority and all references to the "**PRA**" are to the United Kingdom Prudential Regulation Authority.

In this Prospectus, words denoting the singular number only shall include the plural number and vice versa and words denoting one gender shall include the other genders, as the context may require. A defined term in the plural which refers to a number of different items or matters may be used in the singular or plural to refer to any (or any set) of those items or matters.

Forward-Looking Statements and Statistical Information

Certain matters contained herein are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Loans, and reflect significant assumptions and subjective judgements by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "will", "could", "believes", "expects", "anticipates", "continues", "intends", "plans" or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in the residential mortgage industry in the United Kingdom. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. This Prospectus also contains certain tables and other statistical analyses (the "**Statistical Information**") which have been prepared in reliance on information provided by the Issuer. Numerous assumptions have been used in preparing the Statistical Information, which may or may not be reflected in the material. As such, no assurance can be given as to the Statistical Information's accuracy,

appropriateness or completeness in any particular context, or as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either projections or predictions or as legal, tax, financial or accounting advice. The average life of or the potential yields on any security cannot be predicted, because the actual rate of repayment on the underlying assets, as well as a number of other relevant factors, cannot be determined. No assurance can be given that the assumptions on which the possible average lives of or yields on the securities are made will prove to be realistic. None of the Relevant Parties has attempted to verify any forward-looking statements, nor does it make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements or Statistical Information. None of the Relevant Parties assumes any obligation to update these forward-looking statements or Statistical Information or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements or Statistical Information, as applicable.

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RISK FACTORS

The following is a description of the principal risks associated with an investment in the Notes. These risk factors are material to an investment in the Notes and in the Issuer. Prospective Noteholders should carefully read and consider all the information contained in this Prospectus, including the risk factors set out in this section, prior to making any investment decision.

An investment in the Notes is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to suffer any potential loss stemming therefrom.

The Issuer believes that the risks described below are the material risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks relating to the Notes are exhaustive. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers immaterial may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts in respect of the Notes. Prospective Noteholders should read the detailed information set out in this document and reach their own views, together with their own professional advisers, prior to making any investment decision.

The purchase of the Notes involves substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Before making an investment decision, prospective purchasers of the Notes should (i) ensure that they understand the nature of the Notes and the extent of their exposure to risk, (ii) consider carefully, in the light of their own financial circumstances and investment objectives (and those of any accounts for which they are acting) and in consultation with such legal, financial, regulatory and tax advisers as it deems appropriate, all the information set out in this Prospectus so as to arrive at their own independent evaluation of the investment and (iii) confirm that an investment in the Notes is fully consistent with their respective financial needs, objectives and any applicable investment restrictions and is suitable for them. The Notes are not a conventional investment and carry various unique investment risks, which prospective investors should understand clearly before investing in them. In particular, an investment in the Notes involves the risk of a partial or total loss of investment.

1. RISKS RELATING TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES

Limited source of Funds

The ability of the Issuer to meet its obligations to pay principal and interest on the Notes and its operating and administrative expenses will be dependent solely on receipts from the Loans in the Portfolio, interest earned on the Issuer Accounts and the availability of the Liquidity Reserve Fund (applied in accordance with the terms of the Cash Management Agreement and subject to the satisfaction of the relevant Liquidity Availability Conditions). Other than the foregoing, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes and/or any other payment obligation of the Issuer under the applicable Priority of Payments. If such funds are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Creditors, subject to the applicable Priority of Payments. The recourse of the Noteholders to the Charged Assets following service of an Enforcement Notice is described below in Condition 12.4 (*Enforcement – Limited Recourse*).

Limited recourse

The Notes will be limited recourse obligations of the Issuer. Other than the source of funds referred to in the foregoing paragraph, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes. Upon enforcement of the Security by the Security Trustee, if:

- (a) there are no Charged Assets remaining which are capable of being realised or otherwise converted into cash;
- (b) all amounts available from the Charged Assets have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Deed of Charge; and
- (c) there are insufficient amounts available from the Charged Assets to pay in full, in accordance with the provisions of the Deed of Charge, amounts outstanding under the Notes (including payments of principal and interest),

then the Secured Creditors (which include the Noteholders) shall have no further claim against the Issuer or its directors, shareholders, officers or successors in respect of any amounts owing to them which remain unpaid (in the case of the Noteholders, principally payments of principal and interest in respect of the Notes) and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be extinguished.

Liabilities under the Notes

The Notes will not be obligations of, or the responsibility of, or guaranteed by, any person other than the Issuer. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes shall be accepted by any of the Relevant Parties or by any person other than the Issuer.

Liquidity of the Issuer

The Issuer is subject to the risk of insufficiency of funds on any Interest Payment Date as a result of payments being made late by Borrowers (if, for example, such payment is made after the end of the Collection Period immediately preceding the Interest Payment Date). This risk is addressed in respect of the Rated Notes by the provision of liquidity from alternative sources (including the use of amounts credited to the Liquidity Reserve Fund to cover any Revenue Deficit and the use of Principal Addition Amounts (each of which is subject to the satisfaction of the Liquidity Availability Conditions)), as more fully described in the section entitled "*Credit Structure – Liquidity and Credit Support for the Notes provided by Available Revenue Receipts*". However, no assurance can be made as to the effectiveness of such liquidity support features, or that such features will protect the Noteholders from all risk of delayed payment and/or loss.

No additional sources of funds after the Optional Redemption Date

On and from the Optional Redemption Date, the Step-Up Margin will be payable in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. There will, however, be no additional receipts or other sources of funds available to the Issuer at such time, nor is it expected that any of the sources of income available to the Issuer prior to the Optional Redemption Date will be increased. In such circumstances the Issuer may not have sufficient funds to pay all amounts of interest and/or principal (as applicable) under the Notes (including any Step-Up Margin on the Class A Notes).

2. RISKS RELATING TO THE UNDERLYING ASSETS

Delinquencies or Default by Borrowers in paying amounts due on their Loans

Approximately 13.15 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are loans that are the equivalent of one or more monthly instalments in arrears (calculated by arrears balance divided by monthly payment due). Defaults may occur for a variety of reasons. The ability of the Borrowers to pay amounts owed under the Loans may be affected by credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic or housing conditions, changes in tax laws, interest rates, inflation, the availability of financing, political developments and government policies. Although interest rates are currently low, this may change in the future and an increase in interest rates may adversely affect Borrowers' ability to pay interest or repay principal on their Loans. Other factors in Borrowers' individual, personal or financial circumstances may affect the ability of Borrowers to repay the Loans. Unemployment, loss of earnings, illness, divorce and other similar factors may lead to an increase in delinquencies by and bankruptcies (and analogous arrangements) of Borrowers, and could ultimately have an adverse impact on the ability of Borrowers to repay the Loans. Certain national and international macroeconomic factors may also contribute to or hinder the economic health of a Borrower and thus the economic performance of the Loans. In addition, the ability of a Borrower to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time.

Investors should note, as at the date of this Prospectus, the FCA's guidance to firms, as described below in the section entitled "*Information Relating to the Regulation of Mortgages in the UK – Mortgages and coronavirus: FCA guidance for firms*" in response to the COVID-19 outbreak in the UK, that firms should not absent exceptional circumstances enforce repossession and should not seek, or enforce a warrant for possession or a warrant of restitution against customers before 1 April 2021.

In order to enforce a power of sale in respect of a mortgaged property in England, the relevant mortgagee must first obtain possession of the relevant property. Possession is usually obtained by way of a court order or decree. This can be a lengthy and costly process and will involve the mortgagee assuming certain risks. The court has a wide discretion and may adopt a sympathetic attitude towards a Borrower faced with eviction. Any possession order given in favour of the mortgagee or creditor may be suspended to allow the Borrower more time to pay. In addition, if possession has been obtained, a reasonable period must be allowed for marketing the property, to discharge obligations to take reasonable care to obtain a proper price. Any failure to do so will put the relevant mortgagee at risk of an action for breach of such duty by the Borrower, although it is for the Borrower to prove breach of such duty. There is also a risk that a Borrower may also take court action to force the relevant mortgagee to sell the Property within a reasonable time. If obtaining possession of properties and arranging a sale in such circumstances is lengthy or costly, the Issuer's ability to make payments on the Notes may be reduced.

The Loans secured over properties in Scotland are secured by security taken over the relevant properties by way of standard security, being the only means of creating fixed security over heritable property in Scotland. A statutory set of Standard Conditions is automatically imported into all standard securities, although the majority of these Standard Conditions may be varied by agreement between the parties.

The main provisions of the Standard Conditions, which cannot be varied by agreement, relate to enforcement. Generally, where a breach by a Borrower entitles the lender to enforce the security, an appropriate statutory notice must first be served. First, the lender has to serve a "calling up notice" requiring repayment, in which event the Borrower has two months to comply and, on the expiry of such

period where the Borrower is in default, the lender has to obtain a court order before it may enforce its rights of sale under the standard security.

Prior to 30 September 2010, under the terms of the Mortgage Rights (Scotland) Act 2001 (the "2001 Act"), Scottish courts were permitted a discretion (upon application by a Borrower or other specified persons) to suspend the exercise of the lender's statutory enforcement remedies for such period and to such extent as the court considered reasonable, having regard, among other factors, to the nature of the default, the applicant's ability to remedy it and the availability of alternative accommodation. The relevant provisions of the 2001 Act relating to the court's discretion to suspend such enforcement remedies were repealed with effect from 30 September 2010 under the terms of the Home Owner and Debtor Protection (Scotland) Act 2010 and replaced with the requirement (referred to above) on lenders to obtain a court order (except in very limited circumstances) when pursuing their statutory enforcement remedies, although the court will still have regard to the factors described above in exercising their discretion as to whether to grant the court order. See also the sections entitled "*Information Relating to the Regulation of Mortgages in the UK – Repossessions policy*" and "*Risk Factors– Credit Structure*".

In cases of default by a Borrower in relation to a Mortgage secured over property situated in Northern Ireland, requiring the issue of legal proceedings, those proceedings are broadly similar to English proceedings. The comments set out above in relation to mortgaged property in England would therefore also apply as regards possession proceedings in Northern Ireland as would the comments in relation to the duties placed upon mortgagees in possession. One key difference to the process of obtaining physical possession of a property situated in Northern Ireland, however, relates to the enforcement of a possession order once obtained from the court. After a possession order is obtained in Northern Ireland, the judgment Order for possession has to be enforced through a statutory body known as the Enforcement of Judgments Office (the "EJO") (rather than by bailiffs – the use of which is not permitted in Northern Ireland). The EJO and it has its own procedures for enforcement of a possession order and during the enforcement process via the EJO it is not unusual for further delays and stays to be encountered.

By virtue of Article 51 of The Judgments Enforcement (Northern Ireland) Order 1981, an order charging land (i.e. a judgment mortgage), if founded on a judgment in respect of rates payable in respect of that land shall have priority over all other charges and encumbrances whatever affecting that land except other debts owing to the Crown.

Whilst in many cases it is likely that in order to realise its security in respect of a property situated in Northern Ireland the relevant mortgagee will need to obtain possession (whether that be by taking physical possession or obtaining a court order) in the case of mortgages that are not in respect of a Borrower's principal dwelling house (for example, buy-to-let mortgages) it is not uncommon for a mortgagee in Northern Ireland to appoint a fixed charge receiver. Such an appointment can either be pursuant to statute or the terms of the mortgage. The fixed charge receiver will have the power to receive the income from the property and if the mortgage permits to exercise a power of sale in respect of the property.

The Issuer's ability to make such payments may be reduced further if the powers of a mortgagee or heritable creditor in relation to obtaining possession of properties permitted by law are restricted in the future. There can be no assurance that the level of Loans in arrears will remain at their current levels and not increase.

Increases in prevailing market interest rates may adversely affect the performance of the Portfolio

Although interest rates are currently at a historical low, this may change in the future and an increase in interest rates may adversely affect borrowers' ability to pay interest or repay principal on their mortgage loans. Borrowers with a Loan subject to a variable rate of interest or with a Loan for which the related interest rate adjusts following an initial fixed rate or low introductory rate, as applicable,

may be exposed to increased monthly payments if the related mortgage interest rate adjusts upward (or, in the case of a Loan with an initial fixed rate or low introductory rate, at the end of the relevant fixed or introductory period). This increase in Borrowers' monthly payments, which (in the case of a Loan with an initial fixed rate or low introductory rate) may be compounded by any further increase in the related mortgage interest rate during the relevant fixed or introductory period, may ultimately result in higher delinquency rates and losses in the future.

Borrowers seeking to avoid increased monthly payments (caused by, for example, the expiry of an initial fixed rate or low introductory rate, or a rise in the related mortgage interest rates) by refinancing their mortgage loans may no longer be able to find available replacement loans at comparably low interest rates. Any decline in housing prices may also leave borrowers with insufficient equity in their homes to permit them to refinance. These events, alone or in combination, may contribute to higher delinquency rates, slower prepayment rates and higher losses on the Portfolio, which in turn may affect the ability of the Issuer to make payments of interest and/or principal on the Notes.

Claims against third parties

Each Seller has, pursuant to the Mortgage Sale Agreement, assigned to the Issuer its causes and rights of action against solicitors and valuers, to the extent such rights are assignable. Such rights were assigned to: (i) the Sunbury Seller (to the extent assignable) by Stratton Finance II Limited, pursuant to the Original Sunbury Seller Mortgage Sale Agreement entered into with the Sunbury Seller; and (ii) the Moonraker Seller (to the extent assignable) by the Original Moonraker Sellers, pursuant to the Original Moonraker Seller Mortgage Sale Agreement entered into with the Moonraker Seller. None of Stratton Finance II Limited nor the Original Moonraker Sellers were the originators of the relevant Loans and the said rights may not have been effectively assigned to the relevant entity when such rights were purported to have been assigned to such entity (either from the relevant Originator or otherwise). The Issuer may therefore not have any direct rights against any solicitors or valuers who, when acting for the Originators in relation to the origination of any Loan, may have been negligent or fraudulent. Each Seller is a special purpose vehicle with limited assets and funds and as such will have limited resources available to it to repurchase any Loans if required pursuant to the terms of the applicable Mortgage Sale Agreement or to make any indemnity payments under such Mortgage Sale Agreement or any other Transaction Document. No assurance can be given that either Seller will always have the resources to comply with any undertaking in any Transaction Document in such a way that provides adequate protection to the Issuer or at all and additionally, neither Seller has an obligation to repurchase any Loans in breach of any Loan Warranty or to make any payment in lieu of such repurchase beyond the Optional Redemption Date. Any failure by or inability of the Issuer to take action against third parties may have an adverse effect on the Issuer's ability to make payments of interest and/or principal in respect of the Notes.

Legal Title Holders to retain legal title to the Loans and risks relating to set-off

Each Seller only has a beneficial and/or contractual title and interest in and to the Loans and their Related Security. Legal title to the Sunbury Loans is held by the Sunbury Legal Title Holders. Legal title to the Moonraker Loans is held by the Moonraker Legal Title Holders (the Sunbury Legal Title Holders and the Moonraker Legal Title Holders being, together, the "**Legal Title Holders**"). The sale by each Seller to the Issuer of the English Loans, the Northern Irish Loans and the Isle of Man Loans and their Related Security (until legal title is conveyed) takes effect in equity only. The sale by each Seller to the Issuer of the Scottish Loans and their Related Security is given effect to by each Seller (as holder of the uncompleted beneficial title) directing the relevant Legal Title Holders to enter into Scottish declarations of trust in favour of the Issuer (each a "**Scottish Declaration of Trust**") as the nominee of the relevant Seller. By virtue of each Scottish Declaration of Trust entered into on the Closing Date, the beneficial interest in the relevant Scottish Loans and their Related Security will be held on trust by (in respect of the Sunbury Loans) the Sunbury Legal Title Holders and (in respect of the Moonraker Loans) the Moonraker Legal Title Holders (as applicable) as trustee thereunder for the

benefit of the Issuer as a beneficiary (and as the nominee of the relevant Seller). The holding of a beneficial interest under a Scottish trust has (broadly) equivalent legal consequences in Scotland to the holding of an equitable interest in England and Wales.

This means that legal title to the Loans and their Related Security in the Portfolio will remain with the relevant Legal Title Holder until certain perfection events occur under the terms of each of the Moonraker Servicing Agreement, the Moonraker Legal Title Holder Deed, the Sunbury Servicing Agreement and the Sunbury LASI Declaration of Trust (together the "**Servicing Documents**" and each a "**Servicing Document**") ("*Summary of the Key Transaction Documents – Sunbury Servicing Agreement*" and "*Summary of the Key Transaction Documents – Moonraker Servicing Agreement*"). The Issuer has not applied, and prior to the occurrence of a Moonraker Perfection Event, Sunbury Perfection Event or a Sunbury LASI Perfection Event (together the "**Perfection Events**" and each a "**Perfection Event**") will not apply, to the Land Registry of England or Land Registers of Northern Ireland to register or record its equitable interest in the English Mortgages or the Northern Irish Mortgages and will not apply to the General Register of Sasines or Land Register of Scotland (as appropriate) (together the "**Registers of Scotland**") to register or record its beneficial interest in the Scottish Mortgages pursuant to a Scottish Declaration of Trust.

Further, unless (i) notice of the assignment was given to the Borrowers in respect of the English Loans, the Northern Irish Loans, and the Isle of Man Loans and their respective Related Security, and (ii) an assignation of the Scottish Loans and their Related Security is effected by the relevant Legal Title Holder to the Issuer and notice thereof is then given to the Borrowers in respect of the Scottish Loans and their Related Security, equitable or independent set-off rights may accrue in favour of any Borrower against his or her obligation to make payments to the relevant Legal Title Holder under the relevant Loan. These rights may result in the Issuer receiving reduced payments on the Loans. The transfer of the benefit of any Loans to the Issuer will continue to be subject to any prior rights any applicable Borrower may become entitled to after the transfer. Where notice of the assignment or assignation is given to any Borrower, however, some rights of set-off (being those rights that are not connected with or related to the relevant Loan) may not arise after the date notice is given. For the purposes of this Prospectus, references herein to "**set-off**" shall be construed to include analogous rights in Scotland. For further information on the effects of set-off in relation to the Portfolio, see below "*Set-off may adversely affect the value of the Portfolio or any part thereof*".

As a consequence of the Issuer not obtaining legal title to the Loans and their Related Security or the Properties secured thereby, a *bona fide* purchaser from the relevant Legal Title Holder for value of any of such Loans and their Related Security without notice of any of the interests of the Issuer might obtain a good title free of any such interest. If this occurred, then the Issuer would not have good title to the affected Loan and its Related Security, and it would not be entitled to payments by a Borrower in respect of that Loan. However, the risk of third party claims obtaining priority to the interests of the Issuer in this way would be likely to be limited to circumstances arising from a breach by the relevant Legal Title Holder of its contractual obligations or from fraud, negligence or mistake on the part of the relevant Seller or the relevant Legal Title Holder or any of its respective personnel or agents.

Neither the Sellers nor (until notice of the assignment or assignation is given to Borrowers) the Issuer would be able to enforce any Borrower's obligations under a Loan or its Related Security itself but to the extent that the relevant Servicer and the relevant Legal Title Holder failed to take any or appropriate enforcement action against the relevant Borrower (in accordance with the relevant Enforcement Procedures or comply with its obligations to take enforcement actions as required under the Transaction Documents) the Issuer or the Security Trustee would be able to take action (under the relevant power of attorney to be entered into by the relevant Legal Title Holder) or would have to join the relevant Legal Title Holder as a party to any legal proceedings. Borrowers will also have the right to redeem their Mortgages by repaying the relevant Loan directly to the relevant Legal Title Holder. However, the Legal Title Holders and the Sellers will undertake, pursuant to the Mortgage Sale Agreement and

the Servicing Documents, to hold any money repaid to it in respect of relevant Loans to the order of the Issuer or, if appropriate, the Security Trustee.

If any of the risks described above were to occur then the realisable value of the Portfolio or any part thereof may be affected.

Set-off may adversely affect the value of the Portfolio or any part thereof

As described above, the sale by the Sellers to the Issuer of the English Loans, the Northern Irish Loans, and the Isle of Man Loans and their respective Related Security will be given effect by an assignment, and the sale of the Scottish Loans and their Related Security being given effect under each Scottish Declaration of Trust. As a result, legal title to the Loans and their Related Security sold by the Sellers to the Issuer will remain with, in respect of the Sunbury Loans, the Sunbury Legal Title Holders and, in respect of the Moonraker Loans, the Moonraker Legal Title Holders, until the occurrence of a Perfection Event. In addition, the rights of the Issuer may be subject to "transaction set-off", being the direct rights of the Borrowers against the Legal Title Holders, including rights of set-off which occur in relation to transactions made between the Borrowers and the Legal Title Holders which are connected to the relevant Loan, such as a failure to advance a Flexible Drawing where the Borrower has a right to demand a drawing under the relevant Mortgage Conditions of the Loan. Therefore, the rights of the Issuer may be subject to certain set-off rights which the relevant Borrower has against the relevant Legal Title Holder.

The Borrowers may be entitled to exercise certain independent or equitable set-off rights against the Issuer. Subject to the paragraph below in relation to the crystallisation of rights of set-off by Borrower's following receipt of notice of assignment, independent set-off will arise in connection with transactions that are unconnected with the relevant Borrower's Loan. Generally, an independent right of set-off could include, but is not limited to, claims by a Borrower for unpaid wages or pension liabilities (no assurance is given that the Portfolio does not include Loans made to employees of the Legal Title Holders). An independent right of set-off could also arise where the legal title holder of the Loans is a credit institution and the relevant borrower holds an unconnected savings or deposit account with such legal title holder. However, the Legal Title Holders are not deposit-taking institutions and are not authorised to hold client money as at the date of this Prospectus.

Equitable set-off rights may arise in connection with a transaction connected with the Loan. An equitable right of set-off could arise where the relevant Seller or the relevant Legal Title Holder (or lender of record) or the Originator of the relevant Loan is in breach of contract under the relevant Loan.

Once notice has been given to the Borrowers of the assignment or assignation of the Loans and their Related Security to the Issuer, independent set-off rights which a Borrower has against the relevant Legal Title Holder will crystallise and further rights of independent set-off would cease to accrue from that date and no new rights of independent set-off could be asserted following that notice. Independent set-off rights against the relevant Legal Title Holder would have crystallised on notice of transfer to the relevant Legal Title Holder. Set-off rights arising under "transaction set-off" (being those set-off claims arising out of a transaction connected with the Loan) will not be affected by that notice and will continue to exist.

The relevant Borrower may set off any claim for damages arising from the relevant Legal Title Holder's breach of contract (such as a failure to advance additional funds under a Borrower's express right to demand a Flexible Drawing be made to them pursuant to the terms and conditions of the relevant Loan) against that Legal Title Holder and the Issuer's (as equitable assignee of or holder of the beneficial interest in the Loans and their Related Security) claim for payment of principal and/or interest under the relevant Loan as and when it becomes due. These set-off claims will constitute transaction set-off, as described above.

The exercise of set-off rights by Borrowers may adversely affect the timing of receipt and ultimate amount received by the Issuer in respect of the relevant Loans and the realisable value of the Portfolio and/or the ability of the Issuer to make payments under the Notes.

Risks relating to Porting

If, at any time, a Borrower under a Moonraker Loan requests a Port, the Moonraker Servicer shall determine whether the relevant Mortgage Conditions and the relevant Moonraker Legal Title Holder's Policy permit such porting. If they do, the Moonraker Servicer shall then request the relevant Moonraker Legal Title Holder to confirm in writing whether such Moonraker Loan will be fully redeemed (and each Moonraker Legal Title Holder has agreed to provide such confirmation, positive or negative, as soon as reasonably practicable upon receipt of such a request). If the relevant Moonraker Legal Title Holder confirms that such Moonraker Loan will be fully redeemed, the Moonraker Servicer shall approve the Borrower's application, release the Related Security for the Moonraker Loan, and accept the redemption receipts into the Moonraker Deposit Account such as to enable the Cash Manager to apply any such proceeds as Available Redemption Receipts. For the avoidance of doubt, an application from a Borrower to port to another property shall be accepted only if the relevant Moonraker Legal Title Holder confirms that the relevant Moonraker Loan will be redeemed in full.

Non-conforming Borrowers

The Portfolio comprises certain Loans made to Borrowers who as of the Portfolio Reference Date or the date of origination of such Loan may have (or have had) impairments to their credit profile, such as a county court judgment (or the Isle of Man or Northern Irish equivalent or a Sheriff Court decree, being the Scottish equivalent of a county court judgment), an individual voluntary arrangement or a bankruptcy order, are self-employed or otherwise considered by banks and building societies to be non-prime borrowers. Loans made to Borrowers with credit impairments may experience higher rates of delinquency, write-offs and enforcement than have historically been experienced by mortgage loans made to borrowers without credit impairments and therefore carry a higher degree of risk.

In addition, whilst the underwriting standards of originators generally consider, among other things, a borrower's credit history, employment history and status, repayment ability and debt service-to-income ratio, as well as the value of the property and those underwriting standards are used with a view, in part, to mitigating the risks in lending to borrowers, the Sellers were not the originators of the Loans and therefore have limited knowledge as to the origination and lending policies used by the Originators in relation to the Loans.

There can be no assurance that these underwriting standards were applied in all cases or that Loans originated under different criteria have not been included in the Portfolio.

Declining property values

The value of the Related Security in respect of the Loans may be affected by, among other things, a decline in the residential property values in the United Kingdom. The Issuer cannot guarantee that the value of a property will remain at the same level as on the date of origination of the related Loan or the Closing Date. Downturns in the United Kingdom economy generally may have a negative effect on the housing market. A fall in property prices resulting from a deterioration in the housing market could result in losses being incurred by lenders where the net recovery proceeds are insufficient to redeem any outstanding loan secured on such property. If the value of the Related Security backing the Loans is reduced this may ultimately result in losses to Noteholders if the Related Security is required to be enforced and the resulting proceeds are insufficient to make payments on all Notes.

Borrowers may have insufficient equity in their homes to refinance their Loans with lenders other than the Sellers and may (as a result of the circumstances described in "*Delinquencies or Default by*

Borrowers in paying amounts due on their Loans" or otherwise) have insufficient resources to pay amounts in respect of their Loans as and when they fall due. This could lead to higher delinquency rates and to losses which in turn may adversely affect payments on the Notes.

Interest-only Loans

As of the Portfolio Reference Date, 89.06 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are interest-only loans. Each Loan in the Portfolio may be repayable either on a capital repayment basis, an interest-only basis or a part and part basis (see "*The Loans – The Sunbury Loans – Characteristics of the Provisional Portfolio*"– and "*The Loans – The Moonraker Loans – Characteristics of the Provisional Portfolio*"). Where the Borrower is only required to pay interest during the term of the Loan, with some or all of the capital being repaid in a lump sum at the end of the term, it is generally recommended that borrowers ensure that some repayment mechanism such as an investment policy is put in place to ensure that funds will be available to repay the capital at the end of the term.

The ability of such Borrower to repay an interest-only Loan or a part and part Loan at maturity will often depend on such Borrower's ability to refinance or sell the Property or to obtain funds from another source such as pension policies, personal equity plans, Individual Savings Accounts or endowment policies (the "**Policies**"). The Sellers do not have and the Issuer shall not have the benefit of any Policies taken out by Borrowers. The only security that exists will therefore be the Mortgage covering the Property. The ability of a Borrower to refinance the Loan will be affected by a number of factors, including the value of the Property, the Borrower's equity in the Property, the Borrower's age and employment status, the financial condition and payment history of the Borrower, tax laws and prevailing general economic conditions. In recent times, mortgage lenders have maintained stricter conditions to the advancing of interest-only loans (and other loans). The inability of the Borrowers to refinance their respective Loans may ultimately result in a reduction of amounts available to the Issuer and adversely affect its ability to make payments under the Notes. As of the Portfolio Reference Date, there are 61 interest-only loans in the Provisional Portfolio where the relevant Borrower has not repaid the outstanding principal amount in respect to the relevant mortgage loan on the relevant loan maturity date, resulting in an aggregate Current Balance of £6,446,726.40.

Borrowers of interest-only loans may not make payment of the premiums due on any relevant investment or life policy taken out in relation to repayment of the relevant interest only mortgages in full or on time, which policies may therefore lapse, and/or no further benefits may accrue thereunder. In certain cases, the policy may be surrendered but not necessarily in return for a cash payment and any cash received by the Borrower may not be applied in paying amounts due under the Loan. Thus the ability of such a Borrower to repay an interest-only Loan or a part and part Loan at maturity without resorting to the sale of the underlying property depends on such Borrower's responsibility in ensuring that sufficient funds are available from a given source such as any Policies, as well as the financial condition of the Borrower, tax laws and general economic conditions at the time. If a Borrower cannot repay an interest-only Loan or a part and part Loan and a loss occurs, this may affect repayments on the Notes if the resulting Principal Deficiency Ledger entry cannot be cured from Available Revenue Receipts being applied for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments.

As a result of UK government attention, borrowers with interest-only loans which are mortgages have been encouraged to switch to a repayment loan, whereby the principal of the loan is repaid over its term. Should a Borrower elect, subject to the consent of the relevant Legal Title Holder and the relevant Servicer, to amend the terms of its Loan from an interest-only Loan to a repayment Loan or a part and part Loan, the relevant Loan would remain with the Issuer as part of the Portfolio, resulting in the Issuer and Noteholders receiving redemption payments on the relevant Loan and the relevant Notes respectively, earlier than would otherwise have been the case. See further: "*FCA Policy on mortgages*:"

Removing barriers to intra-group switching and helping borrowers with maturing interest-only and part-and-part mortgages".

Self-Certified Loans

37.61 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are loans in respect of which income and employment details of the relevant Borrower were not substantiated by supporting documentation (such loans being "**Self-Certified Loans**"). Self-Certified Loans may suffer higher rates of delinquencies, enforcements and losses than loans in respect of which supporting documentation has been provided in respect of the income or employment details of the Borrower, and any such delinquencies, enforcements and losses may lead to a reduction in amounts available to the Issuer and, ultimately, affect its ability to make payments under the Notes. No data is held in relation to 1.88 per cent. of the Provisional Portfolio by aggregate Current Balance. No Self-Certified Loan is included in the Portfolio which was originated after the entry into force of Directive 2014/17/EU.

Right-to-Buy Loans

Properties sold under the Right-to-Buy scheme of the Housing Act 1985, the Housing (Scotland) Act 1987 (as amended) or the Housing (Northern Ireland) Order 1983 (as amended), as applicable, are sold by the landlord at a discount to market value calculated in accordance with the Housing Act 1985, Housing (Scotland) Act 1987 (as amended) or the Housing (Northern Ireland) Order 1983 (as amended), (as applicable). A purchaser under the scheme of the Housing Act 1985 must repay the whole of the discount if he or she disposes of the property within one year of acquiring it from the landlord, four-fifths if he or she does so within two years, three-fifths if within three years, two-fifths if within four years and one-fifth if within five years, unless the offeror's offer for the disposal of the house was accepted before 18 January 2005, in which case the purchaser must repay the whole of the discount if he or she sells the property within one year, two-thirds if he or she does so within two years and one-third if within three years. A purchaser under the scheme of the Housing (Scotland) Act 1987 (as amended), must repay the whole of the discount if he or she sells the property within one year, two-thirds if he or she does so within two years and one third if within three years. The landlord obtains (in England and Wales) a statutory charge or (in Scotland) a standard security over the property in respect of the contingent liability of the purchaser under the scheme to repay the discount. Under the Housing Act 1985 or Housing (Scotland) Act 1987 (as amended), (as applicable), such statutory charge or standard security ranks in priority to other charges including that of any mortgage lenders except in certain circumstances. Such statutory charge or standard security shall automatically rank behind any charge on the related property in relation to (in England and Wales) monies advanced by an approved lending institution to the extent they are advanced for the purpose of enabling the purchaser to exercise his or her right to buy and (in Scotland) monies advanced for the purchase or improvement of the property. In England and Wales, unless the offeror's offer for the disposal of the house was accepted before 18 January 2005, the purchaser is required, before a sale or disposal of the property within 10 years of the date of purchase, to offer the property to the landlord or another social landlord at full market value and to allow up to eight weeks for acceptance of the offer. A mortgage lender selling the property as a mortgagee in possession in such circumstances will also be obliged to grant such right of first refusal to the landlord or other social landlord.

A similar scheme operates in Northern Ireland pursuant to the Housing (Northern Ireland) Order 1983.

Buy to Let Loans

36.66 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are residential loans taken out by a Borrower in relation to the purchase or re-mortgage of a property for letting purposes (a "**Buy to Let Loan**"). The Borrower's ability to service such Loans is likely to depend on the Borrower's ability to lease the relevant Properties on appropriate terms. There can be no assurance that each such Property will be the subject of an existing tenancy when the relevant Loan is acquired

by the Issuer or that any tenancy which is granted will subsist throughout the life of the Loan and/or that the rental income from such tenancy will be sufficient (whether or not there is any default of payment in rent) to provide the Borrower with sufficient income to meet the Borrower's interest obligations or capital repayments in respect of the Loan and that any of these factors would not have an adverse effect on the ability of the Issuer to make repayments on the Notes. There can be no assurance that, in the event of a material downturn in the private rental market, the ability to make repayments on the Buy to Let Loans would not be adversely affected and as a consequence, the ability of the Issuer to make repayments under the Notes would not be adversely affected. Such a downturn could be precipitated by a range of factors, which may include (but are not limited to) an expansion of owner-occupied lending should credit conditions loosen and/or legislative changes affecting the sector, such as the introduction of rental caps or the regulation of the market or parts thereof.

The Coronavirus Act 2020 has put measures in place in England for the period from 26 March 2020 until 30 September 2020 that state that where landlords do need to issue notices seeking possession, the notice period must be for three months. This period was then extended until 31 March 2021 on 29 August 2020. Further, for the period from 29 August 2020 to 31 March 2021 the notice period must be for six months. From 27 March 2020, any possession claims in the system or about to go into the system were affected by a 90 day suspension of possession hearings and orders, such suspension of possession hearings and orders was extended until 23 August 2020 on 25 June 2020 and, extended again until 20 September 2020 on 22 August 2020.

In Wales, new regulations have been made under Schedule 29 to the Coronavirus Act 2020, that temporarily extend the minimum notice periods landlords must give to tenants with assured and assured shorthold tenancies. A 6 month notice period will apply to notices issued on or after 24 July 2020 under section 8 of the Housing Act 1988 ("**HA 1988**"), except those that specify grounds 7A or 14 (relating to anti-social behaviour). A 3 month notice period will continue to apply to notices that specify grounds 7A or 14. A 6 month notice period will apply to notices issued on or after 24 July 2020 under section 21 of the HA 1988. Schedule 29 is temporarily amended so that a landlord serving a notice on or after 24 July will be required to provide extended notice during the remainder of relevant period, which currently ends on 31 March 2021. The relevant period may be extended by the Welsh Ministers beyond 31 March 2021 using the power set out in paragraph 1(2) of Schedule 29.

The Coronavirus (Scotland) Act 2020 amended the Private Housing (Tenancies) (Scotland) Act 2016 such that various mandatory grounds for eviction, including the landlord's intention to sell the property, are now discretionary, to allow the First Tier Tribunal flexibility in dealing with eviction cases during the pandemic. The minimum notice period remains 28 days where the tenant no longer occupies the property, but otherwise the notice period has been extended from 84 days to three or six months, depending on the grounds for eviction. In addition, in assessing whether it is reasonable to make an eviction order on the grounds of rent arrears during the period when the Act is in force, the First Tier Tribunal must consider the extent to which the landlord has complied with pre-action requirements before applying for the eviction order. The Act will be in place until 31 March 2021 and can be extended by the Scottish Ministers by regulation to 30 September 2021. There are similar provisions for assured and other tenancies. Delays to landlords seeking possession of a Property may result in less rental income being available to meet the Borrower's repayment obligations in respect of the Loans.

In Northern Ireland, the Private Tenancies (Coronavirus Modifications) Act (Northern Ireland) 2020 (as amended by the Private Tenancies (Coronavirus Modifications) Regulations (Northern Ireland) 2020) has put measures in place until 31 March 2021 that state that where landlords do need to issue notices seeking possession, the notice period must be for 12 weeks. The Northern Ireland Executive has the power to extend the notice period to 6 months by way of negative resolution. Further, from 24 March 2020, the processing of any possession claims in the system or about to go into the system was banned, with such ban being lifted on 31 August 2020. Possession proceedings can now be continued, however when hearing possession cases, guidelines issued by the Northern Ireland Executive, namely

that (i) possession proceedings are only to be issued when absolutely unavoidable; (ii) where possible, courts should suspend possession claims; and (iii) in no case should there be an eviction when the difficulties are caused by COVID-19, are to be given due regard.

Upon enforcement of a Mortgage in respect of a Property which is the subject of an existing tenancy, the relevant Servicer may not be able to obtain vacant possession of the Property, in which case the relevant Servicer will only be able to sell the Property as an investment property with one or more sitting tenants. This may affect the amount which the relevant Servicer could realise upon enforcement of the Mortgage and the sale of the Property. In such a situation, amounts received in rent may not be sufficient to cover all amounts due in respect of the Loan. However, enforcement procedures in relation to such Mortgages (excluding any Scottish Mortgages) include appointing a receiver of rent, in which case such a receiver must collect any rents payable in respect of the Property and apply them accordingly in payment of any interest and arrears accruing under the Loan. Under Scots law, a receiver cannot be appointed under a standard security (the Scottish equivalent to a legal mortgage) and the only enforcement which may be carried out under a standard security is a full enforcement of the security (i.e. it cannot be enforced selectively by, for instance, attaching to rental income). Accordingly, in Scotland, any attempt to secure the rental flows will depend upon the enforcement of the standard security.

The UK Government has passed legislation restricting the amount of income tax relief that individual landlords can claim for residential property finance costs (such as mortgage interest) to the basic rate of tax. Such restriction will be introduced gradually from 6 April 2017. From 1 April 2016, a higher rate of stamp duty land tax ("**SDLT**") applies to the purchase of additional residential properties (such as buy to let properties). The current additional rate is three per cent above the current SDLT rates.

The Scottish Government announced similar plans with effect from the same date in respect of land and buildings transaction tax ("**LBTT**") (broadly speaking, the equivalent in Scotland to SDLT). The current additional rate is four per cent above the current LBTT rates.

The introduction of these measures may adversely affect the private residential rental market in England, Wales, Scotland and Northern Ireland in general, or (in the case of the restriction of income tax relief) the ability of individual Borrowers of Buy to Let Loans to meet their obligations under those Loans.

Future Advances – Northern Ireland

For further advances in relation to Northern Irish Mortgages over registered land, section 43 of the Land Registration Act (Northern Ireland) 1970 provides as follows:

"43 Priority of registered charge for future advances

(1) Where:

- (a) a deed or other instrument creating a registered charge states that the charge is created for the purposes of securing future advances (whether with or without present advances); and
- (b) the entry in the title register relating to the charge –
 - (i) contains a statement similar to that in paragraph (a); or
 - (ii) otherwise refers to the charge without specifying the amount secured

the registered owner of the charge shall be entitled in priority to any subsequent charge to the payment of any sum due to him in respect of such future advances, except any which may have been made after the date of, and with express notice in writing of, the subsequent charge.

- (2) In this section, "future advances" includes sums from time to time due on an account current and all sums which by agreement or the course of business between the parties are considered to be advances on the security of the charge".

Accordingly security under Northern Irish Mortgages for future advances made to a Borrower will only rank in priority to a subsequent charge if, at the time of advancing the future advances, the mortgagee has not received (and is not deemed to have received) notice from a subsequent chargee of the subsequent charge or there is an agreement made with the subsequent chargee that it should rank in priority. For further advances in respect of unregistered land in Northern Ireland, the matter of the priority of a first lender's charge for future advances is determined by the equitable doctrine of tacking. It is not covered by statute. Accordingly further advances made by a first mortgagee with notice (express and possibly constructive notice) of a subsequent mortgage will not (in the absence of a priority agreement to the contrary) rank ahead of a subsequent mortgage.

Risks relating to Flexible Mortgages

0.49 per cent. of the Loans in the Provisional Portfolio by aggregate Current Balance are Loans made by PFL and Verso where the Borrower may, subject to the satisfaction of certain conditions, be entitled to (i) cease to make or underpay scheduled monthly payments on that Borrower's Loan for a specific period of time (each a "**Payment Holiday**") or (ii) in the case of a loan advanced under a Verso Mortgage upon the terms of Verso's Flexible Mortgage Conditions 2001, draw down sums of £500 or more up to an agreed "Credit Limit" under that Borrower's Loan which such Borrower is contractually permitted to demand in accordance with a revolving credit agreement relating to the Flexible Loan (each such payment being a "**Flexible Drawing**") (together, the "**Flexible Loans**").

The terms of the Flexible Loans contain an "overpayment" provision under which the Borrower can make an overpayment. Overpayments of any amount may be made i.e. there are no minimum or maximum amounts, but subject to certain conditions, including for PFL Flexible Loans, an early repayment charge being payable on overpayments made by the Borrower in certain circumstances.

The conditions for Payment Holidays include (a) for PFL Flexible Loans: (i) the Borrower has to give at least 14 days prior written notice to the Moonraker Servicer; (ii) prior to taking such Payment Holiday, six full monthly payments must have already been paid by the Borrower since the Flexible Loan was taken out; (iii) a Payment Holiday may only be taken by the Borrower up to 6 months in any 12 month period; and (iv) a Payment Holiday may only be taken up to amount standing to the credit of the Borrower's overpayment fund from time to time, being the amount of accumulated overpayments made by the Borrower less the total amount of scheduled monthly payments that the Borrower has ceased to make or underpay under Payment Holidays taken and any early repayment charges debited to the Borrower's account and (b) for Verso Flexible Loans: (i) the Borrower has to give at least 14 days' prior written notice to the Moonraker Servicer; (ii) a Payment Holiday may be taken at any time after the Borrower has made the first six monthly payments in full under their fixed sum loan; (iii) there are no restrictions on the number or length of Payment Holidays; and (iv) a Payment Holiday may only be taken if and to the extent that: (aa) this will not cause the balance outstanding under the revolving credit agreement to exceed the agreed credit limit under this; and (bb) the Borrower is not at the time of drawdown in breach of the terms and conditions of the fixed sum loan or the revolving credit agreement.

The conditions for Flexible Drawings for Verso Flexible Loans include: (i) the Borrower has to give at least 5 days' prior written notice to the Moonraker Servicer; (ii) the balance of the Loan after utilising the Flexible Drawing must not be greater than the agreed credit limit under the revolving credit agreement; (iii) the minimum amount of such drawdown must be at least £500; and (iv) such drawdowns can be made at any time after the Borrower has made the first six monthly payments under their fixed

sum loan, provided that the Borrower is not at the time of drawdown in breach of the terms and conditions of their fixed sum loan or the revolving credit agreement.

Purchases of all Flexible Drawings are intended to be paid out of intra-period amounts standing to the credit of the Transaction Deposit Account representing Redemption Receipts (with such amounts being paid by the Cash Manager (on behalf of the Issuer) to the Moonraker Seller as consideration for the purchase by the Issuer of such Flexible Drawing). Such amount will then be transferred from the Moonraker Seller to the relevant Legal Title Holder in order for the relevant Legal Title Holder to advance the relevant amount to the relevant Borrower pursuant to such Flexible Drawing (the "**Flexible Drawing Amount**").

Any purchase by the Issuer of the Flexible Drawings will reduce the amount of the Redemption Receipts the Issuer has available to it to make payments of principal on the Notes.

In addition, the purchase of any Flexible Drawing and the permitting of any Payment Holidays could affect the yield to maturity on the Notes resulting in Noteholders receiving payments of principal on the Notes later than would have been anticipated. For further information see further "*Considerations Relating to Yield, Prepayments, Mandatory Redemption and Mandatory Redemption*".

The COVID-19 pandemic may have negative effects on the Portfolio; COVID-19 Payment Deferrals

On 20 March 2020 the FCA published new guidance for, inter alia, mortgage lenders and administrators entitled "*Mortgages and coronavirus: FCA guidance for firms*" in connection with the on-going outbreak of COVID-19 in the UK. This guidance was updated on 4 June 2020, 16 June 2020 and 20 November 2020 (the "**FCA COVID-19 Guidance**"). The updated guidance uses the term "payment deferrals" as opposed to "payment holidays". Amongst other things, this guidance provides that mortgage lenders are required, where a customer is experiencing or reasonably expects to experience payment difficulties as a result of circumstances relating to COVID-19, and wishes to receive a payment deferral, to grant a customer a full or partial payment deferral for 3 monthly payments, unless the mortgage lender can demonstrate it is obviously not in a customer's best interests. A request for a full or partial payment deferral for 3 monthly payments may be made by a customer at any time until 31 July 2021 when the current guidance expires.

Where the FCA COVID-19 Guidance has not expired and a customer (whether it is given an initial payment deferral under the original 20 March 2020 guidance or the updated November 2020 guidance) indicates they cannot immediately resume full payments at the end of that initial payment deferral, mortgage lenders are required to offer them a further full or partial payment deferral (where the mortgage lender permits the customer to make reduced payments of any amount) for (a further) 3 monthly payments, based on what the customer considers they can then afford to repay provided that such initial payment deferral expires, and the request for an extension is made, prior to 31 July 2021 and further provided that no such payment deferral or extension to any initial payment deferral granted pursuant to the FCA COVID-19 Guidance extends beyond 31 October 2021. A mortgage lender may not refuse to grant the customer such further payment deferral in such circumstances unless it can demonstrate that such a payment deferral is obviously not in the customer's best interests and a different option is more appropriate. The effect of this is that mortgage lenders could be required to give customers payment deferral of up to 6 monthly payments. Any payment deferral requested by a Borrower from the relevant Legal Title Holder pursuant to the FCA COVID-19 Guidance, where that Borrower is experiencing or reasonably expects to experience payment difficulties as a result of circumstances relating to COVID-19 is referred to as a "**COVID-19 Payment Deferral**" from time to time. Investors should note in this regard, the FCA COVID-19 Guidance described in the section entitled "*Information Relating to the Regulation of Mortgages in the UK*" and the payment deferral measures outlined therein. The FCA makes it clear in the FCA COVID-19 Guidance that it expects lenders of both owner-occupied and buy to let mortgage loans to act in a manner consistent with the guidance.

Any Loan which is subject to a COVID-19 Payment Deferral (any such Loan, a "**COVID-19 Payment Deferral Loan**") following a successful application by the Borrower will remain in the Portfolio. Whether or not a COVID-19 Payment Deferral will be granted is subject to the prevailing policies and procedures of the Legal Title Holders and the Servicers and which may be amended in accordance with the standards of a Prudent Mortgage Lender and to reflect the FCA COVID-19 Guidance, applicable law, regulation and other regulatory guidance. Further, the FCA in the FCA COVID-19 Guidance requires the Legal Title Holders and the Servicers to act in a manner consistent with the FCA COVID-19 Guidance. In accordance with the FCA COVID-19 Guidance, any COVID-19 Payment Deferral Loan will not, as a result of the COVID-19 Payment Deferral, be considered in arrears (or further in arrears) or be subject to a debt restructuring process. See further section entitled "*Information Relating to the Regulation of Mortgages in the UK - Mortgages and coronavirus: FCA guidance for firms*".

Due to the impact on timing and quantum of payments in respect of the Loans, increased levels of COVID-19 Payment Deferral Loans may result in a reduction of funds available to the Issuer to meet its obligations under the Notes. Approximately 1.88 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are loans that are COVID-19 Payment Deferral Loans as at the Portfolio Reference Date, however the total number of Borrowers who may seek to take up these opportunities, and therefore the impact of the FCA COVID-19 Guidance on the performance of the Loans in the Portfolio, is not known as at the date of this Prospectus. If the timing of the payments, as well as the quantum of such payments, in respect of the Loans is adversely affected, then payments on the Notes could be reduced and/or delayed and could ultimately result in losses on the Notes.

Further, there can be no assurance that the FCA, or other UK government or regulatory bodies, will not take further steps in response to the COVID-19 outbreak in the UK which may adversely affect the performance of the Loans.

Insurance Policies

The Mortgage Conditions of certain Loans require borrowers to have buildings insurance for the relevant Property. However, it will be difficult in practice for the relevant Servicer and/or the Issuer to determine whether the relevant Borrower has valid insurance in place at any time. However, no assurance can be given that the Issuer will always receive the benefit of any claims made under any applicable buildings insurance contracts or contingent insurance contracts or that the amounts received in respect of a successful claim will be sufficient to reinstate the affected Property. This could adversely affect the Issuer's ability to make payment of interest and/or principal in respect of the Notes.

Searches, Investigations and Warranties in Relation to the Loans

None of the Relevant Parties has undertaken, or will undertake, any investigations, searches or other actions of any nature whatsoever in respect of any Loan or its Related Security in the Portfolio and each relies instead on the warranties given in the Mortgage Sale Agreement by the Sellers (see "*Summary of the Key Transaction Documents – Mortgage Sale Agreement*" for a summary of these). Loans which have undergone such a limited investigation may be subject to matters which would have been revealed by a full investigation of title and which may have been remedied or, if incapable of remedy, may have resulted in the Related Security not being accepted as security for a Loan had such matters been revealed. Although each Seller will give certain representations and warranties in respect of the Loans sold by it, the Sellers were not the originators of any of the Loans comprised in the Portfolio and acquired their respective interests in the Loans and their Related Security under two mortgage sale agreements, one of which was entered into between, among others, the Sunbury Seller (as purchaser) and Stratton Finance II Limited (as seller) (the "**Original Sunbury Seller Mortgage Sale Agreement**") on or about the Closing Date and one of which was entered into between, among others, the Moonraker Seller and The Co-operative Bank P.L.C, Mortgage Agency Services Number Four Limited, Mortgage Agency Services Number Five Limited and PFL (each an "**Original Moonraker Seller**" and together the "**Original Moonraker Sellers**") on 24 December 2020 (the "**Original**

Moonraker Seller Mortgage Sale Agreement"), together with the Original Sunbury Seller Mortgage Sale Agreement the **"Original Seller Mortgage Sale Agreements"** and each an **"Original Seller Mortgage Sale Agreement"**.

Neither Seller has direct knowledge as to whether certain Loan Warranties (including the Loan Warranties which relate to the origination process) are correct or not. Accordingly since each Seller does not have direct knowledge as to matters relating to the actual origination of the Loans, it may not have actual knowledge of any relevant matters which give rise to a breach of warranty. Therefore, certain warranties relating to, amongst other things, the origination process are necessarily qualified by reference to the awareness of each Seller (as applicable). It may be practically difficult for each Seller to detect a breach of warranty in respect of the Loans sold by it to the extent that the same relates to a matter outside of the immediate knowledge of such Seller, as there is no ongoing active involvement of the Originators of the Loans to monitor or notify any defect in relation to the circumstances of the Loans. Each of the Sunbury Servicers and the Moonraker Servicer (together, the **"Servicers"**) will have limited obligations to monitor compliance with the Loan Warranties following the Closing Date. To the extent that either of the Sunbury Servicers or the Moonraker Servicer becomes actually aware of any circumstance that may constitute or result in any breach of the Loan Warranties, it shall inform the Issuer and the Security Trustee of such breach, however none of the Sunbury Servicers, the Moonraker Servicer, the Sellers or the Issuer will monitor compliance with the Loan Warranties. The primary remedy of the Issuer against either of the Sellers if any of the warranties made by either of the Sellers is materially breached or proves to be materially untrue as at the Closing Date which breach is not remedied in accordance with the Mortgage Sale Agreement, will be to require the relevant Seller to repurchase any relevant Loan and its Related Security or make an indemnity payment in lieu of repurchase in accordance with the provisions in the Mortgage Sale Agreement. However, there can be no assurance that the relevant Seller will have the financial resources to honour such obligations under the Mortgage Sale Agreement as to which see further *"Counterparty Risks – Limited Resources of the Sellers"*, below and it should be noted that the Sellers are not required to gross-up payments under the Mortgage Sale Agreement and payments it makes will be inclusive of VAT. Further, the relevant Seller shall have no obligation to repurchase any Loans in breach of any Loan Warranty or make any payment in lieu of such repurchase unless the Issuer has given the relevant Seller notice of the event giving rise to the obligation to repurchase before the Optional Redemption Date. In each case, none of the Issuer, the Security Trustee or the Note Trustee, the Arranger, the Lead Manager, the Noteholders, the Certificateholders or any other secured party will have recourse to any other person in the event that the relevant Seller, for whatever reason, fails to meet such obligations.

The Sellers did not originate the Loans and therefore no assurance can be given that the Lending Criteria were applied at the time of origination of each Loan in the Portfolio or whether different criteria were applied at the time.

3. RISKS RELATING TO THE STRUCTURE

Deferral of Interest Payments on the Notes

If, on any Interest Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of interest (including any accrued interest thereon) that would otherwise be payable absent the deferral provisions in respect of any Class of Notes (other than the Most Senior Class of Notes) after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer will be entitled under Condition 18 (*Subordination by Deferral*) to defer payment of that amount (to the extent of the insufficiency) until the following Interest Payment Date or such earlier date as the relevant Class of Notes becomes due and repayable in full in accordance with the Conditions. Any such deferral in accordance with the Conditions will not constitute an Event of Default.

Failure to pay interest on the Most Senior Class of Notes (as defined in Condition 13.2(ii) to include only the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) shall constitute an Event of Default under the Notes which may result in the Security Trustee enforcing the Security.

Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes, the Class Z Notes and the Residual Certificates

Pursuant to the Priorities of Payments, certain junior Classes of Notes are subordinated in right of payment of principal and interest to more senior Classes of Notes.

The Class A Notes will rank *pro rata* and *pari passu* without preference or priority among themselves at all times as to payments of interest and principal, as provided in the Conditions and the Transaction Documents.

The Class B Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, as provided in the Conditions and the Transaction Documents.

The Class C Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes and the Class B Notes, as provided in the Conditions and the Transaction Documents.

The Class D Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes and the Class C Notes, as provided in the Conditions and the Transaction Documents.

The Class E Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, as provided in the Conditions and the Transaction Documents.

The Class X1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest at all times, but subordinate (prior to enforcement) to all payment of interest due in respect of the Rated Notes and (following enforcement) all payments due in respect of the Rated Notes as provided in the Conditions and the Transaction Documents.

The Class X1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payment of interest due in respect of the Rated Notes, the Class X1 Notes and the Class X2 Notes and (following enforcement) all payments due in respect of the Rated Notes and payment of interest on the Class X1 Notes, as provided in these Conditions and the Transaction Documents.

The Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest at all times, but subordinate (prior to enforcement) to all payment of interest due in respect of the Rated Notes and the Class X1 Notes and (following enforcement) all payments due in respect of the Rated Notes and the Class X1 Notes as provided in the Conditions and the Transaction Documents.

The Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payment of interest due in respect of the Rated Notes, payment of interest and principal of the Class X1 Notes and payment of interest on the Class X2 Notes and (following enforcement) all payments due in respect of the Rated Notes, the Class X1 Notes and payment of interest on the Class X2 Notes, as provided in these Conditions and the Transaction Documents.

The Class Z1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payments of principal due in respect of the Rated Notes and (following enforcement) all payments due in respect of the Rated Notes and the Class X Notes, as provided in the Conditions and the Transaction Documents.

The Class Z2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payments of principal due in respect of the Rated Notes and the Class Z1 Notes and (following enforcement) all payments due in respect of the Rated Notes, the Class X Notes and the Class Z1 Notes, as provided in the Conditions and the Transaction Documents.

Payments of purchase consideration for any Flexible Drawings will be made out of intra-period Redemption Receipts prior to any Redemption Receipts being applied pursuant to the Priorities of Payments.

The Residual Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to Residual Payments at all times, and are subordinate to all payments due in respect of the Notes, as provided in the terms and conditions of the Residual Certificates (the "**Residual Certificates Conditions**") and the Transaction Documents.

In addition to the above, payments on the Notes and the Residual Certificates are subordinate to payments of certain fees, costs and expenses payable to the other Secured Creditors (including, amongst others, the Note Trustee, the Security Trustee, the Issuer Account Bank, the Sunbury SRL Collection Account Bank, the Sunbury LASI Collection Account Bank (together, the "**Sunbury Collection Account Banks**"), the Moonraker Collection Account Bank (together with the Sunbury Collection Account Banks, the "**Collection Account Banks**"), the Sunbury Servicers, the Moonraker Servicer, the Sunbury Legal Title Holders, the Moonraker Legal Title Holders, the Back-Up Servicer Facilitator, the Corporate Services Provider, the Cash Manager, the Paying Agents, the Registrar and the Agent Bank) and certain third parties. For further information on the likely costs payable to such Secured Creditors, please see "*Transaction Overview – Fees*".

Investors in the Class X Notes should be aware that prior to the date on which the Note Trustee serves an Enforcement Notice on the Issuer declaring the Notes to be due and repayable, payments in respect of the Class X Notes shall be payable only out of Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments. Following the date on which the Note Trustee serves an Enforcement Notice on the Issuer declaring the Notes to be due and repayable, payments in respect of the Class X Notes will be made in accordance with the Post-Enforcement Priority of Payments.

Each Residual Certificate represents a *pro rata* entitlement to receive any residual balance following payment of all senior items in the relevant Priority of Payments by way of deferred consideration for the purchase by the Issuer of the Portfolio.

The priority of the Notes and the Residual Certificates are further set out in "*Cashflows – Application of Available Revenue Receipts prior to the service of an Enforcement Notice on the Issuer*", "*Cashflows – Application of Available Redemption Receipts prior to the service of an Enforcement Notice on the Issuer*" and "*Cashflows – Distributions following the service of an Enforcement Notice on the Issuer*".

There is no assurance that these subordination rules will protect the holders of Notes from all risk of loss.

Revenue and Principal Deficiency Ledger

If, on any Interest Payment Date there would be a Revenue Deficit, the Issuer shall apply Available Redemption Receipts (to the extent of Available Redemption Receipts available for such purpose) in

accordance with item (a) of the Pre-Enforcement Redemption Priority of Payments to cover such Revenue Deficit (such amounts, "**Principal Addition Amounts**") subject to the Liquidity Availability Conditions.

Application of any Available Redemption Receipts as Principal Addition Amounts (in addition to the aggregate of (i) all realised principal losses on the Loans which are not recovered from the proceeds following the sale of the Property to which such Loan relates and (ii) any principal loss to the Issuer as a result of an exercise of any set-off by any Borrower in respect of its Loan (together, the "**Losses**")) will be recorded first on the Junior Principal Deficiency Sub-Ledger until the balance of the Junior Principal Deficiency Sub-Ledger is equal to the Junior PDL Notional Capacity, and next on the Class E Principal Deficiency Sub-Ledger until the balance of the Class E Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class E Notes then outstanding, and next on the Class D Principal Deficiency Sub-Ledger until the balance of the Class D Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class D Notes then outstanding, and next on the Class C Principal Deficiency Sub-Ledger until the balance of the Class C Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class C Notes then outstanding, and next on the Class B Principal Deficiency Sub-Ledger until the balance of the Class B Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class B Notes then outstanding, and next on the Class A Principal Deficiency Sub-Ledger until the balance of the Class A Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class A Notes then outstanding.

It is expected that during the course of the life of the Notes, any principal deficiencies (should they arise) will be recouped from Available Revenue Receipts. Available Revenue Receipts will be applied, after meeting prior ranking obligations as set out under the Pre-Enforcement Revenue Priority of Payments, to credit first the Class A Principal Deficiency Sub-Ledger, second the Class B Principal Deficiency Sub-Ledger, third the Class C Principal Deficiency Sub-Ledger, fourth the Class D Principal Deficiency Sub-Ledger, fifth the Class E Principal Deficiency Sub-Ledger and sixth the Junior Principal Deficiency Sub-Ledger.

If there are insufficient funds available as a result of such income or principal deficiencies, then one or more of the following consequences may ensue:

- the Available Revenue Receipts, the application of amounts standing to the credit of the Liquidity Reserve Fund (subject to the satisfaction of the relevant Liquidity Availability Conditions), and Principal Addition Amounts (subject to the satisfaction of the relevant Liquidity Availability Conditions) may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest due on the Notes; and
- there may be insufficient Available Revenue Receipts and Available Redemption Receipts to repay the Notes on or prior to the Final Maturity Date of the Notes.

Interest Rate Risk

The Issuer is subject to the risk of a mismatch between the rate of interest payable in respect of the Loans and the rate of interest payable in respect of the Rated Notes and the Class X Notes. 54.58 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are Bank of England Base Rate-Linked Loans, 40.91 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are LIBOR-Linked Loans, 4.15 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are SVR Loans and 0.35 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are fixed rate loans "**Fixed Rate Loans**". However, the Issuer's liabilities under the Rated Notes and the Class X Notes are based on SONIA. The Issuer will not enter into any swap agreement in respect of the difference between the Bank of England Base Rate-Linked Loans, LIBOR-Linked Loans, SVR Loans and Fixed Rate Loans and interest payable on the Rated Notes and the Class

X Notes and as a result there is no hedge in respect of the risk of any variances in the interest charged on any of the Bank of England Base Rate-Linked Loans, LIBOR-Linked Loans, SVR Loans and Fixed Rate Loans and interest set by reference to SONIA on the Rated Notes and the Class X Notes which in turn may result in insufficient funds being made available to the Issuer for the Issuer to meet its obligations to the Noteholders and the Secured Creditors. As such, the Issuer is subject to the risk of a mismatch between the rate of interest payable in respect of the Loans and the rate of interest payable in respect of the Rated Notes and the Class X Notes. However, given that 99.65 per cent. of Loans in the Provisional Portfolio are linked to LIBOR, the Bank of England Base Rate, or SVR, this risk is mitigated to a certain extent.

Changes or uncertainty in respect of SONIA or LIBOR may affect the value, liquidity or payment of interest under the Loans or the Notes

The Issuer is subject to the risk of a mismatch between the rate of interest payable in respect of certain of the Loans which are set by reference to LIBOR and the interest rate to be borne by the Notes will be determined by reference to SONIA.

Interest rates and indices which are deemed to be "benchmarks" (including the Sterling Overnight Index Average ("**SONIA**") and LIBOR) are the subject of recent national and international regulatory guidance and proposals for reform, including the EU Benchmarks Regulation (Regulation (EU) 2016/1011) (the "**EU Benchmarks Regulation**"). These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

The EU Benchmarks Regulation applies from 1 January 2018, in general, subject to certain transitional provisions. Certain requirements of the EU Benchmarks Regulation will apply with respect to the provision of a wide range of benchmarks (including SONIA and LIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union (the "**EU**"). In particular, the EU Benchmarks Regulation will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Investors should be aware that the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. The FCA

has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Based on the foregoing, prospective investors should in particular be aware that:

- (a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including SONIA and LIBOR) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;
- (b) while an amendment may be made under Condition 13.6 to change the SONIA rate on the Notes to an alternative base rate under certain circumstances broadly related to SONIA disruption or discontinuation and subject to certain conditions, there can be no assurance that any such amendment will be made or, if made, that it will (i) fully or effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes or (ii) be made prior to any date on which any of the risks described in this risk factor may become relevant; and
- (c) if SONIA is discontinued or is otherwise unavailable, then the rate of interest on the Notes may be determined for a period by any applicable fall-back provisions provided for under Condition 6 (*Interest*) of the Conditions, although such provisions may not operate as intended (depending on market circumstances and the availability of rates information at the time) and may in certain circumstances result in the effective application of a fixed rate based on the rate which applied in the previous period when SONIA was available;
- (d) if LIBOR is discontinued or is otherwise unavailable, then the rate of interest on certain of the Loans may be determined for a period by any applicable fall-back provisions under the relevant Mortgage Conditions, although such provisions may not operate as intended (depending on market circumstances and the availability of rates information at the time); and
- (e) investors should note the various circumstances under which a Base Rate Modification may be made, which are specified in Condition 13.6. As noted above, these events broadly relate to SONIA's disruption or discontinuation, but also include, inter alia, any public statements by the SONIA administrator or its supervisor to that effect, and a Base Rate Modification may also be made if the Issuer (or the relevant Servicer) reasonably expects any of these events to occur. A Base Rate Modification may also be made if an alternative means of calculating a SONIA-based base rate is introduced which becomes a standard means of calculating interest for similar transactions. Investors should also note the various options permitted as an Alternative Base Rate as set out in Condition 13.6 and the negative consent requirements in relation to a Base Rate Modification (as to which, see "*Meetings of Noteholders, Modification, Waiver and Substitution*").

In addition, it should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between certain of the Loans and the Notes due to applicable fall-back provisions or other matters and the effects of this are uncertain but could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Notes.

Moreover, any of the above matters (including an amendment to change the base rate as described in paragraph (d) above) or any other significant change to the setting or existence of SONIA or LIBOR could affect the ability of the Issuer to meet its obligations under the Notes and/or could have a material

adverse effect on the value or liquidity of, and the amount payable under, the Notes. Changes in the manner of administration of SONIA or LIBOR could result in amendments to the Conditions, early redemption, discretionary valuation by the Agent Bank, delisting or other consequences in relation to the Notes. No assurance may be provided that relevant changes will not occur with respect to SONIA or LIBOR or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist. Investors should consider these matters when making their investment decision with respect to the Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Notes in making any investment decision with respect to the Notes.

The market continues to develop in relation to SONIA as a reference rate

SONIA differs from LIBOR in a number of material respects, including (without limitation) that it is a backwards-looking, risk-free overnight rate, whereas LIBOR is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that LIBOR and SONIA may behave materially differently as an interest reference rates for the Notes described in this Prospectus. The use of SONIA as a reference rate for Eurobonds is nascent, and is subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing SONIA.

Accordingly, prospective investors in any Notes referencing SONIA should be aware that the market continues to develop in relation to SONIA as reference rates in the capital markets and their adoption as alternatives to Sterling LIBOR. For example, in the context of backwards-looking SONIA rates, market participants and relevant working groups are currently assessing the differences between compounded rates and weighted average rates, and such groups are also exploring alternative reference rates based on SONIA, including forward-looking 'term' SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term). The adoption of SONIA may also see component inputs into swap rates or other composite rates transferring from LIBOR or another reference rate to SONIA, as applicable.

The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Conditions of the Notes that reference a SONIA rate issued under this Prospectus. The nascent development of SONIA as interest reference rates for the Eurobond markets, as well as continued development of SONIA based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SONIA referenced Notes issued from time to time.

Furthermore, the Rate of Interest on Notes which reference SONIA is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference SONIA to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely impact the liquidity of such Notes. Further, if the Notes become due and payable under Condition 12 (*Enforcement*), the Rate of Interest payable shall be determined on the date the Notes became due and payable and shall not be reset thereafter.

In addition, the manner of adoption or application of SONIA reference rates in the bond markets may differ materially compared with the application and adoption of SONIA in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SONIA reference rates across these markets may impact any hedging or other financial

arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing SONIA.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

Considerations Relating to Yield, Prepayments and Mandatory Redemption

The yield to maturity on the Notes will depend on, among other things, the amount and timing of payment of principal and interest on the Loans. Prepayments on the Loans may result from early repayment of the Loans by the relevant Borrower (whether through refinancing or otherwise), Payment Holidays where permitted, sales of Properties by Borrowers (voluntarily or as a result of enforcement proceedings under the relevant Mortgages), as well as the receipt of proceeds under any applicable insurance policies. Furthermore, if a Flexible Drawing has been granted in respect of a Loan and the conditions for such Loan being retained in the Portfolio are not met, then the Moonraker Seller will be obliged to repurchase such Loan (or make an indemnity payment in lieu of such repurchase), which will have the same effect as a prepayment of such Loan. In addition, repurchases of Loans or indemnity payments made in lieu of such repurchase (for other reasons) required to be made under the Mortgage Sale Agreement in certain circumstances will have the same effect as prepayment of such Loans. The yield to maturity of the Notes may be adversely affected by, among other things, a higher or lower than anticipated rate of prepayments on the Loans.

The rate of prepayment of Loans is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing programmes, local and regional economic conditions (including the deterioration of economic conditions caused by COVID-19) and homeowner mobility. However, the rate of prepayment cannot be predicted. Subject to the terms and conditions of the Loans, a Borrower may "overpay" or prepay principal at any time. No assurance can be given as to the level of prepayments that the Portfolio will experience. Accelerated prepayments will generally lead to a reduction in the weighted average life of the Notes other than the Class X Notes and may lead to an increase in the weighted average life of the Class X Notes depending on the level of such prepayments. Generally, when market interest rates increase in relation to the rate of interest currently paid by a borrower, borrowers are less likely to prepay their mortgage loans, while conversely, when market interest rates decrease in relation to the rate of interest currently paid by a borrower, borrowers (in particular those paying by reference to a fixed interest rate, where there are no or minimal associated early repayment charges) are generally more likely to prepay their mortgage loans. Borrowers may prepay mortgage loans when they refinance their loans or sell their properties (either voluntarily or as a result of enforcement action). In addition should a Borrower elect, subject to the agreement of the relevant Legal Title Holder and the relevant Servicer, to change the terms of their Loan from an interest-only Loan to a repayment Loan or a part and part Loan, the Issuer would receive principal payments in respect of the relevant Loan earlier than would otherwise be anticipated. If a Seller is required to repurchase a Loan and its Related Security or make a payment in lieu of such repurchase because, for example, one of the Loans does not materially comply with the Loan Warranties (or the conditions in relation to a Flexible Drawing have not been met) then the payment received by the Issuer will have the same effect as a prepayment of all the relevant Loans. Because these and other relevant factors are not within the control of the Issuer, no assurance can be given as to the level of resulting prepayments that the Portfolio may or will experience.

Available Redemption Receipts will be applied to reduce the Principal Amount Outstanding of the Notes on a pass-through basis on each Interest Payment Date in accordance with the Pre-Enforcement Redemption Priority of Payments (see "*Cashflows*"). Payments of purchase consideration for any Flexible Drawings will be made out of Redemption Receipts prior to any Redemption Receipts being applied pursuant to the Priorities of Payments.

Pursuant to the Call Option, the Option Holder may, subject to certain conditions, purchase all (but not some) of the Loans and their Related Security comprising the Portfolio at the Optional Purchase Price on any Business Day falling on or after (a) the Collection Period End Date immediately preceding the Optional Redemption Date, (b) any Collection Period End Date on which the aggregate Outstanding Principal Balance of the Loans (excluding any Enforced Loans) was equal to or less than 10 per cent. of the aggregate Outstanding Principal Balance of the Loans comprising the Portfolio on the Portfolio Reference Date or (c) a change in tax law that results in the Issuer being required to make a deduction or withholding for or on account of tax or the occurrence of certain illegality events. The Issuer shall redeem all of the Notes on the Interest Payment Date falling on or immediately following the date on which the sale of the Loans and their Related Security comprising the Portfolio to the Beneficial Title Transferee pursuant to the Call Option occurs. This may adversely affect the yield to maturity on the Notes.

If the Call Option has not been exercised on or prior to the Optional Redemption Date, the Corporate Services Provider shall, on behalf of the Issuer and the Legal Title Holders (in its capacity as trustee under each Scottish Declaration of Trust), use all reasonable endeavours to appoint a Liquidation Agent who will assist the Issuer in the sale of (i) the beneficial title and (ii) the right to require the Legal Title Holders to transfer the legal title, to all (but not some) of the Loans and their Related Security comprising the Portfolio to the Winning Bidder or its nominee. The Issuer shall redeem all of the Rated Notes, the Class X Notes and the Class Z1 Notes on the Interest Payment Date falling on or immediately following the date on which the sale of the Loans and their Related Security comprising the Portfolio to the Winning Bidder occurs. This may adversely affect the yield to maturity on the Notes.

Other than in relation to an enforcement of the Security or the repurchase of a Loan and its Related Security by the Sellers pursuant to the Mortgage Sale Agreement, the Issuer is not permitted to sell the Portfolio to anyone other than the Option Holder, a Third Party Purchaser or a Winning Bidder and in no circumstances (including following the occurrence of an illegality event or a tax event) is the Option Holder required to purchase the Portfolio. As such, no assurance can be given that the Notes will be redeemed in full prior to their Final Maturity Date.

Further, on any Interest Payment Date following the occurrence of a Risk Retention Regulatory Change Event, the Retention Holder (or its nominee) has the right (but not an obligation) pursuant to the Risk Retention Letter to purchase the Loans and their Related Security from the Issuer, and thereby effect a redemption of the Notes. The exercise of this right may adversely affect the yield to maturity on the Notes.

In addition to the above options, the Issuer may, in consultation with the Option Holder, issue Refinancing Notes on or after the Optional Redemption Date. The proceeds of the Refinancing Notes together with other amounts available to the Issuer will be used, *inter alia*, to effect a redemption in full of the Notes of each Class on the Interest Payment Date falling on or immediately following the Optional Refinancing Date. There is no obligation on the Issuer to issue or the Option Holder to direct the Issuer to issue Refinancing Notes. Some or all of the proceeds from the issuance of the Refinancing Notes together with certain other amounts available to the Issuer will be applied by the Issuer in accordance with the Post-Enforcement Priority of Payments on the Interest Payment Date falling on or immediately following the Optional Refinancing Date and the amount to be so applied must be equal to or greater than the Refinancing Notes Minimum Issuance Amount. The exercise of this right may adversely affect the yield to maturity of the Notes.

Ratings of the Rated Notes

The ratings assigned to the Rated Notes by S&P address, *inter alia*:

- (a) the likelihood of full and timely payments due to the holders of the Class A Notes of interest on each Interest Payment Date;

- (b) the likelihood of full and ultimate payment of interest to the holders of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (where the Class C Notes, the Class D Notes are not the Most Senior Class of Notes then outstanding), respectively, by a date that is not later than the Final Maturity Date;
- (c) the likelihood of full and timely payment of interest due to the holders of the Class B Notes (where the Class B Notes are the Most Senior Class of Notes), the Class C Notes (where the Class C Notes are the Most Senior Class of Notes then outstanding), the Class D Notes (where the Class D Notes are the Most Senior Class of Notes then outstanding), respectively, on each Interest Payment Date; and
- (d) the likelihood of ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Final Maturity Date.

The ratings assigned to the Rated Notes by Fitch address, *inter alia* (a) the likelihood of full and timely payment to the holders of the Class A Notes and the Class B Notes, and the Class C Notes and the Class D Notes (where the Class C Notes and the Class D Notes are the Most Senior Class of Notes) of interest on each Interest Payment Date in accordance with the Conditions; (b) the likelihood of full payment to the holders of the Rated Notes (other than the Class A Notes and the Class B Notes) of all payments of interest in relation to the Rated Notes on or prior to the Final Maturity Date, (c) the likelihood of full and ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Final Maturity Date.

The expected ratings of the Rated Notes to be assigned on the Closing Date are set out under "*Ratings*". A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency if, in its judgement, circumstances (including a reduction in the perceived creditworthiness of third parties, including a reduction in the credit rating of the Issuer Account Bank and the Collection Account Banks) in the future so warrant. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the market value and/or the liquidity of the Rated Notes. See also "*Change of counterparties*" below.

A Rating Agency may lower, withdraw or qualify its rating if, in the sole judgement of the Rating Agency the credit quality of the Rated Notes has declined or is in question. At any time, any Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to the Rated Notes may be withdrawn, lowered or qualified. If any assigned to the Rated Notes is downgraded or withdrawn, the market value and/or liquidity of the Rated Notes may be reduced.

Rating agencies other than the Rating Agencies could seek to rate the Rated Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the value of the Rated Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to "**ratings**" or "**rating**" in this Prospectus is to the ratings assigned by the Rating Agencies only.

As highlighted above, the ratings assigned to the Rated Notes by each Rating Agency are based on, among other things, the Loans, the Security, the Portfolio and the relevant structural features of the transaction which may include, among other things, the short-term and/or long-term unsecured, unguaranteed and unsubordinated debt ratings of the Issuer Account Bank and the Collection Account Banks. In the event one or more of these transaction parties are downgraded below the requisite ratings trigger, there can be no assurance that a replacement to that counterparty will be found which has the ratings required to maintain the then current ratings of the Rated Notes. If a replacement counterparty with the requisite ratings cannot be found, this is likely to have an adverse impact on the rating of the Rated Notes and, as a consequence, the resale price of the Rated Notes in the market and the prima facie eligibility of the Rated Notes for use in certain liquidity schemes established by, *inter alios*, the Bank of England.

The ratings that are assigned to the Rated Notes do not represent any assessment of the yield to maturity that a holder of a Rated Note may experience.

Rating Agency confirmation in relation to the Rated Notes in respect of certain actions

The terms of certain Transaction Documents provide that certain actions to be taken by the Issuer and/or the other parties to the Transaction Documents are contingent on such actions not having an adverse effect on the ratings assigned to the Rated Notes. In such circumstances, the Note Trustee or the Security Trustee may require the Issuer to seek confirmation from the Rating Agencies that certain actions proposed to be taken by the Issuer and the Note Trustee, or, as the case may be, the Security Trustee will not have an adverse effect on the then current ratings of the Rated Notes (a "**Rating Agency Confirmation**").

A Rating Agency Confirmation that any action or inaction proposed to be taken by the Issuer or the Note Trustee or as the case may be, the Security Trustee will not have an adverse effect on the then current ratings of the Rated Notes does not, for example, confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or not prejudicial to, the Noteholders of the Rated Notes. While entitled to have regard to the fact that the Rating Agencies have confirmed that the then current ratings of the Rated Notes would not be adversely affected, the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Secured Creditors (including the Noteholders of the Rated Notes), the Issuer, the Note Trustee, the Security Trustee or any other person or create any legal relationship between the Rating Agencies and the Secured Creditors (including the Noteholders of the Rated Notes), the Issuer, the Note Trustee, the Security Trustee or any other person whether by way of contract or otherwise. In addition the Note Trustee and/or the Security Trustee, as applicable, may, but is not required to, have regard to any Rating Agency Confirmation.

Any such Rating Agency Confirmation may or may not be given at the sole discretion of each Rating Agency. Certain Rating Agencies have indicated that they will no longer provide Rating Agency Confirmations as a matter of policy. To the extent that a Rating Agency Confirmation cannot be obtained, whether or not a proposed action will ultimately take place will be determined in accordance with the provisions of the relevant Transaction Documents and specifically the relevant modification and waiver provisions. It should be noted that, depending on the nature of the request, the timing of delivery of the request and of any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a Rating Agency Confirmation in the time available or at all, and the Rating Agency will not be responsible for the consequences thereof. A Rating Agency Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the securities form part since the Closing Date. A Rating Agency Confirmation represents only a restatement of the opinions given as at the Closing Date and cannot be construed as advice for the benefit of any parties to the transaction.

Where the Transaction Documents allow the Note Trustee or the Security Trustee to seek a Rating Agency Confirmation and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer and (i) (A) one or more Rating Agency (such Rating Agency, a "**Non-Responsive Rating Agency**") indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given; and (if there is only one Non-Responsive Rating Agency) (ii) one Rating Agency gives such Rating Agency Confirmation or response based on the same facts, then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive

Rating Agency if the Issuer provides to the Note Trustee and the Security Trustee a certificate signed by two directors certifying and confirming that, if there is only one Non-Responsive Rating Agency, each of the events in sub-paragraphs (i)(A) or (B) and (ii) has occurred or if there is more than one Non-Responsive Rating Agency that the events in sub-paragraph (i)(A) or (i)(B) are satisfied. Each of the Note Trustee and the Security Trustee may rely on such certificate absolutely without enquiry and without liability.

Where a Rating Agency Confirmation is a condition to any action or step under any Transaction Document and it is deemed to be modified as a result of a Non-Responsive Rating Agency not having responded to the relevant request from the Issuer within 30 days, there remains a risk that such Non-Responsive Rating Agency may subsequently downgrade, qualify or withdraw the then current ratings of the Rated Notes as a result of the action or step. Such a downgrade, qualification or withdrawal to the then current ratings of the Rated Notes may have an adverse effect on the value of the Rated Notes.

4. RISKS RELATING TO CHANGES TO THE STRUCTURE AND DOCUMENTS

The Note Trustee and the Security Trustee are not obliged to act in certain circumstances

Upon the occurrence of an Event of Default, the Note Trustee in its absolute discretion may, and if so directed in writing by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding (or if no Notes remain outstanding, of the Residual Certificates then in issue) or if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding (or if no Notes remain outstanding, of the Residual Certificates then in issue) shall (subject, in each case, to being indemnified and/or prefunded and/or secured to its satisfaction), deliver an Enforcement Notice to the Issuer that all classes of the Notes are immediately due and repayable at their respective Principal Amount Outstanding, together with accrued interest thereon as provided in a trust deed between the Issuer, the Security Trustee and the Note Trustee (the "**Trust Deed**").

Each of the Note Trustee and the Security Trustee may, at any time, at their discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of (in the case of the Note Trustee) the Notes, the Residual Certificates or the Trust Deed (including the Conditions and the Residual Certificates Conditions) or (in the case of the Security Trustee) the Deed of Charge or (in either case) the other Transaction Documents to which it is a party or in respect of which (in the case of the Security Trustee) it holds security. In respect of and at any time after the service of an Enforcement Notice, the Security Trustee may, at its discretion and without notice, take such steps as it may think fit to enforce the Security. However, neither the Note Trustee nor the Security Trustee shall be bound to take any such proceedings or steps (including, but not limited to, the giving of an Enforcement Notice in accordance with Condition 11 (*Events of Default*) or Residual Certificates Condition 10 (*Events of Default*)) unless it should have been directed to do so by the holders of the Most Senior Class of Notes then outstanding (or if no Notes remain outstanding, of the Residual Certificates then in issue) and it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

See further "*Terms and Conditions of the Notes – Condition 12 (Enforcement)*" and "*Terms and Conditions of the Residual Certificates – Residual Certificates Condition 11 (Enforcement)*".

In addition, each of the Note Trustee and the Security Trustee benefit from indemnities given to them by the Issuer pursuant to the Transaction Documents which rank in priority to the payments of interest and principal on the Notes.

In relation to the undertakings to be given by the Retention Holder and the Sellers in the Risk Retention Letter in accordance with the Securitisation Regulations regarding the material net economic interest to be retained by the Retention Holder in the securitisation and certain requirements as to providing certain

information in connection therewith, neither the Note Trustee nor the Security Trustee will be under any obligation to monitor the compliance by the Retention Holder with such undertakings and will not be under any obligation to take any action in relation to non-compliance with such undertakings unless and until the Note Trustee or the Security Trustee has received actual written notice of the same from any party to any Transaction Document (a "**Transaction Party**"), in which event the only obligation of the Note Trustee or the Security Trustee shall be to notify the Issuer (who shall notify the Noteholders and the other Secured Creditors of the same) and, subject to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction, to take such further action as it is directed to take in connection with such non-compliance by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding.

Meetings of Noteholders and Certificateholders, Modification and Waivers

The Conditions and the Residual Certificates Conditions contain provisions for calling meetings of Noteholders and Certificateholders to consider matters affecting their interests generally. These provisions permit decisions of defined majorities to bind all Noteholders and Certificateholders (including Noteholders and Certificateholders who did not attend and vote at the relevant meeting and Noteholders and Certificateholders who voted in a manner contrary to the requisite majority for such vote).

The Conditions and the Residual Certificates Conditions also provide that the Note Trustee, and may direct the Security Trustee to agree, without the consent of the Noteholders, the Certificateholders or the other Secured Creditors, to (a) other than in the case of a Basic Terms Modification, any modification of, or the waiver or authorisation of, any breach or proposed breach of, the Conditions, the Residual Certificates Conditions or any of the Transaction Documents which is not, in the opinion of the Note Trustee, or, as the case may be, the Security Trustee, materially prejudicial to the interests of the Noteholders or, if there are no Notes outstanding, the Certificateholders or (b) any modification which, in the opinion of the Note Trustee is of a formal, minor or technical nature or to correct a manifest error. The Conditions and Residual Certificates Conditions also specify that certain categories of amendments (including changes to majorities required to pass resolutions or quorum requirements) would be classified as Basic Terms Modifications. Investors should note that a Basic Terms Modification is required to be sanctioned by an Extraordinary Resolution of the holders of the relevant affected Class or Classes of Notes and/or the Residual Certificates then in issue, as applicable which are affected by such Basic Terms Modifications unless the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the holders of those affected Class or Classes of Notes then outstanding and the holders of the Residual Certificates then in issue. Further, the Note Trustee or, as the case may be, the Security Trustee may also be obliged, in certain circumstances, to agree to amendments to the Conditions and the Residual Certificates Conditions and/or the Transaction Documents or, in the case of (vi) below, to enter into any new supplemental or additional documents that the Issuer or the relevant Servicer on its behalf considers necessary for the purpose of (i) complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, (ii) complying with certain risk retention legislation, regulations or official guidance in relation thereto, provided that the Issuer certifies to the Note Trustee and Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect, (iii) enabling the Notes to be (or to remain) listed on Euronext Dublin, (iv) enabling the Issuer or any of the other Transaction Parties to comply with FATCA (or any voluntary agreement entered into which a taxing authority in relation thereto), (v) enabling the Issuer to comply with any changes in the requirements of the Securitisation Regulations Rules applicable to it, in each case as amended, varied or substituted from time to time after the Closing Date, including the appointment of a third party to assist with the Issuer's reporting obligations pursuant to the Securitisation Regulations Rules or (vi) changing the base rate in respect of the Notes from SONIA to an alternative base rate and make such other amendments as are necessary or advisable in the reasonable commercial judgment of the Issuer (or the relevant Servicer on its behalf) to facilitate such change) to the extent

that there has been or that there is reasonably expected to be a material disruption or cessation to SONIA or in the event that an alternative means of calculating a SONIA-based rate of interest is introduced and becomes a standard method of calculating interest for similar transactions (a "**Base Rate Modification**") after the Closing Date (each a "**Proposed Amendment**"), without the consent of the Noteholders or Certificateholders.

In relation to any such Proposed Amendments, the Issuer is required, amongst other things, to certify in writing to the Note Trustee and the Security Trustee that the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 16 (*Notice to Noteholders*) and by publication on Bloomberg on the "Company News" screen relating to the Notes. However, Noteholders should be aware that, in relation to each Proposed Amendment, if Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification, the modification will be passed without Noteholder consent.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding is passed in favour of such modification in accordance with Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*). See "*Terms and Conditions of the Notes – Condition 13 (Meetings of Noteholders, Modification, Waiver and Substitution)*" and "*Terms and Conditions of the Residual Certificates – Residual Certificates Condition 12 (Meetings of Certificateholders and Noteholders, Modification, Waiver and Substitution)*".

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

There is no guarantee that any changes made to the Transaction Documents, the Conditions and/or the Residual Certificates Conditions pursuant to the obligations imposed on the Note Trustee and the Security Trustee, as described above, would not be prejudicial to the Noteholders or Certificateholders.

Conflict between Noteholders

The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of all Classes of Noteholders as regards all powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise). The Deed of Charge contains provisions requiring the Security Trustee (subject to being indemnified and/or secured and/or prefunded) to act on the instructions of the Note Trustee.

If, in the Note Trustee's opinion, however, there is or may be a conflict between the interests of the holders of one or more Classes of Notes, on the one hand, and the interests of the holders of one or more Classes of Notes, on the other hand, then the Note Trustee is required to have regard only to the interests of the holders of the relevant affected Class of Notes ranking in priority to other relevant Classes of Notes.

As a result, holders of Notes other than the Most Senior Class of Notes then may not have their interests taken into account by the Note Trustee or the Security Trustee when the Note Trustee exercises discretion.

In addition, prospective investors should note that the Trust Deed provides that no Extraordinary Resolution of the holders of a Class of Notes, other than the holders of the Most Senior Class of Notes then outstanding, shall take effect for any purpose while the Most Senior Class of Notes then outstanding remains outstanding, unless such Extraordinary Resolution shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or the Note Trustee is of the opinion it would not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding.

Prospective investors should note that each Seller, the Retention Holder and/or affiliates or related entities of each Seller and/or the Retention Holder may purchase some or all of any of the Notes (other than, with respect to each Seller, the Class Z Notes) and/or the Residual Certificates, and in doing so, will not be prevented from being entitled to attend meetings of the Noteholders and/or the Certificateholders or vote at Noteholder and/or Certificateholder meetings or by way of written resolution (as applicable). The interests of each Seller, the Retention Holder and/or affiliates or related entities of each Seller and/or the Retention Holder may conflict generally with that of the other Noteholders and/or Certificateholders, and each Seller, the Retention Holder and/or affiliates or related entities of each Seller and/or the Retention Holder are not required to vote in any particular manner.

Conflict between Noteholders, Certificateholders and other Secured Creditors

So long as any of the Notes are outstanding, neither the Security Trustee nor the Note Trustee shall have regard to the interests of the other Secured Creditors, subject to the provisions of the Trust Deed and Condition 13.5 and Residual Certificates Condition 13.5.

In respect of the interests of the Certificateholders, the Trust Deed contains provisions requiring the Note Trustee not to have regard to the interests of the Certificateholders as regards all powers, trusts, authorities, duties and discretions of the Note Trustee, and requiring the Note Trustee to, except where expressly provided otherwise, have regard only to the interests of the Noteholders for so long as there are any Notes outstanding.

5. COUNTERPARTY RISKS

Credit risk

The Issuer is subject to the risk of default in payment by the Borrowers and the inability of the relevant Servicer, on behalf of the Issuer and the Sunbury Legal Title Holders or the Moonraker Legal Title Holders (as applicable), to realise or recover sufficient funds under the arrears and default procedures in respect of any Loan and its Related Security in order to discharge all amounts due and owing by the relevant Borrower(s) under such Loan, which may adversely affect payments on the Notes. While the transaction utilises certain credit enhancement features, described in the section entitled "*Credit Structure*", no assurance can be made as to the effectiveness of such credit enhancement features, or that such credit enhancement features will protect the Noteholders from all risk of loss. Should there be credit losses arising in respect of the Loans, this could have an adverse effect on the ability of the Issuer to make payments of interest and/or principal on the Notes.

The Issuer is subject to the risk of insufficiency of funds on any Interest Payment Date as a result of payments being made late by Borrowers (if, for example such payment is made after the end of the Collection Period immediately preceding the Interest Payment Date) or payments being paid to a Borrower in respect of a Flexible Drawing. Separately, a Payment Holiday may mean that the Issuer receives less in terms of payment on the underlying loans. This risk is in part addressed in respect of

the Notes by the provision of liquidity from alternative sources as described in the section entitled "Credit Structure". However, no assurance can be made as to the effectiveness of such liquidity features, or that such liquidity features will protect the Noteholders from all risk of loss.

Breach of obligations of a Servicer

If default is made by a Servicer in the performance or observance of any of its other covenants and obligations under the relevant Servicing Document or any other Transaction Document to which it is a party which is (in the opinion of the Note Trustee) materially prejudicial to the interests of the Noteholders and such default continues unremedied for a period of in the case of the Moonraker Servicer pursuant to the Moonraker Servicing Agreement, 30 Business Days or, in the case of the Sunbury Servicer pursuant to the Sunbury Servicing Agreement, 15 Business Days, after the earlier of the relevant Servicer becoming aware of such default and receipt by the relevant Servicer of written notice from the Issuer (as applicable) or (following delivery of an Enforcement Notice) the Security Trustee, as appropriate, requiring the same to be remedied, a Servicer Termination Event will have occurred and the appointment of the relevant Servicer may be terminated by the Issuer.

Additionally, a Servicer Termination Event will trigger perfection of the legal title in the relevant Loans and their Related Security to the Issuer (or its nominee). The occurrence of a Servicer Termination Event may disrupt the collection of payments due on the Loans and ultimately could adversely affect the ability of the Issuer to make payments on the Notes and the Certificates.

Issuer Reliance on Other Third Parties

The Issuer is also a party to contracts with a number of other third parties who have agreed to perform services in relation to the Issuer and/or Notes. In particular, but without limitation, the Corporate Services Provider has agreed to provide certain corporate services to the Issuer pursuant to the Corporate Services Agreement, the Issuer Account Bank has agreed to provide the Deposit Accounts to the Issuer pursuant to the Bank Account Agreement, the Sunbury Servicers have agreed to service the Sunbury Loans pursuant to the Sunbury Servicing Agreement, the Moonraker Servicer has agreed to service the Moonraker Loans pursuant to the Moonraker Servicing Agreement, the Back-Up Servicer Facilitator has agreed to provide certain services in the event that the appointment of the Sunbury Servicers or Moonraker Servicer is terminated pursuant to the Sunbury Servicing Agreement or the Moonraker Servicing Agreement respectively, the Cash Manager has agreed to provide cash management services pursuant to the Cash Management Agreement, and the Paying Agents, the Registrar and the Agent Bank have all agreed to provide services with respect to the Notes pursuant to the Agency Agreement. In the event that any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party and/or are removed or if such a party resigns without a sufficiently experienced substitute or any substitute being appointed in their place promptly thereafter, collections on the Portfolio and/or payments to Noteholders may be disrupted and Noteholders may be adversely affected.

The Transaction Documents do not contain any restrictions on the ability of any third party providing services to the Issuer to change their business plans and strategies and access other business lines or markets after the Closing Date. Any changes of the business plans and strategies of a third party service provider could expose that third party to additional risks (including regulatory, operational and systems risk) which could have an adverse effect on the ability of the third party to provide services to the Issuer and consequently could have an adverse effect on the Issuer's ability to perform its obligations under the Notes.

The performance of any such third parties, including the Servicers, may be affected by economic, social, political and other factors, such as changes in the national or international economic climate, regional economic conditions, changes in laws, political developments and government policies, natural disasters, illness (including illnesses from epidemics or pandemics, including COVID-19) and

widespread health crises or the fear of such crises, which may result in a material delay or default in the performance of certain services in relation to the Notes and Certificates by such third parties, which then may impact the ability of the Issuer to perform its obligations under the Notes and Certificates, including its obligations to make timely payments on the Notes and Certificates.

The Servicers

The Sunbury Servicers and the Moonraker Servicer (each a "**Servicer**") will be appointed by the Issuer and (where relevant) the relevant Legal Title Holder as Servicer to service the Loans and their Related Security. If the relevant Servicer breaches the terms of the Sunbury Servicing Agreement or the Moonraker Servicing Agreement (each a "**Servicing Agreement**") (as applicable), then (prior to the delivery of an Enforcement Notice and with the prior written consent of the Security Trustee) the Issuer or (after delivery of an Enforcement Notice) the Security Trustee will be entitled to terminate the appointment of the relevant Servicer in accordance with the terms of the relevant Servicing Agreement and the Issuer and the Sellers shall use their reasonable endeavours to appoint a new servicer which satisfies the conditions set forth in the relevant Servicing Agreement.

The aggregate liability of the relevant Servicer in respect of any claim arising out of or in connection with the relevant Servicing Agreement (including but not limited to, contractual or delictual liability, tortious liability, including negligence and non-fraudulent misrepresentation, breach of statutory duty, restitution or otherwise) for any loss however so caused arising out of or in connection with the relevant Servicing Agreement or the services carried out by the relevant Servicer pursuant to such Servicing Agreement shall, except in respect of fraud (including fraudulent misrepresentation) or wilful misconduct on the part of the relevant Servicer, wilful default by the relevant Servicer, negligence of the relevant Servicer or any liability which may not be excluded or limited as a matter of applicable law, be a capped amount, being £3,000,000.00 overall and £1,000,000.00 in any twelve (12) month period in respect of each Sunbury Servicer under the Sunbury Servicing Agreement and being 200 per cent of the Moonraker Servicing Fee paid or payable in the first contract year (or, in the case of a period of less than 12 months, which would otherwise be payable to the Moonraker Servicer for the full first contract year) in respect of the Moonraker Servicer under the Moonraker Servicing Agreement, provided that the aggregate liability of the Moonraker Servicer (a) over the Initial Term shall not exceed 250 per cent. of the Servicing Fee payable in the first Contract Year and (b) in respect of each subsequent three year period, shall not exceed 250 per cent. of the Servicing Fee payable in the first 12 months of such three year period (or, in the case of a subsequent period of less than three years, 200 per cent of the Servicing Fee paid or payable for the full first 12 months of such subsequent period.

In the event that the Issuer suffers a loss in respect of the Portfolio, or becomes liable to a third party, in each case as a result of any claim arising out of or in connection with the performance (or non-performance) of the relevant Servicer's duties and obligations under the relevant Servicing Agreement and the relevant Servicer is liable to the Issuer for such acts or omissions pursuant to the terms of such Servicing Agreement, any loss over and above the liability cap set out in the relevant Servicing Agreement (to the extent enforceable under applicable law and other than as a result of fraud (including fraudulent misrepresentation) or wilful misconduct on the part of the relevant Servicer, wilful default by the relevant Servicer, or negligence of the relevant Servicer,) may be irrecoverable by the Issuer. This may result in less proceeds being available to meet the obligations of the Issuer in respect of the Notes.

Any change in a Servicer could delay collection of payments on the Loans and ultimately could adversely affect the ability of the Issuer to make payments in full on the Notes.

If a Servicer Termination Event occurs, there can be no assurance that a substitute servicer with sufficient experience of servicing the relevant Loans and their Related Security would be found who would be willing and able to service the relevant Loans and their Related Security on the terms, or substantially similar terms, set out in the relevant Servicing Agreement. Further, it may be that the

terms on which a substitute servicer may be appointed are substantially different from those as set out in the relevant Servicing Agreement and the terms may be such that the Noteholders may be adversely affected. In addition, as described below, any substitute servicer will be required, *inter alia*, to be authorised under FSMA in order to service mortgage loans that constitute Regulated Mortgage Contracts and undertake Regulated Mortgage Activity under the FSMA. The ability of a substitute servicer to fully perform the required services would depend, among other things, on the information, software and records available at the time of the appointment. Any delay or inability to appoint a substitute servicer may affect payments on the Loans and hence the Issuer's ability to make payments when due on the Notes. Such risk is intended to be mitigated by the provisions of each Servicing Agreement pursuant to which a substitute servicer is required to be appointed, although no assurance can be given as to such substitute servicer actually being appointed.

In addition, Noteholders should be aware that the Servicers have no obligation themselves to advance payments that Borrowers fail to make in a timely fashion.

For further details on the arrangements with the Sunbury Servicers, please see "*Summary of the Key Transaction Documents – Sunbury Servicing Agreement*".

For further details on the arrangements with the Moonraker Servicer, please see "*Summary of the Key Transaction Documents – Moonraker Servicing Agreement*".

Change of counterparties

The parties to the Transaction Documents who receive and hold monies or provide support to the transaction pursuant to the terms of such documents (such as the Issuer Account Bank) are required to satisfy certain criteria in order that they can continue to be a counterparty to the Issuer.

These criteria include requirements imposed by the FCA under the FSMA and requirements in relation to the short-term and long-term unguaranteed and unsecured ratings ascribed to such party by the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria set out in the relevant Transaction Documents and as described in this Prospectus, then the rights and obligations of that party (including the right or obligation to receive monies on behalf of the Issuer) may be required to be transferred to another entity which does satisfy the applicable criteria (including but not limited to the ratings criteria). In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the relevant Transaction Document and the cost to the Issuer may therefore increase. In addition, it may not be possible to find an entity with the ratings prescribed in the relevant Transaction Document who would be willing to act in the role. This may reduce amounts available to the Issuer to make payments of interest and principal on the Notes and/or lead to a downgrade in the ratings of the Rated Notes.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may agree to amend or waive certain of the terms of such document, including the applicable criteria (although this will not apply to mandatory provisions of law), in order to avoid the need for a replacement entity to be appointed. The consent of Noteholders may not be required in relation to such amendments and/or waivers.

Certain material interests and potential for conflicts

Certain of the parties to the transaction have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer, the Sellers and the Retention Holder in the ordinary course of business. Other parties to the transaction may also perform multiple roles. Accordingly, conflicts of interest may exist or may arise as a result of parties having previously engaged or in the future engaging in transactions with other parties, having multiple roles or carrying out other transactions for third parties. The parties to the transaction may, pursuant to the Transaction

Documents, be replaced by one or more new parties. It cannot be excluded that such a new party could also have a potential conflicting interest, which might ultimately have a negative impact on the ability of the Issuer to perform its obligations in respect of the Notes.

Certain conflicts of interest

Certain of the Transaction Parties and their respective affiliates are acting in a number of capacities in connection with the transaction described herein. Those Transaction Parties and any of their respective affiliates acting in such capacities will have only the duties and responsibilities expressly agreed to by each such entity in the relevant capacity and will not, by reason of it or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each such capacity. In no event shall such Transaction Parties or any of their respective affiliates be deemed to have any fiduciary obligations to any person by reason of their or any of their respective affiliates acting in any capacity.

In addition to the interests described in this Prospectus, the Arranger and Lead Manager and its respective related entities, associates, officers or employees (for the purposes of this paragraph, each a "**Lead Manager Related Person**"):

- (a) may from time to time be a Noteholder and/or Residual Certificateholder or have other interests with respect to the Notes or the Residual Certificates and they may also have interests relating to other arrangements with respect to a Noteholder or a Note, a Residual Certificateholder or a Residual Certificate or any other Transaction Party;
- (b) may receive (and will not have to account to any person for) fees, brokerage and commissions or other benefits and act as principal with respect to any dealing with respect to any Notes or Residual Certificates;
- (c) may purchase all or some of the Notes or Residual Certificates and resell them in individually negotiated transactions with varying terms; and
- (d) may be or have been involved in a broad range of transactions including, without limitation, banking, lending, advisory, dealing in financial products, credit, derivative and liquidity transactions (which may include financing of the risk retention), investment management, corporate and investment banking and research in various capacities in respect of the Notes, the Residual Certificates, the Issuer or any other Transaction Party or any related entity, both on its own account and for the account of other persons.

Prospective investors should be aware that:

- (i) to the maximum extent permitted by applicable law, the duties of each Lead Manager Related Person in respect of the Notes and/or Residual Certificates are limited to the relevant contractual obligations set out in the Transaction Documents (if any) and, in particular, no advisory or fiduciary duty is owed to any person. No Lead Manager Related Person shall have any obligation to account to the Issuer, any Transaction Party or any Noteholder for any profit as a result of any other business that it may conduct with either the Issuer or any Transaction Party;
- (ii) a Lead Manager Related Person may have or come into possession of information not contained in this Prospectus that may be relevant to any Noteholder or to any decision by a potential investor to acquire the Notes and/or Residual Certificates and which may or may not be publicly available to potential investors ("**Relevant Information**");
- (iii) to the maximum extent permitted by applicable law no Lead Manager Related Person is under any obligation to disclose any Relevant Information to any other Lead Manager Related Person,

to any Transaction Party or to any potential investor and this Prospectus and any subsequent conduct by a Lead Manager Related Person should not be construed as implying that such Lead Manager Related Person is not in possession of such Relevant Information; and

- (iv) each Lead Manager Related Person may have various potential and actual conflicts of interest arising in the ordinary course of its businesses, including in respect of the interests described above. For example, a Lead Manager Related Person's dealings with respect to a Note and/or a Residual Certificate the Issuer or a Transaction Party, may affect the value of a Note or Residual Certificate.

These interests may conflict with the interests of a Noteholder or Residual Certificateholder and the Noteholder or Residual Certificateholder may suffer loss as a result. To the maximum extent permitted by applicable law, a Lead Manager Related Person is not restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents, the Notes, the Residual Certificates or the interests described above and may otherwise continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders, the Residual Certificateholders and the Lead Manager Related Persons may in so doing so act in its own commercial interests and without notice to, and without regard to, the interests of any such person.

Limited Resources of the Sellers

Each Seller will agree, pursuant to the Mortgage Sale Agreement to repurchase Loans and their Related Security or make indemnity payments in lieu of such repurchase in certain circumstances (as more particularly set out in "*Summary of the Key Transaction Documents – Mortgage Sale Agreement*"). This obligation will be subject to a time limitation and will not extend beyond the Optional Redemption Date. In addition, as a practical matter, the ability of each Seller to make any indemnity payments in relation to such repurchases or in lieu of such repurchases or otherwise discharge its liabilities under the Mortgage Sale Agreement or any other Transaction Document will be limited.

Each Seller is a special purpose vehicle with limited assets and funds and as such will, after having satisfied its obligations to pay its secured creditors, have limited resources available to it to repurchase any Loans if required pursuant to the terms of the Mortgage Sale Agreement or to make any indemnity payments under the Mortgage Sale Agreement or any other Transaction Document. The obligations of each Seller are not guaranteed nor will they be the responsibility of any person other than the relevant Seller, and, as such neither the Issuer nor the Security Trustee will have recourse to any other person in the event that either of the Sellers, for whatever reason, fails to meet its repurchase obligations under the Mortgage Sale Agreement during the period between the Closing Date and the Optional Redemption Date or otherwise fails to discharge its obligations to make any indemnity payments under the Mortgage Sale Agreement or any other Transaction Document.

The Issuer has also agreed that it will not take any action to wind up either of the Sellers or initiate similar proceedings. This may affect the ability of the Issuer to exercise effectively certain rights under the Mortgage Sale Agreement. The Retention Holder is under no obligation to put either of the Sellers in funds for the purposes of funding a repurchase, indemnity payment in lieu of repurchase or otherwise. Therefore in the event that any Loan is found to be in breach of the Loan Warranties, the relevant Seller may have limited funds available to it to effect a repurchase of the relevant Loan or make an indemnity payment in lieu of such repurchase, which may have an adverse effect on the Issuer's ability to make payments on the Notes.

6. MACRO-ECONOMIC AND MARKET RISKS

Absence of secondary market

The ability of the Issuer to redeem all of the Notes in full including following the occurrence of an Event of Default in relation to the Notes while any of the Loans are still outstanding, may depend upon whether the Loans can be realised to obtain an amount sufficient to redeem the Notes.

There is currently a limited secondary market for the Notes, and no assurance is provided that an active and liquid secondary market for the Notes will develop further. None of the Notes have been, or will be, registered under the Securities Act or any other applicable securities laws and they are subject to certain restrictions on the resale and other transfer thereof as set out under the sections entitled "*Subscription and Sale*" and "*Transfer Restrictions and Investor Representations*". To the extent that a secondary market develops further, it may not continue for the life of the Notes or it may not provide Noteholders with liquidity of investment with the result that a Noteholder may not be able to find a buyer to buy its notes readily or at prices that will enable the Noteholder to realise a desired yield. Any investor in the Notes must be prepared to hold their Notes until the Final Maturity Date.

The secondary market for mortgage-backed securities similar to the Notes has at times experienced significant disruptions and limited liquidity resulting from reduced investor demand for such securities. Limited liquidity in the secondary market may have an adverse effect on the market value of mortgage-backed securities including the Notes issued by the Issuer, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the requirements of limited categories of investors. It is not known whether such disruptions to the market will reoccur.

Whilst central bank schemes such as, amongst others, the Bank of England's Discount Window Facility, the Extended Collateral Term Repo Facility and Funding for Lending Scheme, the Eurosystem monetary policy framework of the European Central Bank, the Bank of England's Sterling Monetary Framework or the European Central Bank's liquidity scheme provides an important source of liquidity in respect of eligible securities, further restrictions in respect of the relevant eligibility criteria for eligible collateral which applies and will apply in future are likely to adversely impact secondary market liquidity for mortgage-backed securities in general, regardless of whether the Notes are eligible securities. None of the Arranger, the Lead Manager, the Issuer or the Sellers gives any representation, warranty, confirmation or guarantee to any investor in the Notes that the Notes will, either upon issue or at any time prior to redemption in full, satisfy all or any of the requirements for such central bank schemes. Any potential investor in the Notes should make their own conclusions and seek their own advice with respect to whether or not the Notes constitute eligible collateral for such central bank schemes.

In addition potential investors should be aware that global markets have recently been negatively impacted by the then prevailing global market conditions and reduced growth expectations for the Organisation for Economic Co-operation and Development economies, which could affect any secondary market for instruments similar to the Notes. In particular, at the date of this Prospectus, as well as the current challenges facing the European macro-economic environment, certain European governments are in discussions with other countries in the Eurozone, the International Monetary Fund and other creditors are in the process of establishing or have already established and are implementing an austerity programme. There has been further uncertainty in the global markets as a result of the United Kingdom's vote to leave the European Union. It is unclear what the effect of these discussions will be on the Eurozone economy. This uncertainty may have implications for the liquidity of the Notes in the secondary market.

Geographic Concentration Risks

Loans in the Portfolio may also be subject to geographic concentration risks within certain regions of the United Kingdom. To the extent that specific geographic regions within the United Kingdom have experienced or may experience in the future weaker regional economic conditions and housing markets than other regions in the United Kingdom, a concentration of the Loans in such a region may be expected to exacerbate the risks relating to the Loans described in this section. Certain geographic regions within the United Kingdom rely on different types of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and consequently the repayment ability of the Borrowers in that region or in the region that relies most heavily on that industry. The Issuer can predict neither when or where such regional economic declines may occur nor to what extent or for how long such conditions may continue. Any natural disasters in a particular region may reduce the value of affected Properties. This may result in a loss being incurred upon the sale of such Properties. These circumstances could affect receipts on the Loans and ultimately result in losses on the Notes. For an overview of the geographical distribution of the Loans in the Provisional Portfolio, see "*Characteristics of the Provisional Portfolio*".

The relationship between the United Kingdom with the European Union may affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or liquidity of the Notes in the secondary market

Concerns relating to credit risk (including that of sovereigns and of those entities which have exposure to sovereigns) have recently intensified and remain significant throughout the Eurozone despite easing in some Member States recently. In particular, concerns have been raised with respect to current economic, monetary and political conditions in the region comprised of the Member States of the EU that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended (the "**Eurozone**"). If such concerns persist and/or such conditions further deteriorate (including as may be demonstrated by any relevant credit Rating Agency action, any default or restructuring of indebtedness by one or more Member States or institutions within those Member States and/or any exit(s) by any member state(s) from the European Union and/or any changes to, including any break up of, the Eurozone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect the UK housing market, the Issuer, one or more of the other parties to the Transaction Documents (including the Sunbury Seller, the Moonraker Seller, the Retention Holder, the Sunbury Legal Title Holders, the Moonraker Legal Title Holders, the Sunbury Servicers, the Moonraker Servicer, the Issuer Account Bank and/or the Cash Manager) and/or any Borrower in respect of its Loan.

In particular, prospective investors should note that, on 29 March 2017, the UK government invoked article 50 of the Lisbon Treaty and officially notified the European Union of its decision to withdraw from the European Union. This commenced the formal two-year process of negotiations regarding the terms of the withdrawal and the framework of the future relationship between the UK and the European Union (the "**article 50 withdrawal agreement**").

Under the terms of the ratified article 50 withdrawal agreement, a transition period commenced which lasted until 31 December 2020 (the "**Transition Period**"). During the Transition Period, most European Union rules and regulations continued to apply to and in the UK and negotiations in relation to a free trade agreement were ongoing.

Prior to and during the Transition Period, the European Union and the UK Government prepared for a "hard" Brexit (or "no-trade deal" Brexit) to minimise the risks for firms and businesses associated with an exit without agreement as to the EU-UK future trade relationship at the end of the Transition Period. This included the UK Government publishing further draft secondary legislation under powers provided in the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal

Agreement) Act 2020) to ensure that there is a functioning statute book at the end of the Transition Period.

The United Kingdom (the "UK") withdrew from the EU on 31 December 2020.

As a result, the UK is no longer part of the EU Single Market and the Customs Union, and EU laws do not apply in the UK. EU regulations have been retained under the domestic laws of the United Kingdom as "retained EU law", by operation of the European Union (Withdrawal) Act 2018 (as may be amended, supplemented or replaced, from time to time) (the "EUWA") with certain amendments effected by way of statutory instruments. Any EU law implemented following the expiry of the Transition Period will not have effect in the UK. The withdrawal from the EU by the UK could adversely affect economic and market conditions in the UK, in the EU and its member states and elsewhere, and could contribute to uncertainty and instability in global financial markets.

Due to the on-going political uncertainty as regards the structure of the future relationship between the UK and the European Union, it is not possible to determine the precise impact on general economic conditions, government structure and policies, fiscal, monetary or the regulatory landscape in the UK, including the performance of the UK housing market and any implications for the UK sovereign ratings, ratings of the relevant transaction parties or the performance of the UK housing market. It is also not possible to determine the precise impact that these matters will have on the business of the Issuer (including the performance of the underlying Loans), any other party to the Transaction Documents and/or any Borrower in respect of the underlying Loans, or on the regulatory position of any such entity or of the transactions contemplated by the Transaction Documents under EU regulation or more generally.

No assurance can be given that any of the matters outlined above would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or liquidity of the Notes in the secondary market.

7. LEGAL AND REGULATORY RISKS

Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in multiple measures for increased regulation which are at various stages of implementation and which may have an adverse impact on the regulatory position of certain investors in securitisation exposures and/or on the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and should consult their own advisers in this respect. None of the Issuer, the Arranger, the Lead Manager, the Legal Title Holders or the Sellers makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory treatment of their investment in the Notes on the Closing Date or at any time in the future.

Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Notes

In particular, investors should note that the Basel Committee on Banking Supervision ("BCBS") has approved a series of significant changes to the Basel regulatory capital and liquidity framework (such changes being referred to by the BCBS as Basel III and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular,

may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect. No predictions can be made as to the precise effects of the above matters on any investor or otherwise.

The Securitisation Regulations apply to the Notes and any non-compliance may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes.

EU Securitisation Regulation

Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation and amending certain other European Union directives and regulations (the "**EU Securitisation Regulation**") has direct effect in member states of the EU and will be applicable in any non-EU states of the European Economic Area (the "**EEA**") in which it has been implemented. The EU Securitisation Regulation, together with all relevant implementing regulations in relation thereto, all regulatory and/or implementing technical standards or delegated regulations in relation thereto or applicable in relation thereto pursuant to any transitional arrangements made pursuant to the EU Securitisation Regulation and, in each case, any relevant guidance or policy statements published in relation thereto by the European Banking Authority, the European Securities and Markets Authority and the European Insurance and Occupational Pensions Authority (or in each case, any predecessor or successor or any other applicable regulatory authority) or by the European Commission, in each case as amended and in effect from time to time, are referred to in this Prospectus as the "**EU Securitisation Regulation Rules**".

Article 5 of the EU Securitisation Regulation places certain conditions on investments in a "securitisation" (as defined in the EU Securitisation Regulation) (the "**EU Due Diligence Requirements**") by an "institutional investor", defined to include (a) a credit institution or an investment firm as defined in and for purposes of Regulation (EU) No 575/2013, as amended, known as the Capital Requirements Regulation (the "**EU CRR**"), (b) an insurance undertaking or a reinsurance undertaking as defined in Directive 2009/138/EC, as amended, known as Solvency II, (c) an alternative investment fund manager as defined in Directive 2011/61/EU that manages and/or markets alternative investment funds in the EU, (d) an undertaking for the collective investment in transferable securities ("**UCITS**") management company, as defined in Directive 2009/65/EC, as amended, known as the UCITS Directive, or an internally managed UCITS, which is an investment company that is authorised in accordance with that Directive and has not designated such a management company for its management, and (e) with certain exceptions, an institution for occupational retirement provision falling within the scope of Directive (EU) 2016/2341, or an investment manager or an authorised entity appointed by such an institution for occupational retirement provision as provided in that Directive. Pursuant to Article 14 of the EU CRR, the EU Due Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of institutions regulated under the EU CRR (such affiliates, together with all such institutional investors, "**EU Affected Investors**").

Prior to investing in (or otherwise holding an exposure to) a "securitisation position" (as defined in the EU Securitisation Regulation), an EU Affected Investor, other than the originator, sponsor or original lender (each as defined in the EU Securitisation Regulation) must, among other things: (a) verify that, where the originator or original lender established in the EU is not a credit institution or an investment firm as defined in the EU CRR, the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to

apply those criteria and processes to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness, (b) verify that, if established in the EU, the originator, sponsor or original lender retains on an ongoing basis a material net economic interest which, in any event, shall not be less than 5 per cent., determined in accordance with Article 6 of the EU Securitisation Regulation, and discloses the risk retention to the EU Affected Investors in accordance with Article 7 of the EU Securitisation Regulation, (c) verify that the originator, sponsor or securitisation special purpose entity ("**SSPE**") has, where applicable, made available the information required by Article 7 of the EU Securitisation Regulation (which sets out in the EU Transparency Requirements (as defined below)), and (d) carry out a due-diligence assessment which enables the EU Affected Investor to assess the risks involved, considering at least (i) the risk characteristics of the securitisation position and the underlying exposures, and (ii) all the structural features of the securitisation that can materially impact the performance of the securitisation position.

While holding a securitisation position, an EU Affected Investor must also (a) establish appropriate written procedures in order to monitor, on an ongoing basis, its compliance with the foregoing requirements and the performance of the securitisation position and of the underlying exposures, (b) regularly perform stress tests on the cash flows and collateral values supporting the underlying exposures, (c) ensure internal reporting to its management body to enable adequate management of material risks and (d) be able to demonstrate to its regulatory authorities that it has a comprehensive and thorough understanding of the securitisation position and its underlying exposures and has implemented written policies and procedures for managing risks of the securitisation position and maintaining records of the foregoing verifications and due diligence and other relevant information.

The EU Securitisation Regulation imposes a direct obligation on an EU-regulated originator, sponsor or original lender of a securitisation to retain a material net economic interest in the securitisation of not less than 5 per cent. (the "**EU Risk Retention Requirements**"). Certain aspects of the EU Risk Retention Requirements are to be further specified in regulatory technical standards to be adopted by the European Commission as a delegated regulation. The European Banking Authority (the "**EBA**") published a final draft of those regulatory technical standards on July 31, 2018 (the "**Final Draft RTS**"), but they have not yet been adopted by the European Commission or published in final form. Pursuant to Article 43(7) of the EU Securitisation Regulation, until these regulatory technical standards apply, certain provisions of Delegated Regulation (EU) No. 625/2014 shall continue to apply (the "**CRR RTS**"). The Retention Holder is an entity incorporated in Ireland and is therefore subject to the EU Risk Retention Requirements. Pursuant to the Risk Retention Letter, the Retention Holder, as "originator", will agree to subscribe for and retain a material net economic interest in the securitisation transaction described in this Prospectus in accordance with Article 6(3)(d) of the EU Securitisation Regulation, as described in "*Certain Regulatory Requirements – EU Securitisation Regulation Rules*" in this Prospectus.

The Retention Holder (as an "originator" for the purposes of the EU Securitisation Regulation) is also subject to the requirements of Article 7 of the EU Securitisation Regulation (the "**EU Transparency Requirements**") which requires certain information to be provided prior to pricing as well as quarterly portfolio level disclosure reports (the "**EU Loan Reports**") and quarterly investor reports (the "**EU Investor Reports**") in accordance with Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 and in the form required under Commission Delegated Regulation (EU) 2020/1225 of 29 October 2019 to each Noteholder, each relevant competent authority and, upon request, each potential Noteholder. The Issuer will designate the Retention Holder as the EU designated reporting entity (the "**EU Reporting Entity**") to fulfil the applicable disclosure requirements. The Retention Holder shall appoint Euro ABS to assist with the production of the EU Loan Reports and the EU Investor Reports, however the Retention Holder shall remain responsible for the information contained therein.

The EU Securitisation Regulation (and Regulation (EU) (2017/2401) (the "**EU CRR Amendment Regulation**") also includes provisions intended to implement the revised securitisation framework

developed by the BCBS (with adjustments) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as STS securitisations ("**EU STS**").

The designation of a securitisation as being EU STS designated affects the potential ability of the Notes to achieve better or more flexible regulatory treatment under various EU regimes that were amended (or will be amended in due course) to take into account the STS framework (such as Type 1 securitisation under Solvency II, as amended; regulatory capital treatment under the securitisation framework of the Capital Requirements Regulation, as amended by the EU CRR Amendment Regulation; Type 2B securitisation under the LCR Regulation, as amended and the changes to the regime under Regulation (EU) 648/2012 ("**EU EMIR**") that provide for certain exemptions for EU STS securitisation swaps).

Given that the Issuer is not an SSPE which is established in the EU, the transaction described in this Prospectus is not capable of being designated as EU STS and consequently is not intended to be designated as EU STS for the purposes of the EU Securitisation Regulation. Prospective investors are themselves responsible for analysing their own regulatory position, and should consult their own advisers in this respect and should consider (and where appropriate, take independent advice on) the consequence from a regulatory perspective of the transaction described in this Prospectus not being considered an EU STS securitisation, including (but not limited to) that the lack of such designation may negatively affect the regulatory position of, and the capital charges on, the Notes and, in addition, have a negative effect on the price and liquidity of the Notes in the secondary market.

Prospective investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect. Prospective investors are referred to the section entitled "*Certain Regulatory Requirements – "EU Securitisation Regulation Rules", "UK Securitisation Regulation Rules" and "U.S. Risk Retention Requirements"*" for further details.

Each prospective investor that is an EU Affected Investor is required to independently assess and determine whether the information in this Prospectus and the information to be provided in the EU Loan Reports and EU Investor Reports and otherwise are sufficient for the purposes of complying with the EU Due Diligence Requirements, and none of the Arranger, the Lead Manager, the Retention Holder, the Sellers, the Originators, the Legal Title Holders, the Note Trustee, the Security Trustee, the Issuer, their respective affiliates or any other party to the transaction described in this Prospectus makes any representation that the information described above or in this Prospectus generally is sufficient in all circumstances for such purpose.

Failure by an EU Affected Investor to comply with the EU Due Diligence Requirements with respect to an investment in the Notes offered by this Prospectus may result in the imposition of a penalty regulatory capital charge on that investment or of other regulatory sanctions by the competent authority of such EU Affected Investor. The EU Securitisation Regulation Rules and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of any EU Affected Investor and have an adverse impact on the value and liquidity of the Notes offered by this Prospectus. Prospective investors should analyse their own regulatory position, and should consult with their own investment and legal advisers regarding application of, and compliance with, the EU Due Diligence Requirements or any other corresponding national measures which may be relevant and the suitability of the Notes for investment.

Pursuant to the European Union (General Framework for Securitisation and Specific Framework for Simple, Transparent and Standardised Securitisation) Regulations 2018 of Ireland (the "**Irish Securitisation Regulations**"), an originator, sponsor and securitisation special purpose entity must make a notification to the Central Bank of Ireland within 15 Irish Business Days of the issue of the Notes and in the manner prescribed in section 6 of the Irish Securitisation Regulations (the "**15-Day Notification**"). The Central Bank of Ireland was appointed as the competent authority in Ireland under

the Irish Securitisation Regulations. The Retention Holder will make the 15-Day Notification to the Central Bank of Ireland.

UK Securitisation Regulation

From 1 January 2021, relevant UK-established or UK-regulated persons are subject to the restrictions and obligations of Regulation (EU) 2017/2402 as retained under the domestic laws of the United Kingdom as "retained EU law", by operation of the European Union (Withdrawal) Act 2018 (as may be amended, supplemented or replaced, from time to time) (the "**EUWA**") and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019, (and as further amended from time to time) (the "**UK Securitisation Regulation**", and together with the EU Securitisation Regulation, the "**Securitisation Regulations**"). The UK Securitisation Regulation, together with (a) all applicable binding technical standards made under the UK Securitisation Regulation, (b) any EU regulatory technical standards or implementing technical standards relating to the EU Securitisation Regulation (including, without limitation, any regulatory technical standards or implementing technical standards which are applicable pursuant to any transitional provisions of the EU Securitisation Regulation) forming part of the domestic law of the United Kingdom by operation of the EUWA), (c) all relevant guidance, policy statements or directions relating to the application of the UK Securitisation Regulation (or any binding technical standards) published by the Prudential Regulation Authority and/or the Financial Conduct Authority of the United Kingdom (or their successors), (d) any applicable guidelines relating to the application of the EU Securitisation Regulation, (e) any other relevant transitional, saving or other provision relevant to the UK Securitisation Regulation by operation of the EUWA and (f) any other applicable laws, acts, statutory instruments, rules, guidance or policy statements published or enacted relating to the UK Securitisation Regulation, in each case, as may be amended, supplemented or replaced from time to time, are referred to in this Prospectus as the "**UK Securitisation Regulation Rules**", and together with the EU Securitisation Regulation Rules, the "**Securitisation Regulations Rules**").

Article 5 of the UK Securitisation Regulation places certain conditions on investments in a "securitisation" (as defined in the UK Securitisation Regulation) (the "**UK Due Diligence Requirements**" by an "institutional investor", defined to include (a) an insurance undertaking as defined in section 417(1) of the Financial Services and Markets Act 2000 (the "**2000 Act**"); (b) a reinsurance undertaking as defined in section 417(1) of the 2000 Act; (c) an occupational pension scheme as defined in section 1(1) of the Pension Schemes Act 1993 that has its main administration in the UK, or a fund manager of such a scheme appointed under section 34(2) of the Pensions Act 1995 that, in respect of activity undertaken pursuant to that appointment, is authorised for the purposes of section 31 of the 2000 Act; (d) an AIFM as defined in regulation 4(1) of the Alternative Investment Fund Managers Regulation 2013 which markets or manages AIFs (as defined in regulation 3 of those Regulations) in the UK; (e) a management company as defined in section 237(2) of the 2000 Act; (f) a UCITS as defined by section 236A of the 2000 Act, which is an authorized open ended investment company as defined in section 237(3) of the 2000 Act; (g) a CRR firm as defined by Article 4(1)(2A) of Regulation (EU) No 575/2013 ("**UK CRR Firms**"), as it forms part of UK domestic law by virtue of the EUWA. The UK Due Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of such CRR firms (such affiliates, together with all such institutional investors, the "**UK Affected Investors**").

Prior to investing in (or otherwise holding an exposure to) a "securitisation position" (as defined in the UK Securitisation Regulation), a UK Affected Investor, other than the originator, sponsor or original lender (each as defined in the UK Securitisation Regulation) must, among other things: (a) verify that, where the originator or original lender is established in a third country (i.e. not the UK), the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes to ensure that

credit-granting is based on a thorough assessment of the obligor's creditworthiness, (b) verify that, if established in the third country (i.e. not the UK), the originator, sponsor or original lender retains on an ongoing basis a material net economic interest which, in any event, shall not be less than 5 per cent., determined in accordance with Article 6 of the UK Securitisation Regulation, and discloses the risk retention to the UK Affected Investors in accordance with Article 7 of the UK Securitisation Regulation, (c) verify that the originator, sponsor or the SSPE has, where applicable, made available information which is substantially the same as that which an originator, sponsor or SSPE would have made available as required by Article 7 of the UK Securitisation Regulation (which sets out in the UK Transparency Requirements (as defined below) if it had been established in the UK, and (d) carry out a due-diligence assessment which enables the UK Affected Investor to assess the risks involved, considering at least (i) the risk characteristics of the securitisation position and the underlying exposures, and (ii) all the structural features of the securitisation that can materially impact the performance of the securitisation position.

While holding a securitisation position, a UK Affected Investor must also (a) establish appropriate written procedures in order to monitor, on an ongoing basis, its compliance with the foregoing requirements and the performance of the securitisation position and of the underlying exposures, (b) regularly perform stress tests on the cash flows and collateral values supporting the underlying exposures, (c) ensure internal reporting to its management body to enable adequate management of material risks and (d) be able to demonstrate to its regulatory authorities that it has a comprehensive and thorough understanding of the securitisation position and its underlying exposures and has implemented written policies and procedures for managing risks of the securitisation position and maintaining records of the foregoing verifications and due diligence and other relevant information.

The UK Securitisation Regulation imposes a direct obligation on a UK-regulated originator, sponsor or original lender of a securitisation to retain a material net economic interest in the securitisation of not less than 5 per cent. (the "**UK Risk Retention Requirements**"). Certain aspects of the UK Risk Retention Requirements are to be further specified in the technical standards to be adopted by the Financial Conduct Authority. Until these technical standards apply, certain provisions of the CRR RTS as it forms part of the domestic law of the UK pursuant to the EUWA shall continue to apply.

The UK Securitisation Regulation is silent as to the jurisdictional scope of the direct risk retention obligation and consequently, whether, for example, it applies to EU established entities like the Retention Holder. While the wording of the UK Risk Retention Requirements mirrors that of the EU Risk Retention Requirements, UK Affected Investors will need to draw their own conclusions as to whether the compliance by the Retention Holder with the EU Risk Retention Requirements will satisfy the UK Due Diligence Requirements with respect thereto. Under the Risk Retention Letter, the Retention Holder undertakes and agrees as if it is an "originator" for the purposes of the UK Risk Retention Requirements, to comply with the UK Risk Retention Requirements.

The Issuer, as an SSPE (as defined in the UK Securitisation Regulation) incorporated in England and Wales is subject to the requirements of Article 7 of the UK Securitisation Regulation (the "**UK Transparency Requirements**") which requires the originator, sponsor and SSPE of a securitisation to provide certain information prior to pricing as well as quarterly portfolio level disclosure reports (the "**UK Loan Reports**") and quarterly investor reports (the "**UK Investor Reports**") in the form required under the Technical Standards (Specifying the Information and the Details of a Securitisation to be made Available by the Originator, Sponsor and SSPE) (EU Exit) Instrument 2020 to each Noteholder, the applicable competent authority and, upon request, each potential Noteholder. The Retention Holder will designate the Issuer as the UK designated reporting entity (the "**UK Reporting Entity**") to fulfil the applicable disclosure requirements. The Issuer shall appoint Euro ABS to assist with the production of the UK Loan Reports and the UK Investor Reports, however the Issuer shall remain responsible for the information contained therein. Each of the Issuer and the Retention Holder will be required to

provide all relevant information to EuroABS as may be necessary for the purposes of the UK Loan Reports and the UK Investor Reports.

Certain temporary transitional arrangements are in effect, pursuant to directions made by the relevant UK regulators. Under such arrangements, until 31 March 2022, subject to applicable conditions and in certain respects, an entity which is subject to the UK Securitisation Regulation (such as the Issuer or any UK Affected Investor) may be permitted to comply with a provision of the EU Securitisation Regulation Rules to which it would have been subject before the UK Securitisation Regulation came into effect, in place of a corresponding provision of the UK Securitisation Regulation.

The UK Securitisation Regulation Rules and the EU CRR Amendment Regulation as it forms part of the domestic law of the UK by the operation of EUW also include provisions intended to implement the revised securitisation framework developed by the BCBS (with adjustments) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as STS securitisations ("**UK STS**").

The designation of a securitisation as UK STS affects the potential ability of the Notes to achieve better or more flexible regulatory treatment from the perspective of the applicable UK regulatory regime, such as the prudential regulation of UK CRR Firms and UK firms which are regulated under Solvency II and from the perspective of the UK EMIR regime.

The transaction described in this Prospectus is not intended to be designated as UK STS securitisation for the purposes of the UK Securitisation Regulation. Prospective investors are themselves responsible for analysing their own regulatory position, and should consult their own advisers in this respect and should consider (and where appropriate, take independent advice on) the consequence from a regulatory perspective of the transaction described in this Prospectus not being considered a UK STS securitisation in the EU or the UK, including (but not limited to) that the lack of such designation may negatively affect the regulatory position of, and the capital charges on, the Notes and, in addition, have a negative effect on the price and liquidity of the Notes in the secondary market.

Prospective investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect. Prospective investors are referred to the sections entitled "*Certain Regulatory Requirements – "EU Securitisation Regulation Rules"*" and "*UK Securitisation Regulation Rules*" for further details.

Each prospective investor that is a UK Affected Investor is required to independently assess and determine whether the information in this Prospectus and the information to be provided in the UK Loan Reports and UK Investor Reports and otherwise are sufficient for the purposes of complying with the UK Due Diligence Requirements and none of the Arranger, the Lead Manager, the Retention Holder, the Sellers, the Originators, the Legal Title Holders, the Note Trustee, the Security Trustee, the Issuer, their respective affiliates or any other party to the transaction described in this Prospectus makes any representation that the information described above or in this Prospectus generally is sufficient in all circumstances for such purpose.

Failure by a UK Affected Investor to comply with the UK Due Diligence Requirements with respect to an investment in the Notes offered by this Prospectus may result in the imposition of a penalty regulatory capital charge on that investment or of other regulatory sanctions by the competent authority of such UK Affected Investor. The UK Securitisation Regulation Rules and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of any UK Affected Investor and have an adverse impact on the value and liquidity of the Notes offered by this Prospectus. Prospective investors should analyse their own regulatory position, and should consult with their own investment and legal advisers regarding application of, and compliance with, the UK Due Diligence Requirements or any other corresponding national measures which may be relevant and the suitability of the Notes for investment.

Insolvency legislation in the United Kingdom

The Issuer has represented in the Transaction Documents that it will have its centre of main interests in the United Kingdom and may therefore be subject to the insolvency proceedings under the laws of England and Wales.

Security and insolvency considerations

The Issuer will enter into the Deed of Charge pursuant to which it will grant the Security in respect of certain of its obligations, including its obligations under the Notes (as to which, see "*Summary of the Key Transaction Documents*" – "*Deed of Charge*"). In certain circumstances, including the occurrence of certain insolvency (or certain pre-insolvency) events in respect of the Issuer, the ability to realise the Security may be delayed and/or the value of the Security impaired. In particular, it should be noted that significant changes to the UK insolvency regime have been enacted under the Corporate Insolvency and Governance Act 2020 ("**CIGA 2020**") which received Royal Assent on 25 June 2020 and came into effect on 26 June 2020. The changes include, among other things: (i) the introduction of a new moratorium regime that certain eligible companies can obtain which will prevent creditors taking certain action against the company for a specified period; (ii) a ban on operation of or exercise of ipso facto clauses preventing (subject to exemptions) termination, variation or exercise of other rights under a contract due to a counterparty entering into certain insolvency or restructuring procedures; and (iii) a new compromise or arrangement under Part 26A of the Companies Act 2006 (the "**Restructuring Plan**") that provides for ways of imposing a restructuring on creditors and/or shareholders without their consent (so-called cross-class cram-down procedure), subject to certain conditions being met and with a court adjudicating on the fairness of the restructuring proposal as a whole in determining whether or not to exercise its discretionary power to sanction the Restructuring Plan. While the Issuer is expected to be exempt from the application the new moratorium regime and the ban on ipso facto clauses, there is no guidance on how the new legislation will be interpreted and the Secretary of State may by regulations modify the exceptions. For the purposes of the Restructuring Plan, it should also be noted that there are currently no exemptions, but the Secretary of State may by regulations provide for exclusion of certain companies providing financial services and the UK government has expressly provided for changes to the Restructuring Plan to be effected through secondary legislation, particularly in relation to the cross-class cram-down procedure. It is therefore possible that aspects of the legislation may change.

While the transaction structure is designed to minimise the likelihood of the Issuer becoming insolvent and/or subject to pre-insolvency restructuring proceedings, no assurance can be given that any modification of the exceptions from the application of the new insolvency reforms referred to above will not be detrimental to the interests of the Noteholders and there can be no assurance that the Issuer will not become insolvent and/or the subject of insolvency or pre-insolvency restructuring proceedings and/or that the Noteholders would not be adversely affected by the application of insolvency laws (including English insolvency laws and, if applicable, Scottish and Northern Ireland insolvency laws or the laws affecting the creditors' rights generally).

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of sections 174A, 176ZA and 176A of the Insolvency Act 1986 (as noted further below), certain floating charge realisations which would otherwise be available to satisfy the claims of secured creditors under the Deed of Charge may be used to satisfy any expenses of the insolvency proceeding, claims of unsecured creditors or creditors who otherwise take priority over the floating charge recoveries. While certain of the covenants given by the Issuer in the Transaction Documents are intended to ensure it has no significant creditors other than the secured creditors under the Deed of Charge, it will be a matter of fact as to whether the Issuer has any other such creditors at any time. There can be no assurance that the Noteholders will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security.

Fixed charges may take effect under English law as floating charges

The law in England and Wales relating to the characterisation of fixed charges is unsettled. The fixed charges purported to be granted by the Issuer (other than by way of assignment or assignation in security) may take effect under English law as floating charges only, if, for example, it is determined that the Security Trustee does not exert sufficient control over the Charged Assets (although it should be noted that there is no equivalent concept of recharacterisation of fixed security as floating charges under Scots law). It should be assumed by Noteholders that the fixed charges will take effect as floating charges. If the charges take effect as floating charges instead of fixed charges, then, as a matter of law, certain claims would have priority over the claims of the Security Trustee in respect of the floating charge assets.

The interest of the Secured Creditors in property and assets over which there is a floating charge will rank behind the expenses of any administration or liquidator and the claims of certain preferential creditors on enforcement of the Security. The Crown's preferential status in respect of taxes was abolished in 2003. However, the Finance Act 2020 had the effect that, from 1 December 2020, for insolvencies commencing on or after that date, HMRC will obtain preferential status as a secondary preferential creditor in respect of VAT. This is subject to any regulations made specifying the period to which such VAT must relate for this to apply, or making any other transitional or supplementary provision. The Finance Act provides that HMRC will also obtain preferential status in respect of other amounts where (a) the debtor is required by an enactment to make a deduction from a payment made to another person and to pay an amount to HMRC on account of that deduction and (b) HMRC credits the payment against any liability of that other person, if the deduction is of a kind specified in secondary legislation. The Insolvency Act 1986 (HMRC Debts: Priority on Insolvency) Regulations 2020 provide that this will apply, with effect from 1 December 2020, to PAYE, Employee NICs, student loan repayment deductions, and Construction Industry Scheme deductions. The Issuer will not have employees, so it is unlikely to have preferential creditors, with the exception of HMRC in respect of certain taxes (for example, value added tax). In addition, section 176A of the Insolvency Act 1986 requires a "prescribed part" (up to a maximum amount of £800,000) of the floating charge realisations available for distribution to be set aside to satisfy the claims of unsecured creditors. Overall, this means that the expenses of any administration, the claims of preferential creditors and the beneficiaries of the prescribed part will be paid out of the proceeds of enforcement of the floating charge ahead of amounts due to Noteholders. The prescribed part will not be relevant to property subject to a valid fixed security interest or to a situation in which there are no unsecured creditors.

Liquidation expenses payable on floating charge realisation will reduce amounts available to satisfy the claims of secured creditors of the Issuer

Prior to the House of Lords' decision in the case of *Re Leyland Daf* [2004] UKHL 9 ("**Re Leyland Daf**"), the general position was that, in a liquidation of a company, the liquidation expenses ranked ahead of unsecured debts and floating chargees' claims. *Re Leyland Daf* reversed this position so that liquidation expenses could no longer be recouped out of assets subject to a floating charge. However, section 176ZA of the Insolvency Act 1986, which came into force on 6 April 2008, effectively reversed by statute the House of Lords' decision in *Re Leyland Daf*. As a result costs and expenses of a liquidation will be payable out of floating charge assets in priority to the claims of the floating chargeholder. In respect of certain litigation expenses of the liquidator only, this is subject to the approval of the amount of such expenses by the floating chargeholder (or, in certain circumstances, the court) pursuant to rules 4.218A to 4.218E of the Insolvency Rules 1986. In general, the reversal of *Re Leyland Daf* applies in respect of all liquidations commenced on or after 6 April 2008.

Therefore, floating charge realisations upon the enforcement of the floating charge security to be granted by the Issuer which would otherwise have been available to the Secured Creditors would be reduced by the amount of all, or a significant proportion of, any liquidation expenses which could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes.

The application of the eligible companies moratorium may limit the ability of the Security Trustee to enforce the Security

Pursuant to the moratorium provisions set out in Part A1 and Schedule ZA1 to the Insolvency Act (inserted by the CIGA 2020), certain "eligible companies" are able to obtain an optional moratorium for an initial period of 20 business days with an ability to extend for a further period of 20 business days without consent and with the possibility of further extensions of up to one year or more with the consent of creditors or permission from the court.

During the moratorium, the directors will remain in full control of the relevant company, with the company being under the supervision of an independent monitor appointed for these purposes. The moratorium will have a similar effect to the moratorium which arises on the making of an administration order, except in relation to the crystallisation of floating charges (that is, a floating charge cannot be crystallised during the moratorium) and it will prevent creditors from taking any steps to enforce security over the company's property, repossessing goods under a hire-purchase agreement, levying distress, commencing or continuing proceedings without the leave of the court and, in the case of a landlord, seeking to forfeit a lease by means of peaceable re-entry. There is no requirement for notice to be given to any person entitled to appoint an administrative receiver prior to the obtaining of the moratorium. However, following 30 September 2020, it will not be possible for a company, which is in administrative receivership, to obtain a moratorium.

Under Schedule ZA1 of the Insolvency Act, a company is "eligible" unless it is excluded from being eligible. Excluded entities as provided for and defined in Schedule ZA1 include, inter alia, certain banks, investment banks and investment firms, securitisation companies and "parties to capital market arrangements". A securitisation company is excluded if it is a company within the meaning of regulation 4 of the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296), which exclusion is expected to extend to the Issuer, although aspects of the relevant provisions are not entirely clear. A company would also be excluded from eligibility for a moratorium if it is party to a capital market arrangement, under which a debt of at least £10,000,000 is incurred and which involves the issue of a capital market investment. The definitions of "capital market arrangement" and "capital market investment" are broad and are such that, in general terms, any company which is a party to an arrangement which involves at least £10,000,000 of debt, the granting of security to a trustee, and the issue of a rated, listed or traded debt instrument, is excluded from being eligible for a moratorium. This exclusion is expected to extend to the Issuer, although aspects of this exclusion are not free from doubt. Furthermore, the Secretary of State may modify the criteria by reference to which a company otherwise eligible for a moratorium is excluded from being so eligible.

The Secretary of State may, by regulation, also modify the qualifications for eligibility of a company for a moratorium and may also modify the present definition of an "eligible" company. Accordingly, the Issuer may, at any given time, come within the ambit of the "eligible" companies provisions, such that the Issuer Obligors may (subject to the exemptions referred to below) be eligible to seek a moratorium.

Accordingly, the provisions described above could limit the ability of the Security Trustee to enforce the Security to the extent that: first, if the Issuer falls within the criteria for eligibility for a moratorium at the time a moratorium is sought; secondly, if the directors of the Issuer seek a moratorium in advance of a company voluntary arrangement; and, thirdly, if the Issuer is considered not to fall within the securitisation companies exception or "parties to capital market arrangements" exception (as expressed or modified at the relevant time) or any other applicable exception at the relevant time; in those circumstances, the enforcement of any of the Security by the Security Trustee will be for a period prohibited by the imposition of the moratorium. In addition, the other effects resulting from the imposition of a moratorium described above may impact the transaction in a manner detrimental to the Noteholders.

Banking Act 2009

The Banking Act 2009 (the "**Banking Act**") includes provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of certain UK incorporated entities, including authorised deposit-taking institutions and investment firms, and powers to take certain resolution actions in respect of third country institutions. In addition, powers may be used in certain circumstances in respect of UK established banking group companies, where such companies are in the same group as a relevant UK or third country institution. Relevant transaction parties for these purposes include the Issuer Account Bank, the Agent Bank, the Registrar, the Paying Agents and the Collection Account Banks.

The tools available under the Banking Act include share and property transfer powers (including powers for partial property transfers), bail-in powers, certain ancillary powers (including powers to modify contractual arrangements in certain circumstances) and special insolvency procedures which may be commenced by the UK authorities. It is possible that the tools described above could be used prior to the point at which an application for insolvency proceedings with respect to a relevant entity could be made and, in certain circumstances, the UK authorities may exercise broad pre-resolution powers in respect of relevant entities with a view to removing impediments to the exercise of the stabilisation tools.

In general, the Banking Act requires the UK authorities to have regard to specified objectives in exercising the powers provided for by the Banking Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial system of the United Kingdom. The Banking Act includes provisions related to compensation in respect of instruments and orders made under it. In general, there is considerable uncertainty about the scope of the powers afforded to UK authorities under the Banking Act and how the authorities may choose to exercise them.

If an instrument or order were to be made under the provisions of the Banking Act currently in force in respect of a relevant entity as described above, such instrument or order may (among other things) affect the ability of such entity to satisfy its obligations under the Transaction Documents and/or result in the cancellation, modification or conversion of certain unsecured liabilities of such entity under the Transaction Documents or other modifications to such documents. In particular, modifications may be made pursuant to powers permitting (i) certain trust arrangements to be removed or modified (ii) contractual arrangements between relevant entities and other parties to be removed, modified or created where considered necessary to enable a transferee in the context of a property or share transfer to operate the transferred business effectively and (iii) in connection with the modification of an unsecured liability through use of the bail-in tool, the discharge of a relevant entity from further performance of its obligations under a contract. In addition, powers may apply to require a relevant instrument or order (and related events) to be disregarded in determining whether certain widely defined "default events" have occurred. As a result, the making of an instrument or order in respect of a relevant entity as described above may affect the ability of the Issuer to meet its obligations in respect of the Notes.

At present, the UK authorities have not made an instrument or order under the Banking Act in respect of a relevant entity referred to above and there has been no indication that it will make any such instrument or order, but there can be no assurance that this will not change and/or that Noteholders will not be adversely affected by any such instrument or order if made. While there is provision for compensation in certain circumstances under the Act, there can be no assurance that Noteholders would recover compensation promptly or that such compensation would be equal to any loss actually incurred.

Lastly, as a result of Directive 2014/59/EU providing for the establishment of an EEA-wide framework for the recovery and resolution of credit institutions and investment firms and any relevant national implementing measures, it is possible that an institution with its head office in an EEA state and/or certain group companies could be subject to certain resolution actions in that other state. Once again,

any such action may affect the ability of any relevant entity to satisfy its obligations under the Transaction Documents and there can be no assurance that Noteholders will not be adversely affected as a result.

Legal considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

UK Taxation treatment of the Issuer

The Issuer has been advised that it should fall within the permanent regime for the taxation of securitisation companies (as introduced by the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (as amended) (the "**Securitisation Tax Regulations**")), and as such should be taxed only on the amount of its "retained profit" (as that term is defined in the Securitisation Tax Regulations), for so long as it satisfies the conditions of the Securitisation Tax Regulations. However, if the Issuer does not satisfy the conditions of the Securitisation Tax Regulations (or subsequently ceases to satisfy those conditions), then the Issuer may be subject to tax liabilities not contemplated in the cash flows for the transaction described in this Prospectus. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in investors receiving less interest and/or principal than expected.

Withholding tax under the Notes

In the event that any withholding or deduction for or on account of any tax is imposed on payments in respect of the Notes, neither the Issuer nor any other person is obliged to gross up or otherwise compensate the Noteholders for such withholding or deduction. However, if it would prevent such withholding or deduction and in accordance with Condition 8.5 (*Mandatory Redemption for Taxation or Other Reasons*), the Issuer will in certain circumstances, appoint a Paying Agent in another jurisdiction or use reasonable endeavours to arrange for the substitution of a company incorporated and/or tax resident in another jurisdiction approved in writing by the Note Trustee as principal debtor under the Notes and the Trust Deed.

Provided that the Notes are and continue to be "listed on a recognised stock exchange" (within the meaning of section 1005 of the Income Tax Act 2007), as at the date of this Prospectus no withholding or deduction for account of United Kingdom income tax will be required on payments of interest of the Notes. However, there can be no assurance that the law will not change during the life of the Notes

The applicability of any withholding or deduction for or on account of United Kingdom tax on payments of interest on the Notes is discussed further under the section entitled "*Taxation – United Kingdom Taxation*".

Effects of the Volcker Rule on the Issuer

The Issuer is relying on an exclusion or exemption under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7). The Issuer is structured so as not to constitute a "covered fund" for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the "**Volcker Rule**"). The Volcker Rule generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their

respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds. The Volcker Rule became effective on 1 April 2014, but was subject to a conformance period for certain funds which concluded on 21 July 2015. Under the Volcker Rule, unless otherwise jointly determined otherwise by specified federal regulators, a "covered fund" does not include an issuer that may rely on an exclusion or exemption from the definition of "investment company" under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act. The general effects of the Volcker Rule remain uncertain. Any prospective investor in the Notes or Residual Certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

Scotland Act 2016

Under the Scotland Act 2016 control of income tax passed to the Scottish Parliament giving it the power to raise or lower the rate of income tax and thresholds for non-dividend and non-savings income of Scottish residents. Whilst these provisions have not had, and are not expected to have, an adverse impact on the Scottish economy or on mortgage origination in Scotland, the increased powers to control income tax (which have now been exercised) could mean that certain taxpayers in Scotland will pay a higher level of tax than borrowers in the same income bracket in England and Wales. The higher and additional rates of tax have both been increased. In addition, the basic rate of tax has also been split into three tiers (a starter rate, a basic rate and an intermediate rate). This may affect some borrowers' ability to pay amounts when due on the mortgage loans originated in Scotland which, in turn, may adversely affect the ability of the Issuer to make payments on the Notes.

Change of Law

The structure of the transaction and, *inter alia*, the issue of the Notes and the ratings which are to be assigned to the Notes are based on the law and administrative practice in effect as at the date of this Prospectus as it affects the parties to the transaction and the Portfolio, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to such law (including any change in regulation which may occur without a change in primary legislation) and practice or tax treatment after the date of this Prospectus nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes. In addition, it should be noted that regulatory requirements (including any applicable retention, due diligence or disclosure obligations) may be recast or amended and there can be no assurance that any such changes will not adversely affect the compliance position of a transaction described in this Prospectus or of any party under any applicable law or regulation.

8. RISKS RELATING TO THE CHARACTERISTICS OF THE NOTES

Registered Definitive Notes and denominations in integral multiples

The Notes have a denomination consisting of a minimum authorised denomination of £100,000 plus higher integral multiples of £1,000. Accordingly, it is possible that the Notes may be traded in amounts in excess of the minimum authorised denomination that are not integral multiples of such denomination. In such a case, if Registered Definitive Notes are required to be issued, a Noteholder who holds a principal amount less than the minimum authorised denomination at the relevant time may not receive a Registered Definitive Note in respect of such holding and may need to purchase a principal amount of Notes such that their holding amounts to the minimum authorised denomination (or another relevant denomination amount).

If Registered Definitive Notes are issued, Noteholders should be aware that Registered Definitive Notes which have a denomination that is not an integral multiple of the minimum authorised denomination may be particularly illiquid and difficult to trade.

Eligibility of the Notes for central bank schemes is subject to the applicable collateral framework criteria and could have an impact on the liquidity of the Notes in general

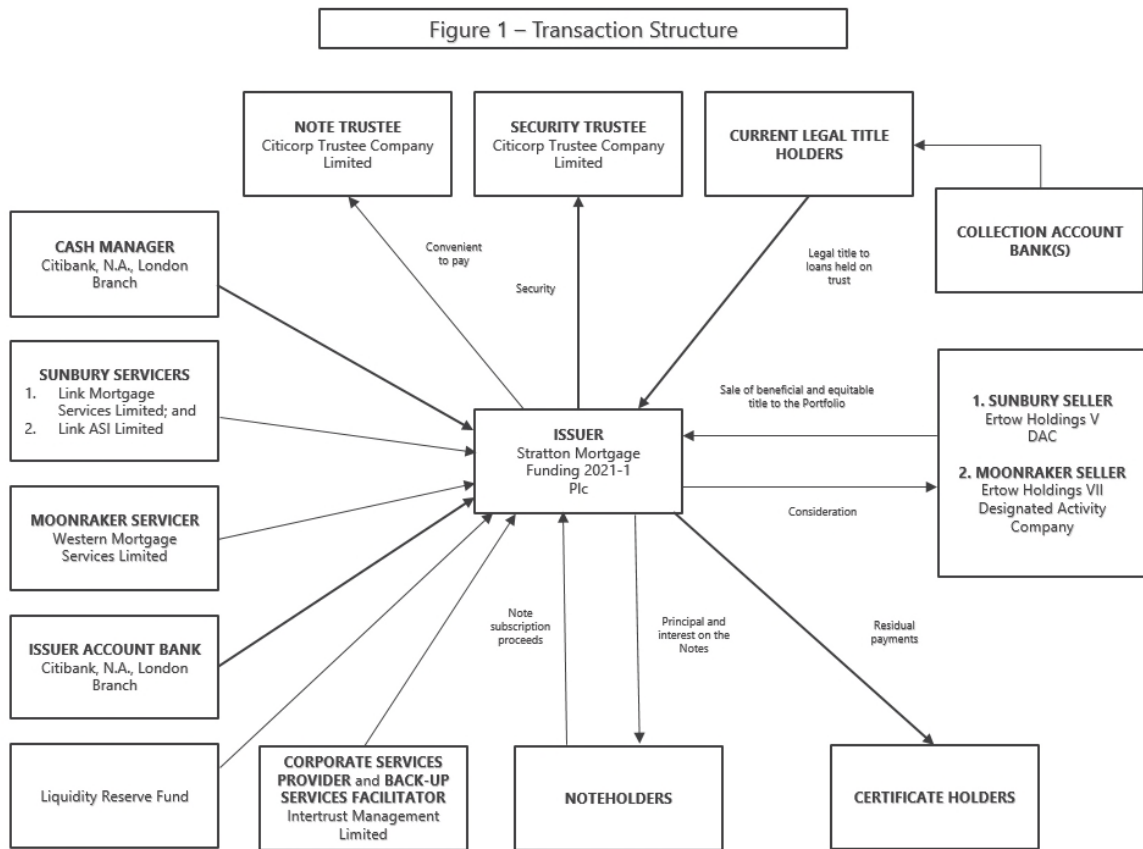
Whilst central bank schemes such as the Bank of England's ("BoE") Discount Window Facility, the Indexed Long-Term Repo Facility and other schemes under its Sterling Monetary Framework, including emergency liquidity operations introduced by central banks in response to a financial crisis or a wide-spread health crisis (such as the COVID-19 pandemic), provide an important source of liquidity in respect of eligible securities, relevant eligibility criteria for eligible collateral apply (and will apply in the future) under such schemes and liquidity operations. The investors should make their own conclusions and seek their own advice with respect to whether or not the Notes constitute eligible collateral for the purposes of any of the central bank liquidity schemes. No assurance is given that any Notes will be eligible for any specific central bank liquidity schemes.

Prospective investors should note that, further to the UK's withdrawal from the EU on 31 December 2020, the Notes will not be able to meet the applicable eligible collateral criteria under the Eurosystem monetary policy framework of the European Central Bank. If the Notes cannot meet the central bank eligibility, it may impact on the liquidity of the Notes and could have an adverse effect on their value.

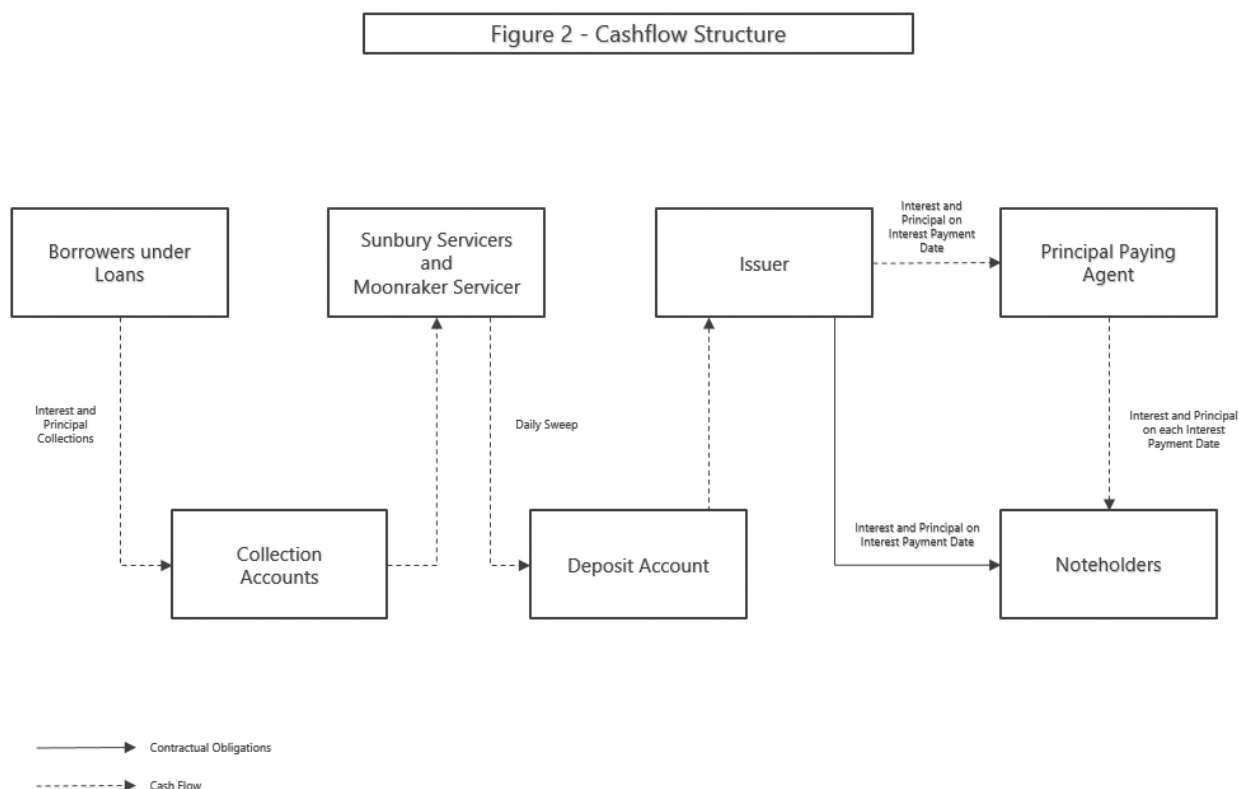
The Issuer believes that the risks described above are the principal risks inherent in the transaction for the Noteholders, but the inability of the Borrowers to pay interest, principal or other amounts on the Loans and consequently the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuers does not represent that the statements above regarding the risks of holding the Notes are exhaustive. Although the Issuer believes that the various structural elements described in the Prospectus lessen some of the risks for the Noteholders, there can be no assurance that these measures will be sufficient to ensure payment to the Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all.

STRUCTURE DIAGRAMS

DIAGRAMMATIC OVERVIEW OF THE TRANSACTION



DIAGRAMMATIC OVERVIEW OF ONGOING CASH FLOWS



The Issuer will purchase the Portfolio on the Closing Date.

On and from the Closing Date, the Borrowers under the Sunbury Loans will pay interest and principal into the Sunbury Collection Accounts. The Sunbury Collection Accounts are held at the Sunbury Collection Account Banks by the Sunbury Legal Title Holders. The Sunbury Legal Title Holders have declared a trust over each Sunbury Collection Account and all amounts in such account in favour of the Issuer.

On and from the Closing Date and before the Moonraker Collection Accounts Opening Date, the Borrowers under the Moonraker Loans will pay interest and principal ("**Moonraker Collection Amounts**") into the Original Moonraker Collection Accounts which are held at the Moonraker Collection Bank by the Moonraker Legal Title Holders. The Moonraker Legal Title Holders also receive collections on other loans into the Original Moonraker Collection Accounts, and so the Moonraker Legal Title Holders have declared a trust over the Moonraker Collection Amounts in favour of the Issuer.

"Moonraker Collection Accounts Opening Date" means the date on which the Moonraker Collection Accounts are open and operational.

"Original Moonraker Collection Accounts" means the collection accounts of the Moonraker Legal Title Holders into which Moonraker Collection Amounts will be paid prior to the Moonraker Collection Accounts Opening Date.

On and from the Moonraker Collection Accounts Opening Date, the Borrowers under the Moonraker Loans will pay interest and principal into the Moonraker Collection Accounts. The Moonraker Collection Accounts will be held at the Moonraker Collection Account Bank by the Moonraker Legal

Title Holders. The Moonraker Legal Title Holders will declare a trust over each Moonraker Collection Account and all amounts in such account in favour of the Issuer.

OWNERSHIP STRUCTURE DIAGRAM OF THE ISSUER

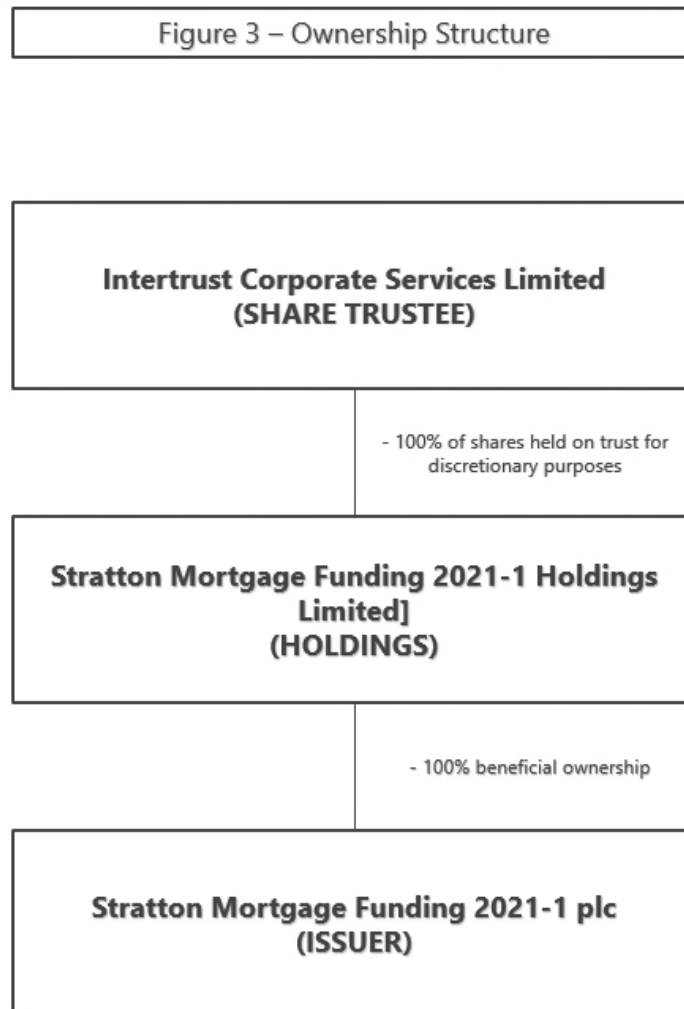


Figure 3 illustrates the ownership structure of the special purpose companies that are parties to the Transaction Documents, as follows:

- The Issuer is a wholly owned subsidiary of Holdings in respect of its beneficial ownership.
- The entire issued share capital of Holdings is held on trust by the Share Trustee under the terms of a trust the benefit of which is expressed to be for discretionary purposes.
- None of the Issuer, Holdings or the Share Trustee is either owned, controlled, managed, directed or instructed, whether directly or indirectly, by either of the Sellers or any member of the group of companies containing the Sellers.

TRANSACTION OVERVIEW – TRANSACTION PARTIES

The information set out below is an overview of the transaction parties. This overview is not purported to be complete and should be read in conjunction with, and is qualified in its entirety by, references to the detailed information presented elsewhere in this Prospectus.

You should read the entire Prospectus carefully, especially the risks of investing in the Notes discussed under "Risk Factors".

Capitalised terms used, but not defined, in certain sections of this Prospectus, including this overview, may be found in other sections of this Prospectus, unless otherwise stated. An index of defined terms is set out at the end of this Prospectus.

Details of the Originators have (for ease of reference) been set out in this Section. However, the Originators are not Transaction Parties.

Party	Name	Address	Document under which appointed/Further Information
"Issuer"	Stratton Mortgage Funding 2021-1 plc	1 Bartholomew Lane, London, United Kingdom, EC2N 2AX	See the section entitled " <i>The Issuer</i> " for further information.
"Holdings"	Stratton Mortgage Funding 2021-1 Holdings Limited	1 Bartholomew Lane, London, United Kingdom, EC2N 2AX	See the section entitled " <i>Holdings</i> " for further information.
"Sunbury Seller"	Ertow Holdings V Designated Activity Company	5th Floor, The Exchange, George's Dock, IFSC, Dublin 1, D01 W3P9, Ireland	See the sections entitled " <i>Summary of the Key Transaction Documents – Mortgage Sale Agreement</i> " and " <i>The Sunbury Seller</i> " for further information.
"Moonraker Seller"	Ertow Holdings VII Designated Activity Company	5th Floor, The Exchange, George's Dock, IFSC, Dublin 1, D01 W3P9, Ireland	See the sections entitled " <i>Summary of the Key Transaction Documents – Mortgage Sale Agreement</i> " and " <i>The Moonraker Seller</i> " for further information.
"Retention Holder"	Burlington Loan Management Designated Activity Company	5th Floor, The Exchange, George's Dock, IFSC, Dublin 1, D01 W3P9, Ireland	See the section entitled " <i>The Retention Holder</i> " for more information.
"Sunbury Servicers"	1. Link Mortgage Services Limited	6th Floor 65 Gresham Street, London, United Kingdom, EC2V 7NQ	Sunbury Servicing Agreement between, amongst others, the Issuer, the Security Trustee and Sunbury

Party	Name	Address	Document under which appointed/Further Information
	2. Link ASI Limited	Block C, Maynooth Business Campus, Maynooth, Co. Kildare, W23F854	Legal Title Holders. See the section entitled " <i>Summary of the Key Transaction Documents – Sunbury Servicing Agreement</i> " and " <i>The LASI Servicer</i> " and " <i>The LMSL Servicer</i> " for further information.
"Moonraker Servicer"	Western Mortgage Services Limited	65 Gresham Street, London, EC2V 7NQ	Moonraker Servicing Agreement between, amongst others, the Issuer, the Security Trustee, the Moonraker Legal Title Holders and the Moonraker Servicer. See the section entitled " <i>Summary of the Key Transaction Documents – Moonraker Servicing Agreement</i> " and " <i>The Moonraker Servicer</i> " for further information.
"Sunbury Legal Title Holders"	1. Stratton Resolutions Limited; and 2. Link ASI Limited	1 Bartholomew Lane, London EC2N 2AX Block C, Maynooth Business Campus, Maynooth, Co. Kildare, W23F854, Ireland	The Sunbury Servicing Agreement and the Sunbury LASI Declaration of Trust. See the section entitled " <i>Summary of the Key Transaction Documents – Sunbury Servicing Agreement</i> ", " <i>Sunbury LASI Legal Title Holder</i> " and " <i>Sunbury SRL Legal Title Holder</i> " for further information.
"Moonraker Legal Title Holders"	1. The Co-Operative Bank P.L.C. 2. Mortgage Agency Services Number Two Limited	1 Balloon Street, Manchester M60 4EP 1 Balloon Street, Manchester M60 4EP	The Moonraker Servicing Agreement and the Moonraker Legal Title Holder Deed. See the sections entitled " <i>Summary of the Key Transaction Documents</i> " –

Party	Name	Address	Document under which appointed/Further Information	
	3. Mortgage Agency Services Number Four Limited	1 Balloon Street, Manchester M60 4EP	<p><i>"Moonraker Servicing Agreement", "Summary of the Key Transaction Documents – Moonraker Legal Title Holder Deed" and "The Moonraker Legal Title Holders" for further information.</i></p>	
	4. Mortgage Agency Services Number Five Limited	1 Balloon Street, Manchester M60 4EP		
	5. Mortgage Agency Services Number Six Limited	1 Balloon Street, Manchester M60 4EP		
	6. Platform Funding Limited	1 Balloon Street, Manchester M60 4EP		
"Back-Up Servicer Facilitator"	Intertrust Management Limited	1 Bartholomew Lane, London EC2N 2AX London, EC3A 6AP		<p>The Sunbury Servicing Agreement and the Moonraker Servicing Agreement. See the sections entitled <i>"Summary of the Key Transaction Documents – Sunbury Servicing Agreement"</i> and <i>"Summary of the Key Transaction Documents – Moonraker Servicing Agreement"</i> for further information.</p>
"Cash Manager"	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.		<p>Cash Management Agreement between, <i>inter alios</i>, the Issuer. See the sections entitled <i>"Summary of the Key Transaction Documents – Cash Management Agreement"</i> and <i>"The Cash Manager, Issuer Account Bank, Paying Agent and Agent Bank"</i> for further information.</p>
"Issuer Bank"	Account Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.	<p>The Bank Account Agreement between, amongst others, the Issuer, the Issuer</p>	

Party	Name	Address	Document under which appointed/Further Information
"Sunbury Collection Bank"	SRL Account NatWest Bank plc	9 th Floor, 250 Bishopsgate, London, EC2M 4AA	Account Bank and the Security Trustee. See the sections entitled " <i>Summary of the Key Transaction Documents – The Bank Account Agreement</i> " and " <i>The Cash Manager, Issuer Account Bank, Paying Agent and Agent Bank</i> " for further information. The Sunbury SRL Collection Accounts Declarations of Trust. See the section titled " <i>The Sunbury SRL Collection Account Bank</i> " for further information.
"Sunbury Collection Bank"	LASI Account Barclays Bank PLC	One Churchill Place, London E14 5HP	The Sunbury LASI Collection Account Agreement. See the section titled " <i>The Sunbury LASI Collection Account Bank</i> " for further information.
"Moonraker Collection Bank"	Account NatWest Bank plc	9 th Floor, 250 Bishopsgate, London, EC2M 4AA	The Moonraker Collection Account Declarations of Trust. See the section titled " <i>The Moonraker Collection Account Bank</i> " for further information.
"Security Trustee"	Citicorp Trustee Company Limited	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.	Deed of Charge. See the sections entitled " <i>Terms and Conditions of the Notes</i> " and " <i>The Note Trustee and Security Trustee</i> " for further information.
"Note Trustee"	Citicorp Trustee Company Limited	Citigroup Centre, Canada Square,	Trust Deed. See the sections entitled " <i>Terms and Conditions of the Notes</i> " and " <i>The</i>

Party	Name	Address	Document under which appointed/Further Information
		Canary Wharf, London E14 5LB.	Note Trustee and Security Trustee" for further information.
"Principal Agent" and "Bank"	Paying Agent Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.	Agency Agreement between, amongst others, the Issuer. See the section entitled " <i>Terms and Conditions of the Notes</i> " for further information.
"Registrar"	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.	In respect of the Notes and Residual Certificates, the Agency Agreement, by the Issuer. See the section entitled " <i>Terms and Conditions of the Notes</i> " for further information.
"Corporate Services Provider"	Intertrust Management Limited	1 Bartholomew Lane, London EC2N 2AX London, EC3A 6AP	Corporate Services Agreement by the Issuer and Holdings. See the section entitled " <i>The Corporate Services Provider</i> " for further information.
"Share Trustee"	Intertrust Corporate Services Limited	1 Bartholomew Lane, London EC2N 2AX London EC3A 6AP	Share Trust Deed by the Share Trustee.
"Arranger"	Merrill Lynch International	2 King Edward Street London EC1A 1HQ	Subscription Agreement. See the section entitled " <i>Subscription and Sale</i> " for further information.
"Lead Manager"	Merrill Lynch International	2 King Edward Street London EC1A 1HQ	Subscription Agreement. See the section entitled " <i>Subscription and Sale</i> " for further information.

TRANSACTION OVERVIEW – PORTFOLIO AND SERVICING

Please refer to the sections entitled "Summary of the Key Transaction Documents – Mortgage Sale Agreement", "Summary of the Key Transaction Documents – Sunbury Servicing Agreement", "Summary of the Key Transaction Documents – Moonraker Servicing Agreement" "Characteristics of the Provisional Portfolio" and "The Loans" for further detail in respect of the characteristics of the Portfolio and the sale and the servicing arrangements in respect of the Portfolio.

Sale of Portfolio: The Portfolio will consist of: (i) Loans and their Related Security which will be sold by the Sunbury Seller; and (ii) Loans and their Related Security which will be sold by the Moonraker Seller, to the Issuer on the Closing Date pursuant to the Mortgage Sale Agreement.

The Loans and their Related Security are governed by English law, Scots law, the laws of Northern Ireland or Isle of Man law (as applicable).

The Loans have been originated by the Originators and the equitable and beneficial and/or contractual title and interest to the Loans and their Related Security has (prior to the sale thereof to the Issuer pursuant to the terms of the Mortgage Sale Agreement), been acquired by: (i) the Sunbury Seller from Stratton Finance II Limited under the Original Sunbury Seller Mortgage Sale Agreement; and (ii) the Moonraker Seller from the Original Moonraker Sellers under the Original Moonraker Seller Mortgage Sale Agreement.

On the Closing Date, the Sunbury Legal Title Holders will hold legal title to the Sunbury Loans on trust for the Issuer and the Moonraker Legal Title Holders will hold legal title to the Moonraker Loans on trust for the Issuer (including in each case pursuant to each Scottish Declaration of Trust).

The sale of the beneficial interest in each Scottish Loan and its Related Security in the Portfolio by the Sellers to the Issuer will be given effect by each Scottish Declaration of Trust granted by the Legal Title Holders in favour of the Issuer at the direction and request of the Sellers on the Closing Date following the release of such Scottish Loans and their Related Security from any existing Scottish trusts, which release is given effect under the terms of and pursuant to the separate deed of cancellation, release and termination entered into by, among others, Stratton Finance II Limited.

The terms "**sale**", "**sell**" and "**sold**" when used in this Prospectus in connection with the Loans and their Related Security shall be construed to mean each such creation of an equitable interest and such equitable assignment and the beneficial interest created under and pursuant to a Scottish Declaration of Trust, as applicable. The terms "**repurchase**" and "**repurchased**" when used in this Prospectus in connection with a Loan and its Related Security shall be construed to include (A) the repurchase of the beneficial interest of the Issuer in respect of such Loan and its Related Security (to the extent that it is an English Loan or a Northern Irish Loan or an Isle of Man Loan) and the repurchase of the beneficial interest in respect of such Loan and its Related Security (to the extent that it is a Scottish Loan) under a Scottish Declaration of Trust and the release of such Loan and its Related Security from that Scottish Declaration of Trust and (B) the purchase by the relevant Seller of such Loan and its Related Security from the Issuer pursuant to the terms of the Mortgage Sale Agreement.

Prior to the occurrence of a Perfection Event as set out below, notice of the sale to the Issuer of the Loans and their Related Security comprising the Portfolio will not be given to the Borrowers by or on behalf of the Issuer and the Issuer will not apply to the Land Registry of England, Land Registers of Northern Ireland or the Registers of Scotland to register or record its equitable or beneficial interest in the English Mortgages and the Northern Irish Mortgages or take any steps to complete or perfect its title to the Scottish Mortgages. Prior to the occurrence of a Perfection Event, the legal title to each Loan and its Related Security in the Portfolio will be held by the Sunbury Legal Title Holders or the Moonraker Legal Title Holders (as applicable) (the "**Legal Title Holders**") on bare trust for the Issuer (including, in respect of a Scottish Loan and related Scottish Mortgage, under and pursuant to a Scottish Declaration of Trust). Following a Perfection Event and notice of the transfer of the Loans and their Related Security to the Issuer being sent to the relevant Borrowers, legal title to the Loans and their Related Security (subject to appropriate registration or recording at the Land Registry of England, Land Registers of Northern Ireland or the Registers of Scotland (as appropriate)) will pass to the Issuer.

Features of the Loans: Except as otherwise indicated, the following is a summary of certain features of the Loans comprising the Provisional Portfolio determined by reference to the features of each loan in the Provisional Portfolio as at the Portfolio Reference Date and investors should refer to, and carefully consider, further details in respect of the Loans set out in the sections of this Prospectus entitled "*The Loans*" and "*Characteristics of the Provisional Portfolio*". The Loans comprise loans to non-conforming Borrowers and are secured by first priority charges or (in Scotland) first ranking standard securities over freehold, heritable and leasehold properties in England, Wales, Northern Ireland or Scotland.

Type of Borrower	Non-conforming and buy to let
Type of mortgage	Repayment, interest-only, part and part
Self-Certified Loans	37.61 per cent. by aggregate Current Balance, with no data held on 1.88 per cent. by aggregate Current Balance
Buy to let	36.66 per cent. by aggregate Current Balance
Flexible Loans	0.49 per cent. by aggregate Current Balance
Number of loans in the Provisional Portfolio	3,593
Current Balance	£ 444,728,577.79
	Weighted Average

Current LTV	78.66%
Seasoning (years)	13.89 years
Remaining Term (years)	8.75 years
Indexed Current LTV	57.49% ²
Maximum Mortgage Loan Maturity Date	15 July 2046

Consideration: *Sunbury*

The consideration from the Issuer to the Sunbury Seller in respect of the sale of the Sunbury Portfolio shall be: (a) the Sunbury initial consideration in an amount equal to £307,737,545.10 which is due and payable on the Closing Date (the "**Sunbury Initial Consideration**"); and (b) deferred consideration consisting of the relevant proportion of Residual Payments in respect of the Portfolio payable to the Sunbury Seller pursuant to the applicable Priority of Payments, the right to such Residual Payments being represented by the relevant proportion of Residual Certificates to be issued by the Issuer and delivered to the Sunbury Seller on the Closing Date

Moonraker

The consideration from the Issuer to the Moonraker Seller in respect of the sale of the Moonraker Portfolio shall be: (a) the Moonraker initial consideration in an amount equal to £132,105,950.54 which is due and payable on the Closing Date (the "**Moonraker Initial Consideration**") and together with the Sunbury Initial Consideration, the "**Initial Consideration**"; (b) in relation to any Flexible Drawings, the payment of any amounts equal to any Flexible Drawing Amount payable on the relevant Drawings Date (or any Interest Payment Date thereafter) as consideration for the Issuer's purchase from the Moonraker Seller of such Flexible Drawing in accordance with the Mortgage Sale Agreement; and (c) deferred consideration consisting of the relevant proportion of Residual Payments in respect of the Portfolio payable to the Moonraker Seller pursuant to the applicable Priority of Payments, the right to such Residual Payments being represented by the proportion of Residual Certificates to be issued by the Issuer and delivered to the Moonraker Seller on the Closing Date.

Certificateholders: Any Residual Payment will be paid to the Certificateholders in accordance with the Pre-Enforcement Revenue Priority of Payments or, if applicable, the Post-Enforcement Priority of Payments.

² Indexation calculated using Nationwide House Price Index as of 30 September 2020 (regional quarterly indices, non-seasonally adjusted)

Representations and Warranties:

The Sunbury Seller will make certain Loan Warranties regarding the Loans and Related Security to the Issuer in relation to the Loans and their Related Security comprised in the Sunbury Portfolio and the Moonraker Seller will make certain Loan Warranties regarding the Loans and Related Security to the Issuer in relation to the Loans and their Related Security comprised in the Moonraker Portfolio.

In addition to representations and warranties in respect of the legal nature of the Loans and their Related Security, there are also asset Loan Warranties which include the following:

- (i) In relation to the Sunbury Loans:
 - (A) Each Property is situated in England, Wales, Scotland and Northern Ireland;
 - (B) No Sunbury Loan contains an obligation which remains to be performed to make any Further Advance to or to permit re-drawings by any Borrower;
 - (C) Each Sunbury Loan is denominated in, and all amounts in respect of such Sunbury Loan are payable only in sterling or euros (as applicable) and may not be changed by the relevant Borrower to any other currency;
 - (D) Each Sunbury Loan and its Related Security was made on and remains on materially the same terms as are set out in the Standard Documentation or, where there have been any changes to those terms, those changes would otherwise have been acceptable to a Reasonable, Prudent Residential Mortgage Lender; and
 - (E) The Sunbury Seller has not received and is not aware of any written complaint or notice of any litigation or claim (including, without limitation, forfeiture proceedings) brought by any Borrower or by a third party relating to any Sunbury Loan or Property.
- (ii) In relation to each PFL Loan in the Moonraker Portfolio:
 - (A) all of the Borrowers are individuals;
 - (B) other than in relation to any Moonraker Seller's obligation to advance or permit the making of Flexible Drawings, there are no outstanding obligations on the Moonraker Seller to make any Further Advances to any Borrower;
 - (C) all of the Properties are residential and located in England, Wales, Scotland or Northern Ireland; and
 - (D) as at the date of the Mortgage Sale Agreement the Moonraker Seller has not received written notice and are not aware of any litigation or claim which may have a

material adverse effect on the Moonraker Seller's title to any PFL Loan or Related Security.

- (iii) In relation to each Non-PFL Loan in the Moonraker Portfolio:
 - (A) all of the Borrowers are individuals;
 - (B) there are no outstanding obligations on the Moonraker Seller or the Moonraker Legal Title Holders to make any Further Advances to any Borrower;
 - (C) no Non-PFL Loan is currently repayable in a currency other than Sterling;
 - (D) the original advance being made under each Non-PFL Loan was less than £1,100,000;
 - (E) all of the Properties are residential properties and located in England and Wales, Scotland and Northern Ireland; and
 - (F) the Original Moonraker Seller has not and, as far as the Moonraker Seller is aware, none of MAS2, MAS4, MAS5 or MAS6, as applicable or the Non-PFL Originators had received written notice and are not aware of any litigation or claim which may have a material adverse effect on the Moonraker Seller's title to any Non-PFL Loan or Related Security.

See the section entitled "*Summary of the Key Transaction Documents – Mortgage Sale Agreement – Representations and Warranties*" for further details.

Repurchase of the Loans and Related Security:

Each Seller is liable for the repurchase of the relevant Loans and their Related Security upon a material breach of Loan Warranties by such Seller (which such Seller fails to remedy within the agreed grace period) or make an indemnity payment in lieu of such repurchase in accordance with the terms of the Mortgage Sale Agreement. Neither Seller shall have a liability for a material breach of a Loan Warranty other than the obligation to repurchase (or make an indemnity payment in lieu of repurchase) in accordance with the terms of the Mortgage Sale Agreement and, assuming the Issuer was entitled to claim for damages as a direct consequence of a breach of the Loan Warranty, no claim by the Issuer for breach of a Loan Warranty under the Mortgage Sale Agreement may be made unless:

- (a) in relation to each Loan the amount of such loss suffered by the Issuer would be more than £5,000; and
- (b) (in relation to the first claim) the loss suffered by the Issuer for all breaches of warranty in relation to all the Loans in the Portfolio would exceed £500,000 in aggregate PROVIDED that once such aggregate threshold has been reached, a claim for breach of a Loan Warranty may be made in relation to each Loan where the loss exceeds the threshold referred to in paragraph (a) above, and in which case the Sellers shall be liable for their respective share of the total loss (being,

for the avoidance of doubt, £500,000 plus any amount in excess thereof).

If and to the extent that any determination shall be made by any court or other competent authority or any ombudsman or regulator that:

- (a) any term which relates to the recovery of interest under the Standard Documentation applicable to a Loan and its Related Security is unfair;
- (b) the Standard Variable Rate or any other discretionary interest rate or margin payable under any Loan (subject to any applicable caps, discounts and fixed rates) may not be set by the relevant Legal Title Holder, any successors or assigns of the relevant Legal Title Holder, any person holding legal title as bare trustee for the Issuer or those deriving title from the Issuer or such holder of legal title; or
- (c) there has been any breach of or non-observance or non-compliance with any obligation, undertaking, covenant or condition on the part of the Sellers, the Originators or the relevant Legal Title Holder relating to the interest payable by or applicable to a Borrower under any Loan,

and such determination results in the relevant Loan (or any terms thereof relating to the obligations of the relevant Borrower to make payment of principal or interest in respect of the relevant Loan or the security granted in respect of the relevant Loan) being unenforceable, non-binding upon the relevant Borrower or has a material adverse effect on the enforceability of such Loan or its Related Security, then, as soon as reasonably practicable after the receipt by the Issuer of a notification that a determination has been made under paragraph (a) or (b) or (c) above, the Issuer will serve upon the relevant Seller notice requiring such Seller to repurchase the relevant Loan and its Related Security in accordance with the terms of the Mortgage Sale Agreement.

The relevant Seller shall have no obligation to repurchase any Loans in breach of any Loan Warranty or in respect of which legal proceedings have been determined in accordance with the immediately preceding paragraph, or make any payment in lieu of such repurchase unless the Issuer has given such Seller notice of the event giving rise to the obligation to repurchase before the Optional Redemption Date.

Consideration for repurchase: Where a Seller is required to repurchase an affected Loan and its Related Security, the consideration payable by the relevant Seller shall be equal to the Outstanding Principal Balance of such Loan on the relevant date of any such repurchase, plus the Issuer's costs and expenses (if any) associated with the transfer of such Loan and its Related Security to the relevant Seller. See the section entitled "*Summary of the Key Transaction Documents – Repurchase by the Seller – Repurchase price*" for further information.

Payment in lieu of repurchase: The relevant Seller may in lieu of the repurchase, at the option of such Seller, elect to make an indemnity payment to the Issuer in respect of the affected Loan. If the relevant Seller makes such an election, instead of effecting a repurchase of the relevant Loan, it shall indemnify on an after-tax basis and keep indemnified the Issuer against all Liabilities relating to the breach of Loan Warranty, provided that any Liabilities of the Issuer in relation to any

Loan shall not exceed the amount that would have been payable by the relevant Seller if it had repurchased the Loan and its Related Security.

Perfection Events and transfer of legal title to the Issuer: Prior to the completion of the transfer of legal title of the Loans and their Related Security to the Issuer (which will only take place on the occurrence of certain Perfection Events), legal title of the Loans and their Related Security will remain with the relevant Legal Title Holders and the Issuer will hold only the equitable title or, in relation to any Scottish Loans and their Related Security, the beneficial interest in those Loans and their Related Security pursuant to a Scottish Declaration of Trust and will therefore be subject to certain risks as set out in the risk factor entitled "*Legal Title Holders to retain legal title to the Loans and risks relating to set-off*" in the section entitled "*Risk Factors*".

Pursuant to the Servicing Documents, prior to the completion of the transfer of legal title of the Loans and their Related Security to the Issuer, the relevant Legal Title Holder will hold the legal title to the Loans and their Related Security in the Portfolio (but excluding any Loan and its Related Security which has been repurchased by the Sellers) on bare trust for the Issuer (including, in respect of the Scottish Loans, pursuant to a Scottish Declaration of Trust).

See "*Perfection Events*" in the section entitled "*Transaction Overview – Triggers Tables – Non-Rating Triggers Table*".

Servicing of the Portfolio: Each of the Sunbury Servicers and the Moonraker Servicer will, pursuant to the relevant Servicing Agreement, service the Loans to be sold to the Issuer and their Related Security on behalf of the Issuer and, where applicable, the relevant Legal Title Holders. Following the service of an Enforcement Notice, the relevant Servicer shall act at the direction of the Security Trustee. The appointment of a Servicer may be terminated by the Issuer and/or the Security Trustee if any relevant Servicer Termination Event occurs and is continuing (see "*Sunbury Servicer Termination Events*" and "*Moonraker Servicer Termination Events*" in the "*Transaction Overview – Triggers Tables – Non-Rating Triggers Table*").

Back-Up Servicer Facilitator The Back-Up Servicer Facilitator will agree to promptly, on a default by the Servicer, use its reasonable endeavours to identify (on behalf of the Issuer) a suitable back-up or replacement servicer (as the case may be) to act as back-up servicer or replacement servicer.

Option Holder may exercise the Call Option: Pursuant to the Call Option, the Option Holder may, pursuant to and subject to the terms of the Deed Poll, require the Issuer to:

- (a) sell and transfer to a Beneficial Title Transferee the beneficial title to all (but not some) of the Loans and their Related Security comprising the Portfolio in consideration for the Optional Purchase Price; and
- (b) transfer the legal title to all (but not some) of the Loans and their Related Security comprising the Portfolio, or if, at the time the Call Option is exercised, the Issuer does not hold legal title, the right to require the Issuer to procure that the relevant Legal Title Holder transfers legal title, to a Legal Title Transferee,

on any Business Day falling on or after (i) the Collection Period End Date immediately preceding the Optional Redemption Date, (ii) any Collection Period End Date on which the aggregate Outstanding Principal Balance of the Loans (excluding any Enforced Loans) was equal to or less than 10 per cent. of the aggregate Outstanding Principal Balance of the Loans comprising the Portfolio on the Portfolio Reference Date or (iii) a change in tax law that results in the Issuer being required to make a deduction or withholding for or on account of tax or the occurrence of certain illegality events.

If the Call Option has not been exercised on or prior to the Optional Redemption Date, the Corporate Services Provider shall, on behalf of the Issuer, and each Legal Title Holder (in its capacity as trustee under each Scottish Declaration of Trust), use all reasonable endeavours to appoint a Liquidation Agent who will assist the Issuer in the sale of (i) the beneficial title and (ii) the right to require the Legal Title Holders to transfer the legal title, to all (but not some) of the Loans and their Related Security comprising the Portfolio to the Winning Bidder or its nominee. The Issuer shall redeem all of the Notes on the Interest Payment Date falling on or immediately following the date on which the sale of the Loans and their Related Security comprising the Portfolio to the Winning Bidder occurs.

See the section entitled "*Early Redemption of the Notes pursuant to the Call Option, the Risk Retention Regulatory Change Option, the Refinancing Call Option or Market Sale – Call Option*".

Purchase of Portfolio pursuant to Risk Retention Regulatory Change Option

Pursuant to the Risk Retention Letter, on any Business Day following the occurrence of a Risk Retention Regulatory Change Event (and subject to two directors of the Retention Holder certifying in writing to the Security Trustee that a Risk Retention Regulatory Change Event has occurred, upon which certificate the Security Trustee shall be entitled to rely absolutely without liability to any person for so doing), the Retention Holder has the benefit of the Risk Retention Regulatory Change Option to require the Issuer to:

- (a) sell and transfer to the Retention Holder or its nominee (specified as such in the Risk Retention Regulatory Change Option Exercise Notice) the beneficial title to the Loans and their Related Security comprising the Portfolio;
- (b) transfer to the Retention Holder the right to have legal title to the Loans and their Related Security comprising the Portfolio and their Related Security; and
- (c) direct that the relevant Legal Title Holder transfers legal title to the Loans and their Related Security comprising the Portfolio to the Retention Holder or its nominee (specified as such in the Risk Retention Regulatory Change Option Exercise Notice) in accordance with and subject to the terms of the relevant Servicing Agreement on the Risk Retention Regulatory Change Option Date,

in each case subject to the terms of the Risk Retention Letter.

See the section entitled "*Early Redemption of the Notes pursuant to the Call Option, the Risk Retention Regulatory Change Option, the Refinancing Call*".

Option or Market Sale – Risk Retention Regulatory Change Option" for further details.

TRANSACTION OVERVIEW – OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES

Please refer to the section entitled "Terms and Conditions of the Notes" for further detail in respect of the terms of the Notes.

FULL CAPITAL STRUCTURE OF THE NOTES

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class X1 Notes	Class X2 Notes	Class Z1 Notes	Class Z2 Notes	Residual Certificates
Principal Amount:	£340,650,000	£28,500,000	£24,200,000	£22,000,000	£8,800,000	£6,600,000	£2,200,000	£15,400,000	£8,310,000	N/A
Credit enhancement features:	Overcollateralisation funded by the Notes (other than the Class A Notes, the Class X Notes and the Class Z2 Notes), Available Revenue Receipts remaining after payment of interest on Class A Notes and all other amounts ranking in priority thereto; Liquidity Reserve Fund Excess Amounts; on and after the Optional Redemption Date, Available Revenue Receipts to be applied at item (p) in the Pre-Enforcement Revenue Priority of Payments as Available Redemption Receipts; on the Optional Redemption Date, following service of an Enforcement Notice or on the Final Redemption Date, all amounts standing to the credit of the Liquidity Reserve Fund as Available Redemption Receipts	Overcollateralisation funded by the Notes (other than the Class A Notes, the Class B Notes, the Class X Notes and the Class Z2 Notes) and Available Revenue Receipts remaining after payment of interest due in respect of the Class B Notes and all other amounts ranking in priority thereto; Liquidity Reserve Fund Excess Amounts; on and after the Optional Redemption Date, Available Revenue Receipts to be applied at item (p) in the Pre-Enforcement Revenue Priority of Payments as Available Redemption Receipts; on the Optional Redemption Date, following service of an Enforcement Notice, or on the Final Redemption Date, all amounts standing to the credit of the Liquidity Reserve Fund as Available Redemption Receipts	Overcollateralisation funded by the Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class X Notes and the Class Z2 Notes) and Available Revenue Receipts remaining after payment of interest due in respect of the Class C Notes and all other amounts ranking in priority thereto; Liquidity Reserve Fund Excess Amounts; on and after the Optional Redemption Date, Available Revenue Receipts to be applied at item (p) in the Pre-Enforcement Revenue Priority of Payments as Available Redemption Receipts; and on the Optional Redemption Date, following service of an Enforcement Notice, or on the Final Redemption Date, all amounts standing to the credit of the Liquidity Reserve Fund as Available Redemption Receipts	Overcollateralisation funded by the Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class X Notes and the Class Z2 Notes) and Available Revenue Receipts remaining after payment of interest due in respect of the Class D Notes and all other amounts ranking in priority thereto; Liquidity Reserve Fund Excess Amounts; on and after the Optional Redemption Date, Available Revenue Receipts to be applied at item (p) in the Pre-Enforcement Revenue Priority of Payments as Available Redemption Receipts; and on the Optional Redemption Date, following service of an Enforcement Notice or on the Final Redemption Date all amounts standing to the credit of the Liquidity Reserve Fund as Available Redemption Receipts	Overcollateralisation funded by the Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class E Notes, the Class X Notes and the Class Z2 Notes) and Available Revenue Receipts remaining after payment of interest due in respect of the Class E Notes and all other amounts ranking in priority thereto; Liquidity Reserve Fund Excess Amounts; on and after the Optional Redemption Date, Available Revenue Receipts to be applied at item (p) in the Pre-Enforcement Revenue Priority of Payments as Available Redemption Receipts; and on the Optional Redemption Date, following the service of an Enforcement Notice or on the Final Redemption Date, all amounts standing to the credit of the Liquidity Reserve Fund as Available	The cumulative excess (if any) accumulating from the Closing Date until the Optional Redemption Date of Available Revenue Receipts after providing for items (a) to (r) of the Pre-Enforcement Revenue Priority of Payments; and following the service of an Enforcement Notice, all amounts standing to the credit of the Liquidity Reserve Fund as Available Redemption Receipts	The cumulative excess (if any) accumulating from the Closing Date until the Optional Redemption Date of Available Revenue Receipts after providing for items (a) to (s) of the Pre-Enforcement Revenue Priority of Payments; and following the service of an Enforcement Notice, all amounts standing to the credit of the Liquidity Reserve Fund as Available Redemption Receipts.	Liquidity Reserve Fund Excess Amounts; on and after the Optional Redemption Date, Available Revenue Receipts to be applied at item (p) in the Pre-Enforcement Revenue Priority of Payments as Available Redemption Receipts; and on the Class D Note Redemption Date, the Optional Redemption Date, following the delivery of an Enforcement Notice or on the Final Redemption Date, amounts standing to the credit of the Liquidity Reserve Fund as Available Redemption Receipts	NA	

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class X1 Notes	Class X2 Notes	Class Z1 Notes	Class Z2 Notes	Residual Certificates
					Redemption Receipts					
Liquidity support features	Subordination in payment of interest of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Residual Certificates, Available Redemption Receipts applied as Principal Addition Amounts to provide for any Revenue Deficits and the availability of amounts credited to the Liquidity Reserve Fund	Subordination in payment of the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Residual Certificates, Available Redemption Receipts applied as Principal Addition Amounts to conditionally provide for any Revenue Deficits and the conditional availability of amounts credited to the Liquidity Reserve Fund	Subordination in payment of the Class D Notes, the Class E Notes, the Class X Notes and the Residual Certificates, Available Redemption Receipts applied as Principal Addition Amounts to conditionally provide for any Revenue Deficits and the conditional availability of amounts credited to the Liquidity Reserve Fund	Subordination in payment of the Class E Notes and the Class X Notes and the Residual Certificates, Available Redemption Receipts applied as Principal Addition Amounts to conditionally provide for any Revenue Deficits and the conditional availability of amounts credited to the Liquidity Reserve Fund	Subordination in payment of the Class X Notes and the Residual Certificates, Available Redemption Receipts applied as Principal Addition Amounts to conditionally provide for any Revenue Deficits	Subordination in payment of the Class X2 Notes and the Residual Certificates	Subordination in payment of the Residual Certificates	N/A		N/A
Issue Price:	99.9247	99.6954	99.8483	100.0000	99.7022	27.6172	20.0000	100.0000	100.0000	N/A
Reference Rate:*	SONIA	SONIA (capped at 8%)	SONIA (capped at 8%)	SONIA (capped at 8%)	SONIA (capped at 8%)	SONIA (capped at 8%)	SONIA (capped at 8%)	N/A	N/A	N/A
Margin*:	0.85% per annum	1.40% per annum	1.70% per annum	2.10% per annum	2.75% per annum	4.00% per annum	4.00% per annum	N/A	N/A	N/A
Step-Up Margin (from the Optional Redemption Date):	1.700% per annum	2.100% per annum	2.550% per annum	3.150% per annum	4.125% per annum	N/A	N/A	N/A	N/A	N/A
Interest Accrual Method:	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	N/A	N/A	N/A
Interest Payment Dates:	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year	25th day of March, June, September and December in each year
First Interest Payment Date:	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021	The Interest Payment Date falling in June 2021
Final Maturity Date:	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051	The Interest Payment Date falling in September 2051
Optional Redemption Date:	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024	The Interest Payment Date falling in March 2024
Application for Exchange Listing:	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	N/A
ISIN:	XS2295993724	XS2295994292	XS2295994532	XS2295995000	XS2295995695	XS2295997121	XS2295997394	XS2295996743	XS2295997048	XS2296181055
Common Code:	229599372	229599429	229599453	229599500	229599569	229599712	229599739	229599674	229599704	229618105

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class X1 Notes	Class X2 Notes	Class Z1 Notes	Class Z2 Notes	Residual Certificates
CFI:	DAVNFR	DAVXFR	DAVXFR	DAVXFR	DAVXFR	DAVXFR	DAVXFR	DAZXFR	DAZXFR	DAVXFR
FISN:	STRATTON MORTGA/VARAS ST BKD 2051092	STRATTON MORTGA/VARAS ST BKD 2051092	STRATTON MORTGA/VARAS ST BKD 2051092	STRATTON MORTGA/VARASST BKD 2051092	STRATTON MORTGA/VARAS ST BKD 2051092	STRATTON MORTGA/VARASST BKD 2051092	STRATTON MORTGA/VARAS ST BKD 2051092	STRATTON MORTGA/ZERO CPNASST BKD 20	STRATTON MORTGA/ZERO CPNASST BKD 20	STRATTON MORTGA/VARASST BKD 2051092
Ratings (S&P/ Fitch):	AAA/AAA	AA/AA	A/A	BBB/BBB	BB/BB	Not rated	Not rated	Not rated	Not rated	Not rated
Minimum Denomination	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	N/A
Governing law:	English	English	English	English	English	English	English	English	English	English

As of the date of this prospectus (the "**Prospectus**"), S&P is a credit rating agency established in the European Union (the "**EU**") and is registered under Regulation (EU) No 1060/2009 (as amended) as it forms part of UK law and Fitch is a credit rating agency based in the UK and supervised by the FCA.

* On and from the Optional Redemption Date, the Class X Notes will not bear interest.

TRANSACTION OVERVIEW – OVERVIEW OF THE CHARACTERISTICS OF THE NOTES AND THE RESIDUAL CERTIFICATES

Ranking and Form of the Notes: On the Closing Date, the Issuer will issue the following classes of Notes under the Trust Deed:

- Class A Mortgage Backed Floating Rate Notes due September 2051 (the "**Class A Notes**");
- Class B Mortgage Backed Capped Rate Notes due September 2051 (the "**Class B Notes**");
- Class C Mortgage Backed Capped Rate Notes due September 2051 (the "**Class C Notes**");
- Class D Mortgage Backed Capped Rate Notes due September 2051 (the "**Class D Notes**");
- Class E Mortgage Backed Capped Rate Notes due September 2051 (the "**Class E Notes**");
- Class X1 Mortgage Backed Capped Rate Notes due September 2051 (the "**Class X1 Notes**");
- Class X2 Mortgage Backed Capped Rate Notes due September 2051 (the "**Class X2 Notes**");
- Class Z1 Mortgage Backed Notes due September 2051 (the "**Class Z1 Notes**"); and
- Class Z2 Mortgage Backed Notes due September 2051 (the "**Class Z2 Notes**")

and together, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are the "**Rated Notes**". The Class X1 Notes together with the Class X2 Notes are the "**Class X Notes**". The Class Z1 Notes together with the Class Z2 Notes are the "**Class Z Notes**". The Rated Notes together with the Class Z1 Notes are the "**Collateralised Notes**". The Collateralised Notes together with the Class X Notes and the Class Z2 Notes are the "**Notes**" and the holders thereof, the "**Noteholders**".

The Notes will be issued in registered form. Each Class of Notes will be issued pursuant to Regulation S and will be cleared through Euroclear and/or Clearstream, Luxembourg, as set out in "*Description of the Global Notes*".

Residual Certificates: On the Closing Date, the Issuer will also issue to the Sellers the residual certificates under the Trust Deed (the "**Residual Certificates**" and the holders thereof, the "**Certificateholders**") representing the right to receive the Residual Payments by way of further consideration in connection with the Issuer's purchase of the Portfolio on the Closing Date. The relative proportions of the Residual Certificates held by the Sunbury Seller and the Residual Certificates held by the Moonraker Seller shall reflect approximately the relevant proportions of Sunbury Loans and Moonraker

Loans (by Principal Balance) in the Portfolio on the Closing Date – the Sunbury Seller shall hold 70 per cent. of the Residual Certificates and the Moonraker Seller shall hold 30 per cent. of the Residual Certificates. The Residual Certificates shall represent the right to receive Residual Payments.

Sequential Order:

The Class A Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class A Notes will rank senior to all other Classes of Notes and the Residual Certificates in respect of payments of interest and principal (as provided in the Conditions and the Transaction Documents).

The Class B Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times but subordinate to the Class A Notes (as provided in the Conditions and the Transaction Documents).

The Class C Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes and the Class B Notes (as provided in the Conditions and the Transaction Documents).

The Class D Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes and the Class C Notes (as provided in the Conditions and the Transaction Documents).

The Class E Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (as provided in the Conditions and the Transaction Documents).

The Class X1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest at all times, but subordinate to (prior to enforcement) all payment of interest due in respect of the Rated Notes and (following enforcement) all payments due in respect of the Rated Notes (as provided in the Conditions and the Transaction Documents).

The Class X1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payment of interest due in respect of the Rated Notes, the Class X1 Notes and the Class X2 Notes and (following enforcement) all payments due in respect of the Rated Notes, and payment of interest on the Class X1 Notes, as provided in the Conditions and the Transaction Documents.

The Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest at all times, but subordinate to (prior to enforcement) all payment of interest due in respect of the Rated Notes and the Class X1 Notes, and (following enforcement) all payments due in respect of the Rated Notes and the Class X1 Notes (as provided in the Conditions and the Transaction Documents).

The Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payment of interest due in respect of the Rated Notes, payment of principal and interest on the Class X1 Notes and payment of interest due on the Class X2 Notes, and (following enforcement) all payments due in respect of the Rated Notes, the Class X1 Notes and payment of interest on the Class X2 Notes, as provided in the Conditions and the Transaction Documents.

The Class Z1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payments due in respect of the Rated Notes, and (following enforcement) all payments due in respect of the Rated Notes and the Class X Notes, as provided in the Conditions and the Transaction Documents.

The Class Z2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payments due in respect of the Rated Notes and the Class Z1 Notes and (following enforcement) all payments due in respect of the Rated Notes, the Class X Notes and the Class Z1 Notes, as provided in the Conditions and the Transaction Documents.

The Residual Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to Residual Payments at all times, and are subordinate to all payments due in respect of the Notes.

Certain amounts due by the Issuer to its other Secured Creditors (and, prior to the service of an Enforcement Notice only, certain unsecured creditors) will rank in priority to all Classes of the Notes and Residual Certificates.

Security:

Pursuant to a deed of charge made on the Closing Date between, among others, the Issuer and the Security Trustee (the "**Deed of Charge**"), the Notes and Residual Certificates will all share the same Security. Certain other amounts, being the amounts owing to the other Secured Creditors, will also be secured by the Security.

The Notes and Residual Certificates will be secured by, among other things, the following security (the "**Security**"):

- (a) an assignment by way of security of (and, to the extent not effectively assigned to the Security Trustee, a charge by way of first fixed charge over) the Issuer's rights, title, interest and benefit in, to and under the Transaction Documents (other than the Trust Deed, the Deed of Charge, the Scottish Trust Security and any Scottish Declaration of Trust) and any sums derived therefrom;
- (b) an assignment by way of security of (and, to the extent not effectively assigned to the Security Trustee, a charge by way of first fixed charge over) the Issuer's interest in the English Loans, the Northern Irish Loans and the Isle of Man Loans and their respective Related Security and other related rights comprised in the Portfolio (other than in respect of Scottish Loans) and any sums derived therefrom;

- (c) an assignment by way of security of (and, to the extent not effectively assigned to the Security Trustee, a charge by way of first fixed charge over) the Issuer's rights, title, interest and benefit in, to and under Insurance Policies assigned to the Issuer pursuant to the Mortgage Sale Agreement;
- (d) an assignation in security of the Issuer's interest in the Scottish Loans and their Related Security (comprising the Issuer's beneficial interest under the trusts declared by the relevant Legal Title Holder over such Scottish Loans and their Related Security for the benefit of the Issuer pursuant to each Scottish Declaration of Trust) (the "**Scottish Trust Security**");
- (e) a charge by way of first fixed charge over the Issuer's interest in its bank accounts (including the Deposit Accounts) maintained with the Issuer Account Bank and any other bank or custodian and any sums or securities standing to the credit thereof;
- (f) an assignment by way of first fixed security (and, to the extent not effectively assigned to the Security Trustee, a charge by way of first fixed charge over) (but subject to the right of reassignment) the benefit of the Issuer's rights, title, interest and benefit under each Collection Account trust (created pursuant to the Sunbury SRL Collection Accounts Declaration of Trust, the Sunbury LASI Collection Account Agreement and the Moonraker Collection Accounts Declarations of Trust); and
- (g) a floating charge over all assets of the Issuer not otherwise subject to the charges referred to above or otherwise effectively assigned by way of security (other than paragraph (d) above), but (for the avoidance of doubt) including over all of the Issuer's property, assets, rights and revenues as are situated in Scotland or governed by Scots law (whether or not such assets are the subject of the charges or Security referred to above).

See "*Summary of the Key Transaction Documents – Deed of Charge*".

Interest Provisions: Please refer to the table entitled "*Full Capital Structure of the Notes*" and as fully set out in Condition 6 (*Interest*).

Deferral: Interest due and payable on the Most Senior Class of Notes may not be deferred. Interest due and payable on the Rated Notes and the Class X Notes (other than interest due in respect of the Most Senior Class of Notes) may be deferred in accordance with Condition 18 (*Subordination by Deferral*) on any Interest Payment Date (other than the Final Maturity Date or any earlier date on which the Notes are to be redeemed in full). For the avoidance of doubt, such deferral shall not result in the occurrence of a Default.

Gross-up: None of the Issuer, any Paying Agent nor any other person will be obliged to pay additional amounts to Noteholders if there is any withholding or deduction required by law in respect of the Notes on account of taxes.

Redemption: The Notes are subject to the following redemption events:

- mandatory redemption in whole on the Interest Payment Date falling in September 2051 (the "**Final Maturity Date**"), as fully set out in Condition 8.1 (*Redemption at Maturity*);
- mandatory redemption in part on any Interest Payment Date commencing on the first Interest Payment Date but prior to the service of an Enforcement Notice subject to availability of Available Redemption Receipts (to the extent not applied to cover any Revenue Deficit) which shall be applied:
 - (a) first, on a *pari passu* and *pro rata* basis to repay the Class A Notes until they are repaid in full;
 - (b) second, on a *pari passu* and *pro rata* basis to repay the Class B Notes until they are repaid in full;
 - (c) third, on a *pari passu* and *pro rata* basis to repay the Class C Notes until they are repaid in full;
 - (d) fourth, on a *pari passu* and *pro rata* basis to repay the Class D Notes until they are repaid in full;
 - (e) fifth, on a *pari passu* and *pro rata* basis to repay the Class E Notes until they are repaid in full;
 - (f) sixth, on a *pari passu* and *pro rata* basis to repay the Class Z1 Notes until they are repaid in full; and
 - (g) seventh, on a *pari passu* and *pro rata* basis to repay the Class Z2 Notes until they are repaid in full.
- Mandatory redemption in part of the Class X Notes on any Interest Payment Date prior to the Optional Redemption Date in an amount up to their Principal Amount Outstanding then outstanding, equal to the Available Revenue Receipts available for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments.

Expected Average Lives of the Notes:

The actual average lives of the Notes cannot be stated, as the actual rate of repayment of the Loans and redemption of the Loans and a number of other relevant factors are unknown. However, calculations of the possible average lives of the Notes can be made based on certain assumptions as described under "*Weighted Average Lives of the Notes*".

Event of Default:

As fully set out in Condition 11 (*Events of Default*) and Residual Certificates Condition 10 (*Events of Default*), which includes, among other events, (where relevant, subject to the applicable grace period):

- subject to the deferral provisions in Condition 18 (*Subordination by Deferral*), non-payment of interest and/or principal in respect of the Most Senior Class of Notes and such non-payment continues for a period of five Business Days in the case of interest and ten Business Days in the case of principal;

- failure to pay any amount due in respect of the Residual Certificates and the default continues for more than five Business Days from the due date for payment (provided that all of the Notes have been redeemed in full);
- breach of any material contractual obligations by the Issuer under the Transaction Documents if such breach is incapable of remedy or, if it is capable of remedy, has not been remedied within the applicable grace period;
- any material representation made by the Issuer is incorrect when given if the matters giving rise to such misrepresentation is incapable of remedy or, if it is capable of remedy, has not been remedied within the applicable grace period; and
- the occurrence of certain insolvency related events in relation to the Issuer.

Following the occurrence of an Event of Default, the Note Trustee may (or if so directed by the Most Senior Class of Notes then outstanding, shall) serve an Enforcement Notice on the Issuer that all Classes of Notes are immediately due and payable provided that the Note Trustee is indemnified and/or prefunded and/or secured to its satisfaction. Following service of an Enforcement Notice to the Issuer, the Security Trustee may enforce the Security.

The Note Trustee at its absolute discretion may, and, provided all of the Notes have been redeemed in full, if so directed in writing by the holders of at least 25 per cent. of the Residual Certificates in number or if so directed by an Extraordinary Resolution of the Certificateholders shall (subject to being indemnified and/or prefunded and/or secured to its satisfaction as more particularly described in the Trust Deed), deliver an Enforcement Notice to the Issuer that any Residual Payments pursuant to the Residual Certificates are immediately due and payable in any of the events described more fully in Residual Certificates Condition 10 (*Events of Default*).

Limited Recourse and Non-Petition:

The Notes are limited recourse obligations of the Issuer, and, if not repaid in full, amounts outstanding are subject to a final write-off, which is described in more detail in Condition 12.4 (*Limited Recourse*). In accordance with Condition 12.3 (*Limitations on Enforcement*), no Noteholder may proceed directly against the Issuer unless the Note Trustee or the Security Trustee, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.

The Certificateholders are only entitled to funds which are available to the Issuer in accordance with the applicable Priority of Payments and therefore the Residual Certificates are limited recourse obligations of the Issuer.

Governing Law:

English law (provided that any terms of the Transaction Documents which are particular to Scots law and the laws of Northern Ireland will be construed in accordance with Scots law and the laws of Northern Ireland respectively, and any Scottish Declaration of Trust and a Scottish Trust Security will be governed by Scots law).

**TRANSACTION OVERVIEW – RIGHTS OF NOTEHOLDERS AND
CERTIFICATEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS**

Please refer to the sections entitled "Terms and Conditions of the Notes", "Terms and Conditions of the Residual Certificates" and "Risk Factors" for further detail in respect of the rights of Noteholders and Certificateholders, conditions for exercising such rights and relationship with other Secured Creditors.

Prior to an Event of Default:

Prior to the occurrence of an Event of Default, Noteholders holding not less than 10 per cent. of the Principal Amount Outstanding of the Notes then outstanding are entitled to convene a Noteholders' meeting and Certificateholders holding not less than 10 per cent. in number of the Residual Certificates then in issue are entitled to convene a Certificateholders' meeting.

However, so long as no Event of Default has occurred and is continuing, the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Note Trustee, without the consent of the Issuer and, if applicable, certain other transaction parties, unless the Issuer has an obligation to take such actions under the relevant Transaction Documents.

Following an Event of Default:

Following the occurrence of an Event of Default, Noteholders may, if they hold not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding (or if no Notes remain outstanding, of the number of Residual Certificates then in issue), or if an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding (or if no Notes remain outstanding, of the number of Residual Certificates then in issue) is passed, direct the Note Trustee to deliver an Enforcement Notice to the Issuer that all classes of the Notes are immediately due and repayable at their respective Principal Amount Outstanding together with accrued (but unpaid) interest. The Note Trustee shall not be bound to take any such action unless first indemnified and/or prefunded and/or secured to its satisfaction.

Noteholders and Certificateholders Meeting provisions:

	<i>Initial meeting</i>	<i>Adjourned meeting</i>
Notice period:	At least 21 clear days	At least 10 clear days
Quorum:	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 25 per cent. of the Principal Amount Outstanding of the relevant Class or Classes of Notes	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 10 per cent. of the Principal Amount Outstanding of the relevant Class or Classes of Notes

then outstanding or holding or representing not less than 25 per cent. of the Residual Certificates then in issue, as applicable, for transaction of business including the passing of an Ordinary Resolution. The quorum for passing an Extraordinary Resolution (other than a Basic Terms Modification) shall be one or more persons present and representing in the aggregate not less than 50 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes then outstanding or holding or representing not less than 50 per cent. of the Residual Certificates then in issue, as applicable. The quorum for passing a Basic Terms Modification shall be one or more persons eligible to attend and vote at such meeting holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes then outstanding and holding or representing not less than 75 per cent. of the Residual

then outstanding or holding or representing not less than 10 per cent. of the Residual Certificates then in issue, as applicable, for transaction of business including the passing of an Ordinary Resolution. The quorum for passing an Extraordinary Resolution (other than a Basic Terms Modification) shall be one or more persons present and representing in the aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes then outstanding or holding or representing not less than 25 per cent. of the Residual Certificates then in issue, as applicable. The quorum for passing a Basic Terms Modification shall be one or more persons eligible to attend and vote at such meeting holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes then outstanding and holding or representing not less than 75 per cent. of the Residual

Certificates then in issue, as applicable. Certificates then in issue, as applicable.

Required majority for Ordinary Resolution: A clear majority of persons eligible to attend and vote at such meeting and voting at that meeting upon a show of hands or, if a poll is duly demanded, by a clear majority of the votes cast on such poll (an "**Ordinary Resolution**").

Required majority for Extraordinary Resolution: Majority consisting of not less than 75 per cent. of persons eligible to attend and vote at such meeting and voting at such meeting upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than 75 per cent. of the votes cast on such poll (an "**Extraordinary Resolution**").

Required majority for a written resolution: (a) In relation to an Extraordinary Resolution: not less than 75 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Notes then outstanding or not less than 75 per cent. of the amount of Residual Certificates then in issue. A written resolution has the same effect as an Extraordinary Resolution; (b) In relation to an Ordinary Resolution: not less than a clear majority in aggregate Principal Amount Outstanding of the relevant Class of Notes.

Matters requiring Extraordinary Resolution:

The following matters require an Extraordinary Resolution of the Noteholders (and, in the case of a Basic Terms Modification, an Extraordinary Resolution of the Certificateholders), as set out in the Trust Deed:

- to sanction or to approve a Basic Terms Modification;
- to sanction any compromise or arrangement proposed to be made between, among others, the Issuer or any other party to any Transaction Document;
- to sanction any abrogation, modification, compromise or arrangement in respect of the rights of, among others, the Note Trustee or any other party to any Transaction Document against any other or others of them or against any of their property whether such rights arise under the Trust Deed, any other Transaction Document or otherwise;
- to approve the substitution of any person for the Issuer as principal debtor under the Notes other than in accordance with Condition 8.5 (*Mandatory Redemption for Taxation or Other Reasons*) or Condition 13.21 (*Issuer Substitution Condition*);

- to assent to any modification of the Trust Deed or any other Transaction Document which is proposed by the Issuer or any other party to any Transaction Document or any Noteholder or Certificateholder, other than those modifications which are sanctioned by the Note Trustee without the consent or sanction of the Noteholders in accordance with the terms of the Trust Deed;
- to direct the Note Trustee to serve an Enforcement Notice;
- to approve removal of the Note Trustee and/or Security Trustee or approve the appointment of a new Note Trustee and/or Security Trustee;
- to approve the appointment of a substitute Servicer in circumstances where a Servicer has resigned and the appointment of the substitute Servicer in the opinion of the Security Trustee could have an adverse effect on the rating of the Rated Notes or if it is not clear to the Security Trustee whether the rating for the Rated Notes will be maintained as the rating before the termination of the relevant Servicer;
- to authorise the Note Trustee, the Security Trustee and/or any Appointee to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- to discharge or exonerate the Note Trustee, Security Trustee and/or any Appointee from any liability in respect of any act or omission for which it may become responsible under the Trust Deed or the Notes;
- to appoint any persons as a committee to represent the interests of the Noteholders or the Certificateholders and to confer upon such committee any powers which the Noteholders or the Certificateholders could themselves exercise by Extraordinary Resolution; and
- to sanction any scheme or proposal for the exchange, sale, conversion or cancellation of the Notes or the Residual Certificates for or partly or wholly in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company or partly or wholly in consideration of cash; or
- to give any other authorisation or sanction which under the Trust Deed or any other Transaction Document is required to be given by Extraordinary Resolution.

See Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*) in the section entitled "*Terms and Conditions of the Notes*" for more detail.

**Right of modification
subject to negative consent
of Noteholders**

Pursuant to and in accordance with the detailed provisions of Condition 13.6, the Note Trustee shall be obliged, and shall direct the Security Trustee, without any consent or sanction of the Noteholders or the other Secured Creditors, but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification (other than a Basic Terms Modification) to the Conditions and/or any Transaction Document that the Issuer considers necessary for the purposes set out therein.

The Issuer must provide at least 30 days' notice to Noteholders of each Class of the proposed modification in accordance with Condition 16 (*Notice to Noteholders*) and by publication on Bloomberg on the "Company News" screen relating to the Issuer. If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer in writing that such Noteholders do not consent to the modification then such modification will not be made unless passed by an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding in accordance with Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

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

**Relationship between
Classes of Noteholders and
Certificateholders:**

Subject to the provisions governing a Basic Terms Modification, a resolution of a relevant Class of Notes shall be binding on all other Classes of Notes which are subordinate to such Class of Notes and on the Residual Certificates, irrespective of the effect upon them. No Extraordinary Resolution of any other Class of Noteholders or of the Certificateholders shall take effect for any purpose while the Most Senior Class of Notes then outstanding remains outstanding unless it shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding and, in the case of Residual Certificates, the holders of all Notes ranking in priority in the applicable Priority of Payments, or the Note Trustee is of the opinion it would not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding and, in the case of Residual Certificates, the holders of all Notes ranking in priority thereto.

The voting rights of the Certificateholders are limited to the extent that any Ordinary Resolution or Extraordinary Resolution of the

Certificateholders is only effective if, while any Classes of Notes remain outstanding, such resolution has been sanctioned by an Ordinary Resolution or Extraordinary Resolution, respectively, of the Most Senior Class of Notes and all other Classes of Notes then outstanding, or the Note Trustee is of the opinion it would not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes and all other Classes of Notes then outstanding.

A Basic Terms Modification requires an Extraordinary Resolution of the holders of each relevant affected Class or Classes of Notes and/or the Residual Certificates then in issue, as applicable (unless the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the holders of those affected Class of Notes and/or the Residual Certificates, as applicable).

Subject to the provisions governing a Basic Terms Modification and the foregoing paragraphs, a resolution which, in the opinion of the Note Trustee, affects the interests of the holders of Notes of only one Class or the Residual Certificates only shall be deemed to have been duly passed if passed at a separate meeting (or by a separate resolution in writing or by a separate resolution passed by way of consents received through the relevant Clearing System(s)) of the holders of that Class of Notes so affected or the Residual Certificates.

"Clearing System" means Euroclear and/or Clearstream, Luxembourg and includes in respect of any Note and/or Residual Certificate any clearing system on behalf of which such Note and/or Residual Certificate is held or which is the holder or (directly or through a nominee) registered owner of a Note and/or a Residual Certificate, in either case whether alone or jointly with any other Clearing System(s).

**Relationship between
Noteholders and other
Secured Creditors:**

So long as any of the Notes are outstanding, neither the Security Trustee nor the Note Trustee shall have regard to the interests of the Secured Creditors other than the Noteholders.

So long as the Notes are outstanding, the Note Trustee will have regard to the interests of each class of the Noteholders, but if in the Note Trustee's sole opinion there is a conflict between the interests of any Classes of Notes, it will have regard solely to the interests of the holders of the relevant affected Class of Notes ranking in priority to the other relevant Classes of Notes and the holders of such subordinated Classes of Notes shall have no claim against the Note Trustee for so doing.

So long as any Notes or Residual Certificates are outstanding the Security Trustee shall act on the instructions of the Note Trustee and shall not have regard to the interests of any other Secured Creditor.

"Secured Obligations" means any and all of the monies and liabilities which the Issuer covenants and undertakes to pay or

discharge under the Issuer's covenant to pay as set out in the Deed of Charge.

Sellers, Retention Holder or related entity as Noteholder or Certificateholder:

Prospective investors should note that each Seller, the Retention Holder and/or affiliates or related entities of each Seller and/or the Retention Holder may purchase some or all of any of the Notes (other than the Class Z Notes) and/or the Residual Certificates, and in doing so, will not be prevented from being entitled to attend meetings of the Noteholders and/or the Certificateholders or vote at Noteholder and/or Certificateholder meetings or by way of written resolution (as applicable).

Prospective investors should be aware that the interests of each Seller, the Retention Holder and/or affiliates or related entities of the each Seller and/or the Retention Holder may conflict generally with that of the other Noteholders and/or Certificateholders, and each Seller, the Retention Holder and/or affiliates or related entities of each Seller and/or the Retention Holder are not required to vote in any particular manner.

Provision of Information to the Noteholders and Certificateholders:

The Cash Manager on behalf of the Issuer will publish the quarterly investor report (the "**Investor Report**"). The Investor Report will be published on the website at <http://sf.citidirect.com>. It is also intended that Investor Reports and information on the Loans in the Portfolio will be published on the website at www.euroabs.com provided that neither the Issuer nor any other Relevant Party assumes any liability for any failure to publish any such information thereon.

Communication with Noteholders and Certificateholders:

Any notice to be given by the Issuer or the Note Trustee to Noteholders and/or Certificateholders shall be given in the following manner:

- (a) Subject to paragraph (d) below, any notice to Noteholders and/or Certificateholders shall be validly given if published in the *Financial Times*, or, if such newspaper shall cease to be published or, if timely publication therein is not practicable, in such other English newspaper or newspapers having a general circulation in the United Kingdom as the Note Trustee shall approve in advance, provided that if, at any time, (i) the Issuer procures that the information concerned in such notice shall appear on a page of the Reuters screen, the Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Note Trustee and notified to Noteholders and Certificateholders (in each case a "**Relevant Screen**"), or (ii) paragraph (c) below applies and the Issuer has so elected, publication in the newspaper set out above or such other newspaper or newspapers shall not be required with respect to such notice.
- (b) In respect of Notes or Residual Certificates, as applicable, in definitive form, notices to Noteholders or Certificateholders will be sent to them by (i) email or (ii)

first class post (or its equivalent) or (if posted to an address outside the United Kingdom) by airmail, at the respective email addresses or addresses (as the case may be) on the Register. Any such notice will be deemed to have been given on the fourth day after the date of posting and any notice sent by email shall be deemed to have been given at the time of dispatch provided that in the case of a notice given by email a confirmation of receipt is received by the sending party.

- (c) While the Notes or Residual Certificates, as applicable, are represented by Global Notes or Global Residual Certificates, notices to Noteholders or Certificateholders will be valid if published as described above, or, at the option of the Issuer, if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Noteholders and/or Certificateholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg, as aforesaid shall be deemed to have been given on the day of such delivery.
- (d) In relation to the Notes and the Noteholders, so long as the relevant Notes are admitted to trading on, and listed on the official list of, Euronext Dublin all notices to the Noteholders will be valid if published in a manner which complies with the rules and regulations of Euronext Dublin (which includes delivering a copy of such notice to Euronext Dublin) and any such notice will be deemed to have been given on the date sent to Euronext Dublin.

The Note Trustee shall be at liberty to sanction some other method where, in its sole opinion, the use of such other method would be reasonable having regard to market practice then prevailing and to the requirements of the stock exchanges, competent listing authorities and/or the quotation systems on or by which the Notes and/or Residual Certificates are then listed, quoted and/or traded and provided that notice of such other method is given to Noteholders and Certificateholders in such manner as the Note Trustee shall require.

TRANSACTION OVERVIEW – CREDIT STRUCTURE AND CASHFLOW

Please refer to the sections entitled "Credit Structure" and "Cashflows" for further detail in respect of the credit structure and cash flow of the transaction.

Available Funds of the Issuer: Prior to an Enforcement Notice being served on the Issuer, the Cash Manager on behalf of the Issuer will apply Available Revenue Receipts and Available Redemption Receipts on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Redemption Priority of Payments respectively, as set out below.

"Available Revenue Receipts" means, in relation to each Interest Payment Date, an amount equal to the aggregate of (without double counting):

- (a) Revenue Receipts or, if in a Determination Period, Calculated Revenue Receipts (in each case, excluding any Reconciliation Amounts to be applied as Available Redemption Receipts on that Interest Payment Date) received by the Issuer during the immediately preceding Collection Period;
- (b) interest payable to the Issuer on the Issuer Accounts and received in the immediately preceding Collection Period;
- (c) on each Interest Payment Date following a Determination Period, any Reconciliation Amounts deemed to be Available Revenue Receipts in accordance with the Cash Management Agreement;
- (d) amounts determined to be credited to the Transaction Deposit Account on the immediately preceding Interest Payment Date in accordance with item (q) of the Pre-Enforcement Revenue Priority of Payments; and
- (e) other net income of the Issuer corresponding to the immediately preceding Collection Period, excluding any Redemption Receipts,

less:

- (f) any Third Party Amounts.

"Available Redemption Receipts" means for any Interest Payment Date an amount equal to the aggregate of (without double counting):

- (a) all Redemption Receipts or, if in a Determination Period, any Calculated Redemption Receipts (in each case, excluding an amount equal to any Reconciliation Amounts to be applied as Available Revenue Receipts on that Interest Payment Date) received by the Issuer during the immediately preceding Collection Period;
- (b) any PDL Cure Amounts;

- (c) any amount to be applied at item (p) of the Pre-Enforcement Revenue Priority of Payments and deemed to be Available Redemption Receipts;
- (d) in respect of the first Interest Payment Date only, the amount paid into the Transaction Deposit Account on the Closing Date from the excess of the proceeds of the Notes (excluding the proceeds of the Class Z2 Notes used to establish the Liquidity Reserve Fund) over the Initial Consideration;
- (e) prior to the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, any Liquidity Reserve Fund Excess Amount;
- (f) on the earlier of the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, all amounts standing to the credit of the Liquidity Reserve Fund Ledger;
- (g) following the service of an Enforcement Notice, all amounts standing to the credit of the Liquidity Reserve Fund Ledger; and
- (h) on each Interest Payment Date following a Determination Period, any Reconciliation Amounts deemed to be Available Redemption Receipts in accordance with the Cash Management Agreement,

to the extent that such amount is of a principal nature,

less

- (i) Redemption Receipts being used by the Issuer (or the Cash Manager on its behalf) to purchase Flexible Drawings from the Moonraker Seller; and
- (j) Redemption Receipts being used by the Issuer to fund any Capital Costs.

Summary of Priorities of Payments: Below is a summary of the relevant payment priorities. Full details of the payment priorities are set out in the section entitled "*Cashflows*".

<u>Pre-Enforcement Revenue</u> Priority of Payments:	<u>Pre-Enforcement Redemption</u> Priority of Payments:	<u>Post-Enforcement Priority of</u> Payments:
(a) <i>Pro rata</i> and <i>pari passu</i> to amounts due to the Note Trustee and the Security Trustee and any Appointee thereof including charges, liabilities, fees, costs and expenses together	(a) Principal Addition Amounts (subject to the application of the Liquidity Availability Conditions) to be applied towards the reduction of any Revenue Deficit	(a) <i>Pro rata</i> and <i>pari passu</i> to amounts due and payable in respect of the Note Trustee and the Security Trustee, Receiver and any Appointee thereof including charges,

- with (if payable) VAT thereon
- (b) *Pro rata and pari passu* to amounts due to the Agent Bank, the Registrar, the Principal Paying Agent, the Cash Manager, the Sunbury Servicers, the Moonraker Servicer, the Legal Title Holders, the Back-Up Servicer Facilitator, the Corporate Services Provider, the Issuer Account Bank and the Collection Account Banks, in each case including all fees, costs, liabilities and expenses together with (if payable) VAT thereon
- (c) *Pro rata and pari passu* to pay Third Party Expenses, Transfer Costs and amounts required to discharge any fine, penalty or sanction in connection with any breach or alleged breach of the Securitisation Regulations (if any)
- (d) Issuer Profit Amount
- (e) *Pro rata and pari passu* to the interest due on the Class A Notes
- (f) Amounts to be credited to the Class A Principal Deficiency Sub-Ledger
- (g) *Pro rata and pari passu* to the interest due on the Class B Notes
- (h) Amounts to be credited to the Class B Principal Deficiency Sub-Ledger
- (b) prior to the Class D Note Redemption Date or the Optional Redemption Date, whichever is earlier, to credit the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount
- (c) *Pro rata and pari passu* to the principal amounts outstanding on the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero
- (d) *Pro rata and pari passu* to the principal amounts outstanding on the Class B Notes until Principal Amount Outstanding on the Class B Notes has been reduced to zero
- (e) *Pro rata and pari passu* to the principal amounts outstanding on the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero
- (f) *Pro rata and pari passu* to the principal amounts outstanding on the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero
- (g) *Pro rata and pari passu* to the principal amounts outstanding
- liabilities, fees, costs and expenses together with (if payable) VAT thereon
- (b) *Pro rata and pari passu* to amounts due and payable in respect of the fees, costs, liabilities and expenses of the Agent Bank, the Registrar, the Principal Paying Agent, the Cash Manager, the Sunbury Servicers, the Moonraker Servicer, the Legal Title Holders, the Back-Up Servicer Facilitator, the Corporate Services Provider, the Issuer Account Bank and the Collection Account Banks, in each case including all fees, costs, liabilities and expenses together with (if payable) VAT thereon
- (c) To pay Transfer Costs and amounts required to discharge any fine, penalty or sanction in connection with any breach or alleged breach of the Securitisation Regulations (if any)
- (d) *Pro rata and pari passu* to the amounts of interest due on the Class A Notes
- (e) *Pro rata and pari passu* to the amounts of principal due and payable on the Class A Notes
- (f) *Pro rata and pari passu* to the amounts of interest due and

- | | | | | | |
|-----|---|-----|---|-----|--|
| (i) | <i>Pro rata and pari passu</i> to the interest due on the Class C Notes | | on the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero | | payable on the Class B Notes |
| (j) | Amounts to be credited to the Class C Principal Deficiency Sub-Ledger | (h) | <i>Pro rata and pari passu</i> to the principal amounts outstanding on the Class Z1 Notes until the Principal Amount Outstanding on the Class Z1 Notes has been reduced to zero | (g) | <i>Pro rata and pari passu</i> to the principal amounts due and payable on the Class B Notes |
| (k) | <i>Pro rata and pari passu</i> to the interest due on the Class D Notes | | | (h) | <i>Pro rata and pari passu</i> to the amounts of interest due and payable on the Class C Notes |
| (l) | Amounts to be credited to the Class D Principal Deficiency Sub-Ledger | | | (i) | <i>Pro rata and pari passu</i> to the principal amounts due and payable on the Class C Notes |
| (m) | <i>Pro rata and pari passu</i> to the interest due on the Class E Notes | (i) | <i>Pro rata and pari passu</i> to the principal amounts outstanding on the Class Z2 Notes until the Principal Amount Outstanding on the Class Z2 Notes has been reduced to zero | (j) | <i>Pro rata and pari passu</i> to the amounts of interest due and payable on the Class D Notes |
| (n) | Amounts to be credited to the Class E Principal Deficiency Sub-Ledger | | | (k) | <i>Pro rata and pari passu</i> to the principal amounts due and payable on the Class D Notes |
| (o) | Amounts to be credited to the Junior Principal Deficiency Sub-Ledger | (j) | Any excess amounts to be applied as payments on a <i>pari passu</i> basis due on the Residual Certificates | (l) | <i>Pro rata and pari passu</i> to the amounts of interest due and payable on the Class E Notes |
| (p) | On any Interest Payment Date falling on or after the Optional Redemption Date, all amounts to be applied as "Available Redemption Receipts" | | | (m) | <i>Pro rata and pari passu</i> to the principal amounts due and payable on the Class E Notes |
| (q) | On any Interest Payment Date falling within a Determination Period, all remaining amounts to be retained in the Transaction Deposit Account to be applied on the next Interest Payment Date as Available Revenue Receipts | | | (n) | <i>Pro rata and pari passu</i> to the amounts of unpaid interest due and payable on the Class X1 Notes |
| (r) | <i>Pro rata and pari passu</i> , interest due and payable on the Class X1 Notes | | | (o) | <i>Pro rata and pari passu</i> , principal due and payable on the |

- (s) *Pro rata* and *pari passu*, interest due and payable on the Class X2 Notes
- (t) *Pro rata* and *pari passu* to the principal amounts due on the Class X1 Notes until the Principal Amount Outstanding on the Class X1 Notes has been reduced to zero
- (u) *Pro rata* and *pari passu* to the principal amounts due on the Class X2 Notes until the Principal Amount Outstanding on the Class X2 Notes has been reduced to zero
- (v) Payments on a *pari passu* basis due on the Residual Certificates
- Class X1 Notes until the Principal Amount Outstanding on the Class X1 Notes has been reduced to zero
- (p) *Pro rata* and *pari passu* to the amounts of unpaid interest due and payable on the Class X2 Notes
- (q) *Pro rata* and *pari passu*, principal due and payable on the Class X2 Notes until the Principal Amount Outstanding on the Class X2 Notes has been reduced to zero
- (r) in or towards repayment, *pro rata* and *pari passu*, principal due and payable on the Class Z1 Notes until the Principal Amount Outstanding on the Class Z1 Notes has been reduced to zero
- (s) in or towards repayment, *pro rata* and *pari passu*, principal due and payable on the Class Z2 Notes until the Principal Amount Outstanding on the Class Z2 Notes has been reduced to zero
- (t) Any Third Party Expenses (if any) and any amounts in excess of amounts already credited to the Issuer Profit Ledger prior to such Interest Payment Date and required to discharge any liability of the Issuer for

corporation tax of the Issuer

(u) Issuer Profit Amount

(v) Payments on a *pari passu* basis due on the Residual Certificates

General Credit Structure:

The credit structure of the transaction includes the following elements:

- The availability of the Liquidity Reserve Fund will be funded on the Closing Date by the proceeds of the issuance of the Class Z2 Notes up to the Liquidity Reserve Fund Required Amount. Thereafter, on each Interest Payment Date prior to the earlier of the Class D Note Redemption Date, the Optional Redemption Date, or the service of an Enforcement Notice, the Liquidity Reserve Fund will be replenished up to the Liquidity Reserve Fund Required Amount at item (b) of the Pre-Enforcement Redemption Priority of Payments to the extent that funds are available for such purpose in accordance with the Pre-Enforcement Redemption Priority of Payments.
- On each Interest Payment Date falling prior to the Class D Note Redemption Date, and subject to the Liquidity Availability Conditions, to the extent that there would be one or more Revenue Deficits on such Interest Payment Date, an amount equal to the lower of (a) the amount required to cover such Revenue Deficit or Revenue Deficits and (b) the amount standing to the credit of the Liquidity Reserve Fund on such Interest Payment Date (such amounts being "**Liquidity Reserve Fund Drawings**") shall be debited from the Liquidity Reserve Fund immediately following the application of Available Revenue Receipts and will be applied to meet such Revenue Deficit or Revenue Deficits, provided that if there is more than one Revenue Deficit such amounts shall be applied in the order of priority as such items appear in the Pre-Enforcement Revenue Priority of Payments.
- On each Interest Payment Date prior to the Class D Note Redemption Date, any Liquidity Reserve Fund Excess Amount shall be applied as Available Redemption Receipts on such date.
- On the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, whichever is earlier, and following the service of an Enforcement Notice, the balance standing to the credit of the Liquidity Reserve Fund shall be applied as Available Redemption Receipts on such date.

See the section titled "*Credit Structure – Liquidity Reserve Fund and Liquidity Reserve Fund Ledger*".

- A Principal Deficiency Ledger will be established to record as a debit (i) any Losses on the Portfolio; (ii) Principal Addition

Amounts (determined in accordance with the Liquidity Availability Conditions); and (iii) amounts credited to the Liquidity Reserve Fund in accordance with item (b) of the Pre-Enforcement Redemption Priority of Payments. The Principal Deficiency Ledger shall record as a credit any amounts of Available Revenue Receipts retained pursuant to items (f), (h), (j), (l), (n) and (o) of the Pre-Enforcement Revenue Priority of Payments and deemed to be Available Redemption Receipts ("**PDL Cure Amounts**").

The Principal Deficiency Ledger will comprise the following sub-ledgers: the Class A Principal Deficiency Sub-Ledger (relating to the Class A Notes), the Class B Principal Deficiency Sub-Ledger (relating to the Class B Notes), the Class C Principal Deficiency Sub-Ledger (relating to the Class C Notes), the Class D Principal Deficiency Sub-Ledger (relating to the Class D Notes), the Class E Principal Deficiency Sub-Ledger (relating to the Class E Notes) and, the Junior Principal Deficiency Sub-Ledger (relating to the Class Z Notes).

- Any Losses on the Portfolio, any Principal Addition Amounts and/or any amounts credited to the Liquidity Reserve Fund in accordance with item (b) of the Pre-Enforcement Redemption Priority of Payments will be recorded as a debit (on the Calculation Date that the Cash Manager is informed of such Losses by the Servicers or such Principal Addition Amounts or amounts available pursuant to item (b) of the Pre-Enforcement Redemption Priority of Payments are determined by the Cash Manager (as applicable)): (a) *first*, to the Junior Principal Deficiency Sub-Ledger (up to a maximum amount equal to the Junior PDL Notional Capacity); (b) *second*, to the Class E Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class E Notes; (c) *third*, to the Class D Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class D Notes; (d) *fourth*, to the Class C Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class C Notes; (e) *fifth*, to the Class B Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class B Notes; (f) *sixth*, to the Class A Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class A Notes. Realised Losses in any period will be calculated after applying any recoveries following enforcement of a Loan firstly to pay all outstanding fees and interest amounts due and payable in respect of the relevant Loan. See the section "*Credit Structure – Principal Deficiency Ledger*".
- To the extent that after application of the Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments and (on or prior to the Class D Note Redemption Date) the use of any Liquidity Reserve Fund Drawings to meet any Revenue Deficits against the relevant

items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments, any Revenue Deficits persist, the Issuer shall (subject to the relevant Liquidity Availability Conditions) apply Principal Addition Amounts to cover such remaining Revenue Deficits in accordance with item (a) of the Pre-Enforcement Redemption Priority of Payments, subject to the application of the Liquidity Availability Conditions. Any Available Redemption Receipts applied as Principal Addition Amounts will be recorded as a debit to the Principal Deficiency Ledger. See the section "*Credit Structure – Liquidity and Credit Support for the Notes provided by Available Revenue Receipts*".

Bank Accounts:

On the Closing Date the Issuer will enter into the Bank Account Agreement with the Issuer Account Bank in respect of the opening and maintenance of a deposit account in relation to the Sunbury Portfolio (the "**Sunbury Deposit Account**"), a deposit account relation to the Moonraker Portfolio (the "**Moonraker Deposit Account**"), and an Issuer deposit account (the "**Transaction Deposit Account**", the Sunbury Deposit Account, the Moonraker Deposit Account, and the Transaction Deposit Account together the "**Deposit Accounts**"). The Issuer may from time to time open additional or replacement accounts (such accounts, together with the Deposit Accounts, the "**Issuer Accounts**") pursuant to the Bank Account Agreement and the Transaction Documents.

Cash Management:

Two Business Days prior to each Interest Payment Date, the Cash Manager will transfer monies from each of the Moonraker Deposit Account and the Sunbury Deposit Account to the Transaction Deposit Account and on each Interest Payment Date, the Cash Manager will transfer monies from the Transaction Deposit Account to be applied in accordance with the applicable Priority of Payments.

TRANSACTION OVERVIEW – TRIGGERS TABLES

Rating Triggers Table

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following:
Issuer Account Bank:	(a) in respect of S&P: (i) a short-term unsecured, unsubordinated and unguaranteed debt rating of at least A-1 by S&P (if a short-term rating is assigned by S&P) and a long-term unsecured, unsubordinated and unguaranteed debt rating of at least A by S&P, or (ii) should the Issuer Account Bank not benefit from a short-term unsecured, unsubordinated and unguaranteed rating of at least A-1 from S&P, a long term unsecured, unsubordinated and unguaranteed debt rating of at least A+ by S&P; and (b) in respect of Fitch, a short-term deposit rating (or an issuer default rating, if a deposit rating is not assigned) of at least F1 by Fitch or a long-term deposit rating (or an issuer default rating, if a deposit rating is not assigned) of at least A by Fitch, or such other lower rating which is consistent with the then current rating methodology of the Rating Agencies in respect of the then current ratings of the Rated Notes (each, the " Account Bank Rating " and together, the " Account Bank Ratings ").	<p>If the Issuer Account Bank fails to maintain any of the Account Bank Ratings, then the Issuer shall use all reasonable endeavours to, within 60 calendar days of such downgrade:</p> <ul style="list-style-type: none"> (a) close the Issuer Accounts with such Issuer Account Bank and use all reasonable endeavours to open replacement accounts with a financial institution (i) having ratings of at least the Account Bank Ratings, (ii) approved in writing by the Cash Manager, (iii) which is a bank as defined in section 991 of the Income Tax Act 2007 and (iv) being an authorised institution under FSMA, and procure that the amounts standing to the credit of the Issuer Accounts and all Ledgers on the Issuer Accounts are transferred forthwith to the replacement Issuer Accounts; (b) obtain a guarantee of the obligations of such Issuer Account Bank under the Bank Account Agreement from a financial institution having ratings of at least the Account Bank Ratings; or (c) take any other reasonable action as the Rating Agencies may agree will not result in a downgrade of the Rated Notes, <p>in each case as prescribed in the Bank Account Agreement.</p>
Collection Account Banks	(a) in respect of S&P: (i) a short-term, unsecured, unsubordinated and	Following (i) the occurrence of an Insolvency Event in relation to a

unguaranteed debt rating of A-2 by S&P (if a short-term rating is assigned by S&P) and a long-term, unsecured, unsubordinated and unguaranteed debt rating of BBB; or (ii) should the Collection Account Banks not benefit from a short-term unsecured, unsubordinated and unguaranteed rating of at least A-2 by S&P, a long-term unsecured, unsubordinated and unguaranteed debt rating of at least BBB+ by S&P; and (b) in respect of Fitch, a short-term deposit rating (or an issuer default rating, if a deposit rating is not assigned) of F2 and a long-term deposit rating (or an issuer default rating, if a deposit rating is not assigned) of BBB+ by Fitch, or such other lower rating which is consistent with the then current rating methodology of the Rating Agencies in respect of the then current ratings of the Rated Notes, (each, a "Collection Account Bank Rating" and together, the "Collection Account Bank Ratings").

Collection Account Bank or (ii) if a Collection Account Bank fails to maintain any of the Collection Account Bank Ratings, (x) the Issuer and the relevant Sunbury Legal Title Holder (if in relation to the Sunbury Collection Account Banks); or (y) the Moonraker Servicer (acting on behalf of the Issuer) within 60 calendar days (if in relation to the Moonraker Collection Account Bank), shall use all reasonable endeavours to:

- (a) appoint a replacement financial institution with the Collection Account Bank Rating to act as replacement Collection Account Bank which is a bank for the purposes of section 878 ITA 2007 and which will pay interest in relation to the Collection Account in the ordinary course of its business;
- (b) procure that such financial institution enters into a replacement collection account agreement;
- (c) procure a trust is declared with respect to any replacement collection account(s) in favour of, inter alia, the Issuer;
- (d) procure that new collection account(s) are opened and established at the replacement institution and further procure that all amounts held on trust for the Issuer standing to the credit of the relevant Collection Account(s) are transferred to the replacement account(s) at such replacement institution as soon as practicable or, where such Collection Account Bank ceases to have the Collection Account Bank Rating, provided that such transfer and replacement is

required to take place: (i) if in relation to the Sunbury Collection Accounts, within 30 calendar days of such downgrade or such longer period as is commensurate with the then current ratings of the Notes; or (ii) if in relation to the Moonraker Collection Accounts, as soon as practicable;

- (e) procure the transfer of Borrowers' direct debit mandates to the replacement collection account and that all monthly payments made by Borrowers by any other payment arrangement are made to the replacement collection account(s); and

In relation to the Sunbury Collection Accounts, each Sunbury Servicer shall provide such assistance as the Issuer and any Sunbury Legal Title Holder may reasonably require to carry out the foregoing.

In relation to the Moonraker Collection Accounts, the Issuer and the Moonraker Legal Title Holders shall provide such assistance as the Moonraker Servicer may reasonably require to carry out the foregoing

Non-Rating Triggers Table

Perfection Events: Prior to the completion of the transfer of legal title of the Loans to the Issuer, the Issuer will be subject to certain risks as set out in the risk factors entitled "*Legal Title Holders to retain legal title to the Loans and risks relating to set-off*" and "*Set-off may adversely affect the value of the Portfolio or any part thereof*" in the section entitled "*Risk Factors*". Completion of transfer of the legal title of the Moonraker Loans by the relevant Legal Title Holder to the Issuer will be completed as soon as reasonably practicable after the earliest to occur of the following:

- (a) the relevant Moonraker Legal Title Holder being required (i) by an order of a court of competent jurisdiction; or (ii) by a regulatory authority which has jurisdiction over the relevant Moonraker Legal Title Holder; or (iii) by any organisation of which the relevant Moonraker Legal Title Holder is a member, or whose members comprise (but are not necessarily limited to) mortgage lenders with whose instructions it is customary for the relevant Legal Title Holder to comply, to perfect legal title to the Moonraker Loans and their Related Security;
- (b) it becoming necessary by law to take any or all such actions referred to in (a) above; or
- (c) the occurrence of an Insolvency Event in relation to the relevant Moonraker Legal Title Holder,

each of the events set out in paragraphs (a) to (c) inclusive being a "**Moonraker Perfection Event**")

Completion of transfer of the legal title of the Sunbury Loans by the relevant Legal Title Holder to the Issuer will be completed as soon as reasonably practicable after the earliest to occur of the following:

- (a) an Insolvency Event occurs in respect of a Sunbury Legal Title Holder;
- (b) it becomes unlawful in any applicable jurisdiction for a Sunbury Legal Title Holder to hold legal title in respect of any Sunbury Loan or its Related Security, or a Sunbury Legal Title Holder is required to perfect the Issuer's legal title to the Loans by an order of a court of competent jurisdiction or by a regulatory authority which has jurisdiction over such Sunbury Legal Title Holder or by any organisation of which such Sunbury Legal Title Holder is a member;
- (c) the occurrence of a Sunbury Servicer Termination Event in respect of a Sunbury Servicer in circumstances where all applicable grace periods have expired and no replacement Sunbury Servicer has been appointed;
- (d) following the service of an Enforcement Notice, written notice having been given by the Security Trustee to a Sunbury Legal

Title Holder and the Issuer, requesting that such Sunbury Legal Title Holder perfect title to the Issuer; or

- (e) if the Security Trustee considers that the Charged Assets or any part thereof is in danger of being seized or sold under any form of distress, diligence or execution levied, executed or threatened or to be otherwise in jeopardy and the Security Trustee serves written notice to a Sunbury Legal Title Holder and the Issuer, requesting that such Sunbury Legal Title Holder perfect title to the Issuer,

(each of the events set out in paragraphs (a) to (e) inclusive being a "**Sunbury Perfection Event**")

Completion of transfer of the legal title of the LASI Loans by the LASI Legal Title Holder to the Issuer will be completed as soon as reasonably practicable after the earliest to occur of the following:

- (a) the Issuer determining that its right, title, interest and benefit in the trust created under the Sunbury LASI Declaration of Trust is in jeopardy (including due to any possible Insolvency Event related to the LASI Legal Title Holder);
- (b) the Issuer requesting legal title to:
 - (i) the LASI Loans;
 - (ii) any and all of the Issuer's rights, title and interest in and to other advances and utilisations (including letters of credit) and claims under Sunbury Loan Files relating to the LASI Loans;
 - (iii) any other direct or indirect rights of the Issuer under all security for, or guarantees of the LASI Loans; or
 - (iv) all rights and claims of the Issuer ancillary to any of the above (together with (i) and (ii), the "**Trust Assets**"),

is transferred to the Issuer or to a transferee appointed in accordance with the Sunbury LASI Declaration of Trust; or

- (c) the exercise of the LASI Option by the LASI Legal Title Holder.

(each of the events set out in paragraphs (a) to (c) inclusive being a "**Sunbury LASI Perfection Event**")

Sunbury Servicer Termination Events:

Pursuant to the Sunbury Servicing Agreement, if any of the following events (each a "**Sunbury Servicer Termination Event**") shall occur:

- (a) default is made by a Sunbury Servicer in the payments on the due date of any payments due and payable by it under the Sunbury Servicing Agreement or any other Transaction Document to

which it is a party and such default continues unremedied for a period of five Business Days after the earlier of such Sunbury Servicer becoming aware of such default and receipt by such Sunbury Servicer of written notice from the Issuer or (following service of an Enforcement Notice) the Security Trustee (acting on the instructions of the Instructing Party) requiring the default to be remedied;

- (b) default is made by a Sunbury Servicer in the performance or observance of any of its other covenants and obligations under the Sunbury Servicing Agreement or any other Transaction Document to which it is a party, which default in the reasonable opinion of the Issuer or the opinion of the Security Trustee (acting on the instructions of the Instructing Party after the delivery of an Enforcement Notice on the advice of a financial adviser, such advice to be relied upon by the Note Trustee absolutely and without enquiry or any liability), is materially prejudicial to the interests of the Noteholders and such default continues unremedied for a period of 15 Business Days after the earlier of such Sunbury Servicer becoming aware of such default and receipt by such Sunbury Servicer of written notice from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee (acting on the instructions of the Instructing Party), as appropriate, requiring the same to be remedied, provided, however, that where the relevant default and receipt of notice of such default occurs as a result of a default by a person to whom a Sunbury Servicer has sub-contracted or delegated part of its obligations hereunder, such default shall not constitute a Sunbury Servicer Termination Event if, within such period of 15 Business Days of receipt of such notice from the Issuer or, as the case may be, the Security Trustee (acting on the instructions of the Instructing Party), the Sunbury Servicer terminates the relevant sub-contracting or delegation arrangements and remedies such default or takes such steps as the Issuer, or (following the delivery of an Enforcement Notice) the Security Trustee, may in its discretion specify to indemnify the Issuer and/or the Security Trustee against the consequences of such default;
- (c) a Sunbury Servicer ceasing to be an authorised person under the FSMA or the failure by a Sunbury Servicer to obtain or maintain, or the revocation of, applicable licences, registrations or regulatory approvals or permissions enabling it to continue servicing the Sunbury Loans and to perform the Services;
- (d) the occurrence of an Insolvency Event in respect of a Sunbury Servicer or the Sunbury Servicer becomes subject to Insolvency Proceedings; or
- (e) a Sunbury Servicer ceases to carry on the whole of its business or ceases to carry on the whole or substantially the whole of its residential mortgage servicing business,

then the Issuer (prior to the delivery of an Enforcement Notice) or (after delivery of an Enforcement Notice) the Security Trustee (in the case of (a) and (b) or (d)) shall deliver written notice to the relevant Sunbury Servicer on becoming aware of the relevant Sunbury Servicer Termination Event to terminate the relevant Sunbury Servicer's appointment with effect from the date of receipt of such notice (and in the case of (c) such notice shall be deemed to have been given to terminate the relevant Sunbury Servicer's appointment as Sunbury Servicer under the Sunbury Servicing Agreement with immediate effect), provided that the relevant Sunbury Servicer's appointment shall not be terminated until a successor servicer (the "**Sunbury Successor Servicer**") has been appointed.

Moonraker Servicer Termination Events:

If any of the following events (each a "**Moonraker Servicer Termination Event**", and together with the Sunbury Servicer Termination Events, the "**Servicer Termination Events**") shall occur:

- (a) default is made by the Moonraker Servicer in the payment on the due date of any payment due and payable by it under the Moonraker Servicing Agreement and such default continues unremedied for a period of 25 Business Days after the earlier of the Moonraker Servicer becoming aware of such default and receipt by the Moonraker Servicer of written notice from the Issuer or (following service of an Enforcement Notice) the Security Trustee requiring the same to be remedied;
- (b) default is made by the Moonraker Servicer in the performance or observance of any of its other covenants and obligations under the Moonraker Servicing Agreement or any other Transaction Documents to which it is a party which in the opinion of the Issuer (prior to the delivery of an Enforcement Notice) or in the opinion of the Security Trustee (after the delivery of an Enforcement Notice) (acting on the instructions of the Instructing Party) such default is materially prejudicial to the interests of the Noteholders (which determinations shall be conclusive and binding on all Secured Creditors) and such default continues unremedied for a period of 30 Business Days after the earlier of the Moonraker Servicer becoming aware of such default and receipt by the Moonraker Servicer of written notice from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee, as appropriate, requiring the same to be remedied , provided however that where the relevant default and receipt of notice of such default occurs as a result of a default by any person to whom the Moonraker Servicer has sub-contracted or delegated part of its obligations hereunder, such default shall not constitute a Moonraker Servicer Termination Event if, within such period of 30 Business Days, the Moonraker Servicer terminates the relevant sub-contracting or delegation arrangements and takes such steps as the Issuer may in its reasonable discretion specify to remedy such default or to indemnify and/or secure and/or pre-fund the Issuer to its

satisfaction (as applicable) against the consequences of such default;

- (c) the Moonraker Servicer ceasing to be an authorised person under the FSMA or the revocation of an applicable licence, registration or regulatory permission held by it required to perform the Moonraker Services; and
- (d) a Change of Control of the Moonraker Servicer provided that, if the Moonraker Servicer has notified the Issuer in writing that any such Change of Control has taken place, the Issuer must deliver a termination notice within 30 days following receipt of such notice or otherwise will be deemed to have consented to the Change of Control; or
- (e) an Insolvency Event in respect of the Moonraker Servicer,

then the Issuer (prior to the delivery of an Enforcement Notice) or the Security Trustee (after delivery of an Enforcement Notice) may at once or at any time thereafter while such default continues by notice in writing to the Moonraker Servicer (with a copy to the Security Trustee or the Issuer, as the case may require) terminate the appointment of the Moonraker Servicer under the Moonraker Servicing Agreement with effect from the later of the date specified in the notice and the date on which a transfer of servicing to all the then subsisting, Moonraker Loans and Related Security has been completed, provided that the Moonraker Servicer's appointment shall not be terminated until a successor servicer (the "**Moonraker Successor Servicer**") has been appointed. Upon termination of the appointment of the Moonraker Servicer under the Moonraker Servicing Agreement due to the occurrence of a Servicer Termination Event, the Issuer and the Back-Up Servicer Facilitator, if requested to do so by the Issuer, shall use its reasonable endeavours to procure the appointment by the Issuer and the Legal Title Holders of a Moonraker Successor Servicer which satisfies the conditions set forth in the Moonraker Servicing Agreement.

TRANSACTION OVERVIEW – FEES

The following table sets out the ongoing fees to be paid by the Issuer to the transaction parties.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Sunbury Servicing fees.	<p>The fees payable by the Issuer to the LMSL Servicer includes:</p> <p>LMSL Primary Servicing Fee</p> <p>(a) 0.15 per cent. per annum in relation to the buy to let properties in the Sunbury Portfolio; and</p> <p>(b) the aggregate of: (i) 0.1325 per cent. per annum in relation to the residential properties in the Sunbury Portfolio; and (ii) from the second anniversary of the commencement of the Sunbury Services, 0.1425 per cent. per annum,</p> <p>multiplied by the aggregate of the total principal balance of all the Sunbury Loans (in respect of the relevant portfolio) serviced by the LMSL Servicer on the first day of the relevant monthly collection period (on the basis of the actual number of days in that monthly collection period and a year of 365 days (366 days in a leap year)), exclusive of VAT.</p> <p>LMSL Special Servicing Fee</p> <p>(a) 0.35 per cent. per annum; and/or</p> <p>(b) 0.20 per cent. per annum, in the event that a Sunbury Loan is deemed to be in Default and the LMSL Servicer undertakes no activity on that Sunbury Loan,</p> <p>multiplied by the average of the total principal balance of all the</p>	Ahead of all Notes and Residual Certificates	Quarterly in arrears on each Interest Payment Date.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
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Sunbury Loans specially serviced by the LMSL Servicer during the relevant monthly collection period for any Sunbury Loan that is deemed to be in Default (on the basis of the actual number of days in that monthly collection period and a year of 365 days (366 days in a leap year)) exclusive of VAT.

The aggregate of the LMSL Primary Servicing Fee and the LMSL Special Servicing Fee shall be subject to a cap of an amount equal to 0.22 per cent. of the aggregate outstanding principal balance of the Sunbury Loans on the first day of the relevant monthly collection period (on the basis of the actual number of days in that monthly collection period and a year of 365 days) exclusive of VAT.

LASI Servicing Fee

The fees payable by the Issuer to the Sunbury LASI Servicer shall be: (a) €65,000 per annum (exclusive of VAT); plus (b) €25,000 per annum (exclusive of VAT) for central credit register (CCR) reporting.

LASI Legal Title Holder Fee

€58,000 per annum, exclusive of VAT.

Sunbury SRL Legal Title Holder Fee

£30,000 per annum, exclusive of VAT.

Further information in respect of the Sunbury Servicing Fee is provided in the section entitled "*Summary of the Key Transaction Documents – Sunbury Servicing Agreement*".

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Moonraker Servicing Fees	<p>The Issuer shall pay to the Moonraker Servicer a servicing fee (the "Moonraker Servicing Fee") until the appointment of the Moonraker Servicer is terminated in accordance with the Moonraker Servicing Agreement. The Moonraker Servicing Fee includes in relation to each Calculation Period, a fee calculated on the basis of the number of days elapsed (for which the Moonraker Servicer was performing the Services) in a 365 day year (or 366 day year in a leap year) at the rate of 0.12 per cent. per annum on the aggregate average Current Balance of all Moonraker Loans comprising the Moonraker Portfolio as at the close of business on the last calendar day of each Collection Period (the "Core Fees").</p> <p>The Moonraker Servicing Fee will be adjusted annually on each anniversary of the Closing Date in accordance with the UK Average Weekly Earnings Index (as published by the Office for National Statistics based on the average of the monthly calculations during the period of calculation) subject to a year on year cap of 4.00 per cent</p> <p>Further information in respect of the Moonraker Servicing Fee is provided in the section entitled "<i>Summary of the Key Transaction Documents – Moonraker Servicing Agreement</i>".</p>	Ahead of all outstanding Notes and Residual Certificates.	Quarterly in arrear on each Interest Payment Date.
Moonraker project costs	The Issuer shall pay to the Moonraker Servicer project costs in respect of entering into the Moonraker Servicing Agreement, up to a maximum amount of		On or about the Closing Date.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
	£65,000 plus VAT and disbursements.		
Other fees and expenses of the Issuer (including tax and audit costs).	Estimated at £115,000 each year (exclusive of VAT, where so provided in the relevant Transaction Document or otherwise payable by the Issuer).	Ahead of all outstanding Notes and Residual Certificates.	Quarterly in arrear on each Interest Payment Date.
Expenses related to the admission to trading of the Notes.	Estimated at €10,000 (exclusive of VAT).	Ahead of all outstanding Notes and Residual Certificates.	On or about the Closing Date.
Moonraker Legal Title Holders Fee	The Issuer shall pay a fee to the Moonraker Legal Title Holders (the " Moonraker Legal Title Holders Fee ") in accordance with applicable Priority of Payments in an amount equal to the product of the aggregate Moonraker Portfolio Current Balance as at 23:59 on the last day of the immediately preceding month multiplied by 0.0525 per cent. multiplied by the applicable Day Count Fraction.	Ahead of all outstanding Notes and Residual Certificates.	On or about the Closing Date.

As at the date of this Prospectus, the standard rate of UK VAT is 20 per cent.

As used in this Prospectus:

CERTAIN REGULATORY REQUIREMENTS

EU Securitisation Regulation Rules

The Retention Holder, as an originator for the purposes of the EU Securitisation Regulation, will retain on an ongoing basis a material net economic interest of not less than 5 per cent. in the securitisation (representing downside risk and economic outlay) as required by Article 6(1) of the EU Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures). As at the Closing Date, such interest will be comprised in aggregate of the Retention Holder holding through its interest and exposure in the profit participating loan entered into with the Sunbury Seller and through its interest and exposure in the profit participating loan entered into with the Moonraker Seller, an interest in the first loss tranche and other tranches having the same or a more severe risk profile than those transferred or sold to investors, represented in this case by the retention by the Sellers of the Class Z Notes, in accordance with the text of 6(3)(d) of the EU Securitisation Regulation. The aggregate Principal Amount Outstanding of the Class Z Notes as at the Closing Date is equal to at least 5 per cent of the nominal value of the securitised exposures. Any change to the manner in which such interest is held will be notified to Noteholders and Certificateholders.

The Retention Holder will undertake in the Risk Retention Letter:

- (a) to retain on an ongoing basis a material net economic interest of not less than 5 per cent. of the nominal value of the securitisation for the purposes of Article 6(1) of the EU Securitisation Regulation and Article 6(1) of the UK Securitisation Regulation (the "**Retained Interest**");
- (b) to provide notice to the Issuer, the Security Trustee (on behalf of the Noteholders) and the Cash Manager on or prior to the end of an Interest Period in the event that it ceases to hold exposure to the Retained Interest;
- (c) to retain the Retained Interest by holding an indirect exposure in the first loss tranche in the securitisation in accordance with Article 6(3)(d) of the EU Securitisation Regulation and in accordance with Article 6(3)(d) of the UK Securitisation Regulation, represented by the Class Z Notes through (i) its exposure to the Sunbury Seller under the Sunbury PPL and (ii) through its exposure to the Moonraker Seller under the Moonraker PPL and the corresponding holding by the Sellers of the Class Z Notes;
- (d) not to change the manner or form in which it retains the Retained Interest, except as permitted under the Securitisation Regulation Rules;
- (e) not to dispose of, assign or transfer its rights, benefits or obligations under the Sunbury PPL or Moonraker PPL except as permitted under the Securitisation Regulation Rules;
- (f) not to hedge or otherwise mitigate its credit risk under or associated with the Retained Interest or sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the Retained Interest, except as permitted under the Securitisation Regulation Rules; and
- (g) that it shall immediately notify the Issuer, the Arranger, the Security Trustee and the Cash Manager in writing if for any reason (i) it fails to comply with the undertakings set out in paragraph (a) and paragraphs (c) to (f) in any way or (ii) it becomes aware that either of the Sellers have failed to comply with any of its undertakings set out in the paragraph below.

Each of the Sellers will each severally undertake in the Risk Retention Letter, at any time whilst any of the Rated Notes and the Class X Notes are still outstanding:

- (a) that it will continue to hold, on an ongoing basis, its relevant holding of the Class Z Notes unless instructed otherwise by the Retention Holder in accordance with the Securitisation Regulations;
- (b) not to carry on any other trade or business or any activities or hold shares in any company or hold any other assets other than the Notes and Residual Certificates save to the extent permitted by or provided for in the Transaction Documents or paragraph (c) below or as permitted under the terms of the Sunbury PPL or Moonraker PPL (as applicable), such other related documents that are referred to in the Sunbury PPL or Moonraker PPL (as applicable) or which relate to the entry into and performance by the relevant Seller of its obligations under the Sunbury PPL or Moonraker PPL (as applicable) and activities ancillary thereto;
- (c) not to incur any indebtedness or give any guarantee in respect of any indebtedness or of any other obligation of any person other than the Sunbury PPL and Moonraker PPL save to the extent that the same would not result in any breach of the Securitisation Regulations;
- (d) not to take any action which would reduce the Retention Holder's exposure to the economic risk of the Class Z Notes in such a way that the Retention Holder ceases to hold the Retained Interest;
- (e) not to issue any further shares in addition to those that are in issue as at the Closing Date; and
- (f) that it shall immediately notify the Issuer, the Arranger, the Security Trustee and the Cash Manager in writing if for any reason (i) it fails to comply with the undertakings set out in paragraphs (a) to (e) above in any way or (ii) it becomes aware that the Retention Holder has failed to comply with any of its undertakings set out in the paragraph above.

Loans have not been selected to be sold to the Issuer with the aim of rendering losses on the Loans sold to the Issuer, measured over a period of 4 years, higher than the losses over the same period on comparable assets held on the balance sheet of the Sellers.

Each prospective investor that is an EU Affected Investor is required to independently assess and determine whether the information in this Prospectus and the information to be provided in the EU Loan Reports and EU Investor Reports and otherwise are sufficient for the purposes of complying with the EU Due Diligence Requirements, and none of the Arranger, the Lead Manager, the Retention Holder, the Sellers, the Originators, the Legal Title Holders, the Note Trustee, the Security Trustee, the Issuer, their respective affiliates or any other party to the transaction described in this Prospectus makes any representation that the information described above or in this Prospectus generally is sufficient in all circumstances for such purpose.

Failure by an EU Affected Investor to comply with the EU Due Diligence Requirements with respect to an investment in the Notes offered by this Prospectus may result in the imposition of a penalty regulatory capital charge on that investment or of other regulatory sanctions by the competent authority of such EU Affected Investor. The EU Securitisation Regulation Rules and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of any EU Affected Investor and have an adverse impact on the value and liquidity of the Notes offered by this Prospectus. Prospective investors should analyse their own regulatory position, and should consult with their own investment and legal advisers regarding application of, and compliance with, the EU Due Diligence Requirements or any other corresponding national measures which may be relevant and the suitability of the Notes for investment.

As to the information made available to prospective investors by the Retention Holder (as the EU Reporting Entity for the purposes of the EU Securitisation Regulation) pursuant to its obligations under Article 7 of the EU Securitisation Regulation, reference is made to the information set out herein and

forming part of this Prospectus and to any other information provided separately (which information shall not form part of this Prospectus) and, after the Closing Date, to the quarterly EU Investor Report and EU Loan Report provided to the Noteholders pursuant to the Cash Management Agreement and published on the following website: euroabs.com.

The Retention Holder has provided a corresponding undertaking with respect to: (i) the provision of such investor information and compliance with the requirements of Article 7(e)(iii) of the EU Securitisation Regulation by confirming the risk retention of the Retention Holder as contemplated by Article 6(1) of the EU Securitisation Regulation as specified in the paragraph above; and (ii) the interest to be retained by the Retention Holder as specified in the introductory paragraph above in the Risk Retention Letter.

The Retention Holder (as EU Reporting Entity for the purpose of the EU Securitisation Regulation) has appointed EuroABS Limited ("**EuroABS**") to perform the Retention Holder's obligations under Articles 7(1)(a) and 7(1)(e) of the EU Securitisation Regulation. For further information please refer to the section entitled "*General Information*".

UK Securitisation Regulation Rules

The Retention Holder, as an originator for the purposes of the UK Securitisation Regulation, will retain on an ongoing basis a material net economic interest of not less than 5 per cent. in the securitisation (representing downside risk and economic outlay) as required by Article 6(1) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures). As at the Closing Date, such interest will be comprised of the Retention Holder holding through its interest and exposure in the profit participating loan entered into with the Sellers an interest in the first loss tranche and other tranches having the same or a more severe risk profile than those transferred or sold to investors, represented in this case by the retention by the Sellers of the Class Z Notes, in accordance with the text of 6(3)(d) of the UK Securitisation Regulation. The aggregate Principal Amount Outstanding of the Class Z Notes as at the Closing Date is equal to at least 5 per cent. of the nominal value of the securitised exposures. Any change to the manner in which such interest is held will be notified to Noteholders and Certificateholders.

The Retention Holder will undertake in the Risk Retention Letter:

- (a) to retain on an ongoing basis a material net economic interest of not less than 5 per cent. of the nominal value of the securitisation for the purposes of Article 6(1) of the UK Securitisation Regulation and Article 6(1) of the EU Securitisation Regulation (the "**Retained Interest**");
- (b) to provide notice to the Issuer, the Security Trustee (on behalf of the Noteholders) and the Cash Manager on or prior to the end of an Interest Period in the event that it ceases to hold exposure to the Retained Interest;
- (c) to retain the Retained Interest by holding an indirect exposure in the first loss tranche in the securitisation in accordance with Article 6(3)(d) of the UK Securitisation Regulation and Article 6(3)(d) of the EU Securitisation Regulation, represented by the Class Z Notes through its exposure to the Sellers under the PPL and the corresponding holding by the Sellers of the Class Z Notes;
- (d) not to change the manner or form in which it retains the Retained Interest, except as permitted under the UK Securitisation Regulation Rules;
- (e) not to dispose of, assign or transfer its rights, benefits or obligations under the PPL except as permitted under the UK Securitisation Regulation Rules;

- (f) not to hedge or otherwise mitigate its credit risk under or associated with the Retained Interest or sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the Retained Interest, except as permitted under the UK Securitisation Regulation Rules; and
- (g) that it shall immediately notify the Issuer, the Arranger, the Security Trustee and the Cash Manager in writing if for any reason (i) it fails to comply with the undertakings set out in (a) and paragraphs (c) to (f) in any way or (ii) it becomes aware that the Seller has failed to comply with any of its undertakings set out in the paragraph below.

Each of the Sellers will undertake in the Risk Retention Letter, at any time whilst any of the Rated Notes and the Class X Notes are still outstanding:

- (a) that it will continue to hold, on an ongoing basis, all of the Class Z Notes unless instructed otherwise by the Retention Holder in accordance with the Securitisation Regulations;
- (b) not to carry on any other trade or business or any activities or hold shares in any company or hold any other assets other than the Notes and Residual Certificates save to the extent permitted by or provided for in the Transaction Documents or paragraph (c) above or as permitted under the terms of the Sunbury PPL or Moonraker PPL, such other related documents that are referred to in the Sunbury PPL or Moonraker PPL or which relate to the entry into and performance by such Seller of its obligations under the Sunbury PPL or Moonraker PPL and activities ancillary thereto;
- (c) not to incur any indebtedness or give any guarantee in respect of any indebtedness or of any other obligation of any person other than the Sunbury PPL or Moonraker PPL save to the extent that the same would not result in any breach of the Securitisation Regulations;
- (d) not to take any action which would reduce the Retention Holder's exposure to the economic risk of the Class Z Notes in such a way that the Retention Holder ceases to hold the Retained Interest;
- (e) not to issue any further shares in addition to those that are in issue as at the Closing Date; and
- (f) that it shall immediately notify the Issuer, the Arranger, the Security Trustee and the Cash Manager in writing if for any reason (i) it fails to comply with the undertakings set out in paragraphs (a) to (e) above in any way or (ii) it becomes aware that the Retention Holder has failed to comply with any of its undertakings set out in the paragraph above.

As to the information made available to prospective investors by the Issuer (as an SSPE (as defined in the UK Securitisation Regulation) incorporated in England and Wales and the UK Reporting Entity) pursuant to its obligations under Article 7 of the UK Securitisation Regulation, reference is made to the information set out herein and forming part of this Prospectus and to any other information provided separately (which information shall not form part of this Prospectus) and, after the Closing Date, to the quarterly UK Investor Report and quarterly UK Loan Report provided to the Noteholders pursuant to the Cash Management Agreement and published on the following website: www.euroabs.com.

The Issuer (as the UK Reporting Entity for the purpose of the UK Securitisation Regulation) has appointed EuroABS to perform all of the Issuer's obligations under Article 7 of the UK Securitisation Regulation. For further information please refer to the section entitled "*General Information*".

Each prospective investor that is a UK Affected Investor is required to independently assess and determine whether the information in this Prospectus and the information to be provided in the UK Loan Reports and UK Investor Reports and otherwise are sufficient for the purposes of complying with

the UK Due Diligence Requirements and none of the Arranger, the Lead Manager, the Retention Holder, the Sellers, the Originators, the Legal Title Holders, the Note Trustee, the Security Trustee, the Issuer, their respective affiliates or any other party to the transaction described in this Prospectus makes any representation that the information described above or in this Prospectus generally is sufficient in all circumstances for such purpose.

Failure by a UK Affected Investor to comply with the UK Due Diligence Requirements with respect to an investment in the Notes offered by this Prospectus may result in the imposition of a penalty regulatory capital charge on that investment or of other regulatory sanctions by the competent authority of such UK Affected Investor. The UK Securitisation Regulation Rules and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of any UK Affected Investor and have an adverse impact on the value and liquidity of the Notes offered by this Prospectus. Prospective investors should analyse their own regulatory position, and should consult with their own investment and legal advisers regarding application of, and compliance with, the UK Due Diligence Requirements or any other corresponding national measures which may be relevant and the suitability of the Notes for investment.

U.S. Risk Retention Requirements

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for the purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The U.S. Risk Retention Rules came into effect on 24 December 2016 with respect to all classes of asset-backed securitizations. The U.S. Risk Retention Rules provide that the securitizer of an asset backed securitization is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Retention Holder, as the sponsor under the U.S. Risk Retention Rules, does not intend to retain at least 5 per cent. of the credit risk of the securitized assets for purposes of compliance with the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the "ABS interests" (as defined in Section 2 of the U.S. Risk Retention Rules) are issued) of all classes of ABS interests issued in the securitization transaction are sold or transferred to, or for the account or benefit of, U.S. persons (as defined in the U.S. Risk Retention Rules, "**Risk Retention U.S. Persons**"); (3) neither the sponsor nor the issuer of the securitization transaction is (A) chartered, incorporated or organised under U.S. law, (B) an unincorporated branch (wherever located) of a U.S. entity or (C) is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. (as determined based on unpaid principal balance) of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer chartered, incorporated or organised or located in the United States.

Prior to any Notes or Residual Certificates which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes or Residual Certificates must first disclose to the Retention Holder that it is a Risk Retention U.S. Person and obtain the written consent of the Retention Holder in the form of a U.S. Risk Retention Consent. Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S, and that persons who are not "U.S. persons" under Regulation S may be U.S. persons under the U.S. Risk Retention Rules. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention

should be paid to paragraphs (b) and (h)(i), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "**U.S. person**" (and "**Risk Retention U.S. Person**" as used in this Prospectus) means any of the following:

- (a) any natural person resident in the United States;
- (b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States³;
- (c) any estate of which any executor or administrator is a U.S. person (as defined under any other paragraph of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other paragraph of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other paragraph of this definition);
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organisation or entity if:
 - (i) organised or incorporated under the laws of any foreign jurisdiction; and
 - (ii) formed by a U.S. person (as defined under any other paragraph of this definition) principally for the purpose of investing in securities not registered under the Securities Act⁴;

Each holder of a Note or a beneficial interest therein acquired on the Closing Date, by its acquisition of a Note or a beneficial interest in a Note, will be deemed, and, in certain circumstances, will be required to represent to the Issuer and the Retention Holder that it (1) either (i) is not a Risk Retention U.S. Person or (ii) it has obtained a U.S. Risk Retention Consent, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).

The Retention Holder has advised the Issuer that it will not provide a U.S. Risk Retention Consent to any investor if such investor's purchase would result in more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) (as determined by fair value under US GAAP) of all Classes of Notes to be sold or transferred to Risk Retention U.S. Persons on the Closing Date.

³ The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States.

⁴ The comparable provision from Regulation S "(vii)(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts.

There can be no assurance that the requirement to request the Retention Holder to give its prior written consent to any Notes or Residual Certificates which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether a failure by the Retention Holder to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes, the Residual Certificates or the market value of the Notes and Residual Certificates. Furthermore, the impact of the U.S. Risk Retention Rules on the securitization market generally is uncertain, and a failure by the Retention Holder to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes and the Residual Certificates.

Neither the Retention Holder nor the Issuer makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise. For further information please refer to the Risk Factors entitled "*Legal and Regulatory Risks – Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes*" and "*The Securitisation Regulations apply to the Notes and any non-compliance may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes*".

INFORMATION RELATING TO THE REGULATION OF MORTGAGES IN THE UK

Regulated Mortgage Contracts

In the United Kingdom, regulation of residential mortgage business under the FSMA came into force on 31 October 2004 (the "**Regulation Effective Date**"). Residential mortgage lending under the FSMA is regulated by the FCA (and prior to 1 April 2013, was regulated by its predecessor the Financial Services Authority (the "**FSA**")). Subject to certain exemptions, entering into a Regulated Mortgage Contract as a lender, arranging Regulated Mortgage Contracts and advising in respect of or administering Regulated Mortgage Contracts (or agreeing to do any of these things) are each regulated activities under the FSMA and the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) (as amended) (the "**RAO**") requiring authorisation and permission from the FCA.

There have been incremental changes to the definition of Regulated Mortgage Contract over time, including the removal of the requirement for the security to be first ranking.

If a mortgage contract was entered into on or after the Regulation Effective Date but before 21 March 2016, it was a Regulated Mortgage Contract under the RAO if: (i) the lender provided credit to an individual or to trustees; and (ii) the obligation of the borrower to repay was secured by a first legal mortgage (or, in Scotland, a first ranking standard security) (other than timeshare accommodation) in the United Kingdom, at least 40 per cent. of which is used, or is intended to be used, as or in connection with a dwelling by the borrower or (in the case of credit provided to trustees) by an individual who is a beneficiary of the trust, or by a related person. A related person (in relation to a borrower, or in the case of credit provided to trustees, a beneficiary of the trust) is broadly the person's spouse or civil partner, near relative or a person with whom the borrower (or in the case of credit provided to trustees, a beneficiary of the trust) has a relationship which is characteristic of a spouse.

If the mortgage contract was entered into on or after 21 March 2016, it will be a regulated mortgage contract if it meets the following conditions (when read in conjunction with relevant exclusions): (a) the borrower is an individual or trustee; and (b) the contract provides for the obligation of the borrower to repay is secured by a mortgage (including, in Scotland, a standard security) on land, at least 40 per cent. of which is used, or is intended to be used, in the case of credit provided to an individual, as or in connection with a dwelling by that individual or a related person; or (in the case of credit provided to a trustee who is not an individual), as or in connection with a dwelling by an individual who is a beneficiary of the trust, or by a related person. In relation to a contract entered into before 23:00 on 31 December 2020, 'land' means land in the United Kingdom or within the territory of an EEA State and in relation to a contract entered into on or after 23:00 on 31 December 2020, 'land' means land in the United Kingdom.

Credit agreements which were originated before 21 March 2016, which were regulated by the CCA, and that would have been regulated mortgage contracts had they been entered into on or after 21 March 2016 are 'consumer credit back book mortgage contracts' and are also therefore Regulated Mortgage Contracts (see "*Regulation of residential secured lending (other than Regulated Mortgage Contracts)*") below.

On and from the Regulation Effective Date, subject to any exemption, persons carrying on any specified regulated mortgage-related activities by way of business must be authorised under the FSMA. The specified activities currently are: (a) entering into a Regulated Mortgage Contract as lender; (b) administering a Regulated Mortgage Contract (administering in this context broadly means notifying borrowers of changes in mortgage payments and/or collecting payments due under the mortgage loan); (c) advising in respect of Regulated Mortgage Contracts; and (d) arranging Regulated Mortgage Contracts. Agreeing to carry on any of these activities is also a regulated activity. If requirements as to the authorisation of lenders and brokers are not complied with, a Regulated Mortgage Contract will

be unenforceable against the borrower except with the approval of a court and the unauthorised person may commit a criminal offence. An unauthorised person who carries on the regulated mortgage activity of administering a Regulated Mortgage Contract that has been validly entered into may commit an offence, although this will not render the contract unenforceable against the borrower. The regime under the FSMA regulating financial promotions covers the content and manner of the promotion of agreements relating to qualifying credit and by whom such promotions can be issued or approved. In this respect, the FSMA regime not only covers financial promotions of Regulated Mortgage Contracts but also promotions of certain other types of secured credit agreements under which the lender is a person (such as the relevant Originator) who carries on the regulated activity of entering into a Regulated Mortgage Contract. Failure to comply with the financial promotion regime (as regards who can issue or approve financial promotions) is a criminal offence and will render the Regulated Mortgage Contract or other secured credit agreement in question unenforceable against the borrower except with the approval of a court.

Servicers are required to hold authorisation and permission to administer Regulated Mortgage Contracts. The LMSL Servicer holds authorisations and permissions to administer regulated mortgage contracts. Subject to certain exemptions, brokers will be required to hold authorisation and permission to arrange and, where applicable, to advise in respect of Regulated Mortgage Contracts.

The Issuer is not, nor proposes to become, an authorised person under the FSMA. The Issuer will only hold beneficial title to the Loans and their Related Security. In the event that legal title is transferred to the Issuer upon the occurrence of a Perfection Event the Issuer must arrange for a servicer having the required authorisation and permission under the FSMA to administer these Loans within a period of not more than one month and is not expected to enter into any new Regulated Mortgage Contracts as lender under article 61(1) of the RAO. However, in the event that a mortgage is varied, such that a new contract is entered into and that contract constitutes a Regulated Mortgage Contract, then the arrangement of, advice on, administration of and entering into of such variation would need to be carried out by an appropriately authorised entity.

The FCA's Mortgages and Home Finance: Conduct of Business sourcebook ("**MCOB**"), which sets out the FCA's rules for regulated mortgage activities, came into force on 31 October 2004. These rules cover, *inter alia*, certain pre-origination matters such as financial promotion and pre-application illustrations, pre-contract and start-of-contract and post-contract disclosure, contract changes, charges and arrears and repossessions. Further rules for prudential and authorisation requirements for mortgage firms, and for extending the appointed representatives regime to mortgages, came into force on 31 October 2004. If FCA requirements on authorisation and permission of lenders and brokers or on issue and approval of financial promotions are not complied with, a Regulated Mortgage Contract entered into as a consequence of such action will be unenforceable against the borrower except with the approval of a court.

A borrower who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by an authorised person of the FCA rules, and may set off the amount of the claim against the amount owing by the borrower under the loan or any other loan that the borrower has taken with that authorised person (or exercise analogous rights in Scotland). Any such claim or set off may adversely affect the Issuer's ability to make payments on the Notes.

Regulation of residential secured lending (other than Regulated Mortgage Contracts)

The UK government has pursued a policy commitment to move second charge lending into the regulatory regime for mortgage lending rather than the regime for consumer credit under which second charge lending fell. The UK government thought that there was a strong case for regulating lending secured on a borrower's home consistently, regardless of whether it is a first or subsequent charge. The European Mortgage Credit Directive (2014/17/EU) (the "**Mortgage Credit Directive**") also follows this principle and makes no distinction between requirements for first charge and second (and

subsequent) charge mortgage lending. The UK government concluded that it made sense to implement the changes to second (and subsequent) charge lending alongside the implementation of the Mortgage Credit Directive. The UK government also proposed to move the regulation of second (and subsequent) charge loans already in existence before 21 March 2016 to the regulated mortgage contract regime rather than keeping them within the consumer credit regime. The policy of regulating lending secured on a borrower's home consistently also meant that the UK government decided to change the regulatory regime of pre-2004 first charge loans regulated by the CCA. Mortgage regulation under FSMA began on 31 October 2004. Mortgages entered into before that date were regulated by the CCA, provided they did not exceed the financial threshold in place when they were entered into and were not otherwise exempt. In November 2015, the UK government introduced legislation which meant that the administration of and other activities relating to those pre-October 2004 first charge mortgages which were regulated by the CCA became regulated mortgage activities from 21 March 2017. The transfer of CCA regulated mortgages into the FSMA regime was implemented by the Mortgage Credit Directive Order 2015 on 21 March 2016 (the "**Mortgage Credit Directive Order**"). The government has put in place transitional provisions for existing loans so that some of the CCA protections in place when the loans were originally taken out are not removed retrospectively.

Unregulated mortgages which were originated before 31 October 2004, remain unregulated and are not regulated by virtue of the implementation of the Mortgage Credit Directive Order.

Credit agreements which were originated before 21 March 2016 which were regulated by the CCA and that would have been regulated mortgage contracts had they been entered into on or after 21 March 2016 are defined by the Mortgage Credit Directive Order as "consumer credit back book mortgage contracts" and would also therefore be Regulated Mortgage Contracts ("**Consumer Credit Back Book Mortgage Contracts**"). The main CCA consumer protection retained in respect of consumer credit back book mortgage contracts is the continuing unenforceability of the agreement if it was rendered unenforceable by the CCA prior to 21 March 2016. Unless the agreement was irredeemably unenforceable, the lender may enforce the agreement by seeking a court order or decree or bringing any relevant period of non-compliance with the CCA to an end in the same manner as would have applied if the agreement was still regulated by the CCA. If a consumer credit back book mortgage contract was void as a result of section 56(3) of the CCA, that agreement or the relevant part of it will remain void. Restrictions on early settlement fees will also be retained. If interest was not chargeable under a consumer credit back book mortgage contract due to non-compliance with section 77A of the CCA (duty to serve an annual statement) or section 86B of the CCA (duty to serve a notice of sums in arrears ("**NOSIA**")), once the consumer credit back book mortgage contract is regulated by FSMA under the Mortgage Credit Directive Order as of 21 March 2016, the sanction of interest not being chargeable under section 77A of the CCA and section 86D of the CCA ceases to apply, but only for interest payable under those loans after 21 March 2016. A consumer credit back book mortgage contract will also be subject to unfair relationship provisions described below. Certain provisions of MCOB are applicable to these consumer credit back book mortgage contracts. These include the rules relating to disclosure at the start of a contract and post-sale disclosure (MCOB 7), charges (MCOB 12) and arrears, payment shortfalls and repossessions (MCOB 13). General conduct of business standards will also apply (MCOB 2).

If any of the Loans are in fact Consumer Credit Back Book Mortgage Contracts, the regulatory regime may result in adverse effects on the enforceability of certain Loans and consequently the Issuer's ability to make payment in full on the Notes when due.

Regulation of buy to let mortgages

Buy to let mortgage loans can fall under several different regulatory regimes. They can be:

- unregulated;

- regulated by the Consumer Credit Act 1974 (the "**CCA**") as a regulated credit agreement – as defined by article 60B of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) (as amended) (the "**RAO**") (a "**Regulated Credit Agreement**");
- regulated by the FSMA as a regulated mortgage contract – as defined by article 61 RAO) (a "**Regulated Mortgage Contract**"); or
- regulated as a consumer buy to let mortgage contract under the consumer buy to let regime – as defined by the Mortgage Credit Directive Order 2015 (a "**Consumer Buy to Let Loan**").

The Portfolio comprises Loans that the Sellers believe are either unregulated or Regulated Mortgage Contracts. If any of the Loans are in fact Regulated Credit Agreements, then breach of the relevant regulations could give rise to a number of consequences (as applicable), including but not limited to: unenforceability of the Loans, interest payable under the Loans being irrecoverable for certain periods of time, or borrowers being entitled to claim damages for losses suffered and being entitled to set off the amount of their claims against the amount owing by the borrower under the Loans, all of which may adversely affect the ability of the Issuer to make payments in full on the Notes when due. A loan will not be a Consumer Buy to Let Loan unless it was originated on or after 21 March 2016 and no Buy to Let Loan was originated on or after 21 March 2016.

Unregulated buy to let mortgage loans

Many buy to let mortgage loans will be unregulated because they do not meet the criteria for a Regulated Credit Agreement, Regulated Mortgage Contract or Consumer Buy to Let Loan. There are, however, still a number of regulated activities that apply to some unregulated buy to let mortgage loans. These activities are debt administration and debt collection but the Issuer does not have to be authorised to carry out these activities. LMSL has debt administration and debt collection permissions. The Moonraker Servicer has debt administration permissions.

Changes to mortgage regulation and to the regulatory structure in the United Kingdom

In December 2011, the FSA published a consultation paper that consolidates proposals arising out of its wide-ranging mortgage market review, which was launched in October 2009 to consider strengthening rules and guidance on, *inter alia*, affordability assessments, product regulation, arrears charges and responsible lending. The FSA's aim was to ensure the continued provision of mortgage credit for the majority of borrowers who can afford the financial commitment of a mortgage, while preventing a re-emergence of poor lending practices as the supply of mortgage credit in the market recovers. In October 2012, the FSA published a feedback statement and final rules that generally came into force on 26 April 2014 with transitional arrangements where, among other things, the borrower does not take on additional borrowing. These rules have, for example, imposed more stringent requirements on lenders to assess the affordability of a loan made to a borrower and to verify the income of a borrower.

In relation to interest-only loans that are not buy to let loans, the mortgage market review introduced rules that require relevant institutions, with effect from 26 April 2014, to obtain evidence (with permitted exceptions) that a borrower will have in place a clearly understood and credible payment strategy and that the payment strategy has the potential to repay the principal at the end of the term of an interest-only loan.

The FCA started to track firms' progress towards implementation of the mortgage market review from the second quarter of 2013 and: (i) in June 2015 published a report following a thematic review concerning the quality and suitability of mortgage advice provided by firms; and (ii) began a further thematic review on responsible lending in April 2015, on which it reported in May 2016. In December 2016, it launched a market study focusing on consumers' ability to make effective choices in the first

charge residential mortgage market, on which it produced an interim report in May 2018 and a final report in March 2019 (see "*Mortgage Prisoners*" below). This is in addition to regulatory reforms being made as a result of the implementation of the Mortgage Credit Directive from 21 March 2016 (see "*Risk Factors – Regulation of residential secured lending (other than Regulated Mortgage Contracts)*"). It is possible that further changes may be made to the FCA's MCOB rules as a result of these reviews and other related future regulatory reforms. To the extent that the new rules do apply to any of the Loans, failure to comply with these rules may entitle a Borrower to claim damages for loss suffered or set-off the amount of the claim against the amount owing under the Loan. Any such claim or set-off may reduce the amounts available to meet the payments due in respect of the Notes.

Any further changes to MCOB arising from the FCA's mortgage market review, or to MCOB or the FSMA arising from HM Treasury's proposals to change mortgage regulation or changes in the regulatory structure, may adversely affect the Loans, the Sunbury Legal Title Holders, the Moonraker Legal Title Holders, the Issuer, the Sunbury Servicers, the Moonraker Servicer and their respective businesses and operations.

Unfair Relationships

Under the Consumer Credit Act 1974, the "extortionate credit" regime was replaced by an "unfair relationship" test. The "unfair relationship" test applies to all existing and new credit agreements, except Regulated Mortgage Contracts under the FSMA and also applies to (as described above) "consumer credit back book mortgage contracts". If the court makes a determination that the relationship between a lender and a borrower is unfair, then it may make an order, among other things, requiring the Originator, or any assignee such as the Issuer, to repay amounts received from such borrower. In applying the "unfair relationship" test, the courts are able to consider a wider range of circumstances surrounding the transaction, including the conduct of the creditor (or anyone acting on behalf of the creditor) before and after making the agreement. There is no statutory definition of the word "unfair" in the CCA as the intention is for the test to be flexible and subject to judicial discretion and it is therefore difficult to predict whether a court would find a relationship "unfair". However, the word "unfair" is not an unfamiliar term in UK legislation due to the UTCCR (as defined below). The courts may, but are not obliged to, look solely to the CCA for guidance. The principle of "treating customers fairly" under the FSMA, and guidance published by the FSA and, as of 1 April 2013, the FCA on that principle and by the OFT on the unfair relationship test, may also be relevant. Under the CCA, once the debtor alleges that an "unfair relationship" exists, the burden of proof is on the creditor to prove the contrary.

Plevin v Paragon [2014] UKSC 61, a Supreme Court judgment, has clarified that compliance with the relevant regulatory rules by the creditor (or a person acting on behalf of the creditor) does not preclude a finding of unfairness, as a wider range of considerations may be relevant to the fairness of the relationship than those which would be relevant to the application of the rules.

If a court determines that there was an unfair relationship between the Lender and the Borrowers in respect of the Loans and orders that financial redress be made in respect of such Loans, such redress may adversely affect the ultimate amount received by the Issuer in respect of the relevant Loans and the realisable value of the Portfolio and/or the Issuer's ability to make payment in full on the Notes when due.

Repossessions policy

In June 2010, the FSA made changes to MCOB which effectively converted previous guidance on the policies and procedures to be applied by authorised firms (such as the Servicers) with respect to forbearance in the context of Regulated Mortgage Contracts into formal mandatory rules. Under these rules, a firm is restricted from repossessing a property unless all other reasonable attempts to resolve the position have failed and, in complying with such restriction, a firm is required to consider whether,

given the borrower's circumstances, it is appropriate to take certain actions. Such actions refer to (among other things) the extension of the term of the mortgage, product type changes and deferral of interest payments. While the FSA indicated that it did not expect each forbearance option referred to in these rules to be explored at every stage of interaction with the borrower, it is clear that these rules impose mandatory obligations on firms without regard to any relevant contractual obligations or restrictions which the relevant loan may be subject to as a result, inter alia, of such loan being contained within a securitisation transaction. As a result, the rules may operate in certain circumstances to require the Servicers to take certain forbearance-related actions (which may not have been contemplated as at the date of this Prospectus

The Mortgage Repossession (Protection of Tenants etc.) Act 2010 (the "**Repossession Act 2010**") came into force on 1 October 2010. The Repossession Act 2010 gives courts in England and Wales the same power to postpone and suspend repossession for up to two months on application by an unauthorised tenant (i.e. a tenant in possession without the lender's consent) as generally exists on application by an authorised tenant. The lender has to serve notice at the property before enforcing a possession order.

Part I of the Home Owner and Debtor Protection (Scotland) Act 2010 (the "**HODPA 2010 Act**") came into force on 30 September 2010 and imposes additional requirements on heritable creditors (the Scottish equivalent of a mortgagee) in relation to the enforcement of standard securities over residential property in Scotland. Under Part I of the 2010 Act, the heritable creditor, which may be the relevant Legal Title Holder or, in the event of it taking legal title to the Scottish Loans and their Related Security, the Issuer, has to obtain a court order to exercise its power of sale (in addition to initiating the enforcement process by the service of a two-month "calling up" notice), unless the borrower and any other occupiers have surrendered the property voluntarily. In applying for the court order, the heritable creditor also has to demonstrate that it has taken various preliminary steps to attempt to resolve the borrower's position, and comply with further procedural requirements

The protocol in the Repossession Act 2010, the HODPA 2010 Act and the MCOB requirements for mortgage possession cases may have adverse effects in markets experiencing above average levels of possession claims. Delays in the initiation of responsive action in respect of the Loans may result in delayed or lower recoveries and a lower repayment rate on the Notes.

Investors should note, as at the date of this Prospectus, the FCA's guidance to firms, as described in the section entitled "*Mortgages and coronavirus: FCA guidance for firms*" below in response to the COVID-19 outbreak in the UK, that firms should not absent exceptional circumstances enforce repossession and should not seek, or enforce a warrant for possession or a warrant of restitution against customers before 1 April 2021.

Mortgages and coronavirus: FCA guidance for firms

On 20 March 2020, the FCA published guidance for, inter alia, mortgage lenders and administrators entitled 'Mortgages and coronavirus: our guidance for firms', in connection with the ongoing outbreak of COVID-19 in the UK. This guidance was updated on 4 June 2020, on 16 June 2020 and again on 17 November 2020, such update coming into effect on 20 November 2020 (the "**FCA Payment Deferral Guidance**"). Amongst other things, this guidance provides that mortgage lenders are required, where an eligible borrower is experiencing or reasonably expects to experience payment difficulties as a result of circumstances relating to COVID-19, and wishes to receive a payment deferral, to grant a borrower a payment deferral unless the mortgage lender agrees with the borrower a different option that the lender reasonably considers to be in the best interests of the borrower. A request for a full or partial payment deferral for three monthly payments may be made by a borrower at any time until 31 March 2021 in respect of payments up to and including 31 July 2021. The FCA Payment Deferral Guidance provides that (i) borrowers who have not yet had a payment deferral will be eligible for payment deferrals of 6 months in total (ii) those borrowers who currently have a payment deferral will be eligible to top up to

6 months in total (iii) those borrowers who have previously had payment deferrals of less than 6 months will be able to top up, as long as total deferrals do not exceed 6 months. This includes those borrowers receiving tailored support and those who are behind on payments (iv) borrowers who have already had 6 months of payment deferrals will not be eligible for a further payment deferral. Lenders should provide tailored support to those borrowers who are in financial difficulty and not eligible for a payment deferral under the FCA Payment Deferral Guidance appropriate to their circumstances. Borrowers will have until 31 March 2021 to apply for an initial or a further payment deferral. After that date, they will be able to extend existing deferrals to 31 July 2021, provided these extensions cover consecutive payments, and subject to the maximum 6 months allowed. The FCA advise that borrowers who have not yet taken a deferral, and who think they need the full 6 months should apply in good time before their February 2021 payment is due.

Interest will continue to accrue on the sum temporarily unpaid as the result of a payment deferral, however no fee or charge may be levied in connection with the grant of a payment deferral. Any missed payments arising under such payment deferrals will not constitute arrears and will not be reported as such to Noteholders (for the avoidance of doubt, except in relation to Loans that were in arrears when the payment deferral was granted, for which the arrears accrued before the start of the payment deferral period will continue to be reported as arrears, but the missed payments during the payment deferral period will not be treated as an increase in arrears).

In addition, the FCA's guidance provides that, except in exceptional circumstances, firms should not commence or continue repossession proceedings against borrowers before 1 April 2021, irrespective of the stage that repossession proceedings have reached and of any step taken in pursuit of repossession. Where a possession order has already been obtained, the FCA state that, except in exceptional circumstances, firms should refrain from enforcing it.

On 16 September 2020, additional guidance for firms entitled: "*Mortgages and coronavirus: additional guidance for firms*" came into force (the "**Tailored Support Guidance**") to supplement the FCA Payment Deferral Guidance. The Tailored Support Guidance was updated on 17 November 2020, such update coming into effect on 20 November 2020 and again on 27 January 2021, such update coming into effect on 29 January 2021. The Tailored Support Guidance applies to firms dealing with borrowers facing payment difficulties due to circumstances related to coronavirus who are not receiving payment deferrals under the FCA Payment Deferral Guidance, including where they are not or are no longer eligible for payment deferral. The Tailored Support Guidance is designed to enable firms to continue to deliver short and long-term support to borrowers affected by the evolving coronavirus pandemic and the Government's response to it. It is intended to support firms to treat borrowers affected by coronavirus fairly and to help borrowers to bridge the crisis to get back to a more stable financial position. If the borrower indicates that they continue or reasonably expect to continue, to face payment difficulties after receiving payment deferrals under the FCA Payment Deferral Guidance, then the Tailored Support Guidance applies and unless the borrower objects, the lender may capitalise the deferred amounts.

The Tailored Support Guidance provides that at the end of the payment deferral period, no payment shortfall for the purposes of MCOB 13 will arise, where the accrued amounts are repaid (this includes where sums are capitalised or repaid in a lump sum) before the next payment is due. In all other cases, mortgage lenders should regard those accrued amounts as a payment shortfall under MCOB 13 once the next payment falls due.

The FCA expects mortgage lenders to be flexible and employ a full range of short and long-term forbearance options to support their borrowers and minimise avoidable financial distress and anxiety experienced by customers in financial difficulty as a result of coronavirus. This may include short term arrangements under which the lender permits the customer to make no or reduced payments for a specified period. However it should be noted that where after the end of a payment deferral period under the FCA Payment Deferral Guidance, a mortgage lender agrees to the customer making no or

reduced payments for a further period (without changing the sums due under the contract) this will cause a payment shortfall that will be subject to MCOB 13.

The Tailored Support Guidance provides that firms should be mindful that for some second charge mortgages there is a particular risk of harm from the total debt escalating significantly when a customer defers payments or enters payment shortfall, particularly compared with what they would have otherwise have paid. The Tailored Support Guidance provides that in such cases it is particularly important that firms consider using a range of forbearance options, including options beyond those listed in MCOB. These could include applying simple interest rather than compound to any payment shortfall, or reducing the interest rate charged on these sums (in some cases to 0%).

The Tailored Support Guidance further provides in respect of deferral shortfalls (amount added to the shortfall because of any payment deferrals) that unless the borrower is unreasonably refusing to engage with the mortgage lender in relation to addressing the shortfall, a mortgage lender should not repossess the property without the borrower's consent solely because of a deferral shortfall. Further, in considering whether and when steps to repossess the property should be taken and whether all other reasonable attempts to resolve the position have failed, mortgage lenders should take into account that the shortfall arose by agreement with the mortgage lender and in exceptional circumstances and the borrower was not expected to address the shortfall during the payment deferral period and so may have had less time to address it.

The FCA makes clear in the FCA Payment Deferral Guidance and the Tailored Support Guidance that it expects lenders of both owner-occupied and buy-to-let mortgage loans to act in a manner consistent with the guidance.

Increased levels of payment deferrals and enforcement moratoriums may result in a reduction of funds available to the Issuer to meet its obligations under the Notes. Nor can there be any assurance that the FCA, or other UK government or regulatory bodies, may not take further steps in response to the COVID-19 outbreak in the UK which may impact the performance of the Loans, including further amending and extending the scope of the above guidance.

Non-disclosure of Broker Commissions

Certain of the Loans may also have been originated through intermediaries, including mortgage brokers and mortgage advisers. In line with market practice, the Originators paid commission to such intermediaries in consideration for such activities in the form of a procuration fee. The standard loan offer documents for the majority of such Loans specified the fact and amount of commission, however a small number of the standard loan offer documents of such other Loans were silent as to broker commissions.

Where only the existence but not the amount of the commission was disclosed to a Borrower then, depending on the circumstances of the case, that Borrower may have a claim against the relevant Legal Title Holder of the affected Loan. If such claim was successful, it is likely that a court would order payment to such Borrower of the amount of commission paid in respect of the affected Loan together with interest on that amount (although the court does have discretion as to the remedy that it would award the Borrower in the circumstances), whereas the award is likely to be greater where there was a failure to disclose the existence of the commission to a Borrower.

Distance Marketing

In the United Kingdom, the Financial Services (Distance Marketing) Regulations 2004 apply to, *inter alia*, credit agreements entered into on or after 31 October 2004 by a "consumer" within the meaning of the regulations means of distance communication (i.e. without any substantive simultaneous physical presence of the originator and the borrower). The regulations (and MCOB in respect of activities related

to Regulated Mortgage Contracts) require suppliers of financial services by way of distance communication to provide certain information to consumers. This information generally has to be provided before the consumer is bound by a distance contract for the supply of the financial services in question and includes, but is not limited to, general information in respect of the supplier and the financial service, contractual terms and conditions, and whether or not there is a right of cancellation.

A Regulated Mortgage Contract under the FSMA, if originated by a UK lender (who is authorised by the FCA) from an establishment in the UK, will not be cancellable under these regulations but will be subject to related pre-contract disclosure requirements in MCOB. Certain other credit agreements will be cancellable under these regulations if the borrower does not receive the prescribed information at the prescribed time, or in any event for certain unsecured lending. Where the credit agreement is cancellable under these regulations, the borrower may send notice of cancellation at any time before the expiry of 14 days beginning with (i) the day after the day on which the contract is made (where all of the prescribed information has been provided prior to the contract being entered into); or (ii) the day after the day on which the last of the prescribed information is provided (where all of the prescribed information was not provided prior to the contract being entered into).

Compliance with the regulations may be secured by way of injunction (interdict in Scotland) obtained by an enforcement authority, granted on such terms as the court thinks fit to ensure such compliance, and certain breaches of the regulations may render the supplier or intermediaries (and their respective relevant officers) liable to a fine. Failure to comply with MCOB rules could result in, *inter alia*, disciplinary action by the FCA and possible claims for damages under Section 138D of the FSMA for breach of FCA rules.

If the borrower cancels the contract under these regulations, then:

- (a) the borrower is liable to repay the principal, and any other sums paid by the originator to the borrower under or in relation to the contract, within 30 days beginning with the day of the borrower sending the notice of cancellation or, if later, the originator receiving notice of cancellation;
- (b) the borrower is liable to pay interest, early repayment charges and other charges for services actually provided in accordance with the contract only if: (i) the amount is in proportion to the extent of the service provided (in comparison with the full coverage of the contract) and is not such that it could be construed as a penalty; (ii) the borrower received certain prescribed information at the prescribed time about the amounts payable; and (iii) the originator did not commence performance of the contract before the expiry of the relevant cancellation period unless requested to do so by the borrower); and
- (c) any security provided in relation to the contract is treated as never having had effect.

If a significant portion of the Loans are characterised as being cancellable under these regulations, then there could be an adverse effect on the Issuer's receipts in respect of the Loans, affecting the Issuer's ability to make payments in full on the Notes when due.

Unfair Terms in Consumer Contracts Regulations 1994 and 1999 and the Consumer Rights Act 2015

In the UK, the Unfair Terms in Consumer Contracts Regulations 1999 as amended (the "**1999 Regulations**"), and (in so far as applicable) the Unfair Terms in Consumer Contracts Regulation 1994 (together with the 1999 Regulations, (the "**UTCCR**")), apply to business-to-consumer agreements made on or after 1 July 1995 and before 1 October 2015 where the terms have not been individually negotiated (and the "consumer" for these purposes falls within the definition provided in the UTCCR). In respect of relevant contracts that (a) were entered into on or after 1 October 2015; or (b) were, since 1 October 2015, subject to a material variation such that they are treated as new contracts falling within

the scope of the Consumer Rights Act 2015 (the "**CRA**"), the CRA applies. The CRA is also applicable on or after 1 October 2015, to notices of variation, such as variation of the interest rate under contracts.

The UTCCR and the CRA provide that a consumer (which would include a borrower under all or almost all of the Loans) may challenge a term in an agreement on the basis that it is "unfair" within the UTCCR or the CRA as applicable and therefore not binding on the consumer (although the rest of the agreement will remain enforceable if it is capable of continuing in existence without the unfair term) and provide that a regulator may take action to stop the use of terms which are considered to be unfair.

The UTCCR will not generally affect terms which define the main subject matter of the contract, such as the borrower's obligation to repay the principal, provided that these terms are written in plain and intelligible language and are drawn adequately to the consumer's attention. The UTCCR may affect terms that are not considered to be terms which define the main subject matter of the contract, such as the lender's power to vary the interest rate and certain terms imposing early repayment charges and mortgage exit administration fees. For example, if a term permitting the lender to vary the interest rate (as the Sellers are permitted to do) is found to be unfair, the borrower will not be liable to pay interest at the increased rate or, to the extent that the borrower has paid it, will be able, as against the lender, or any assignee such as the Issuer, to claim repayment of the extra interest amounts paid or to set off the amount of the claim against the amount owing by the borrower under the loan or any other loan agreement that the borrower has taken with the lender (or exercise analogous rights in Scotland). Any such non recovery, claim or set off may adversely affect the Issuer's ability to make payments on the Notes.

In July 2019, the FCA and the Competition and Markets Authority (the "**CMA**") entered into a memorandum of understanding in relation to consumer protection (the "**MoU**") which replaced the original memorandum of understanding entered into between the FCA and the CMA on 12 January 2016. The MoU states that the FCA will consider fairness within the meaning of the CRA and the UTCCR, of standard terms, and within the meaning of the CRA of negotiated terms, in financial services contracts entered into by authorised firms or appointed representatives and within the meaning of the Consumer Protection from Unfair Trading Regulations 2008 (the "**CPUTR**"), of commercial practices in financial services and claims management services of an authorised firm or appointed representative. In the MoU 'authorised' includes having an interim permission and a 'relevant permission' includes an interim permission.

The FCA's consideration of fairness under the CRA, UTCCR and CPUTR will include contracts for mortgages and the selling of mortgages.

MCOB rules for Regulated Mortgage Contracts require that, (a) charges for a payment shortfall can be objectively justified as equal to or lower than a reasonable calculation of the cost of the additional administration required as a result of the customer having a payment shortfall, and (b) from 15 December 2016, when a payment is made which is not sufficient to cover a payment shortfall and the firm is deciding how to allocate the payment between (i) the current month's periodic instalment of capital or interest (or both), (ii) the payment shortfall; and (iii) interest or charges resulting from the payment shortfall, the firm must set the order of priority in a way that will minimise the amount of the payment shortfall once the payment has been allocated. In October 2010, the FSA issued a statement that, in its view, early repayment charges are likely to amount to the price paid by the borrower in exchange for services provided and may not be reviewable for fairness under the UTCCR, provided that they are written in plain and intelligible language and are adequately drawn to the borrower's attention. In January 2012, the FSA issued a further statement intended to raise awareness of issues that it commonly identifies under the UTCCR (such statement has since been withdrawn – see below).

In July 2012, the Law Commission and the Scottish Law Commission launched a consultation in order to review and update the recommendations set out in their 2005 Report on Unfair Terms in Contracts. In March 2013, the Law Commission and the Scottish Law Commission published its advice, in a paper

entitled "Unfair Terms in Consumer Contracts: Advice to the Department for Business, Innovation and Skills". This advice paper repeated the recommendation from the 2005 Report on Unfair Terms in Contracts that the Unfair Contract Terms Act 1977 and the UTCCR should be consolidated, as well as providing new recommendations, including extending the protections of unfair terms legislation to notices and some additions to the "grey list" of terms (as included in Schedule 2 of the CRA) which are indicatively unfair. The Law Commission and the Scottish Law Commission also recommended that the relevant legislation should expressly provide that, in proceedings brought by consumers, the court is required to consider the fairness of the term, even if the consumer has not raised the issue, where the court has available to it the legal and factual elements necessary for that task. Such reforms are included in the CRA.

Historically the OFT, FSA and FCA (as appropriate) have issued guidance on the UTCCR. This has included: (i) OFT guidance on fair terms for interest variation in mortgage contracts dated February 2000; (ii) an FSA statement of good practice on fairness of terms in consumer contracts dated May 2005; (iii) an FSA statement of good practice on mortgage exit administration fees dated January 2007; and (iv) FSA finalised guidance on unfair contract terms and improving standards in consumer contracts dated January 2012.

On 2 March 2015, the FCA updated its online unfair contract terms library by removing some of its material (including the abovementioned guidance) relating to unfair contract terms. The FCA stated that such material "no longer reflects the FCA's views on unfair contract terms" and that firms should no longer rely on the content of the documents that have been removed.

The broad and general wording of the UTCCR and the CRA makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a term would be held by a court to be unfair. It is therefore possible that any Loans which have been made to Borrowers covered by the UTCCR may contain unfair terms which may result in the possible unenforceability of the terms of the underlying loans. If any term of the Loans entered into between 1 July 1995 and 30 September 2015 is found to be unfair for the purpose of the UTCCR, this may reduce the amounts available to meet the payments due in respect of the Notes.

On 19 December 2018, the FCA published new guidance: "Fairness of variation terms in financial services consumer contracts under the Consumer Rights Act 2015" (FG 18/7), outlining factors the FCA consider firms should have regard to when drafting and reviewing variation terms in consumer contracts. This follows developments in case law, including at the Court of Justice of the European Union (the "CJEU"). The finalised guidance relates to all financial services consumer contracts entered into since 1 July 1995. The FCA stated that firms should consider both this guidance and other rules that apply when they draft and use variation terms in their consumer contracts. The FCA stated that the finalised guidance will apply to FCA authorised persons and their appointed representative in relation to any consumer contracts which contain variation terms.

The Unfair Contract Terms and Consumer Notices Regulation Guide (UNFCOG in the FCA handbook) explains the FCA's policy on how it uses its powers under the CRA and the CMA published guidance on the unfair terms provisions in the CRA on 31 July 2015 (the "**CMA Guidance**"). The CMA indicated in the CMA Guidance that the fairness and transparency provisions of the CRA are regarded to be "effectively the same as those of the UTCCR". The document further notes that "the extent of continuity in unfair terms legislation means that existing case law generally, and that of the Court of Justice of the European Union particularly, is for the most part as relevant to the Act as it was the UTCCRs".

In general, the interpretation of the UTCCR and/or the CRA is open to some doubt, particularly in the light of sometimes conflicting reported case law between English courts and the CJEU. The broad and general wording of the CRA makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a term would be held by a court to be unfair. It is therefore possible

that any Loans which have been made to Borrowers covered by the CRA may contain unfair terms which may result in the possible unenforceability of the terms of the underlying loans. If any term of the Loans entered into on or after 1 October 2015 is found to be unfair for the purpose of the CRA, this may reduce the amounts available to meet the payments due in respect of the Notes. No assurance can be given that any changes in legislation, guidance or case law on unfair terms will not have a material adverse effect on the Sellers, the Issuer and/or the Servicers and their respective businesses and operations. There can be no assurance that any such changes (including changes in regulators' responsibilities) will not affect the Loans.

Financial Ombudsman Service

Under the FSMA, the Financial Ombudsman Service (the "**Ombudsman**"), an independent adjudicator, is required to make decisions on, among other things, complaints relating to activities and transactions under its jurisdiction on the basis of what, in the Ombudsman's opinion, would be fair and reasonable in all circumstances of the case, taking into account, among other things, law and guidance, rather than making determinations strictly on the basis of compliance with law.

Complaints properly brought before the Ombudsman for consideration must be decided on a case-by-case basis, with reference to the particular facts of any individual case. Each case would first be adjudicated by an adjudicator. Either party to the case may appeal against the adjudication. In the event of an appeal, the case proceeds to a final decision by the Ombudsman. As the Ombudsman is required to make decisions on the basis of, among other things, the principles of fairness, and may order a monetary award to a complaining borrower, it is not possible to predict how any future decision of the Ombudsman would affect the ability of the Issuer to make payments to Noteholders.

Consumer Protection from Unfair Trading Regulations 2008

The Unfair Trading Regulations 2008 ("**CPUTRs**") came into effect on 26 May 2008. The CPUTR prohibit certain practices which are deemed "unfair" within the terms of the CPUTR. Breach of the CPUTR does not (of itself) render an agreement void or unenforceable, but is a criminal offence punishable by a fine and/or imprisonment. The possible liabilities for misrepresentation or breach of contract in relation to the underlying credit agreements may result in irrecoverable losses on amounts to which such agreements apply. The CPUTR do not provide consumers with a private act of redress. Instead, consumers must rely on existing private law remedies based on the law of misrepresentation and duress. The Consumer Protection (Amendment) Regulations 2014 (SI No.2014/870) was laid before Parliament on 1 April 2014 and came into force on 1 October 2014. These amendments to the CPUTR give consumers a right to redress for misleading or aggressive commercial practices (as defined in the CPUTR), including a right to unwind agreements.

The effect (if any) of the CPUTRs on the Loans, the Sunbury Legal Title Holders, the Moonraker Legal Title Holders, the Issuer, the Sunbury Servicers, the Moonraker Servicer and their respective businesses and operations will depend on whether those entities engage in any of the practices described in the CPUTRs. Whilst engaging in an unfair commercial practice does not render a contract void or unenforceable, to do so is an offence punishable by a fine and/or imprisonment.

However, no assurance can be given that the CPUTRs will not adversely affect the ability of the Issuer to make payments to Noteholders.

Mortgage Prisoners

The FCA are aware that there are some consumers who cannot switch to a more affordable mortgage despite being up to date with their mortgage payments. This includes those who can't switch because of changes to lending practices during and after the 2008 financial crisis and subsequent regulation that tightened lending standards – often called 'mortgage prisoners'.

Under Policy Statement PS19/27 which came into effect on 28 October 2019, the FCA have amended their responsible lending rules and guidance to help remove potential barriers to consumers switching to a more affordable mortgage and to reduce the time and costs of switching for all relevant consumers. The changes will mean that mortgage lenders can choose to carry out a modified affordability assessment where a consumer has a current mortgage, is up-to-date with their mortgage payments (and has been for the last 12 months), does not want to borrow more, other than to finance any relevant product, arrangement or intermediary fee for that mortgage and is looking to switch to a new mortgage deal on their current property. Further, inactive lenders and administrators acting for unregulated entities (such as the Issuer), must review their customer books and develop and implement a communication strategy for contacting relevant consumers to tell them it could be simpler for them to remortgage. The communication exercise must be completed by 15 January 2021.

The modification of the responsible lending rules should make it easier for a borrower who is a mortgage prisoner to switch to a new lender and this, together with the proposed notification obligations, could increase redemption rates where there are a significant number of mortgage prisoners held by a lender.

The 1 May 2020 FCA COVID-19 letter

On 1 May 2020, the FCA published a letter to mortgage lenders and administrators managing closed mortgage books. In view of the financial challenges facing some mortgage borrowers as a result of coronavirus (COVID-19), the FCA are asking firms with customers who took out mortgages with higher risk characteristics before the financial crisis to review the interest rates charged to such customers as a matter of urgency. This is to ensure that, in line with the FCA Handbook requirements such as PRIN 6 and MCOB 12.5, customers on variable rates of interest are being treated fairly. The FCA states that firms should review their rates to consider whether they are consistent with the obligation to treat customers fairly in the light of the exceptional circumstances arising out of coronavirus. Firms should also ensure that they do not pose unjustifiable burdens, especially on customers who may be experiencing temporary payment difficulties or may not be able to switch to another lender. If applicable, as a result of receiving this letter the FCA expects lenders to critically review their variable rates of interest against their funding costs, contracts terms and any other factors that may apply and take any necessary action.

If Loans in the Portfolio are subject to a variable interest rate which is reduced as a result of the FCA letter or other action by the FCA or new legislation in relation to mortgage prisoners, this would impact the receipts from the Loans which may adversely affect the Issuer's ability to make payments on the Notes.

FCA Policy on mortgages: Removing barriers to intra-group switching and helping borrowers with maturing interest-only and part-and-part mortgages

In October 2020, the FCA published the policy statement PS20/11 entitled 'Mortgages: Removing barriers to intra-group switching and helping borrowers with maturing interest-only and part-and-part mortgages'. This policy statement contains guidance which applies to mortgage lenders and mortgage administrators in relation to the exceptional circumstances arising out of Covid-19 and its impact on the financial situation of borrowers with interest-only and part-and-part mortgages (the **October Guidance**). The October Guidance came into force on 31 October 2020 (and was updated on 17 November 2020) and expires on 31 October 2021 and applies in respect of interest-only and part-and part mortgages with maturity dates between 20 March 2020 and 31 October 2021 where the capital repayment is still outstanding. The October Guidance only applies to Regulated Mortgage Contracts (but does not apply to bridging loans). The October Guidance provides that where a borrower has a relevant mortgage and is up-to-date with their mortgage payments (which includes borrowers which have made use of a payment deferral granted under the FCA Payment Deferral Guidance both before and after the relevant loan's maturity date), firms should allow that borrower the flexibility to choose to delay the repayment of any capital on their mortgage until no later than 31 October 2021 provided the

borrower continues to make interest payments. Firms are not to charge any additional fees as a condition of offering a delay to the capital repayment and interest may continue to be charged at the rate charged pre-maturity, at the rate charged at maturity, or lower, in accordance with the relevant contractual terms (and where the rate is the standard variable rate, payments may be varied in accordance with changes to this rate). If the customer fails to make interest payments after agreeing a delay to the capital repayment (except in accordance with a payment deferral agreed under the FCA Payment Deferral Guidance), the October Guidance will no longer apply.

The FCA expect lenders and administrators to begin telling eligible borrowers about the option to delay capital repayment promptly and firms should make the risk of delaying capital repayment clear to borrowers, for example that property prices may drop between now and 31 October 2021. To take advantage of the October Guidance the borrower will have to make an active choice to delay the repayment and borrowers could still choose to proceed with repayment.

As of the Portfolio Reference Date, there are 89 Loans (£10,781,387.15) with a maturity date between 20 March 2020 and 31 October 2021. 72 of those (£10,688,085.62) are interest only or part & part Loans. 63 of those (£9,338,225.62) are interest only or part & part and performing (< 1 month in arrears). If a significant number of relevant borrowers take the opportunity to delay repayment this would affect redemption rates which in turn could affect the amounts available to make payments under the Notes when due.

Land Registration Reform in Scotland

One of the policy aims of the Land Registration etc. (Scotland) Act 2012 (the "**2012 Act**") is to encourage the transfer of property titles recorded in the historic General Register of Sasines to the more recently established Land Register of Scotland with the aim of eventually closing the General Register of Sasines.

Previously, title to a residential property that was recorded in the General Register of Sasines would usually only require to be moved to the Land Register of Scotland (a process known as 'first registration') when that property was sold or if the owner decided voluntarily to commence first registration. The 2012 Act provides additional circumstances which will trigger first registration of properties recorded in the General Register of Sasines, including (i) the recording of a standard security (which will extend to any standard security granted by the Issuer in favour of the Security Trustee over Scottish Mortgages in the Portfolio recorded in the General Register of Sasines, pursuant to the terms of the Deed of Charge following a Perfection Event (a "**Scottish Sasine Sub-Security**")) or (ii) the recording of an assignation of a standard security (which would extend to any assignation granted by a Legal Title Holder in favour of the Issuer in respect of Scottish Mortgages in the Portfolio recorded in the General Register of Sasines, pursuant to the terms of the Servicing Documents following a Perfection Event (a "**Scottish Sasine Transfer**")).

Accordingly, since 1 April 2016 the General Register of Sasines is closed to the recording of securities. Despite the provisions of the 2012 Act mentioned above, for the time being, other deeds such as assignations of standard securities (including Scottish Sasine Transfers) will continue to be accepted in the General Register of Sasines indefinitely; although the Registers of Scotland have reserved the right to consult further on this issue in the future.

In addition, the 2012 Act introduced provision for the Keeper of the Land Register of Scotland to transfer a property title currently registered in the General Register of Sasines to the Land Register of Scotland without an application from the borrower ("**Keeper Induced Registrations**"). Registers of Scotland have now introduced Keeper Induced Registrations in certain counties for both publicly and privately owned properties and have published a list of affected postcodes on its website.

If a Perfection Event occurs then an application to record a Scottish Sasine Sub-Security in relation to Scottish Mortgages in the Portfolio (following the transfer of legal title to such Scottish Mortgages by way of a Scottish Sasine Transfer) could trigger a first registration in the Land Register of Scotland of the underlying Scottish Properties secured by the relevant Scottish Mortgages.

The impact of these changes to the Scottish land registration system is unlikely to be of material detriment to the Security Trustee or to the Noteholders for the following reasons: (i) whilst these changes are likely to prolong completion of the registration process where a first registration is required, Registers of Scotland policy is to take a pragmatic view where possible and not to burden parties (such as the Issuer, Security Trustee or the Borrower who owns the underlying Scottish Property) with unreasonable or arbitrary costs and in particular the statutory fee for a first registration has been waived where its purpose is the granting of a standard security, which would keep the statutory cost of registering a Scottish Sasine Sub-Security in line with current statutory costs; and (ii) whilst the prolonged registration process is likely to be of practical inconvenience to the Security Trustee and the Noteholders, the validity and effectiveness of any Scottish Sasine Sub-Security would be unaffected by the change to the registration system (and the relevant Scottish Mortgages would in any event continue to be covered by the floating charge granted by the Issuer under the Deed of Charge). However, it is not unlikely that, were a Perfection Event to occur, the parties involved may still encounter increased legal and other third party costs relating to the first registration process and additional administrative burden.

As noted above, no indication has been given as to when or if the above provisions may be extended to other types of dealing with a standard security, such as assignments. However, if the General Register of Sasines becomes closed to assignments of standard securities under the same provisions at any time subsequent to the Closing Date then this would also have an impact on (a) the registration of the legal title transfers by the Sunbury Legal Title Holders or Moonraker Legal Title Holders (as applicable) in favour of a substitute legal title holder of Scottish Mortgages which secure the Sunbury Loans or Moonraker Loans (as applicable) and (b) the registration of Scottish Sasine Transfers executed following a Perfection Event in a manner similar to Scottish Sasine Sub-Securities, with the probability of higher legal costs and a longer period required to complete registration than would currently be the case.

Given that the proportion of residential properties in Scotland which remain recorded in the General Register of Sasines continues to decline (Registers of Scotland estimated that in April 2020 around 68 per cent. of property titles in Scotland were registered in the Land Register of Scotland), it is likely that, in relation to the current Portfolio where 3.58 per cent. of the Provisional Portfolio by aggregate Current Balance of the Loans are Scottish Loans, only a minority of the Scottish Mortgages will be recorded in the General Register of Sasines.

The Renting Homes (Wales) Act 2016

The Renting Homes (Wales) Act 2016 (the Renting Homes Act) received royal assent on 18 January 2016 but has not yet been brought fully into force. This Act will convert the majority of residential tenancies in Wales into a 'standard contract' with retrospective effect when it has been brought fully into force, however some tenancies will not be converted with retrospective effect (including those which have Rent Act protection and tenancies for more than 21 years).

The Renting Homes Act (which only has effect in Wales) does not contain an equivalent mandatory ground for possession that a lender had under the HA 1988 where a property was subject to a mortgage granted before the beginning of the tenancy and the lender required possession in order to dispose of the property with vacant possession.

The Renting Homes Act may result in lower recoveries in relation to buy to let mortgage loans over Properties in Wales and may affect the ability of the Issuer to make payments under the Notes.

Assured Shorthold Tenancy (AST)

Depending on the level of ground rent payable at any one time it is possible that a long leasehold in England and Wales may also be an Assured Tenancy ("AT") or Assured Shorthold Tenancy ("AST") under the HA 1988. If it is, this could have the consequences set out below.

A tenancy or lease will be an AT if granted after 15 January 1989 and:

- (a) the tenant or, as the case may be, each of the joint tenants is an individual;
- (b) the tenant or, as the case may be, at least one of the joint tenants occupies the dwelling-house as their only or principal home; and
- (c) if granted before 1 April 1990:
 - (i) the property had a rateable value at 31 March 1990 lower than £1,500 in Greater London or £750 elsewhere; and
 - (ii) the rent payable for the time being is greater than 2/3rds of the rateable value at 31 March 1990;
- (d) if granted on or after 1 April 1990 the rent payable for the time being is between £251 and £100,000 inclusive (or between £1,001 and £100,000 inclusive in Greater London).

There is no maximum term for an AT and therefore any lease can constitute an AT if it satisfies the relevant criteria.

Since 28 February 1997 all ATs will automatically be ASTs (unless the landlord serves notice to the contrary) which gives landlords the right to recover the property at the end of the term of the tenancy. The HA 1988 also entitles a landlord to obtain an order for possession and terminate an AT/AST during its fixed term on proving one of the grounds for possession specified in section 7(6) of the HA 1988. The ground for possession of most concern in relation to long leaseholds is Ground 8 – namely that if the rent is payable yearly (as most ground rents are), at least three months' rent is more than three months in arrears both at the date of service of the landlord's notice and the date of the hearing.

Most leases in England and Wales give the landlord a right to forfeit the lease if rent is unpaid for a certain period of time but the courts normally have power to grant relief, cancelling the forfeiture as long as the arrears are paid off. There are also statutory protections in place to protect long leaseholders from unjustified forfeiture action. However, an action for possession under Ground 8 is not the same as a forfeiture action and the court's power to grant relief does not apply to Ground 8. In order to obtain possession, the landlord will have to follow the notice procedure in section 8 of the HA 1988 and, if the tenant does not leave on expiry of the notice, apply for a court order. However, as ground 8 is a mandatory ground, the court will have no discretion and will be obliged to grant the order if the relevant conditions are satisfied. There is government consultation underway to review residential leasehold law in England and Wales generally and it is anticipated that this issue will be addressed as part of any resulting reforms.

Currently, however, there is a risk that where:

- (i) a long lease is also an AT/AST due to the level of the ground rent;
- (ii) the tenant is in arrears of ground rent for more than 3 months;
- (iii) the landlord chooses to use the HA 1988 route to seek possession under Ground 8; and

- (iv) the tenant does not manage to reduce the arrears to below 3 months' ground rent by the date of the court hearing,

the long lease will come to an end and the landlord will be able to re-enter the relevant property.

In Scotland, the corresponding provisions of the Housing (Scotland) Act 1988 that govern assured tenancies and short assured tenancies (being broadly the Scottish equivalent of ATs and ASTs in England and Wales) do not apply to long leases in respect of residential property in Scotland that are capable of being registered in the Registers of Scotland and secured by a standard security.

Private Housing (Tenancies) (Scotland) Act 2016

The Private Housing (Tenancies) (Scotland) Act 2016 came into force on 1 December 2017. Existing assured tenancies and short assured tenancies in place before 1 December 2017 will continue until brought to an end or converted. Each qualifying tenancy agreement from 1 December 2017 will be a "private residential tenancy" which will (except in a limited number of exceptions) provide tenants with security of tenure by restricting a landlord's ability to regain possession of the property to a number of specific eviction grounds.

Accordingly, a lender or security holder may not be able to obtain vacant possession if it wishes to enforce its security unless one of the specific eviction grounds under the legislation applies. It should be noted though that one of the mandatory grounds on which an eviction order can be sought is that a lender or security holder intends to sell the property and requires the tenant to leave the property in order to dispose of it with vacant possession. The effect of this legislative change will primarily be restricted to any Buy to Let Loans secured over a property in Scotland.

Private Tenancies (Northern Ireland) Order 2006

The Private Tenancies (Northern Ireland) Order 2006 and the Rent (Northern Ireland) Order 1978 make provisions for protected and controlled tenancies. Protected tenants have greater rights to stay on in a property than other tenants and may only be evicted on certain grounds. In addition, when a protected tenant dies, a family member who lived in the property with the tenant may be able to inherit the tenancy.

Accordingly, a lender or security holder may not be able to gain vacant possession if it wishes to enforce its security unless one of the specific eviction grounds under which the legislation applies. The mandatory grounds for possession are as follows:

- The property was originally the landlord's home and s/he gave you or the original tenant notice before the tenancy was granted that s/he intended returning to live there in the future.
- The landlord was a member of the armed forces at the time the tenancy was granted and gave you or the original tenant notice that s/he may in the future seek possession of the property in order to live there.
- Before granting the tenancy the landlord gave you or the original tenant notice that s/he intended to seek possession of the property on retirement (the landlord must be retired from employment to seek possession under this ground).
- The property was originally intended for occupation by a minister of religion or a missionary and is now required for this purpose.
- The property was let under a protected shorthold tenancy which has now expired.

The discretionary grounds for possession will only be granted by a court if it believes that possession is reasonable in the circumstances and the landlord may need to show that there is alternative, suitable, affordable accommodation available for the tenant's use. Discretionary grounds do include arrears or breach of the tenancy agreement.

Energy Efficiency Regulations 2015

From 1 April 2018, landlords of relevant domestic properties in England and Wales may not grant a tenancy to new or existing tenants if their property has an EPC rating of band F or G (as shown on a valid Energy Performance Certificate for the property) and from 1 April 2020, landlords must not continue letting a relevant domestic property which is already let if that property has an EPC rating of band F or G (as shown on a valid Energy Performance Certificate for the property). In both cases described above this is referred to in the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (the "**Energy Efficiency Regulations 2015**") as the prohibition on letting substandard property. Where a landlord wishes to continue letting property which is currently substandard, they will need to ensure that energy efficiency improvements are made which raise the EPC rating to a minimum of E. In certain circumstances landlords may be able to claim an exemption from this prohibition on letting sub-standard property; this includes situations where the landlord is unable to obtain funding to cover the cost of making improvements, or where all improvements which can be made have been made, and the property remains below an EPC rating of Band E. Local authorities will enforce compliance with the domestic minimum level of energy efficiency. They may check whether a property meets the minimum level of energy efficiency, and may issue a compliance notice requesting information where it appears to them that a property has been let in breach of the Energy Efficiency Regulations 2015 (or an invalid exemption has been registered in respect of it). Where a local authority is satisfied that a property has been let in breach of the Energy Efficiency Regulations 2015 it may serve a notice on the landlord imposing financial penalties.

Similar requirements are due to apply to landlords of domestic properties in Scotland from 1 April 2022.

Potential effects of any additional regulatory changes

In the United Kingdom and elsewhere, there is continuing political and regulatory scrutiny of the banking industry and, in particular, retail banking. In the United Kingdom, regulators such as the CMA, the PRA and the FCA (and their predecessors for example the OFT) have recently carried out, or are currently conducting, several enquiries. In recent years there have been several issues in the UK financial services industry in which these local bodies have intervened directly, including the sale of card and identity protection policies, interest rate hedging products, payment protection insurance, personal pensions and mortgage-related endowments.

No assurance can be given that additional regulatory changes by the CMA, the FCA, the Ombudsman or any other regulatory authority will not arise with regard to the mortgage market in the United Kingdom generally or specifically in relation to the Servicers or the Legal Title Holders. Any such action or developments or compliance costs may have a material adverse effect on the Sellers, the Retention Holder, the Issuer, the Servicers and their respective businesses and operations. This may adversely affect the Issuer's ability to make payments in full on the Notes when due.

UK Government Schemes and Help to Buy Scheme not applicable

The Notes are not guaranteed by or obligations of the UK Government. Also, any investment in the Notes does not have the status of a protected claim under the UK Financial Services Compensation Scheme and accordingly, the Notes will not confer any entitlement to compensation under that scheme.

In March 2013, the UK Government announced the "Help to Buy" Scheme involving two separate proposals to assist home buyers. The first involves a shared equity loan made available by the UK

Government to borrowers for the purchase of new homes. The shared equity loans were available from 1 April 2013. There are no shared equity loans included in the Portfolio. The second involves a guarantee provided by the UK Government for loans made to borrowers allowing up to a 95 per cent. loan to value ratio ("**LTV**"). The guarantee loans were available from 1 October 2013. The Loans in the Portfolio do not benefit from any guarantee provided under the Help to Buy Scheme and as such no Loan will have the benefit of any government guarantee or support.

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 principal redemption thereon. The weighted average lives of the Notes will be influenced by, among other things, the actual rate of redemption of the Loans and the quantum of Losses relating thereto and the amount of Available Revenue Receipts available to be applied in accordance with the Pre-Enforcement Revenue Priority of Payments.

The actual weighted average lives of the Notes cannot be stated as the ultimate rate of prepayment of the Loans and a number of other relevant factors are unknown. However, estimates of the possible average lives of the Notes can be made based upon certain assumptions.

The figures contained in the following tables were prepared based on, *inter alia*, the characteristics of the loans included in the Provisional Portfolio, the provisions of the Conditions and Residual Certificates Conditions (as applicable), and certain additional assumptions (the "**Modelling Assumptions**"), including:

- (a) that as of the Portfolio Reference Date, the aggregate Outstanding Principal Balance of the Loans comprising the Portfolio is £444,728,577.79 and that the amortisation schedule of the Portfolio mirrors that calculated for the Provisional Portfolio as of the Portfolio Reference Date by reference to the period commencing on the Portfolio Reference Date (and assuming, *inter alia*, the relevant assumptions documented below);
- (b) that the Closing Date is 12 February 2021;
- (c) that no Loans are in arrears or subject to enforcement actions and continue to perform until their redemption in full;
- (d) that no Loan is sold by the Issuer (other than, where applicable, on the Optional Redemption Date), either as a result of a repurchase by the Sellers pursuant to the terms of the Mortgage Sale Agreement or otherwise;
- (e) that no Further Advances are made in respect of the Portfolio;
- (f) in the case of the table entitled "*Assuming exercise of Call Option on Optional Redemption Date*", the Notes are redeemed at their Principal Amounts Outstanding on the Optional Redemption Date;
- (g) in the case of the table entitled "*Assuming no exercise of Call Option on or after Optional Redemption Date*", the Notes are not redeemed as a result of the sale of the Portfolio, the issuance of Refinancing Notes or in any manner other than in accordance with Condition 8.3 (*Mandatory Redemption of the Notes in full*);
- (h) that 3m GBP LIBOR is equal to, and remains equal to, 0.03 per cent.;
- (i) that the Bank Base Rate is equal to, and remains equal to, 0.10 per cent.;
- (j) that the Standard Variable Rate is equal to, and remains equal to, 5.35 per cent.;
- (k) that no Enforcement Notice has been served on the Issuer and no Event of Default has occurred;
- (l) subject to paragraph (r) below, that the amortisation of any repayment Loan is calculated as an annuity loan;

- (m) that all Loans that are not repayment Loans are interest-only Loans;
- (n) that the principal collections of the Portfolio are calculated based on the individual amortisation schedule of each Loan, which takes into account an assumption as to the Loan's repayment type, interest rate as of the Portfolio Reference Date and remaining term (calculated using the Portfolio Reference Date and the maturity of each Loan);
- (o) that item (p) in the Pre-Enforcement Revenue Priority of Payments is zero at all times;
- (p) that Liquidity Reserve Fund Drawings are zero at all times;
- (q) that Principal Addition Amounts are zero at all times;
- (r) that in the case of amortisation of the Loans calculated pursuant to in paragraph (a) above such amounts are calculated based on a month of 30 days and a year of 360 days;
- (s) that each Interest Payment Date falls on 25 March, June, September and December, with the first Interest Payment Date falling on 25 June 2021;
- (t) that, as of the Closing Date, the Principal Amount Outstanding of (i) the Class A Notes represents exactly 77.50 per cent., (ii) the Class B Notes represents exactly 6.50 per cent., (iii) the Class C Notes represents exactly 5.50 per cent., (iv) the Class D Notes represents exactly 5.00 per cent. and (v) the Class E Notes represents exactly 2.00 per cent., of the aggregate estimated Outstanding Principal Balance of the Portfolio as of the Portfolio Reference Date calculated in the manner outlined in paragraph (a) above;
- (u) that the remaining term is 2 months from the Portfolio Reference Date for the Loans where the relevant Borrower has not repaid the outstanding principal amount in respect to the relevant mortgage loan on the relevant loan maturity date;
- (v) that the Portfolio Reference Date is 30 November 2020;
- (w) that the Optional Redemption Date is 25 March 2024;
- (x) that the Final Maturity Date is 25 September 2051 (no Loan has a final maturity beyond the date falling three years prior to the Final Maturity Date);
- (y) that the weighted average lives of the Notes are calculated on an Actual/365 day count convention;
- (z) that there are no COVID-19 Payment Deferral Loans; and
- (aa) no Flexible Drawings are advanced by the Moonraker Legal Title Holder.

The actual characteristics and performance of the Loans are likely to differ, perhaps materially, from the assumptions outlined herein (including the Modelling Assumptions), and the Modelling Assumptions outlined in this section do not profess to be an exhaustive list of assumptions employed.

The following tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows available to the Issuer might behave under various prepayment scenarios. It should be noted that the Issuer does not expect that the Loans will prepay at a constant rate until maturity, or that there will be no Losses or delinquencies on the Loans. Any difference between the Modelling Assumptions and, *inter alia*, the actual prepayment or loss experience on the Loans will

affect the redemption profile of the Notes and may cause the weighted average lives of the Notes to differ (which difference could be material) from the figures in the tables for each indicated CPR.

"CPR" refers to an assumed annualised constant prepayment rate in respect of the loans and is periodicised in relation to a given Collection Period as follows:

$$1 - ((1 - R)^{(ACT/365)})$$

where "R" refers to the assumed CPR and "ACT" refers to the actual numbers of days in the relevant Collection Period (taking into account Modelling Assumption (s) above).

	Assuming exercise of Call Option on Optional Redemption Date				
CPR	A	B	C	D	E
0%	2.84	3.12	3.12	3.12	3.12
5%	2.59	3.12	3.12	3.12	3.12
6%	2.54	3.12	3.12	3.12	3.12
7%	2.49	3.12	3.12	3.12	3.12
10%	2.35	3.12	3.12	3.12	3.12
15%	2.12	3.12	3.12	3.12	3.12
20%	1.90	3.12	3.12	3.12	3.12
25%	1.69	3.12	3.12	3.12	3.12

	Assuming no exercise of Call Option on or after Optional Redemption Date				
CPR	A	B	C	D	E
0%	6.72	11.59	11.77	11.98	12.36
5%	4.77	10.58	11.27	11.69	11.88
6%	4.46	10.21	11.09	11.59	11.88
7%	4.19	9.79	10.86	11.49	11.79
10%	3.52	8.48	9.85	10.99	11.57
15%	2.74	6.84	7.93	9.45	10.65
20%	2.19	5.80	6.68	7.79	9.07
25%	1.80	4.81	5.73	6.68	7.61

For further information in relation to the risks involved in the use of the average lives estimated above, see "Risk Factors – Risks Relating to the Structure – The market continues to develop in relation to SONIA as a reference rate".

EARLY REDEMPTION OF THE NOTES PURSUANT TO THE CALL OPTION, THE RISK RETENTION REGULATORY CHANGE OPTION, THE REFINANCING CALL OPTION OR MARKET SALE

The Portfolio may be sold by the Issuer pursuant to (a) the Call Option, (b) on the occurrence of a Risk Retention Regulatory Change Event, the Risk Retention Regulatory Change Option or (c) a sale to the Winning Bidder as facilitated by the Liquidation Agent. The Issuer will undertake not to dispose of the Portfolio in any other circumstances (other than in relation to an enforcement of the Security or the repurchase of a Loan and its Related Security by the Sellers pursuant to the Mortgage Sale Agreement). Further, the Issuer may, in consultation with the Option Holder and the Retention Holder, issue Refinancing Notes on or after the Optional Redemption Date. The proceeds of the Refinancing Notes will be used wholly or in part to effect a redemption in full of the Notes of each Class on the Interest Payment Date falling on or immediately following the Optional Refinancing Date.

CALL OPTION

Pursuant to and subject to the terms of the Deed Poll, the Issuer will grant to the Option Holder the following rights (collectively, the "**Call Option**"):

- (a) the right to require the Issuer to sell and transfer to the Option Holder or a Third Party Purchaser (as identified in the Exercise Notice, the "**Beneficial Title Transferee**") the beneficial title to all (but not some) of the Loans and their Related Security comprising the Portfolio (the "**Whole Beneficial Title**") in consideration for the Optional Purchase Price; and
- (b) the right to require the Issuer to transfer the legal title to all (but not some) of the Loans and their Related Security comprising the Portfolio (the "**Whole Legal Title**"), or if, at the time the Call Option is exercised, the Issuer does not hold legal title, the right to require the Issuer to procure that the Legal Title Holders transfer legal title, to the Option Holder, a Third Party Purchaser or any nominee of the Option Holder specified as such in the Exercise Notice (as identified in the Exercise Notice, the "**Legal Title Transferee**").

On or before the Optional Redemption Date, the Call Option may be exercised by the Option Holder in whole (but not in part) at any time after the Optional Purchase Commencement Date by notice from the Option Holder to the Issuer, with a copy to the Security Trustee, the Note Trustee, the Legal Title Holder(s), the Servicer(s), the Cash Manager and each of the Rating Agencies, (such notice, an "**Exercise Notice**") that the Option Holder wishes to exercise the Call Option, for effect on any Business Day following the service of the Exercise Notice (the Business Day identified as the date on which the purchase by the Beneficial Title Transferee of the Whole Beneficial Title and (if applicable) the transfer of the Whole Legal Title to the Legal Title Transferee is expected to be completed pursuant to the terms of the Deed Poll being the "**Optional Purchase Completion Date**").

If the Option Holder does not acquire the Portfolio pursuant to the Call Option on or before the Optional Redemption Date, the Call Option may, subject to the immediately following paragraph, be exercised at any time by the Option Holder by serving an Exercise Notice on the Issuer, with a copy to the Security Trustee, the Note Trustee, the Legal Title Holders, the Cash Manager and each of the Rating Agencies. If the sale of the Portfolio has not been completed within 30 days of the service of such Exercise Notice, that Exercise Notice shall be deemed to have been cancelled and the Option Holder's right to exercise the Call Option shall be suspended for a period of 90 days from the service of such Exercise Notice.

If a Market Sounding Notice has been served, an Exercise Notice may be served by an Option Holder from the date of such Market Sounding Notice to (and including) five days after the date of such Market

Sounding Notice, after which no Exercise Notice may be served by an Option Holder prior to the later of:

- (a) the date falling 90 days after the date of a Market Sounding Notice; and
- (b) the earlier of:
 - (i) if a Market Bid Notice has been served, the date falling 30 days after the date thereof;
 - (ii) the date on which a Market Bid Failure Notice has been served; and
 - (iii) the date on which the Liquidation Agent otherwise notifies the Option Holders that the sale to the Winning Bidder has failed to complete.

On the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date, the Notes will be redeemed in full as more fully described in the section entitled "*Redemption of the Notes and the cancellation of the Residual Certificates*" below.

The sale of the Whole Beneficial Title and (if applicable) the transfer of the Whole Legal Title pursuant to the Call Option shall also be subject to the following conditions:

- (a) either:
 - (i) the Beneficial Title Transferee and (if applicable) the Legal Title Transferee is resident for tax purposes in the United Kingdom; or
 - (ii) the Issuer, having received tax advice from an appropriately qualified and experienced United Kingdom tax adviser in the form and substance satisfactory to it (acting reasonably), or such other comfort as may reasonably be required by it (including, without limitation, any clearance or other confirmation granted by HM Revenue and Customs) ("**Tax Advice**"), is satisfied that sale of the Whole Beneficial Title and (if applicable) transfer of the Whole Legal Title will not create or increase any liabilities of the Issuer to United Kingdom tax or any tax imposed by the jurisdiction of the Beneficial Title Transferee and (if applicable) the Legal Title Transferee. The costs relating to such Tax Advice shall be borne by the Option Holder;
- (b) either:
 - (i) the Legal Title Transferee has all the appropriate licences, approvals, authorisations, consents, permissions and registrations (including any approvals, authorisations, consents, permissions and registrations required to be maintained under the FSMA and any rules and regulations of the FCA) required to administer residential mortgage loans such as the Loans and their Related Security comprising the Portfolio (the "**Relevant Authorisations**"); or
 - (ii) the Beneficial Title Transferee has appointed a servicer who has the Relevant Authorisations and that the Legal Title Holders have confirmed in writing that they will hold legal title to the Loans and their Related Security comprising the Portfolio on trust for the Beneficial Title Transferee;
- (c) the Beneficial Title Transferee shall not be permitted to transfer the beneficial interest in any of the Loans and their Related Security comprising the Portfolio to a further purchaser until the transfer of the Whole Legal Title is perfected unless such transfer of beneficial interest is made to an entity which is within the charge to UK corporation tax; and

- (d) if the Whole Legal Title is transferred, in the relevant mortgage sale agreement the Legal Title Transferee assumes the obligation of the original Legal Title Holders to fund any Flexible Drawings required to be funded pursuant to any Flexible Loans and to indemnify the Issuer, the relevant Seller and the relevant Legal Title Holder for any loss suffered as a result of the Purchaser of the Whole Legal Title failing to so fund any Flexible Drawings.

Optional Purchase Price

The purchase price for the Loans and their Related Security comprising the Portfolio pursuant to the Call Option (the "**Optional Purchase Price**") shall be an amount equal to (without double counting):

- (a) the amount required by the Issuer to pay in full all amounts payable or that will become payable prior to such Interest Payment Date under items (a) to (r) (inclusive) of the Post-Enforcement Priority of Payments on the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date; plus
- (b) the Issuer's costs and expenses associated with transferring its interests in any Loan and its Related Security to the Option Holder or its nominee (if any) and an amount agreed between the Issuer and the Option Holder in respect of costs anticipated to be incurred by the Issuer after the Optional Purchase Completion Date; less
- (c) the balance standing to the credit of the Liquidity Reserve Fund; less
- (d) any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date (without double-counting the amounts in paragraph (c) above).

In connection with the exercise of the Call Option, the Beneficial Title Transferee will agree with the Issuer to (i) deposit an amount equal to the Optional Purchase Price in either an escrow account in the name of the Beneficial Title Transferee or in any other account as may be agreed between the Issuer and the Beneficial Title Transferee; or (ii) provide irrevocable payment instructions for an amount equal to the Optional Purchase Price for value on the Optional Purchase Completion Date to the Transaction Deposit Account or such other account as may be agreed between the Issuer and Beneficial Title Transferee, provided that such deposit shall be made or irrevocable payment instructions shall be given no later than (x) two Business Days prior to the Optional Purchase Completion Date or (y) such other date as the Issuer, at its sole discretion and the Beneficial Title Transferee may agree, provided further that the Optional Purchase Price or irrevocable payment instructions (as applicable) must be received by the Issuer in sufficient time to enable the Issuer to provide notice of redemption of the Notes to the Noteholders pursuant to Condition 8.3 (*Mandatory Redemption of the Notes in full*) or Condition 8.5 (*Mandatory Redemption for Taxation or Other Reasons*) (as applicable); and/or (iii) take any other action as may be agreed by the Beneficial Title Transferee, the Issuer and the Security Trustee in relation to the payment of the Optional Purchase Price.

At the cost of the Option Holder, the Issuer shall serve, or if, at the time the Call Option is exercised, the Issuer does not hold the Whole Legal Title, direct the Legal Title Holders to serve all relevant notices and take all steps (including carrying out requisite registrations and recordings) in order to effectively vest the Whole Legal Title in the Legal Title Transferee, in each case subject to the terms and conditions set out in the Deed Poll, such notices to be given promptly after the Optional Purchase Completion Date.

Redemption of the Notes and the cancellation of the Residual Certificates

On the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date, the Optional Purchase Price, together with all amounts standing to the credit of the Liquidity Reserve Fund and any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date, will be applied in accordance with the Post-Enforcement Priority of Payments and will result in the Notes being redeemed in full. Following the redemption in full of the Notes the Residual Certificates will be cancelled.

Any Revenue Receipts, Redemption Receipts or interest on the Issuer Accounts received by the Issuer from and including the Collection Period End Date immediately prior to the Optional Purchase Completion Date (such amounts being "**Optional Purchase Collections**") will be payable, to or for the account of the Beneficial Title Transferee and the Issuer shall transfer all such amounts to or for the account of the Beneficial Title Transferee as soon as reasonably practicable following the Optional Purchase Completion Date.

In this Prospectus:

"Deed Poll" means the deed poll dated on or about the Closing Date, executed by the Issuer, in favour of the Option Holder from time to time.

"Option Holder" means (a) (where the Residual Certificates are represented by Definitive Residual Certificates) the holder of greater than 50 per cent. of the Residual Certificates or (where the Residual Certificates are represented by the Global Residual Certificate) the Indirect Participant who holds the beneficial interest in more than 50 per cent. of the Residual Certificates or (b) where no person holds (where the Residual Certificates are represented by Definitive Residual Certificates) greater than 50 per cent. of the Residual Certificates or (where the Residual Certificates are represented by the Global Residual Certificate) beneficial interest in more than 50 per cent. of the Residual Certificates, the person who holds the greatest number of Residual Certificates then in issue or, as applicable, beneficial interest in the greatest number of Residual Certificates then in issue, provided that, for the purpose of this definition, where both of the Moonraker Seller and the Sunbury Seller hold Residual Certificates, the Sunbury Seller shall be counted as holding the Moonraker Seller's Residual Certificates and the Sunbury Seller's Residual Certificates.

"Optional Purchase Commencement Date" means the earlier of:

- (a) the Collection Period End Date immediately preceding the Optional Redemption Date; or
- (b) any Collection Period End Date on which the aggregate Outstanding Principal Balance of the Loans (excluding any Enforced Loans) is equal to or less than 10 per cent. of the aggregate Outstanding Principal Balance of the Loans comprising the Portfolio on the Portfolio Reference Date; or
- (c) any Business Day following the occurrence of a Redemption Event.

"Third Party Purchaser" means a third party purchaser of the beneficial title to the Loans and their Related Security as nominated by the Option Holder in the Exercise Notice.

RISK RETENTION REGULATORY CHANGE OPTION

Pursuant to the Risk Retention Letter, on any Interest Payment Date following the occurrence of a Risk Retention Regulatory Change Event (and subject to two directors of the Retention Holder certifying in writing to the Security Trustee that a Risk Retention Regulatory Change Event has occurred, upon

which certificate the Security Trustee shall be entitled to rely absolutely without liability to any person for so doing), the Retention Holder has the benefit of the Risk Retention Regulatory Change Option to require the Issuer to:

- (a) sell and transfer to the Retention Holder or its nominee (specified as such in the Risk Retention Regulatory Change Option Exercise Notice) the beneficial title to all Loans and Related Security in the Portfolio;
- (b) transfer to the Retention Holder the right to have legal title to the Loans and their Related Security; and
- (c) direct that the Legal Title Holders transfer legal title to the Loans to the Retention Holder or its nominee (specified as such in the Risk Retention Regulatory Change Option Exercise Notice) in accordance with and subject to the terms of the relevant Servicing Agreement on the Risk Retention Regulatory Change Option Date,

in each case subject to the terms of the Risk Retention Letter (the "**Risk Retention Regulatory Change Option**").

On the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Option Date, the Notes will be redeemed in full as more fully described in the section entitled "*Redemption of the Notes and the cancellation of the Residual Certificates*" below.

Where the sale to the Retention Holder does not contemplate a transfer of the legal title to the Loans, the exercise of the Risk Retention Regulatory Change Option shall be conditional on the consent of the Legal Title Holders to hold legal title on behalf of the Retention Holder or its nominee.

It will be a condition of the exercise of the Risk Retention Regulatory Change Option that (a) either (i) each of the purchasers of the legal (if applicable) and beneficial title in the Loans confirms in writing that it is resident for tax purposes in the United Kingdom, or (ii) the Issuer, having received Tax Advice, is satisfied that sale of legal (if applicable) and beneficial title in the relevant Loans will not expose the Issuer to a risk of loss in consequence of United Kingdom income tax being required to be withheld from amounts paid in respect of the Loans and (b) the Issuer has obtained Tax Advice and as a result is satisfied that any such sale will not result in any materially adverse tax consequences for the Issuer and/or on the Issuer's ability to repay the Notes in full.

The costs relating to such Tax Advice shall be borne by the Retention Holder.

The Risk Retention Regulatory Change Option may be exercised by the Retention Holder delivering a Risk Retention Regulatory Change Option Exercise Notice to the Issuer with a copy to the Note Trustee, the Security Trustee, the Noteholders, the Certificateholders, the Sellers, the Servicer(s), the Legal Title Holder(s), the Cash Manager and each of the Rating Agencies at any time for effect on any Interest Payment Date following the occurrence of a Risk Retention Regulatory Change Event. Such notice shall be given not more than 15 nor less than 5 Business Days prior to the proposed Risk Retention Regulatory Change Option Date.

The Retention Holder or its nominee will be required to deposit the full amount of the Risk Retention Regulatory Change Option Purchase Price in the Transaction Deposit Account or such other account agreed with the Issuer and the Security Trustee on or prior to the day falling two Business Days immediately preceding the proposed Risk Retention Regulatory Change Option Date or take such other action agreed with the Issuer and the Security Trustee.

Risk Retention Regulatory Change Option Purchase Price

The purchase price for the Portfolio under the Risk Retention Regulatory Change Option shall be an amount (the "**Risk Retention Regulatory Change Option Purchase Price**") equal to (without double counting):

- (a) the amount required by the Issuer to pay in full all amounts payable under items (a) to (r) (inclusive) of the Post-Enforcement Priority of Payments on the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Option Date; plus
- (b) the Issuer's costs and expenses associated with transferring its interests in any Loan and its Related Security to the Retention Holder or its nominee (if any) and an amount agreed between the Issuer and the Retention Holder in respect of costs anticipated to be incurred by the Issuer after the Risk Retention Regulatory Change Option Date; less
- (c) the balance standing to the credit of the Liquidity Reserve Fund; less
- (d) any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Option Date (without double counting the amounts in paragraph (c) above).

"Risk Retention Regulatory Change Option Exercise Notice" means a written notice to be delivered by the Retention Holder to the Issuer with a copy to the Note Trustee, the Security Trustee, the Seller(s), the Servicer(s), the Legal Title Holder(s) and the Rating Agencies to exercise the Risk Retention Regulatory Change Option specifying (a) the proposed Risk Retention Regulatory Change Option Date, (b) specifying whether the Retention Holder itself or a nominee will be acquiring the beneficial title to the Loans and their Related Security and (c) specifying whether the transfer of legal title from the Legal Title Holder to the Loans and their Related Security is contemplated.

"Risk Retention Regulatory Change Option Date" means the date on which all conditions to completion of the Risk Retention Regulatory Change Option have been satisfied.

"Risk Retention Regulatory Change Event" means any change in or the adoption of any new law, rule, direction, guidance or regulation which requires the manner in which the Retained Interest is held by the Retention Holder and the Sellers to be restructured after the Closing Date or which would otherwise result in the manner in which the Retained Interest is held by the Retention Holder to become non-compliant in relation to a Noteholder or which would otherwise have an adverse effect on the ability of the Retention Holder to comply with Article 6 of each of the Securitisation Regulations or the U.S. Risk Retention Rules.

Redemption of the Notes and the cancellation of the Residual Certificates

On the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Option Date, the full amount of the Risk Retention Regulatory Change Option Purchase Price, together with all amounts standing to the credit of the Liquidity Reserve Fund and all Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Option Date, will be applied in accordance with the Post-Enforcement Priority of Payments and will result in the Notes being redeemed in full. Following the redemption in full of the Notes the Residual Certificates will be cancelled.

Any Revenue Receipts, Redemption Receipts or interest on the Issuer Accounts received by the Issuer from but excluding the Collection Period End Date immediately prior to the Risk Retention Regulatory

Change Option Date to and including Risk Retention Regulatory Change Option Date (such amounts being "**Risk Retention Regulatory Change Option Collections**") will be payable, to or for the account of the Beneficial Title Transferee as soon as reasonably practicable following the Risk Retention Regulatory Change Option Date.

REFINANCING CALL OPTION

The Issuer may, in consultation with the Option Holder and the Retention Holder, issue Refinancing Notes on or after the Optional Redemption Date in accordance with Condition 8.6 (*Refinancing Call Option*). The proceeds of the Refinancing Notes will be used, *inter alia*, to effect a redemption in full of the Notes of each Class. The net proceeds from the issuance of the Refinancing Notes expressed to be available for the purposes of redeeming the Notes and other amounts available to the Issuer for application will be applied by the Issuer in accordance with the Post-Enforcement Priority of Payments on the Interest Payment Date falling on or immediately following the Optional Refinancing Date and must be of an amount equal to or greater than the Refinancing Notes Minimum Issuance Amount.

"Refinancing Notes Minimum Issuance Amount" means an amount equal to (without double counting):

- (a) the amount required by the Issuer to pay in full all amounts payable under items (a) to (r) (inclusive) of the Post-Enforcement Priority of Payments on the Interest Payment Date falling on or immediately following the issuance of the Refinancing Notes; less
- (b) the balance standing to the credit of the Liquidity Reserve Fund; less
- (c) any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the issuance of the Refinancing Notes (without double counting the amounts in paragraph (b) above).

MARKET SALE

Appointment of a Liquidation Agent

If the Call Option has not been exercised on or prior to the Optional Redemption Date, the Corporate Services Provider shall, on behalf of the Issuer and the Legal Title Holders (in their capacity as trustee under the relevant Scottish Declaration of Trust), use all reasonable endeavours to appoint a Liquidation Agent substantially on the terms set out below within 30 days of the Optional Redemption Date to act as agent in the name of the Issuer and the Legal Title Holders to assist the Issuer in the sale of (i) the beneficial title and (ii) the right to require the Legal Title Holders to transfer the legal title, to all (but not some) of the Loans and their Related Security comprising the Portfolio to the Winning Bidder or its nominee. The Issuer and the Legal Title Holders each confirms that any such appointment shall confer on such Liquidation Agent all powers, authority and discretion which are necessary for, or incidental to, the Liquidation Agent's appointment and the Issuer shall notify the Noteholders and the Certificateholders of such appointment in accordance with Condition 16 (*Notice to Noteholders*) and Residual Certificates Condition 15 (*Notice to Certificateholders*).

Any Liquidation Agent shall act upon the direction of the Security Trustee upon the service of an Enforcement Notice on the Issuer.

Initial Sounding

The appointment of the Liquidation Agent shall provide, *inter alia*, that:

- (a) the fees and expenses of the Liquidation Agent shall be payable by the Issuer upon completion of the sale to a Winning Bidder (as defined below), and shall be paid out of the proceeds of such sale;
- (b) as soon as reasonably practicable (and in any event within 60 days of the Optional Redemption Date), the Liquidation Agent shall, for so long as the Portfolio has not been sold pursuant to the terms of the Call Option use all reasonable endeavours to obtain initial indications of the sale price for the Portfolio from at least three participants in the wholesale mortgage market of reasonable standing and shall consider any initial indications of the sale price provided by any other market participants (the "**Initial Market Participants**"), provided that:
 - (i) the Liquidation Agent must first, acting on the direction of the Issuer, ensure that the Issuer has obtained an opinion from an appropriately qualified and experienced United Kingdom tax adviser that neither the processes of seeking initial indications of sale prices, nor selling the portfolio to successful bidders should cause the Issuer to cease to be taxed in accordance with the Securitisation Tax Regulations. The Issuer must confirm that such opinion is satisfactory to it before the Liquidation Agent may obtain initial indications of the sale price for the Portfolio from Initial Market Participants;
 - (ii) if an Exercise Notice has been served by an Option Holder, the Liquidation Agent shall not seek to obtain such initial indications until the expiry of 30 days following the date of such Exercise Notice;
 - (iii) the Liquidation Agent shall notify the Issuer, who in turn shall notify the Noteholders and the Certificateholders in accordance with Condition 16 (*Notice to Noteholders*) and Residual Certificates Condition 15 (*Notice to Certificateholders*) (a "**Market Sounding Notice**") at least 5 days' prior to the Liquidation Agent seeking such initial indications from Initial Market Participants; and
- (c) if one or more Initial Market Participants provide a bid of at least the Minimum Portfolio Liquidation Price, the Liquidation Agent shall notify such indicative purchase price(s) to the Issuer and the Security Trustee, and the Issuer shall promptly notify the Noteholders and the Certificateholders in accordance with Condition 16 (*Notice to Noteholders*) and Residual Certificates Condition 15 (*Notice to Certificateholders*) that the Liquidation Agent has received a bid of at least the Minimum Portfolio Liquidation Price (provided that the indicative purchase price(s) shall not be disclosed in such notices to the Noteholders and the Certificateholders) (a "**Market Bid Notice**");
- (d) if the Liquidation Agent does not receive a bid from the Initial Market Participants of at least the Minimum Portfolio Liquidation Price, the Liquidation Agent shall notify the Issuer and the Security Trustee of the same, and the Issuer shall promptly notify the Noteholders and the Certificateholders in accordance with Condition 16 (*Notice to Noteholders*) and Residual Certificates Condition 15 (*Notice to Certificateholders*) of the same (a "**Market Bid Failure Notice**") and the Liquidation Agent shall repeat the above procedure set out in paragraphs (b) and (c) every six months following the later of the Optional Redemption Date and the date on which a Market Bid Failure Notice is served.

The Cash Manager shall calculate the Minimum Portfolio Liquidation Price.

The sale

If a Market Bid Notice is received, the Issuer and the Legal Title Holders shall instruct the Liquidation Agent to proceed with the sale of the Portfolio to the Initial Market Participant that had submitted the

highest bid (or its nominee, collectively the "**Winning Bidder**"), and shall take such action as is required to effect such sale.

Any sale by the Issuer shall be subject to the following conditions:

- (a) either:
 - (i) the Winning Bidder is resident for tax purposes in the United Kingdom; or
 - (ii) the Issuer, having received tax advice from an appropriately qualified and experienced United Kingdom tax adviser in the form and substance satisfactory to it (acting reasonably), or such other comfort as may reasonably be required by it (including, without limitation, any clearance or other confirmation granted by HM Revenue and Customs) ("**Tax Advice**"), is satisfied that sale will not create or increase any liabilities of the Issuer and the Legal Title Holders to United Kingdom tax or any tax imposed by the jurisdiction of the Winning Bidder;

- (b) either:
 - (i) the entity to which legal title shall be transferred has all the appropriate licences, approvals, authorisations, consents, permissions and registrations (including any approvals, authorisations, consents, permissions and registrations required to be maintained under the FSMA and any rules and regulations of the FCA) required to administer residential mortgage loans such as the Loans and their Related Security comprising the Portfolio (the "**Relevant Authorisations**"); or
 - (ii) the Winning Bidder has appointed a servicer who has the Relevant Authorisations and if the legal title will not be transferred to the Winning Bidder (or to its order), that the Legal Title Holders have confirmed in writing that it will hold legal title to the Loans and their Related Security comprising the Portfolio on trust for the Winning Bidder (including, in respect of the Scottish Loans and their Related Security, under a Scottish declaration of trust in favour of the Winning Bidder); and

- (c) the Beneficial Title Transferee shall not be permitted to transfer the beneficial interest in any of the Loans and their Related Security comprising the Portfolio to a further purchaser until the transfer of the legal title is perfected unless such transfer of beneficial interest is made to an entity which is within the charge to UK corporation tax.

The costs relating to the Tax Advice referred to in sub-paragraph (a)(ii) above shall be borne by the Winning Bidder.

If the Market Sale Date has not occurred by the later of (i) the date falling 90 days after the date of a Market Sounding Notice and (ii) the date falling 30 days after the date of the Market Bid Notice, the Option Holder may exercise the Call Option by delivering an Exercise Notice pursuant to Clause 3 (Exercise of Call Option) of the Deed Poll, on any Business Day prior to delivery of a further Market Bid Notice.

Application of proceeds

On the Interest Payment Date falling on or immediately following the Market Sale Date, a portion of the proceeds of the sale shall be paid directly by the Winning Bidder (on behalf of the Issuer) to the Liquidation Agent for its fees, and expenses) and the remaining proceeds of the sale, together with all amounts standing to the credit of the Liquidity Reserve Fund Ledger and any Available Revenue

Receipts and Available Redemption Receipts otherwise available to the Issuer for application on such Interest Payment Date, will be applied in accordance with the Post-Enforcement Priority of Payments.

Any Revenue Receipts, Redemption Receipts or interest on the Issuer Accounts received by the Issuer from but excluding the Collection Period End Date immediately prior to the Market Sale Date to and including the Market Sale Date (such amounts being "**Market Sale Collections**") will be payable, together with any minimum required amount that has been retained in the Collection Accounts, to or for the account of the Winning Bidder as soon as reasonably practicable following the Market Sale Date.

"Liquidation Agent" means a person having the requisite skills and experience to sell the Loans and their Related Security comprising the Portfolio.

"Market Sale Date" means the date on which the sale of the Loans and their Related Security comprising the Portfolio to the Winning Bidder completes.

"Minimum Portfolio Liquidation Price" means a net amount equal to (without double counting):

- (a) the amount required by the Issuer to pay in full all amounts payable or that will become payable prior to such Interest Payment Date under items (a) to (r) (inclusive) of the Post-Enforcement Priority of Payments on the Interest Payment Date falling on or immediately following the Market Sale Date; *plus*
- (b) the Issuer's costs and expenses associated with transferring its interests in any Loan and its Related Security to the Winning Bidder (including the fees, costs and expenses of the Liquidation Agent) and an amount agreed between the Issuer and the Liquidation Agent in respect of costs anticipated to be incurred by the Issuer after the Market Sale Date; *less*
- (c) the balance standing to the credit of the Liquidity Reserve Fund; *less*
- (d) any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Market Sale Date (without double counting the amounts in paragraph (c) above).

USE OF PROCEEDS

The Issuer will use the net proceeds of the issuance of the Notes, which after deducting fees, upfront expenses and commissions, if any, will equal £448,325,094.93, to:

- (a) pay for the Portfolio to be acquired from the Sellers on the Closing Date;
- (b) establish the Liquidity Reserve Fund through the retention of the Liquidity Reserve Fund Required Amount; and
- (c) retain certain amounts and pay certain fees and expenses of the Issuer incurred in connection with the issue of the Notes and the Residual Certificates on the Closing Date.

On the Interest Payment Date falling on or immediately following the Optional Refinancing Date, the Issuer will apply the proceeds of the issuance of any Refinancing Notes, *inter alia*, to effect a redemption in full of the Notes of each Class.

RATINGS

The Rated Notes, on issue, (with respect to payments of interest and principal) are expected to be assigned the following ratings by S&P and Fitch. The Class Z1 Notes and the Class Z2 Notes will not be rated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency if, in its judgement, circumstances so warrant.

Class of Notes	S&P	Fitch
Class A Notes	AAA	AAA
Class B Notes	AA	AA
Class C Notes	A	A
Class D Notes	BBB	BBB
Class E Notes	BB	BB
Class X1 Notes	Not Rated	Not Rated
Class X2 Notes	Not Rated	Not Rated
Class Z1 Notes	Not Rated	Not Rated
Class Z2 Notes	Not Rated	Not Rated

The ratings assigned to the Rated Notes by S&P address, *inter alia*:

- the likelihood of full and timely payments due to the holders of the Class A Notes of interest on each Interest Payment Date;
- the likelihood of full and ultimate payment of interest to the holders of the Class B Notes, the Class C Notes, the Class D Notes (where the Class B Notes, Class C Notes and the Class D Notes are not the Most Senior Class of Notes then outstanding), respectively, by a date that is not later than the Final Maturity Date;
- the likelihood of full and timely payment of interest due to the holders of the Class B Notes (where the Class B Notes are the Most Senior Class of Notes then outstanding), Class C Notes (where the Class C Notes are the Most Senior Class of Notes then outstanding), the Class D Notes (where the Class D Notes are the Most Senior Class of Notes then outstanding), respectively, on each Interest Payment Date; and
- the likelihood of ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Final Maturity Date.

The ratings assigned to the Rated Notes by Fitch address, *inter alia* (a) the likelihood of full and timely payment to the holders of the Class A Notes and the Class B Notes, and the Class C Notes and the Class D Notes (where the Class C Notes and the Class D Notes are the Most Senior Class of Notes) of interest on each Interest Payment Date in accordance with the Conditions; (b) the likelihood of full payment to the holders of the Rated Notes (other than the Class A Notes and the Class B Notes) of all payments of interests in relation to the Rated Notes on or prior to the Final Maturity Date, (c) the likelihood of full and ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Final Maturity Date.

As of the date of this Prospectus, S&P is a credit rating agency established in the EU and is registered under the UK CRA Regulation and Fitch is a credit rating agency based in the UK and supervised by the FCA.

THE ISSUER

Introduction

The Issuer was incorporated under the laws of England and Wales on 25 November 2020 (registered number 13042422) as a public limited company under the Companies Act 2006. The registered office of the Issuer is 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX. The telephone number of the Issuer's registered office is +44 (0)20 7398 6300. The issued share capital of the Issuer comprises 50,000 ordinary shares of £1 each of which 1 is fully-paid up and 49,999 shares are quarter-paid and all shares are held by Holdings (see the section entitled "*Holdings*").

The Issuer has no subsidiaries and does not control, directly or indirectly, any other company. Each Seller and the Retention Holder do not own directly or indirectly any of the share capital of Holdings or the Issuer.

The Issuer was established as a special purpose vehicle solely for the purpose of issuing asset backed notes. The Issuer is permitted, pursuant to the terms of its articles of association, *inter alia*, to issue the Notes and the Residual Certificates. The Issuer will covenant to observe certain restrictions on its activities which are set out in Condition 5(b) (*Restrictions on activities*) and Residual Certificates Condition 5(b) (*Restrictions on activities*).

Under the Companies Act 2006 (as amended), the Issuer's governing documents, including its principal objects, may be altered by a special resolution of shareholders.

In accordance with the Corporate Services Agreement, the Corporate Services Provider will provide to the Issuer certain directors, a registered and administrative office, the arrangement of meetings of directors and shareholders and procure the service of a company secretary. No remuneration is paid by the Issuer to or in respect of any director or officer of the Issuer for acting as such.

The Issuer has not engaged, since its incorporation, in any material activities nor commenced operations other than those incidental to its registration as a public limited company under the Companies Act 2006 (as amended) and to the proposed issues of the Notes and Residual Certificates and the authorisation of the other Transaction Documents referred to in this Prospectus to which it is or will be a party and other matters which are incidental or ancillary to the foregoing. The Issuer, as necessary, has made a notification under the Data Protection Act 1998. As at the date of this Prospectus, statutory accounts have not yet been prepared or delivered to the Registrar of Companies on behalf of the Issuer. The accounting reference date of the Issuer is 31 December and the first statutory accounts of the Issuer will be drawn up to 31 December 2021.

There is no intention to accumulate surpluses in the Issuer (other than amounts standing to the credit of the Issuer Profit Ledger and the Liquidity Reserve Fund Ledger).

Directors

The directors of the Issuer and their respective business addresses and occupations are:

Name			Business Address	Business Occupation
Intertrust Limited	Directors	1	1 Bartholomew Lane, London EC2N 2AX	Corporate Director
Intertrust Limited	Directors	2	1 Bartholomew Lane, London EC2N 2AX	Corporate Director

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Name	Business Address	Business Occupation
Helena Whitaker	1 Bartholomew Lane, London EC2N 2AX	Director

The directors of Intertrust Directors 1 Limited and Intertrust Directors 2 Limited and their principal activities are as follows:

Name	Business Address	Principal Activities
Helena Whitaker	1 Bartholomew Lane, London EC2N 2AX	Director
Susan Abrahams	1 Bartholomew Lane, London EC2N 2AX	Director
Ian Hancock	1 Bartholomew Lane, London EC2N 2AX	Director
Wenda Adriaanse	Margaretha 1 Bartholomew Lane, London EC2N 2AX	Director
Daniel Jaffe	1 Bartholomew Lane, London EC2N 2AX	Director

The Issuer has no loan capital, borrowings or material contingent liabilities (including guarantees) as at the date of this Prospectus.

HOLDINGS

Introduction

Holdings was incorporated under the laws of England and Wales on 20 November 2020 (registered number 13034220) as a private limited company under the Companies Act 2006 (as amended). The registered office of Holdings is 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX. The issued share capital of Holdings comprises one ordinary share of £1. Intertrust Corporate Services Limited (the "**Share Trustee**") holds the entire beneficial interest in the issued share capital under a discretionary trust for discretionary purposes. Holdings holds the beneficial interest in the issued share capital of the Issuer.

Neither the Sellers, the Retention Holder nor any company connected with the Sellers or the Retention Holder can direct the Share Trustee and none of such companies has any control, direct or indirect, over Holdings or the Issuer. Holdings does not have any control, direct or indirect, of any company other than the Issuer.

Pursuant to the terms of its articles of association, Holdings is permitted, *inter alia*, to hold shares in the Issuer.

Holdings has not engaged since its incorporation in any material activities other than those activities incidental to the authorisation and implementation of the Transaction Documents referred to in this Prospectus to which it is or will be a party and other matters which are incidental or ancillary to the foregoing.

Directors

The directors of Holdings and their respective business addresses and occupations are:

Name	Business Address	Business Occupation
Intertrust Directors 1 Limited	1 Bartholomew Lane, London EC2N 2AX	Corporate Director
Intertrust Directors 2 Limited	1 Bartholomew Lane, London EC2N 2AX	Corporate Director
Helena Whitaker	1 Bartholomew Lane, London EC2N 2AX	Director

The directors of Intertrust Directors 1 Limited and Intertrust Directors 2 Limited and their respective occupations are:

Name	Business Address	Principal Activities
Helena Whitaker	1 Bartholomew Lane, London EC2N 2AX	Director
Susan Abrahams	1 Bartholomew Lane, London EC2N 2AX	Director

Name	Business Address	Principal Activities
Wenda Margaretha Adriaanse	1 Bartholomew Lane, London EC2N 2AX	Director
Ian Hancock	1 Bartholomew Lane, London EC2N 2AX	Director
Daniel Jaffe	1 Bartholomew Lane, London EC2N 2AX	Director

The accounting reference date of Holdings is 31 December and the first statutory accounts of Holdings will be drawn up to 31 December 2021.

Holdings has no employees.

THE SUNBURY SELLER

Ertow Holdings V Designated Activity Company (the "**Sunbury Seller**") is a designated activity company limited by shares incorporated in Ireland on 9 December 2019 (company registration number 662143 and registered address at 5th Floor, The Exchange, George's Dock, IFSC, Dublin 1, D01 W3P9, Ireland). The Sunbury Seller acquired the beneficial interest in a portfolio of mortgage loans to individual borrowers secured over residential properties located in England, Wales, Northern Ireland and Scotland pursuant to a deed of novation dated 1 April 2020 relating to a mortgage sale agreement dated 4 March 2020 as amended and restated on or about 31 March 2020 (the "**First Sunbury MSA**"). The Sunbury Seller on-sold the beneficial interest in such mortgage loans to Stratton Finance II Limited pursuant to a mortgage sale agreement dated 1 April 2020 (the "**Second Sunbury MSA**"). For the purposes of the transaction described in this prospectus, the Sunbury Seller repurchased the beneficial interest in such mortgage loans from Stratton Finance II Limited pursuant to the Original Sunbury Seller Mortgage Sale Agreement. The Sunbury Seller shall on-sell such mortgage loans to the Issuer pursuant to the Mortgage Sale Agreement on or about the Closing Date.

The Sunbury Seller entered into a profit participating loan agreement with the Retention Holder on 1 April 2020 (as may be amended and restated from time to time) (the "**Sunbury PPL**"), pursuant to which the Retention Holder agreed to make a loan available to the Sunbury Seller which the Sunbury Seller is permitted to use to invest in certain financial assets, subject to the terms of the Sunbury PPL. Pursuant to the terms of the Sunbury PPL, all available amounts received by the Sunbury Seller in relation to the Loans (including the proceeds of any sale of the Loans) are, following the payment of various taxes and expenses of the Sunbury Seller in accordance with the terms of the Sunbury PPL, passed by the Sunbury Seller to the Retention Holder.

The Sunbury Seller has covenanted to limit its activities to holding certain classes of the Notes and Residual Certificates and entering into the Sunbury PPL and activities ancillary thereto. It has also agreed not to issue any further shares or incur any further indebtedness other than under the Sunbury PPL.

The Sunbury Seller has also given certain undertakings in relation to the holding of the Retained Interest by the Retention Holder, which are set out in the section headed "*Certain Regulatory Requirements*".

THE MOONRAKER SELLER

Ertow Holdings VII Designated Activity Company (formerly known as Dahlia 1 Finance Designated Activity Company) (the "**Moonraker Seller**") is a designated activity company limited by shares incorporated in Ireland on 7 December 2020 (company registration number 684020 and registered address at 5th Floor, The Exchange, George's Dock, IFSC, Dublin 1, D01 W3P9, Ireland) in order to acquire the beneficial title to certain mortgage loans from the Original Moonraker Sellers pursuant to the Original Moonraker Seller Mortgage Sale Agreement on 24 December 2020. The Moonraker Seller shall sell the beneficial title to such mortgage loans to the Issuer pursuant to the Mortgage Sale Agreement.

The Moonraker Seller entered into a profit participating loan agreement with the Retention Holder on 23 December 2020 (as may be amended and restated from time to time) (the "**Moonraker PPL**", pursuant to which the Retention Holder agreed to make a loan available to the Moonraker Seller which the Moonraker Seller is permitted to use to invest in certain financial assets, subject to the terms of the Moonraker PPL. Pursuant to the terms of the Moonraker PPL, all available amounts received by the Moonraker Seller in relation to the Loans (including the proceeds of any sale of the Loans) are, following the payment of various taxes and expenses of the Moonraker Seller in accordance with the terms of the Moonraker PPL, passed by the Moonraker Seller to the Retention Holder.

The Moonraker Seller has covenanted to limit its activities to holding certain classes of the Notes and Residual Certificates and entering into the Moonraker PPL and activities ancillary thereto. It has also agreed not to issue any further shares or incur any further indebtedness other than under the Moonraker PPL.

The Moonraker Seller has also given certain undertakings in relation to the holding of the Retained Interest by the Retention Holder, which are set out in the section headed "*Certain Regulatory Requirements*".

THE LASI SERVICER

Link ASI Limited ("**LASI**" or the "**LASI Servicer**") is a private company with limited liability incorporated under the laws of Ireland with registered number 315348 and with its registered address at Block C, Maynooth Business Campus, Maynooth, Co. Kildare, W23F854, Ireland.

LASI, trading as Link Asset Services, is a subsidiary of Link Administration Holdings Limited an ASX (Sydney) listed public company and is authorised and regulated as a credit servicing firm under Part V of the Central Bank Act, 1997 (as amended) by the Central Bank of Ireland.

THE LMSL SERVICER

Link Mortgage Services Limited ("**LMSL**" or the "**LMSL Servicer**") is a private company with limited liability incorporated under the laws of England and Wales with registered number 00912411 and with its registered address at 6th Floor 65 Gresham Street, London, United Kingdom, EC2V 7NQ.

LMSL is a subsidiary of Link Group, an ASX (Sydney) listed public company, and is regulated by the Financial Conduct Authority (FCA Number 306235) with permissions to, amongst other things, service commercial and residential mortgage loans in the United Kingdom on behalf of third parties.

The information in the preceding two paragraphs has been provided solely by LMSL for use in this Prospectus. Except for the foregoing two paragraphs, LMSL and its affiliates do not accept any responsibility for this Prospectus.

THE MOONRAKER SERVICER

Western Mortgage Services Limited ("**WMS**") was incorporated and registered in England and Wales under the Companies Act 1985 with limited liability as a private limited company on 26 April 1996 with company registration number 3191608. The registered office of WMS is 65 Gresham Street, London, EC2V 7NQ.

Following the acquisition of Western Trust and Savings Limited ("**WTS**") in July 1995 by Birmingham Midshires Building Society, WMS acquired from WTS its mortgage servicing infrastructure. WMS was acquired by the Britannia Building Society ("**Britannia**") on 27 January 1997 and the shares subsequently transferred to Britannia Treasury Services Limited. Following the Merger, WMS became a subsidiary of the Co-operative Bank p.l.c. (the "**Co-operative Bank**").

On 1 August 2015 Capita Asset Services (UK Holding) Limited entered into an agreement under which it acquired 100 per cent. of the shares in WMS from Britannia Treasury Services Limited (a subsidiary of the Co-operative Bank). On the same date, WMS entered into a master services agreement with the Co-operative Bank and certain Co-operative Bank subsidiaries, under which WMS will service the Co-operative Bank's mortgage processing and administration operations. This agreement was extended in December 2019.

The terms of this agreement comprise the servicing of more than 179,431 mortgage accounts and £20.7bn of lending. WMS employs approximately 650 staff for the servicing the mortgage portfolios (figures at Dec 2020).

WMS continues to service third party portfolios previously serviced by WMS through different contractual arrangements.

The WMS mortgage administration services are run and managed predominantly by dedicated WMS IT staff from their own premises in Plymouth. Various local IT upgrades have been undertaken over the last few years in WMS to ensure the systems are maintained in line with the requirements of the business. WMS technology is maintained under vendor support contracts. A Disaster Recovery arrangement exists with a specialist third party provider and disaster recovery simulation test was last completed in 2019. WMS also carry out an IT test every 6 months one of which includes a full business test.

WMS maintains some dependency on certain of the Co-operative Bank's IT systems located in Leek, Staffordshire, which remain part of the Co-operative Bank's IT estate following the sale.

THE RETENTION HOLDER

Burlington Loan Management Designated Activity Company (the "**Retention Holder**") is a designated activity company limited by shares incorporated in Ireland on 24 April 2009 (company registration number 470093 and registered address at 5th Floor, The Exchange, George's Dock, IFSC, Dublin 1, D01 W3P9, Ireland).

The Retention Holder is funded by profit participating notes under a \$10,000,000,000 Notes programme due 1 November 2060. The notes are unsecured and are admitted to the Official List of Euronext Dublin and to trading on its Global Exchange Market.

The Retention Holder is exposed to the Sellers by virtue of the Sunbury PPL and Moonraker PPL, pursuant to which the Retention Holder has agreed to make a loan available to the Sellers which the Sellers are permitted to use to invest in certain financial assets, subject to the terms of the Sunbury PPL and Moonraker PPL (as applicable). Pursuant to the terms of the Sunbury PPL and Moonraker PPL (as applicable), all available amounts received by the Sellers in relation to the Loans (including the proceeds of any sale of the Loans) are, and all available amounts received by the Sellers in respect of the Class Z Notes and any other Notes or under the Residual Certificates will be, following the payment of various taxes and expenses of the Sellers in accordance with the terms of the Sunbury PPL or Moonraker PPL (as applicable), passed by the Sellers to the Retention Holder.

The Retention Holder holds various financial assets and investments. As at the date of its last audited financial accounts on 31 December 2019, the total assets of the Retention Holder were USD 7,731,091,396.

THE CASH MANAGER, ISSUER ACCOUNT BANK, PAYING AGENT AND AGENT BANK

Citibank, N.A. is a national association formed through its Articles of Association; it obtained its charter, 1461, 17 July 1865, and is governed by the laws of the United States, having its principal office situated at 388 Greenwich Street, New York, NY10013, USA, and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

THE SUNBURY SRL COLLECTION ACCOUNT BANK

National Westminster Bank plc (the "**Bank**", and together with its subsidiary undertakings, the "**Natwest Bank Group**") is a public limited company registered in England and Wales under number 929027. The liability of the members of the Bank is limited. It has its registered and head office at 250 Bishopsgate, London EC2M 4AA. The Bank was incorporated on 25 March 1968. The whole of the issued ordinary share capital of the Bank is beneficially owned by NatWest Holdings Limited. NatWest Group PLC (together with its subsidiary undertakings, the "**Group**" or "**NatWest**") is the ultimate holding company of the Group. The Bank's principal activity is to offer products and services designed for larger corporate, wholesale and international banking clients.

THE SUNBURY LASI COLLECTION ACCOUNT BANK

Barclays Bank PLC (the "**Bank**", and together with its subsidiary undertakings, the "**Barclays Bank Group**") is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered and head office at 1 Churchill Place, London, E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). The Bank 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 Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC. Barclays PLC (together with its subsidiary undertakings, the "**Group**" or "**Barclays**") is the ultimate holding company of the Group. The Bank's principal activity is to offer products and services designed for larger corporate, wholesale and international banking clients.

Barclays is a British universal bank with a diversified and connected portfolio of businesses, serving retail and wholesale customers and clients globally. The Group's businesses include consumer banking and payment operations around the world, as well as a top-tier, full service, global consumer and investment bank. The Group operates as two divisions – the Barclays UK division (Barclays UK) and the Barclays International division (Barclays International). These are housed in two banking subsidiaries – Barclays UK sits within Barclays Bank UK PLC and Barclays International sits within the Bank – which are supported by Barclays Execution Services Limited. Barclays Execution Services Limited is the Group-wide service company providing technology, operations and functional services to businesses across the Group.

The short term unsecured obligations of the Bank are rated A-1 by S&P Global Ratings Europe Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the long term unsecured unsubordinated obligations of the Bank are rated A by S&P Global Ratings Europe Limited, A1 by Moody's Investors Service Ltd. and A+ by Fitch Ratings Limited. Based on the Barclays Bank Group's audited financial information for the year ended 31 December 2019, the Barclays Bank Group had total assets of £876,672m (2018: £877,700m), loans and advances at amortised cost of £141,636m (2018: £136,959m), total deposits at amortised cost of £213,881m (2018: £199,337m), and total equity of £50,615m (2018: £47,711m) (including non-controlling interests of £0 (2018: £2m)). The profit before tax of the Barclays Bank Group for the year ended 31 December 2019 was £3,112m (2018: £1,286m) after credit impairment charges of £1,202m (2018: £643m). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Barclays Bank Group for the year ended 31 December 2019.

THE MOONRAKER COLLECTION ACCOUNT BANK

NatWest Bank plc (the "**Bank**", and together with its subsidiary undertakings, the "**NatWest Bank Group**") is a public limited company registered in England and Wales under number 929027. The liability of the members of the Bank is limited. It has its registered and head office at 250 Bishopsgate, London EC2M 4AA. The Bank was incorporated on 18 March 1968. The whole of the issued ordinary share capital of the Bank is beneficially owned by NatWest Holdings Limited. NatWest Group PLC (together with its subsidiary undertakings, the "**Group**" or "**NatWest**") is the ultimate holding company of the Group. The Bank's principal activity is to offer products and services designed for larger corporate, wholesale and international banking clients.

THE NOTE TRUSTEE AND SECURITY TRUSTEE

Citicorp Trustee Company Limited was incorporated on 24 December 1928 under the laws of England and Wales and has its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, with a company number 235914.

Citicorp Trustee Company Limited is an indirect wholly-owned subsidiary of Citigroup Inc., a diversified global financial services holding company incorporated in Delaware.

Citicorp Trustee Company Limited is regulated by the UK's Financial Conduct Authority.

THE SUNBURY SRL LEGAL TITLE HOLDER

Stratton Resolutions Limited is a private limited company incorporated under the laws of England & Wales on 26 March 2020, with company number 12535969. Stratton Resolutions Limited is registered with the Isle of Man Office of Fair Trading under the Moneylenders Act 1991 as a moneylender and the Isle of Man Financial Services Authority under the Designated Businesses (Registration & Oversight) Act 2015.

At the time of the First Sunbury MSA and the Second Sunbury MSA, two legal title holders held the legal title to the majority of the Sunbury Loans and Link ASI Limited held legal title to the remaining Loans (the "**Original Sunbury Legal Title Sellers**"). In August and September 2020, the legal title to the majority of the Sunbury Loans were transferred to Stratton Resolutions Limited and the legal title to the Sunbury Loans held by Link ASI Limited remained with Link ASI Limited, for regulatory reasons in Ireland.

Stratton Resolutions Limited holds legal title to all of the Sunbury Loans in the Sunbury Portfolio with the exception of: (i) the Sunbury Loans held by Link ASI Limited (as described above); and (ii) three other Sunbury Loans, the legal title of which should be held with Stratton Resolutions Limited. Two of these Loans are secured by a main asset and adjoining land, and the third Loan is secured by a property which comprises freehold and leasehold land. In each case, the legal title to the main asset is held with Stratton Resolutions Limited but the legal title to the adjoining land and the leasehold property (as applicable) are not held with Stratton Resolutions Limited due to a historical administrative error which occurred prior to the transfer of legal title to Stratton Resolutions Limited. Application has been made to the Land Registry to transfer the relevant title numbers to Stratton Resolutions Limited.

THE SUNBURY LASI LEGAL TITLE HOLDER

Link ASI Limited ("**LASI**" or the "**LASI Servicer**") is a private company with limited liability incorporated under the laws of Ireland with registered number 315348 and with its registered address at Block C, Maynooth Business Campus, Maynooth, Co. Kildare, W23F854, Ireland.

LASI, trading as Link Asset Services, is a subsidiary of Link Administration Holdings Limited an ASX (Sydney) listed public company and is authorised and regulated as a credit servicing firm under Part V of the Central Bank Act, 1997 (as amended) by the Central Bank of Ireland.

LASI holds legal title to some of the Sunbury Loans (see section entitled "*The Sunbury SRL Legal Title Holder*") for more information.

THE MOONRAKER LEGAL TITLE HOLDERS

The Co-operative Bank P.L.C. is a public limited company incorporated under the laws of England & Wales on 5 October 1970, with company number 00990937 for the purposes of offering personal and business banking services to individuals and small businesses in England, Wales, Scotland and Northern Ireland. The Bank is committed to values and ethics in line with the principles of the co-operative movement. The Co-operative Bank P.L.C is regulated and authorised by the Financial Conduct Authority under registration number 121855. The registered office of The Co-operative Bank P.L.C is PO BOX 101, 1 Balloon Street, Manchester, M60 4EP.

Mortgage Agency Services Number Two Limited ("**MAS2**"), Mortgage Agency Services Number Four Limited ("**MAS4**"), Mortgage Agency Services Number Five Limited ("**MAS5**"), Mortgage Agency Services Number Six Limited ("**MAS6**") (together, the "**Mortgage Agency Services Limited Companies**") are wholly-owned subsidiaries of The Co-operative Bank established solely for the purpose of advancing or acquiring residential mortgage loans to borrowers. The Mortgage Agency Services Limited Companies no longer originate or acquire new residential mortgage loans.

Platform Funding Limited ("**PFL**") was incorporated and registered in England and Wales under the Companies Act 1985 on 28 October 1997 as a private limited company with company registration number 3456337. The registered office of PFL is 1 Balloon Street, Manchester M60 4EP, England. PFL is regulated and authorised by the Financial Conduct Authority under registration number 303387. PFL was established for the purpose of originating residential mortgage loans (including Buy-to-Let Loans) to borrowers in England, Wales, Scotland and Northern Ireland. PFL is a wholly-owned direct subsidiary of the Co-operative Bank p.l.c.

THE CORPORATE SERVICES PROVIDER AND THE BACK-UP SERVICER FACILITATOR

Intertrust Management Limited (registered number 03853947), having its principal address at 1 Bartholomew Lane, London EC2N 2AX will be appointed to provide corporate services to the Issuer and Holdings pursuant to the Corporate Services Agreement.

Intertrust Management Limited has served and is currently serving as corporate service provider for numerous securitisation transactions and programmes involving pools of mortgage loans.

Intertrust Management Limited will also perform the role of the Back-Up Servicer Facilitator.

The Back-Up Servicer Facilitator will be appointed pursuant to the terms of the Sunbury Servicing Agreement and the Moonraker Servicing Agreement to use its reasonable endeavours to appoint a new Sunbury Servicer or Moonraker Servicer if required.

THE LOANS

Introduction

The following is a description of some characteristics of the Loans and includes details of the Loan types, the underwriting process, and selected statistical information. Information in this section has been obtained from publicly available information. The Sellers are not the originators of the Loans and therefore cannot confirm any of the details in relation to the underwriting process and statistical information relating to the Loans.

The Sunbury Seller has identified a portfolio of mortgage loans as of the Portfolio Reference Date (the "**Sunbury Provisional Portfolio**") to assign to the Issuer and the Moonraker Seller has identified a portfolio of mortgage loans as of the Portfolio Reference Date (the "**Moonraker Provisional Portfolio**") to assign to the Issuer (the Sunbury Provisional Portfolio and the Moonraker Provisional Portfolio, together the "**Provisional Portfolio**").

The Sunbury Portfolio is comprised of Loans to individual borrowers secured over residential properties located in England, Wales, Northern Ireland and Scotland. On the Closing Date, the Sunbury Portfolio will consist of the Sunbury Loans and their Related Security acquired pursuant to the Mortgage Sale Agreement, other than Loans which have been repaid.

The Moonraker Portfolio will comprise Loans advanced to the Borrowers upon the security of residential property situated in England, Wales, Northern Ireland and Scotland. On the Closing Date will consist of the Moonraker Loans and Related Security acquired pursuant to the Mortgage Sale Agreement, other than Moonraker Loans and Related Security which have been repaid or which have been repurchased from the Issuer pursuant to the Mortgage Sale Agreement (for example, following a breach of a Loan Warranty).

The Portfolio of mortgage loans which the Sellers will transfer the beneficial title to the Issuer on the Closing Date may differ from the Provisional Portfolio due to any redemptions of mortgage loans occurring, enforcement procedures being completed or repurchases by the persons who sold the relevant Loan to the relevant Seller, in each case during the period between 30 November 2020 (the "**Portfolio Reference Date**") and the Portfolio Cut-Off Date.

The Provisional Portfolio contains Loans from the Sunbury Provisional Portfolio (such Loans, the "**Sunbury Loans**") and Loans from the Moonraker Provisional Portfolio (such Loans, the "**Moonraker Loans**").

As at the Portfolio Reference Date, the Provisional Portfolio had the characteristics shown below. For further information on the characteristics of the Provisional Portfolio, see the section entitled "*Characteristics of the Provisional Portfolio*".

The Originators

The Provisional Portfolio comprises Loans originated by:

- (a) Advantage ("**Advantage**");
- (b) Advantage Innovative ("**Advantage Innovative**");
- (c) Amber Homeloans Limited ("**Amber**");
- (d) db Mortgages ("**db Mortgages**");

- (e) Edeus Mortgage Creators Limited ("**Edeus**");
- (f) First Alliance Mortgage Company ("**First Alliance**");
- (g) Gemini ("**Gemini**");
- (h) GMAC ("**GMAC**");
- (i) GMAC-RFC Limited (currently known as Paratus AMC Limited) ("**GMAC-RFC**");
- (j) Irish Permanent IOM Limited ("**IP IOM**");
- (k) Kensington Mortgage Company Limited ("**KMCL**");
- (l) KMC ("**KMC**");
- (m) Mars Capital Finance ("**Mars Capital**");
- (n) Money Partners LTD ("**Money Partners**");
- (o) Mortgages PLC ("**Mortgages PLC**");
- (p) North Yorkshire Mortgages ("**North Yorkshire Mortgages**");
- (q) Platform Funding Limited ("**PFL**");
- (r) Platform Home Loans Limited ("**Platform Home Loans**");
- (s) Rooftop ("**Rooftop**");
- (t) Rooftop Mortgages Ltd ("**Rooftop Mortgages**");
- (u) Southern Pacific Mortgage Limited ("**SPML**");
- (v) Topaz Finance Ltd ("**Topaz**");
- (w) Verso Limited ("**Verso**");
- (x) Victoria Asset Management ("**Victoria Asset Management**");
- (y) Victoria Mortgages ("**Victoria Mortgages**"); and
- (z) Wave Lending Limited ("**Wave Lending**"),

together referred to as the "**Originators**").

Criteria for Credit-Granting

In respect of the Loans, the Retention Holder has received all the necessary information to allow it to assess whether the criteria applied by the relevant Originator in the credit-granting for the Loans were as sound and well-defined as the criteria applied to loans advanced by the relevant Originator but not securitised, and upon review of this information has confirmed the same to its satisfaction.

Each of the Sunbury Seller (in respect of the Sunbury Portfolio) and the Moonraker Seller (in respect of the Moonraker Portfolio) has also instructed regulatory counsel to conduct a review of the relevant

Originators and loan file reviews and servicers' due diligence (including, in case of the Sunbury Seller in respect of the Sunbury Portfolio, on-site visits).

A. THE SUNBURY LOANS

Origination of the Portfolio

The Sunbury Portfolio is comprised of Sunbury Loans originated by (i) Advantage, (ii) Advantage Innovative, (iii) Amber, (iv) db Mortgages, (v) Edeus, (vi) First Alliance, (vii) Gemini, (viii) GMAC, (ix) GMAC-RFC, (x) IP IOM, (xi) KMCL, (xii) KMC, (xiii) Mars Capital, (xiv) Money Partners, (xv) Mortgages PLC, (xvi) North Yorkshire Mortgages, (xvii) Platform Home Limited, (xviii), Rooftop, (xix) Rooftop Mortgages, (xx) Topaz, (xxi) Victoria Asset Management (xxii) Victoria Mortgages and (xxiii) Wave Lending.

All of the Sunbury Loans in the Sunbury Portfolio were originated by an Originator between September 1997 and February 2011. All Properties relating to Loans in the Sunbury Portfolio are located in England and Wales, Northern Ireland or Scotland. The Sunbury Loans are governed by English and Welsh law, Scottish law, the laws of Northern Ireland or Isle of Man law, as the case may be. In relation to Sunbury Loans governed by the laws of the Isle of Man, the relevant mortgages to which they relate are secured over Property situated in the UK (and, for the avoidance of doubt, not secured over Property situated in the Isle of Man).

Under the Sunbury Servicing Agreement, all Sunbury Loans will be serviced and administered by Link Mortgage Services Limited, other than certain Sunbury Loans which, due to certain regulatory reasons resulting from the fact that the relevant Borrowers are (or were, at the time the Sunbury Loan was advanced by the relevant Originator) based in Ireland, are serviced and administered by Link ASI Limited (the "**LASI Loans**"). In relation to any LASI Loan, the relevant mortgage to which it relates is secured over Property situated in the UK.

LASI Loans and Irish Permanent Isle of Man Loans

Investors should note that 5.55 per cent. of the Sunbury Portfolio as of the Portfolio Reference Date by aggregate Current Balance of the Loans are loans in respect of which the relevant Borrowers are (or were, at the time the relevant loan was advanced by the relevant Originator) based in Ireland ("**LASI Loans**"). To comply with Irish regulatory requirements, Link ASI Limited services and administers (in its capacity as a Sunbury Servicer) and holds the legal title to (in its capacity as a Sunbury Legal Title Holder) the LASI Loans. However, the LASI Loans are governed by English law, Scottish law and the laws of Northern Ireland, and the relevant mortgages to which the LASI Loans relate are each secured over Property situated in the UK.

Investors should note that 33.05 per cent. of the Sunbury Portfolio as of the Portfolio Reference Date by aggregate Current Balance of the Loans were originated by IP IOM and are governed by the laws of the Isle of Man ("**Irish Permanent Isle of Man Loans**"). The legal title to these Sunbury Loans is held by Stratton Resolutions Limited which, is registered as a moneylender under the Moneylenders Act 1991 in connection with these Sunbury Loans. However, the relevant mortgages which relate to these Sunbury Loans are each secured over Property situated in the UK.

Products

All of the Sunbury Loans are single loan and single property mortgage loans except for 4.60 per cent. of the Sunbury Portfolio as of the Portfolio Reference Date by aggregate Current Balance of the Loans are loans backed by multiple properties. 58.29 per cent. of the Sunbury Portfolio as of the Portfolio Reference Date by aggregate Current Balance of the Loans are owner occupied loans. All Sunbury Loans were underwritten in accordance with the lending criteria as applicable at the time.

Repayment terms

Borrowers make payments of interest on, and repay principal of, their Sunbury Loans using one of the following methods:

- (a) repayment: the Borrower makes monthly payments of both interest and principal so that, at the end of the mortgage term, the Borrower will have repaid the full amount of the principal of the Sunbury Loan;
- (b) interest-only: the Borrower makes monthly payments of interest but not of principal. At the end of the mortgage term, the entire principal amount of the Sunbury Loan is still outstanding and the Borrower must repay that amount in one lump sum. An interest-only Sunbury Loan may include a repayment plan or vehicle, including an endowment policy, pension policy or managed investment plan, share portfolio plan or sale of the relevant property; or
- (c) combination repayment and interest-only: the Borrower makes monthly payments of both interest and principal in respect of part of the Sunbury Loan, and makes monthly payments of interest but not of principal in respect of the remainder of the Sunbury Loan. At the end of the mortgage term, the Borrower must repay the entirety of the principal amount outstanding in respect of the part of the Sunbury Loan that is interest only.

Interest Charging

Certain of the Standard Documentation used by the relevant Originator contain provisions allowing the lender to change the interest rate or the method of calculating interest provided that it does not increase the Borrower's obligations. Reasonable notice must be given to the Borrower where the lender relies on this power.

Separately, certain of the Standard Documentation include provisions which allow the relevant lender to vary the Borrower's monthly payment date or amount for certain specified reasons.

So far as the Issuer is aware, there are 30 Sunbury Loans in the Sunbury Portfolio as of the Portfolio Reference Date which have a current pay rate set at or linked to a standard variable rate or another variable rate set at the discretion of the relevant lender. The Issuer understands that these interest rates have only been varied in line with movements in the Bank of England base rate.

Further Advances

No Sunbury Loan contains an obligation which remains to be performed to make any Further Advance or to permit re-drawings by any Borrower. The Issuer has undertaken that it will not, and the Issuer, the relevant Servicer and the relevant Legal Title Holder will not, permit any Further Advance to be made in relation to a Sunbury Loan.

Porting

The Issuer has undertaken that it will not approve or permit any person to approve on its behalf any application from a Borrower for, or make an offer to a Borrower in relation to, a Port in respect of any Sunbury Loan.

Mortgage Conditions

The Mortgage Conditions in respect of the Sunbury Loans are documented based on the relevant Originator's general conditions applicable at the time of origination or at the time of a subsequent variation of the Sunbury Loan.

In addition to such general conditions, the Sunbury Loans are subject to special conditions (documented in the relevant offer letters) and, in certain cases, product conditions. Such special conditions and product conditions include certain loan-specific terms as well as product-specific terms.

Certain of the Standard Documentation for the Sunbury Portfolio contain a clause allowing the lender to make changes to the contractual terms and conditions. These unilateral powers to vary terms are potentially unenforceable to the extent that the reasons listed for permitting the change are not "valid" reasons in line with, amongst other things, FCA guidance and are therefore potentially unenforceable against the Borrowers.

The Issuer understands that this power to vary the terms and conditions without a borrowers consent has not been invoked.

Security

Each Sunbury Loan must be secured by: (i) a first ranking English Mortgage over a freehold, commonhold or long leasehold residential property (the term of such leasehold usually being at least 25 years longer than the mortgage term) in England or Wales, (ii) a first ranking Scottish Mortgage over a heritable residential property located in Scotland, or (iii) a first ranking Northern Irish Mortgage over a freehold or long leasehold residential property (the term of such leasehold usually being at least 25 years longer than the mortgage term) located in Northern Ireland. In respect of each Sunbury Loan, each mortgage is a subsisting first ranking charge by way of legal mortgage (or, in Scotland, first ranking standard security; or, in Northern Ireland, first ranking mortgage or charge) over the relevant Property and secures in priority to all other mortgages all monies owing under that Sunbury Loan.

There must be no more than one Mortgage over any Property. No Property secures another Sunbury Loan in the Sunbury Portfolio as a first ranking charge. Properties are permitted to be commonhold, freehold, heritable (Scotland) or leasehold. This does not include freeholds subject to a long lease. All Sunbury Loans, except for one, are secured by Properties which are used for residential purposes.

Valuation

So far as the Issuer is aware, not more than 12 months prior to the execution of each Mortgage Loan (or such longer periods as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender), the relevant Originator received a Valuation Report on the relevant Property (or another report concerning the valuation of the relevant Property) as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender, and the contents of which were such as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender.

Term

The minimum term for the Sunbury Loans was 10 years and the maximum term for the Sunbury Loans was 39 years.

Loan to Value

The maximum original loan to value ratio ("**LTV**") of Sunbury Loans at origination in the Sunbury Portfolio was 129.16 per cent. 97.7 per cent. of the Sunbury Portfolio has a maximum original loan to value of equal to or less than 100 per cent..

B. THE MOONRAKER LOANS

Origination of the Moonraker Portfolio

The Moonraker Portfolio will consist of:

- (a) mortgages originated by PFL, to which beneficial (and, pending perfection in some cases, legal) title to such mortgages was acquired by and transferred to the Co-Operative Bank under a business transfer agreement dated 1 April 2016;
- (b) mortgages arranged by Verso and originated by or on behalf of MAS1, to which beneficial title to such mortgages was transferred to the Co-Operative Bank on 30 September 2016;
- (c) mortgages originated by SPML and subsequently transferred to MAS2, to which beneficial title to such mortgages was acquired by and transferred to the Co-Operative Bank under mortgage sale agreements entered into between 2003 and 2004;
- (d) mortgages originated by GMAC-RFC and subsequently sold to MAS4 and MAS5, to which beneficial title to such mortgages was acquired by and transferred to the Co-Operative Bank under mortgage sale agreements entered into between 2005 and 2007;
- (e) mortgages originated by KMCL and subsequently sold to MAS6, to which beneficial title to such mortgages was acquired by and transferred to the Co-Operative Bank under a mortgage sale agreement entered into on 21 November 2005.

As at the date of this Prospectus, the legal title to the Moonraker Loans is held by the Co-operative Bank p.l.c, PFL, MAS2, MAS4, MAS5 or MAS6 (together, the "**Moonraker Legal Title Holders**") on trust for the Issuer in accordance with, and subject to, the provisions of the Moonraker Servicing Agreement and the Moonraker Legal Title Holder Deed.

Characteristics of the Moonraker Loans

Interest Rate Types

The Moonraker Provisional Portfolio consists of:

- (a) Moonraker Loans which are LIBOR-Linked mortgages where the applicable rate of interest for each mortgage loan is (currently or after a specific period) calculated by reference to LIBOR plus a fixed margin or margins expressed as a percentage over LIBOR for the life of the mortgage;
- (b) Moonraker Loans which have (currently or after a specific period) a variable interest rate that is based on the Bank of England's base rate (as redetermined each calendar month referenced from the Bank of England's official bank rate) plus, for each mortgage, a fixed margin expressed as a percentage over Base Rate; and
- (c) Moonraker Loans which have (currently or after a specific period) a variable interest rate that is set by the entity entitled to set such rate in accordance with the applicable Mortgage Conditions, taking into account various factors such as the Bank of England Base Rate, the cost of funds to that entity, and interest rates charged by other mortgage lenders.

Repayment terms

Borrowers make payments of interest on, and repay principal of, their Moonraker Loans using one of the following methods:

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- (a) repayment: the Borrower makes monthly payments of both interest and principal so that, when the Loan matures, the full amount of the principal of the Loan will have been repaid;
- (b) interest-only: the Borrower makes monthly payments of interest but not of principal; when the Loan matures, the entire principal amount of the Loan is still outstanding and is payable in one lump sum; and
- (c) a combination of both these options.

Flexible Drawings and Payment Holidays

The Moonraker Portfolio will include Flexible Loans where the relevant Borrower may be entitled to request from the relevant Moonraker Legal Title Holder: (i) a Flexible Drawing; or (ii) a Payment Holiday.

In respect of certain loans originated by Verso, a credit facility was made available by the relevant lender and a Borrower may request at any time an additional drawing upon certain conditions. The conditions for Flexible Drawings include: (i) the Borrower has to give at least 5 days' prior written notice of such request; (ii) the balance of the Loan after utilising the Flexible Drawing must not be greater than the agreed credit limit under the revolving credit agreement; (iii) the minimum amount of such drawdown must be at least £500 and; (iv) such drawdowns can be made at any time after the Borrower has made the first six monthly payments under their fixed sum loan, provided that the Borrower is not at the time of drawdown in breach of the terms and conditions of their fixed sum loan or the revolving credit agreement relating to the Flexible Loan.

Purchases of the Flexible Drawings by the Issuer are intended to be funded from the Redemption Receipts. The Flexible Drawing will be sold by the Moonraker Seller to the Issuer under the Mortgage Sale Agreement and will remain in the Portfolio unless such Loans do not meet the Moonraker Flexible Drawing Loan Warranties as determined by the Moonraker Servicer on the last day of each calendar month (the "**Monthly Test Date**") falling immediately after the relevant Drawings Date and the Seller has subsequently chosen to repurchase such Loan rather than make an indemnity payment in lieu of such repurchase.

For further information, please refer to the section *Summary of the Key Transaction Documents – Mortgage Sale Agreement*.

Further Advances

In relation to certain Moonraker Loans, further advances were permitted and were, under the applicable lending criteria, governed by the same criteria as initial advances for the relevant Moonraker Loan to which additional conditions apply, such as (i) additional requirements as to the relevant Borrower payment history to be satisfactory to the lender (including arrears and repayment), acting as a Prudent Mortgage Lender, (ii) a minimum principal amount for the relevant further advance to be made, (iii) income multipliers or (iv) a certain period of time to have elapsed since the initial advance of the relevant Moonraker Loan. Further Advances will not be permitted going forward (except as required by Applicable Laws).

For further information, please refer to the section *Summary of the Key Transaction Documents – Mortgage Sale Agreement*.

Loan Maximum Amount

The original advance being made under each Moonraker Loan was less than £1,100,000 (with the exception of, in relation to the PFL Loans, certain allowable fees being added to the aggregate balance of the relevant PFL Loan).

Security

All of the Moonraker Mortgages must be secured by first ranking mortgages, or (in Scotland) standard securities. See the section headed *The Loans – C. Description of Lending Criteria for Certain Originators* for further information.

Loan to value

The LTV of each Moonraker Mortgage at the relevant date of the initial advance (and, in certain cases, of any Further Advance) must be no more than 95 per cent. (excluding fees) (or, for certain Moonraker Buy to Let Loans, 89 per cent.), subject to exceptions in certain circumstances. For Verso Loans, the LTV of each relevant Mortgage at the date of completion should not exceed 98 per cent., inclusive of fees (except for 100 per cent. products, which will be 100 per cent. plus fees). See the section entitled "*Characteristics of the Provisional Portfolio*" for further information on the characteristics of the Provisional Portfolio.

Term

The minimum term for the Moonraker Loans was 5 years and the maximum term for the Moonraker Loans was and 40 years (in certain cases a maximum term of 30 or 35 years apply).

Right-to-Buy provisions of the Housing Act 1985, the Housing (Scotland) Act 1987 and the Housing (Northern Ireland) Order 1983 (as amended)

Some Moonraker Loans may be subject to the Right-to-Buy provisions of the Housing Act 1985, the Housing (Scotland) Act 1987 (as amended) and the Housing (Northern Ireland) Order 1983 (as amended).

Buy to Let Loans

Loans to Borrowers who wish to purchase or remortgage residential property for the purpose of letting to third parties ("**Moonraker Buy to Let Loans**") are governed by the same, or at times, more strict lending criteria than the lending criteria applicable to other Moonraker Loans (other than Moonraker Buy to Let Loans), including a lower maximum LTV for each Moonraker Loan, a minimum amount for the rental payment to be received by the Borrower in respect of the relevant Property (for example, at least 110 per cent. of the Borrower's monthly payment under the relevant Moonraker Loan) or a more limited adverse credit history from the Borrower.

C. DESCRIPTION OF LENDING CRITERIA FOR CERTAIN ORIGINATORS

The following section is a summary of the criteria of each of GMAC-RFC and Platform Funding Limited, which were the originators of 24.77 per cent. and 17.79 per cent. respectively, of the Provisional Portfolio by aggregate Current Balance of the Loans.

GMAC-RFC Lending Criteria

The following is a summary of the criteria of GMAC-RFC (the "**GMAC-RFC Lending Criteria**") that were applied (subject to GMAC-RFC taking reasonable steps to ensure it was the case (and that any discretions to deviate from such criteria were exercised in accordance with GMAC-RFC's policies)) in respect of the GMAC Mortgages.

Security

- (a) GMAC-RFC requires a first legal charge or standard security over the Property. It must be used by the Borrower(s) for private residential purposes only. Full vacant possession must be obtained at completion and no part let or part possession will be accepted.
- (b) Mortgage properties are required to be valued using an automated valuation model ("**AVM Valuation**") or by a suitably qualified valuer on GMAC-RFC's approved panel of valuers, as agreed from time to time and managed and monitored by credit risk. For a Buy to Let Loan, the valuation report must provide an estimate of the rental income that may be obtained and must also provide comparables in line with the valuation.
- (c) Property securing a Buy to Let Loan must be let on a six or 12-month assured shorthold tenancy or on a company let not exceeding 36 months. It must be let within three months of completion of the Loan, and remain available for letting throughout the term of the Loan.
- (d) Property securing a Buy to Let Loan may not be occupied by the Borrower. Certain following property types are considered unacceptable security, including but not limited to studio flats, shared ownership properties, tenanted and investment properties (residential only), commercial properties, E&W freehold flats and maisonettes and properties subject to agricultural restrictions.

Loan size

GMAC-RFC would not originate a Loan that was £25,000 or less at the time of completion. The maximum loan size is £1,100,000 for verified loans and £750,000 for self-certified Loans and £1,000,000 for Buy to Let Loans.

Loan to Value

The LTV is calculated by dividing the gross principal amount (net of any fees) committed at completion of the Loan by the lower of the valuation of the Property or, in the case of a Loan made for financing the purchase of a Property, the disclosed purchase price (except in exceptional cases, i.e. where the purchase price that has been paid reflects a discount).

GMAC-RFC does not originate Loan with an LTV higher than 95 per cent. (89 per cent. for Buy to Let Loans), subject to exceptions in certain circumstances.

Term

Each Loan must have an initial term of between 5 and 30 years.

Borrowers

- (a) Borrowers must be natural persons, and have been at least 18 years of age (or, in the case of Moonraker Buy to Let Loans, the primary applicant must be at least 25 years of age) prior to completion of the Loan and the term of mortgage loans usually must end before the primary applicant reaches his/her 76th birthday (subject to approved exceptions).
- (b) A maximum number of 4 Borrowers are allowed to be parties to a Loan or two Borrowers for Moonraker Buy to Let Loans.
- (c) The Borrower's credit and employment history will have been assessed with the aid of one or more of the following:
 - (i) Search supplied by credit reference agency;
 - (ii) Confirmation of voters' roll entries or proof of residency;
 - (iii) Reduced referencing telephone call to applicant's employer to verify works there, unless selected for an audit, then a reference from current employers;
 - (iv) Reduced referencing telephone call to applicant's accountant to confirm acts for applicant, unless selected for an audit, then an Accountant's certificate;
 - (v) Reference from current lenders; and
 - (vi) Reference from current landlords.
- (d) CCJs/defaults for Buy to Let Loans are permitted with a total value of £10,000. CCJs/defaults are permitted for all other loans and in these instances there will be no limit on the number or value of CCJs/defaults permitted. For self-certified Loans, where the CCJ/default has been satisfied/settled within the last 12 months, it will not be acceptable regardless of number or value. Where satisfaction of CCJs is a requirement of the Loan, a certificate of satisfaction must have been provided.
- (e) Borrowers who were the subject of a BO must have provided a certificate of discharge. Borrowers who were the subject of an IVA will have provided a confirmation of satisfactory conduct of the IVA where appropriate.

Income

Buy to Let Loans are deemed to be self-funding. Applicants will declare on the application form details of income and occupation, but no further information is required. Unemployed applicants will be unacceptable. Gross monthly rental income must be at least 100 per cent. of the monthly mortgage interest payments. Affordability is calculated at the current interest rate of the Loan or the Bank of England repo rate plus a reference margin. The reference margin ranges from 1.00 per cent. to 1.25 per cent.

Solicitors

GMAC-RFC will normally instruct the applicant's solicitor to act on its behalf provided that the firm meets the following criteria:

- (a) has a minimum of two partners;

- (b) has indemnity insurance in place (minimum £1,000,000); and
- (c) all partners have current practising certificates.

Sole practitioners will not be instructed to act on behalf of the company. Licensed conveyancers will not normally be instructed to act on behalf of the company.

Exceptions/Changes to the GMAC-RFC Lending Criteria

GMAC-RFC took reasonable steps at the time of origination of the GMAC-RFC Loans to ensure that the GMAC-RFC Lending Criteria were satisfied (and that any discretions were exercised in accordance with GMAC-RFC's policies).

PFL Lending Criteria

The following is a summary of the criteria of PFL (the "**PFL Lending Criteria**") in relation to Moonraker Loans to be secured on properties located in England, Wales, Scotland or Northern Ireland that were applied (subject to such deviation made in accordance with the standard of a Reasonable, Prudent Mortgage Lender) in respect of the PFL Mortgages to be sold under the Mortgage Sale Agreement.

Security

- (a) Each PFL Loan must be secured by a first ranking legal mortgage over a freehold or long leasehold residential property (usually at least 50 years longer than the mortgage term) in England or Wales, or secured by a first ranking standard security over a heritable or long leasehold residential property (usually at least 50 years longer than the mortgage term) located in Scotland or secured by way of a first ranking legal mortgage or a first ranking legal charge over a freehold or leasehold residential property (usually at least 50 years longer than the mortgage term) located in Northern Ireland.
- (b) Only property of an acceptable standard of construction and intended for use wholly or partly as a principal place of residence or under an assured shorthold tenancy or short assured tenancy is acceptable.
- (c) Properties under 10 years old will have the benefit of a NHBC or an architect's certificate or equivalent guarantee from an acceptable body.
- (d) Certain following types of building are deemed unacceptable as security, including but not limited to properties listed as defective under the Housing Acts 1984 and 1985 or the Housing (Scotland) Act 1987 (unless rebuilt to NHBC standards with appropriate guarantees), mobile homes or houseboats, prefabricated buildings and unrepaired prefabricated reinforced concrete (PRC) properties, shared ownership properties, buildings with agricultural restrictions, small holdings or farms, multi occupied property, tenanted property (except where the loan advanced is a Buy to Let Loan), properties with commercial usage and live/work units.
- (e) Each Property offered as security will have been valued by either a qualified surveyor (ARICS or equivalent qualification) chosen from a panel of valuation firms approved by PFL or by an automated valuation model under which the valuation of the relevant Property was undertaken using Hometrack Data Systems Limited's automated valuation model by PFL.
- (f) At the time of completion, the relevant Property must either have been insured under a block buildings policy in the name of PFL, or PFL must have been jointly insured with the Borrower under, or its interest noted on, a buildings policy relating to the relevant Property.

Loan Amount

No Mortgage may exceed a maximum principal amount of £1,100,000 (including Further Advances).

Loan to value

The LTV is calculated by expressing the initial principal amount advanced at completion of the PFL Mortgage as a percentage of the lower of the purchase price and valuation of the Property (with the exception of Right-to-Buy Loans and sales at an undervalue where the valuation is used). The LTV of each PFL Mortgage at the date of completion must be no more than 95 per cent. (excluding fees).

Term

Each PFL Mortgage must have an initial term of between 5 and 40 years.

Borrowers

- (a) Borrowers must have been at least 18 years of age prior to completion of the Loan.
- (b) A maximum number of two Borrowers are allowed to be parties to the Mortgage.
- (c) The Borrower's credit and employment history will have been assessed with the aid of one or more of the following:
 - (i) search supplied by a credit reference agency;
 - (ii) CAIS information;
 - (iii) confirmation of voters roll entries or proof of residency;
 - (iv) references from employers (and, in the case of mortgages originated by PFL, two payslips and a P60 form);
 - (v) accountant's certificate;
 - (vi) references from lenders; or
 - (vii) references from current landlords and previous landlords.
- (d) Explanations may be provided where a County Court Judgment (or its Scottish or Northern Irish equivalent) ("**CCJ**") relating to a Borrower has been revealed by the credit reference search or instalment arrears have been revealed by lender's or landlord's references or a Borrower has been subject to a Bankruptcy Order ("**BO**") or Individual Voluntary Arrangement ("**IVA**") (or their Scottish equivalent) and such explanations have been asked for at the underwriter's discretion.
- (e) Borrowers who were the subject of a BO must have provided a certificate of discharge. Borrowers who were subject to an IVA must have provided confirmation of satisfactory conduct of the IVA where appropriate.

Income

- (a) Income is determined by reference to the application form and supporting documentation, where appropriate, and may consist of (i) salary plus additional regular remuneration for an employed Borrower or net profit plus any additional income confirmed by the accountant for a

self-employed Borrower (holding at least 25 per cent. of the issued share capital of the company), who is (except where the lender reasonably considers that the remuneration of the Borrower makes it appropriate to consider the Borrower as an employed Borrower), a partner in partnership, or a sole trader; (ii) pensions; (iii) investments; (iv) rental income; and (v) any other monies approved by an authorised official of the lender.

- (b) With the exception of certain allowable fees added to the aggregate balance of the Mortgage, the principal amount advanced will not exceed 10 times the assessed income of joint borrowers.
- (c) Customers who wish to self-certify their income are required to make a full declaration of their total personal income on the application form and must still complete in full the employment section of the application form. Reasonability tests are applied to the customer's declared income with reference to their trade and location. Self-certification of income by a customer to PFL was permitted by PFL until November 2009.
- (d) Borrowers with super pass credit scores may not have been required to provide evidence of income.

Solicitors

The firm of solicitors acting on behalf of the lender on the making of the Mortgage must be on the PFL Solicitors panel. If the applicant wishes to use a solicitor not on the PFL Solicitors panel then the lender will instruct one of the solicitors on the PFL Solicitors panel to act for the lender at the applicant's expense.

Right-to-Buy provisions of the Housing Act 1985, the Housing (Scotland) Act 1987 and the Housing (Northern Ireland) Order 1983 (as amended)

Some PFL Mortgages ("**Right-to-Buy Mortgages**") may be subject to the Right-to-Buy provisions of the Housing Act 1985, the Housing (Scotland) Act 1987 (as amended) and the Housing (Northern Ireland) Order 1983 (as amended).

Buy to Let Loans

Loans to Borrowers who wish to purchase or remortgage residential property for the purpose of letting to third parties ("**Moonraker Buy to Let Loans**") are governed by the same, or at times, more strict lending criteria than the Lending Criteria, including:

- (a) the maximum LTV of each Loan is 90 per cent., excluding fees;
- (b) the rental payment received by the Borrower in respect of the relevant Property is at least 110 per cent. of the Borrower's monthly payment under the Loan; and
- (c) a more limited adverse credit history from the Borrower.

House Plus

The House Plus product is a conforming buy to let product. Income earned by the Borrower replaces rental yield as the means by which the loan is repaid. The Borrower self certifies their income to purchase a buy to let property. Income multiples are applied in the standard way for Owner Occupied Residential loans. However, 7 per cent. of the residential mortgage balance is deducted from gross income before income multipliers are applied, to reflect existing mortgage commitments. Normal self-certification reasonability and verification measures are also applied.

House Plus lending guidelines also include:

- (a) with the exception of certain allowable fees added to the aggregate balance, the maximum House Plus Loan is £1,000,000;
- (b) the maximum LTV for a House Plus Loan of £300,000 is 85 per cent.;
- (c) the maximum LTV for a House Plus Loan of £1,000,000 is 75 per cent.;
- (d) the maximum House Plus Loan in respect of mortgaged Property which has been constructed in the last 12 months is £300,000; and
- (e) only one House Plus Loan per Borrower/household is permitted.

Exceptions to the PFL Lending Criteria

Exceptions to the PFL Lending Criteria may only be made by Platform Home Loans Limited ("**PHL**") mandate holders ("**PHL Mandate Holders**"). Within their individual mandate, PHL Mandate Holders may make any exception to the PFL Lending Criteria, **provided that** such exception is (i) in line with prudent mortgage lending in the non-conforming market and (ii) documented on the case.

Changes to PFL Lending Criteria

PFL may vary the PFL Lending Criteria from time to time in the manner of a Reasonable, Prudent Mortgage Lender.

HISTORICAL PERFORMANCE OF THE MORTGAGE PORTFOLIO

The information consists of CPR, CDR, Loss Severity, Months in Arrears and Collection Rate for the Sunbury Loans and Moonraker Loans. No assurance can be made as to the performance of a particular pool of loans, whether similar to the information shown below for loans originated during any particular period or otherwise.

Sunbury Loans – CPR

The table below sets out on a monthly basis the annualised constant prepayment rate ("CPR"). CPR means the amount expressed as a periodical percentage of principal prepaid in excess of scheduled repayments. CPR is not available prior to April 2020 (when Stratton Finance II Limited acquired the Sunbury Loans). The table also presents on a monthly basis the annualised payment rate. Payment rate means the amount expressed as a periodical percentage of total principal received in that period. The data for the period from January 2016 to November 2020 were sourced from Project Sunbury historical data. The Sunbury Loans were positively selected from the Sunbury Portfolio.

	Collateral Balance	Annualised Monthly Payment Rate	Annual Payment Rate	Annualised Monthly CPR
Jan-2016	751,012,081			
Feb-2016	748,716,551	3.61%		
Mar-2016	745,031,034	5.75%		
Apr-2016	743,739,216	2.06%		
May-2016	741,147,410	4.10%		
Jun-2016	736,590,385	7.13%		
Jul-2016	733,149,922	5.46%		
Aug-2016	730,589,626	4.11%		
Sep-2016	727,213,093	5.41%		
Oct-2016	723,141,954	6.51%		
Nov-2016	719,576,587	5.76%		
Dec-2016	714,964,828	7.43%	4.80%	
Jan-2017	705,194,157	15.22%	5.81%	
Feb-2017	700,944,955	7.00%	5.92%	
Mar-2017	695,532,986	8.88%	6.48%	
Apr-2017	690,954,870	7.62%	6.77%	
May-2017	678,275,863	19.93%	7.92%	
Jun-2017	674,971,157	5.69%	7.94%	
Jul-2017	670,425,782	7.79%	8.23%	
Aug-2017	666,479,550	6.84%	8.35%	
Sep-2017	661,936,607	7.88%	8.46%	
Oct-2017	644,706,723	27.13%	10.40%	
Nov-2017	641,908,201	5.09%	10.22%	
Dec-2017	638,251,845	6.63%	9.49%	
Jan-2018	635,840,434	4.44%	9.29%	
Feb-2018	631,885,506	7.21%	9.15%	
Mar-2018	628,591,589	6.08%	9.03%	
Apr-2018	624,942,650	6.75%	7.86%	
May-2018	621,727,187	6.00%	7.89%	
Jun-2018	616,570,481	9.51%	8.03%	
Jul-2018	612,318,438	7.97%	8.13%	
Aug-2018	609,150,754	6.03%	7.97%	

Sep-2018	607,082,452	4.00%	5.84%	
Oct-2018	603,640,808	6.59%	5.96%	
Nov-2018	599,342,525	8.22%	6.10%	
Dec-2018	597,293,926	4.03%	6.06%	
Jan-2019	594,473,074	5.52%	5.92%	
Feb-2019	590,463,336	7.80%	6.07%	
Mar-2019	587,009,510	6.80%	6.07%	
Apr-2019	584,488,582	5.03%	5.99%	
May-2019	580,256,386	8.35%	5.89%	
Jun-2019	578,244,971	4.08%	5.56%	
Jul-2019	575,027,751	6.48%	5.60%	
Aug-2019	571,820,651	6.49%	5.81%	
Sep-2019	569,603,249	4.56%	5.64%	
Oct-2019	565,911,554	7.51%	5.58%	
Nov-2019	560,558,046	10.78%	6.15%	
Nov-2019	327,816,938			
Dec-2019	326,527,777	4.62%		
Jan-2020	324,931,274	5.71%		
Feb-2020	324,109,928	2.99%		
Mar-2020	322,848,608	4.57%		
Apr-2020	320,496,751	8.40%		7.82%
May-2020	319,222,382	4.67%		1.18%
Jun-2020	317,984,620	4.55%		4.25%
Jul-2020	316,781,537	4.45%		4.05%
Aug-2020	315,933,949	3.16%		1.42%
Sep-2020	314,054,013	6.91%		4.48%
Oct-2020	312,313,555	6.45%		5.72%
Nov-2020	311,127,629	4.46%		3.73%

Source: Project Sunbury historical data; Stratton Finance II Limited

Sunbury Loan CDR

The table below sets out on a monthly and annualised basis the annualised constant default rate ("CDR"). CDR means in this context, the amount expressed as a periodical percentage of new repossessions in the period versus the beginning period current balance. The data for the period from January 2016 to November 2020 were sourced from the Project Sunbury historical data. The Sunbury Loans were positively selected from the Sunbury Portfolio.

	Collateral Balance	New Repossessions in the Period	Annualised Monthly CDR	Annual CDR
Jan-2016	751,012,081	402,029		
Feb-2016	748,716,551	678,543	1.08%	
Mar-2016	745,031,034	1,560,409	2.47%	
Apr-2016	743,739,216	1,075,942	1.72%	
May-2016	741,147,410	1,097,574	1.76%	
Jun-2016	736,590,385	275,221	0.44%	
Jul-2016	733,149,922	1,049,918	1.70%	
Aug-2016	730,589,626	204,141	0.33%	
Sep-2016	727,213,093	928,629	1.51%	
Oct-2016	723,141,954	1,190,604	1.95%	
Nov-2016	719,576,587	1,437,767	2.36%	

Dec-2016	714,964,828	510,708	0.85%	
Jan-2017	705,194,157	769,872	1.28%	1.44%
Feb-2017	700,944,955	669,033	1.13%	1.44%
Mar-2017	695,532,986	845,431	1.44%	1.35%
Apr-2017	690,954,870	923,045	1.58%	1.33%
May-2017	678,275,863	291,747	0.51%	1.23%
Jun-2017	674,971,157	870,604	1.53%	1.32%
Jul-2017	670,425,782	246,854	0.44%	1.21%
Aug-2017	666,479,550	1,017,490	1.81%	1.33%
Sep-2017	661,936,607	614,666	1.10%	1.29%
Oct-2017	644,706,723	841,894	1.52%	1.25%
Nov-2017	641,908,201	630,075	1.17%	1.14%
Dec-2017	638,251,845	420,674	0.78%	1.14%
Jan-2018	635,840,434	379,109	0.71%	1.10%
Feb-2018	631,885,506	329,204	0.62%	1.06%
Mar-2018	628,591,589	573,607	1.08%	1.03%
Apr-2018	624,942,650	232,553	0.44%	0.93%
May-2018	621,727,187	547,672	1.05%	0.99%
Jun-2018	616,570,481	222,723	0.43%	0.90%
Jul-2018	612,318,438	436,419	0.85%	0.93%
Aug-2018	609,150,754	671,553	1.31%	0.89%
Sep-2018	607,082,452	954,575	1.86%	0.94%
Oct-2018	603,640,808	419,242	0.83%	0.90%
Nov-2018	599,342,525	357,089	0.71%	0.86%
Dec-2018	597,293,926	218,675	0.44%	0.84%
Jan-2019	594,473,074	208,965	0.42%	0.81%
Feb-2019	590,463,336	81,423	0.16%	0.78%
Mar-2019	587,009,510	396,520	0.80%	0.76%
Apr-2019	584,488,582	149,864	0.31%	0.75%
May-2019	580,256,386	850,381	1.73%	0.80%
Jun-2019	578,244,971	102,601	0.21%	0.79%
Jul-2019	575,027,751	249,167	0.52%	0.76%
Aug-2019	571,820,651	0	0.00%	0.65%
Sep-2019	569,603,249	0	0.00%	0.50%
Oct-2019	565,911,554	0	0.00%	0.43%
Nov-2019	560,558,046	0	0.00%	0.38%
Nov-2019	327,816,938	0		
Dec-2019	326,527,777	0	0.00%	
Jan-2020	324,931,274	0	0.00%	
Feb-2020	324,109,928	0	0.00%	
Mar-2020	322,848,608	0	0.00%	
Apr-2020	320,496,751	0	0.00%	
May-2020	319,222,382	0	0.00%	
Jun-2020	317,984,620	0	0.00%	
Jul-2020	316,781,537	0	0.00%	
Aug-2020	315,933,949	0	0.00%	
Sep-2020	314,054,013	0	0.00%	
Oct-2020	312,313,555	0	0.00%	
Nov-2020	311,127,629	163,274	0.63%	0.05%

Source: Project Sunbury historical data; Stratton Finance II Limited

Sunbury Loans - Loss Severity

The table below sets out on loss severity ("**Loss Severity**"). Loss Severity is calculated as the ratio of losses in the relevant month to the balance of the loan after repossession and prior to sale. The data for the Loss Severity table below were sourced from the Project Sunbury historical data. The Sunbury Loans were positively selected from the Sunbury portfolio.

Month	Weighted Average Loss Severity	Number of Sales
Jan-16	16.44%	2
Feb-16	19.68%	7
Mar-16	24.55%	8
Apr-16	24.89%	4
May-16	8.65%	4
Jun-16	53.43%	9
Jul-16	9.81%	4
Aug-16	23.54%	5
Sep-16	30.61%	4
Oct-16	34.24%	8
Nov-16	48.38%	4
Dec-16	18.41%	4
Jan-17	26.01%	4
Feb-17	13.46%	7
Mar-17	22.23%	8
Apr-17	40.35%	7
May-17	13.88%	9
Jun-17	13.37%	4
Jul-17	25.58%	5
Aug-17	30.12%	1
Sep-17	9.47%	5
Oct-17	20.37%	7
Nov-17	0.00%	1
Dec-17	14.87%	5
Jan-18	31.69%	5
Feb-18	16.70%	5
Mar-18	50.53%	3
Apr-18	31.22%	6
May-18	21.79%	3
Jun-18	23.84%	6
Jul-18	26.28%	3
Aug-18	16.05%	4
Sep-18	12.64%	3
Oct-18	24.96%	2
Nov-18	24.12%	4
Dec-18	14.52%	4
Jan-19	25.83%	3
Feb-19	0.00%	4
Mar-19	14.94%	1
Apr-19	23.82%	5
May-19	13.55%	1
Jun-19	33.05%	3
Jul-19	56.03%	2

Aug-19	16.06%	4
Sep-19	20.31%	1
Oct-19	27.70%	1
Nov-19	2.57%	3
Total	23.65%	202

Source: Project Sunbury historical data

Sunbury Loans- Months in Arrears

The table below sets out the percentages of the Sunbury Loans that were 1 month or more and 3 months or more in arrears in a specified month.

	Loans 1 Month or more in Arrears	Loans 3 Month or more in Arrears
Jan-2016	33.90%	22.66%
Feb-2016	33.78%	21.49%
Mar-2016	32.95%	21.50%
Apr-2016	32.96%	20.55%
May-2016	32.01%	20.09%
Jun-2016	31.84%	19.73%
Jul-2016	31.19%	19.66%
Aug-2016	31.02%	19.43%
Sep-2016	30.54%	19.44%
Oct-2016	29.89%	19.63%
Nov-2016	29.00%	18.75%
Dec-2016	28.10%	18.02%
Jan-2017	27.83%	16.77%
Feb-2017	26.93%	16.73%
Mar-2017	25.22%	14.78%
Apr-2017	27.18%	14.65%
May-2017	24.40%	13.58%
Jun-2017	23.51%	12.79%
Jul-2017	22.39%	12.51%
Aug-2017	22.65%	11.78%
Sep-2017	21.82%	10.92%
Oct-2017	21.43%	10.29%
Nov-2017	19.98%	9.22%
Dec-2017	20.32%	9.36%
Jan-2018	18.59%	8.91%
Feb-2018	19.73%	8.54%
Mar-2018	18.13%	7.57%
Apr-2018	18.18%	7.28%
May-2018	16.60%	5.79%
Jun-2018	16.05%	6.10%
Jul-2018	15.81%	5.30%
Aug-2018	14.99%	5.00%
Sep-2018	15.41%	4.40%
Oct-2018	14.41%	3.69%
Nov-2018	14.52%	4.32%
Dec-2018	14.64%	3.85%
Jan-2019	14.74%	4.06%
Feb-2019	14.18%	3.64%
Mar-2019	13.27%	3.55%

Apr-2019	12.86%	3.40%
May-2019	11.82%	3.04%
Jun-2019	11.75%	2.98%
Jul-2019	10.67%	2.48%
Aug-2019	10.48%	1.81%
Sep-2019	9.55%	1.23%
Oct-2019	8.83%	0.94%
Nov-2019	7.98%	0.00%
Dec-2019	8.97%	0.22%
Jan-2020	8.87%	0.63%
Feb-2020	9.66%	1.11%
Mar-2020	11.66%	1.58%
Apr-2020	12.63%	2.63%
May-2020	12.77%	3.55%
Jun-2020	11.09%	3.25%
Jul-2020	11.02%	3.04%
Aug-2020	12.46%	3.67%
Sep-2020	13.18%	3.56%
Oct-2020	13.24%	3.94%
Nov-2020	13.37%	4.17%

Source: Project Sunbury historical data; Stratton Finance II Limited

Sunbury Loans - Collection Rate

The table below sets out on a monthly basis the annualised Collection Rate for the Sunbury Loans. The Collection Rate means the monthly payment received divided by the monthly payment due.

	Monthly Annualised Collection Rate
Jan-2016	107.18%
Feb-2016	109.21%
Mar-2016	113.97%
Apr-2016	106.96%
May-2016	111.36%
Jun-2016	106.51%
Jul-2016	124.64%
Aug-2016	107.38%
Sep-2016	127.25%
Oct-2016	108.49%
Nov-2016	109.90%
Dec-2016	111.66%
Jan-2017	126.64%
Feb-2017	108.76%
Mar-2017	128.47%
Apr-2017	90.72%
May-2017	123.86%
Jun-2017	116.54%
Jul-2017	109.39%
Aug-2017	108.74%
Sep-2017	135.38%
Oct-2017	119.73%
Nov-2017	109.19%
Dec-2017	106.88%

Jan-2018	115.31%
Feb-2018	109.72%
Mar-2018	146.35%
Apr-2018	107.98%
May-2018	115.10%
Jun-2018	107.30%
Jul-2018	129.67%
Aug-2018	165.53%
Sep-2018	107.12%
Oct-2018	113.11%
Nov-2018	137.24%
Dec-2018	115.87%
Jan-2019	105.02%
Feb-2019	105.79%
Mar-2019	137.21%
Apr-2019	113.09%
May-2019	119.44%
Jun-2019	102.52%
Jul-2019	109.94%
Aug-2019	119.99%
Sep-2019	111.44%
Oct-2019	109.61%
Nov-2019	124.99%
Dec-2019	114.49%
Jan-2020	107.40%
Feb-2020	105.63%
Mar-2020	92.24%
Apr-2020	80.29%
May-2020	71.74%
Jun-2020	75.83%
Jul-2020	80.84%
Aug-2020	88.49%
Sep-2020	88.84%
Oct-2020	93.41%
Nov-2020	114.52%

Source: Project Sunbury historical data; Stratton Finance II Limited

Moonraker Loans - CPR

The table below sets out on a monthly basis, the annualised constant prepayment rate ("**CPR**") as well as 1 year average of CPR of the mortgage loans that were securitised in the Warwick 1 and Warwick 2 transactions. "**CPR**" in this context means the amount expressed as a periodical percentage of principal prepaid in excess of scheduled repayments. The majority of the Moonraker Loans were Warwick 1 and Warwick 2 Retention Loans. "**Warwick 1 and Warwick 2 Retention Loans**" in this context mean the loans that were randomly selected for the purposes of the retention from the portfolio that was securitised in the Warwick 1 and Warwick 2 transactions.

	Annualised Monthly CPR	Annualised Monthly CPR (1 year average)
Dec-2015	8.28%	
Jan-2016	8.99%	
Feb-2016	6.63%	
Mar-2016	7.97%	

Apr-2016	10.64%	
May-2016	10.22%	
Jun-2016	8.08%	
Jul-2016	7.57%	
Aug-2016	8.41%	
Sep-2016	10.75%	
Oct-2016	7.08%	
Nov-2016	7.58%	8.52%
Dec-2016	7.39%	8.44%
Jan-2017	7.81%	8.34%
Feb-2017	7.23%	8.39%
Mar-2017	8.64%	8.45%
Apr-2017	8.96%	8.31%
May-2017	7.43%	8.08%
Jun-2017	8.81%	8.14%
Jul-2017	8.93%	8.25%
Aug-2017	9.90%	8.38%
Sep-2017	11.31%	8.42%
Oct-2017	9.25%	8.60%
Nov-2017	9.10%	8.73%
Dec-2017	9.27%	8.89%
Jan-2018	9.34%	9.01%
Feb-2018	7.65%	9.05%
Mar-2018	9.96%	9.16%
Apr-2018	9.25%	9.18%
May-2018	9.26%	9.33%
Jun-2018	9.99%	9.43%
Jul-2018	8.32%	9.38%
Aug-2018	9.54%	9.35%
Sep-2018	9.70%	9.22%
Oct-2018	9.45%	9.24%
Nov-2018	11.54%	9.44%
Dec-2018	10.84%	9.57%
Jan-2019	8.46%	9.50%
Feb-2019	8.90%	9.60%
Mar-2019	9.74%	9.58%
Apr-2019	7.64%	9.45%
May-2019	9.36%	9.46%
Jun-2019	8.71%	9.35%
Jul-2019	8.28%	9.35%
Aug-2019	10.40%	9.42%
Sep-2019	10.55%	9.49%
Oct-2019	11.89%	9.69%
Nov-2019	11.69%	9.70%
Dec-2019	9.76%	9.61%
Jan-2020	10.60%	9.79%
Feb-2020	8.79%	9.78%
Mar-2020	7.53%	9.60%
Apr-2020	10.39%	9.83%
May-2020	8.15%	9.73%
Jun-2020	6.86%	9.57%

Source: Warwick 1 and Warwick 2 historical data access from Intex on 27 November 2020

Moonraker Loans - CDR

The table below sets out on a monthly and annualised basis the annualised constant default rate ("CDR") for the mortgage loans that were securitised in Warwick 1 and Warwick 2 transactions. The majority of the Moonraker Loans were Warwick 1 and Warwick 2 Retention Loans. "**Warwick 1 and Warwick 2 Retention Loans**" mean in this context, the loans that were randomly selected for the purposes of the retention from the portfolio that was securitised in Warwick 1 and Warwick 2 transactions.

	Current Collateral Balance	New Repossessions in the Period	Annualised Monthly CDR	Annual CDR
Dec-2015	3,025,097,401	1,276,314		
Jan-2016	2,997,914,570	875,547	0.35%	
Feb-2016	2,977,067,216	965,846	0.39%	
Mar-2016	2,952,853,968	769,695	0.31%	
Apr-2016	2,921,474,993	689,208	0.28%	
May-2016	2,891,987,123	1,904,229	0.78%	
Jun-2016	2,867,976,052	838,660	0.35%	
Jul-2016	2,845,509,828	1,044,527	0.44%	
Aug-2016	2,821,328,820	1,162,749	0.49%	
Sep-2016	2,791,150,015	1,205,864	0.51%	
Oct-2016	2,770,267,327	578,920	0.25%	
Nov-2016	2,748,519,784	656,186	0.28%	
Dec-2016	2,727,332,381	1,511,915	0.66%	0.40%
Jan-2017	2,705,164,350	736,660	0.32%	0.40%
Feb-2017	2,684,437,886	1,698,411	0.75%	0.43%
Mar-2017	2,661,159,087	1,142,402	0.51%	0.45%
Apr-2017	2,636,275,232	1,448,979	0.65%	0.48%
May-2017	2,615,983,064	1,898,523	0.86%	0.48%
Jun-2017	2,592,076,173	1,811,055	0.83%	0.52%
Jul-2017	2,568,314,513	467,479	0.22%	0.50%
Aug-2017	2,542,439,765	1,097,531	0.51%	0.51%
Sep-2017	2,514,124,192	637,202	0.30%	0.49%
Oct-2017	2,490,618,014	755,715	0.36%	0.50%
Nov-2017	2,467,034,020	1,140,235	0.55%	0.52%
Dec-2017	2,443,900,847	2,037,003	0.99%	0.55%
Jan-2018	2,421,178,552	1,419,057	0.69%	0.57%
Feb-2018	2,401,855,026	1,654,442	0.82%	0.58%
Mar-2018	2,382,434,282	386,561	0.19%	0.55%
Apr-2018	2,359,941,993	676,418	0.34%	0.53%
May-2018	2,337,302,416	392,159	0.20%	0.48%
Jun-2018	2,312,508,336	869,928	0.45%	0.44%
Jul-2018	2,292,561,170	1,981,116	1.02%	0.51%
Aug-2018	2,269,980,727	410,430	0.21%	0.49%
Sep-2018	2,247,714,829	368,683	0.19%	0.48%
Oct-2018	2,226,498,945	92,958	0.05%	0.46%
Nov-2018	2,200,935,181	639,693	0.34%	0.44%
Dec-2018	2,177,368,482	1,960,461	1.06%	0.44%
Jan-2019	2,158,908,756	467,685	0.26%	0.41%
Feb-2019	2,139,106,186	708,432	0.39%	0.37%
Mar-2019	2,116,141,753	1,443,248	0.81%	0.42%
Apr-2019	2,099,367,102	1,034,748	0.59%	0.44%

May-2019	2,078,809,064	327,067	0.19%	0.44%
Jun-2019	2,060,132,888	701,516	0.40%	0.44%
Jul-2019	2,042,769,468	925,398	0.54%	0.40%
Aug-2019	2,020,894,629	864,513	0.51%	0.42%
Sep-2019	1,999,311,024	736,634	0.44%	0.44%
Oct-2019	1,975,380,903	840,697	0.50%	0.48%
Nov-2019	1,952,091,055	1,504,810	0.91%	0.52%
Dec-2019	1,932,492,267	1,008,621	0.62%	0.49%
Jan-2020	1,911,526,083	302,517	0.19%	0.48%
Feb-2020	1,893,931,690	967,793	0.61%	0.50%
Mar-2020	1,879,265,419	484,412	0.31%	0.46%
Apr-2020	1,859,385,577	852,211	0.54%	0.45%
May-2020	1,849,240,028	376,301	0.24%	0.46%
Jun-2020	1,837,116,790	0	0.00%	0.43%

Source: Warwick 1 and Warwick 2 historical data access from Intex on 27 November 2020

Moonraker Loans - Loss Severity

The table below sets out on loss severity ("**Loss Severity**"). Loss Severity is calculated as the ratio of losses in the relevant month to the balance of the loan after repossession and prior to sale. The data for the Loss Severity table below were sourced from the Project Moonraker historical data.

Month	Weighted Average Loss Severity	Number of Sales
Sep-15	10.45%	17
Oct-15	19.25%	15
Nov-15	19.09%	10
Dec-15	12.29%	11
Jan-16	27.42%	10
Feb-16	28.72%	6
Mar-16	13.82%	9
Apr-16	36.40%	15
May-16	11.09%	9
Jun-16	27.53%	8
Jul-16	21.33%	13
Aug-16	10.15%	9
Sep-16	26.95%	5
Oct-16	20.63%	14
Nov-16	19.59%	6
Dec-16	19.74%	16
Jan-17	0.00%	3
Feb-17	26.70%	9
Mar-17	11.86%	17
Apr-17	17.17%	7
May-17	35.92%	9
Jun-17	19.62%	12
Jul-17	5.91%	8
Aug-17	9.24%	9
Sep-17	27.46%	19
Oct-17	31.79%	8
Nov-17	16.02%	8
Dec-17	23.61%	6
Jan-18	12.37%	3

Feb-18	48.18%	3
Mar-18	25.30%	4
Apr-18	8.06%	3
May-18	23.89%	6
Jun-18	9.51%	5
Jul-18	9.73%	4
Aug-18	14.77%	5
Sep-18	22.91%	5
Oct-18	22.08%	4
Nov-18	29.82%	5
Dec-18	1.56%	4
Jan-19	11.30%	4
Feb-19	12.26%	4
Apr-19	0.92%	2
May-19	18.37%	3
Jun-19	16.91%	5
Jul-19	16.66%	4
Aug-19	52.78%	3
Sep-19	67.72%	1
Oct-19	5.79%	3
Dec-19	0.00%	3
Feb-20	18.11%	3
Apr-20	14.82%	2
Jun-20	3.60%	3
Jul-20	0.00%	1
Aug-20	0.00%	1
Sep-20	0.00%	1
Oct-20	51.46%	1
Total	18.04%	383

Source: Project Moonraker historical data

Moonraker Loans - Months in Arrears

The table below sets out the percentages of the Moonraker Loans that were 1 month or more and 3 months or more in arrears in a specified month.

	Loans 1 Month or more in Arrears	Loans 3 Month or more in Arrears
Dec-2013	22.45%	9.11%
Jan-2014	22.04%	9.48%
Feb-2014	21.83%	8.71%
Mar-2014	22.62%	8.35%
Apr-2014	20.82%	8.67%
May-2014	22.01%	9.05%
Jun-2014	22.58%	8.23%
Jul-2014	21.47%	8.35%
Aug-2014	22.98%	8.64%
Sep-2014	21.42%	9.27%
Oct-2014	19.98%	8.64%
Nov-2014	20.93%	8.66%
Dec-2014	20.82%	8.26%
Jan-2015	20.88%	8.84%

Feb-2015	19.11%	8.48%
Mar-2015	19.04%	9.28%
Apr-2015	18.57%	8.81%
May-2015	18.87%	9.78%
Jun-2015	18.73%	9.43%
Jul-2015	18.01%	9.32%
Aug-2015	18.56%	10.04%
Sep-2015	18.68%	10.47%
Oct-2015	18.60%	10.22%
Nov-2015	19.72%	9.94%
Dec-2015	20.02%	10.16%
Jan-2016	19.34%	10.85%
Feb-2016	19.60%	10.09%
Mar-2016	19.69%	10.65%
Apr-2016	20.26%	10.23%
May-2016	19.11%	10.04%
Jun-2016	18.38%	9.77%
Jul-2016	18.60%	10.45%
Aug-2016	17.88%	9.11%
Sep-2016	17.78%	9.76%
Oct-2016	17.68%	9.29%
Nov-2016	16.52%	9.51%
Dec-2016	16.31%	9.28%
Jan-2017	17.27%	8.92%
Feb-2017	17.21%	8.45%
Mar-2017	16.76%	7.78%
Apr-2017	16.83%	8.66%
May-2017	15.44%	7.89%
Jun-2017	16.18%	8.40%
Jul-2017	16.29%	8.20%
Aug-2017	15.64%	8.60%
Sep-2017	15.24%	7.86%
Oct-2017	14.76%	7.45%
Nov-2017	14.95%	7.87%
Dec-2017	14.91%	6.88%
Jan-2018	12.11%	6.22%
Feb-2018	13.30%	6.14%
Mar-2018	12.82%	6.21%
Apr-2018	12.82%	6.09%
May-2018	13.13%	5.80%
Jun-2018	12.82%	5.92%
Jul-2018	12.44%	5.77%
Aug-2018	11.19%	5.50%
Sep-2018	11.77%	5.42%
Oct-2018	10.54%	4.91%
Nov-2018	11.12%	4.95%
Dec-2018	11.73%	5.28%
Jan-2019	11.66%	5.17%
Feb-2019	11.67%	5.32%
Mar-2019	12.12%	4.55%
Apr-2019	11.79%	4.65%
May-2019	11.16%	4.72%

Jun-2019	11.10%	4.47%
Jul-2019	9.96%	3.89%
Aug-2019	10.31%	3.79%
Sep-2019	10.04%	3.80%
Oct-2019	10.18%	3.81%
Nov-2019	9.85%	3.62%
Dec-2019	9.78%	3.39%
Jan-2020	10.45%	3.23%
Feb-2020	10.20%	3.58%
Mar-2020	11.48%	3.77%
Apr-2020	12.72%	4.35%
May-2020	11.65%	4.85%
Jun-2020	11.91%	4.83%
Jul-2020	12.40%	5.18%
Aug-2020	12.29%	6.27%
Sep-2020	12.05%	5.85%
Oct-2020	11.75%	6.37%
Nov-2020	12.64%	6.26%

Source: Project Moonraker historical data

Moonraker Loans - Collection Rate

The table below sets out on a monthly basis the annualised Collection Rate for the Moonraker Loans. The "**Collection Rate**" means in this context, the monthly payment received divided by the monthly payment due.

	Monthly Annualised Collection Rate
Dec-2013	102.16%
Jan-2014	102.17%
Feb-2014	102.46%
Mar-2014	103.02%
Apr-2014	107.99%
May-2014	100.49%
Jun-2014	100.22%
Jul-2014	107.25%
Aug-2014	97.68%
Sep-2014	103.32%
Oct-2014	105.68%
Nov-2014	102.13%
Dec-2014	102.05%
Jan-2015	99.25%
Feb-2015	110.04%
Mar-2015	110.62%
Apr-2015	101.33%
May-2015	97.63%
Jun-2015	104.81%
Jul-2015	104.34%
Aug-2015	96.85%
Sep-2015	101.63%
Oct-2015	101.63%
Nov-2015	99.27%

Dec-2015	100.73%
Jan-2016	99.30%
Feb-2016	104.03%
Mar-2016	103.00%
Apr-2016	102.14%
May-2016	102.61%
Jun-2016	105.08%
Jul-2016	100.61%
Aug-2016	106.69%
Sep-2016	106.98%
Oct-2016	108.67%
Nov-2016	103.64%
Dec-2016	100.70%
Jan-2017	105.23%
Feb-2017	100.38%
Mar-2017	110.18%
Apr-2017	97.92%
May-2017	109.15%
Jun-2017	101.58%
Jul-2017	102.71%
Aug-2017	106.85%
Sep-2017	103.30%
Oct-2017	106.22%
Nov-2017	106.44%
Dec-2017	104.01%
Jan-2018	109.63%
Feb-2018	103.23%
Mar-2018	105.87%
Apr-2018	109.25%
May-2018	104.60%
Jun-2018	103.58%
Jul-2018	105.18%
Aug-2018	108.06%
Sep-2018	108.03%
Oct-2018	100.92%
Nov-2018	104.19%
Dec-2018	102.21%
Jan-2019	104.16%
Feb-2019	104.44%
Mar-2019	100.95%
Apr-2019	107.08%
May-2019	102.43%
Jun-2019	102.99%
Jul-2019	114.47%
Aug-2019	102.89%
Sep-2019	104.11%
Oct-2019	104.56%
Nov-2019	110.74%
Dec-2019	105.09%
Jan-2020	103.66%
Feb-2020	109.14%
Mar-2020	103.52%

Apr-2020	100.21%
May-2020	104.95%
Jun-2020	103.66%
Jul-2020	107.82%
Aug-2020	105.61%
Sep-2020	107.71%
Oct-2020	108.71%
Nov-2020	103.92%

Source: Project Moonraker historical data

CHARACTERISTICS OF THE PROVISIONAL PORTFOLIO

The statistical and other information contained in this section has been compiled by reference to the Provisional Portfolio of £444,728,577.79 as at the Portfolio Reference Date and is described further in the section entitled "*The Loans*".

The information contained in this section has not been, and will not be updated to reflect any decrease in the size of the Portfolio relative to the Provisional Portfolio. The information contained in this section has been extracted from information provided by the Servicers (which information has been subject to rounding). Investors should note that no Relevant Party hereto has verified the accuracy of the information contained therein.

Except as otherwise indicated, these tables have been prepared using the Current Balance as at the Portfolio Reference Date. The sum of columns may not sum to the total as a result of rounding.

As at the Portfolio Reference Date, the Provisional Portfolio had the following characteristics.

Summary Statistics

High Level Summary

	Moonraker Loans	Sunbury Loans	Stratton 2021-1 (Provisional Portfolio)	IP IOM Loans
Current Balance £	133,859,826.82	310,868,750.97	444,728,577.79	102,733,333.04
% of Stratton 2021-1	30.10%	69.90%	100.00%	23.10%
Original Balance £	155,237,684.17	332,658,996.54	487,896,680.71	111,773,237.21
Number of Loans	1,350	2,243	3,593	636
Average Current Balance per Loan (£)	99,155.43	138,595.07	123,776.39	161,530.40
Maximum Current Balance (£)	684,966.74	3,438,597.01	3,438,597.01	3,438,597.01
Originated by IP IOM (%)	0.00	33.05	23.10	100.00
WA Interest Rate (%)	2.70	2.48	2.54	1.35
WA Seasoning (years)	14.27	13.72	13.89	13.93
WA Remaining Term (years)	9.10	8.59	8.75	6.70
WA Original LTV (%)	80.54	81.00	80.86	75.92
WA Current LTV (%)	76.48	79.60	78.66	74.28
WA Indexed LTV (%)*	55.21	58.47	57.49	49.32
Greater London & South East (%)	43.35	45.36	44.76	62.31
Loans backed by Multiple Properties (%)	0.00	4.60	3.22	13.93
Flexible Loans (%)	1.62	0.00	0.49	0.00
Interest Only (%)	83.96	91.26	89.06	95.80
Buy-to-Let (%)	24.95	41.71	36.66	99.55
Legal Entity Borrower (%)	0.00	19.26	13.46	58.27
Self-employed (%)**	51.91	38.12	42.27	16.73
Self-certified (%)***	49.10	32.66	37.61	0.00
CCJ (%)	9.35	16.07	14.05	0.10
Bankruptcy or IVA (%)	1.36	1.36	1.36	0.00

Loans 1 month or more in arrears (%)	12.64	13.37	13.15	1.17
Loans 3 month or more in arrears (%)	6.26	4.17	4.80	0.34
COVID-19 Payment Deferral Loans****(%)	2.69	1.53	1.88	0.00
COVID-19 Payment Deferral Loans***** (%)	30.32	23.69	25.69	1.08

* Indexation calculated using Nationwide House Price Index as of 30 September 2020 (regional quarterly indices, non-seasonally adjusted)

** 2.79% no data for Stratton 2021-1

*** 1.88% no data for Stratton 2021-1

**** as of the Portfolio Reference Date

***** at any point up to and including the Portfolio Reference Date

Details of the Provisional Portfolio

Originator	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
GMAC	110,179,419.16	24.77	919	25.58
Irish Permanent Isle of Man Limited	102,733,333.04	23.10	636	17.70
Platform	79,107,535.96	17.79	761	21.18
Rooftop	54,321,339.83	12.21	475	13.22
Advantage	19,556,912.39	4.40	143	3.98
Mortgages PLC	15,119,986.67	3.40	109	3.03
DB Mortgages	14,000,971.13	3.15	80	2.23
Edeus	12,098,676.13	2.72	66	1.84
Money Partners	9,011,219.23	2.03	70	1.95
Mars Capital	7,786,933.10	1.75	61	1.70
Kensington	6,820,389.74	1.53	53	1.48
North Yorkshire Mortgages	4,250,762.50	0.96	37	1.03
Wave	2,147,180.20	0.48	6	0.17
Other	1,843,704.86	0.41	53	1.48
Citi	1,375,158.34	0.31	69	1.92
Southern Pacific Mortgages	923,725.45	0.21	8	0.22
Verso	855,604.76	0.19	13	0.36
Topaz	830,561.71	0.19	5	0.14
Victoria	696,054.06	0.16	3	0.08
Amber	600,379.60	0.13	4	0.11
Gemini	339,470.85	0.08	17	0.47
First Alliance	129,259.08	0.03	5	0.14
Total:	444,728,577.79	100.00	3,593	100.00

Current Balance	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 24,999.99	3,798,003.90	0.85	288	8.02
25,000.00 to 49,999.99	16,010,266.46	3.60	417	11.61
50,000.00 to 74,999.99	32,397,616.33	7.28	519	14.44
75,000.00 to 99,999.99	45,206,827.49	10.17	519	14.44

100,000.00 to 149,999.99	103,839,115.21	23.35	844	23.49
150,000.00 to 199,999.99	82,337,659.96	18.51	480	13.36
200,000.00 to 249,999.99	60,627,122.58	13.63	272	7.57
250,000.00 to 499,999.99	70,775,122.19	15.91	221	6.15
500,000.00 to 999,999.99	17,030,163.02	3.83	26	0.72
1,000,000.00 >=	12,706,680.65	2.86	7	0.19
Total:	444,728,577.79	100.00	3,593	100.00

Original Balance	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 24,999.99	1,175,613.20	0.26	74	2.06
25,000.00 to 49,999.99	5,974,025.70	1.34	220	6.12
50,000.00 to 74,999.99	24,309,999.84	5.47	489	13.61
75,000.00 to 99,999.99	48,424,936.28	10.89	660	18.37
100,000.00 to 149,999.99	113,333,832.44	25.48	1,034	28.78
150,000.00 to 199,999.99	91,664,600.55	20.61	574	15.98
200,000.00 to 249,999.99	55,973,919.18	12.59	262	7.29
250,000.00 to 499,999.99	74,599,830.20	16.77	246	6.85
500,000.00 to 999,999.99	17,885,074.21	4.02	27	0.75
1,000,000.00 >=	11,386,746.19	2.56	7	0.19
Total:	444,728,577.79	100.00	3,593	100.00

Original LTV (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	11,856,161.37	2.67	179	4.98
50.00 to 59.99	18,567,489.21	4.18	182	5.07
60.00 to 69.99	40,828,018.45	9.18	356	9.91
70.00 to 74.99	36,223,319.33	8.15	323	8.99
75.00 to 79.99	61,496,448.55	13.83	463	12.89
80.00 to 84.99	57,713,802.43	12.98	417	11.61
85.00 to 89.99	92,371,324.19	20.77	730	20.32
90.00 to 94.99	79,941,478.12	17.98	610	16.98
95.00 to 99.99	38,328,911.80	8.62	286	7.96
100.00 >=	7,401,624.34	1.66	47	1.31
Total:	444,728,577.79	100.00	3,593	100.00

The calculation for the original LTV for the Moonraker loans takes the earliest origination date on the property and aggregates the original advance amounts of any current loan parts which have an origination date equal to the earliest origination. This figure is then divided by the original valuation amount.

Current LTV (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	38,756,773.53	8.71	814	22.66
50.00 to 59.99	27,605,949.81	6.21	275	7.65
60.00 to 69.99	43,465,631.10	9.77	328	9.13
70.00 to 74.99	33,617,843.22	7.56	253	7.04
75.00 to 79.99	47,633,219.73	10.71	310	8.63
80.00 to 84.99	51,640,772.52	11.61	322	8.96
85.00 to 89.99	73,978,889.34	16.63	469	13.05
90.00 to 94.99	73,777,969.44	16.59	477	13.28
95.00 to 99.99	35,713,896.21	8.03	229	6.37
100.00 >=	18,537,632.89	4.17	116	3.23

Total:	444,728,577.79	100.00	3,593	100.00
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Indexed Current LTV (%)*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	159,141,128.53	35.78	1,525	42.44
50.00 to 59.99	90,601,751.57	20.37	615	17.12
60.00 to 69.99	81,003,882.05	18.21	568	15.81
70.00 to 74.99	34,305,626.95	7.71	270	7.51
75.00 to 79.99	23,454,646.54	5.27	189	5.26
80.00 to 84.99	23,404,607.28	5.26	198	5.51
85.00 to 89.99	20,107,414.56	4.52	133	3.70
90.00 to 94.99	8,414,450.95	1.89	62	1.73
95.00 to 99.99	2,648,014.66	0.60	20	0.56
100.00 >=	1,647,054.70	0.37	13	0.36
Total:	444,728,577.79	100.00	3,593	100.00

* Indexation calculated using Nationwide House Price Index as of 30 September 2020 (regional quarterly indices, non-seasonally adjusted)

Origination Year	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 2004	33,037,979.51	7.43	458	12.75
2005 to 2005	42,525,090.95	9.56	310	8.63
2006 to 2006	78,586,232.59	17.67	581	16.17
2007 to 2007	243,840,760.95	54.83	1,855	51.63
2008 to 2008	42,673,142.77	9.60	322	8.96
2009 >=	4,065,371.02	0.91	67	1.86
Total:	444,728,577.79	100.00	3,593	100.00

Original Term (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 9.99	26,958.60	0.01	2	0.06
10.00 to 14.99	9,767,083.92	2.20	71	1.98
15.00 to 19.99	57,323,703.51	12.89	462	12.86
20.00 to 24.99	147,983,823.27	33.28	1,083	30.14
25.00 to 29.99	204,981,627.99	46.09	1,697	47.23
30.00 >=	24,645,380.50	5.54	278	7.74
Total:	444,728,577.79	100.00	3,593	100.00

Remaining Term (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.00 to 1.99	31,440,876.20	7.07	276	7.68
2.00 to 3.99	21,525,421.45	4.84	219	6.10
4.00 to 5.99	47,604,410.29	10.70	350	9.74
6.00 to 7.99	85,770,172.71	19.29	595	16.56
8.00 to 9.99	54,440,594.42	12.24	512	14.25
10.00 to 11.99	143,899,431.12	32.36	1,106	30.78
12.00 to 13.99	33,063,346.87	7.43	273	7.60
14.00 to 15.99	6,818,702.02	1.53	69	1.92
16.00 to 17.99	17,365,921.95	3.90	168	4.68
18.00 >=	2,799,700.76	0.63	25	0.70
Total:	444,728,577.79	100.00	3,593	100.00

Seasoning (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 9.99	1,409,088.84	0.32	24	0.67
10.00 to 10.99	1,332,950.46	0.30	19	0.53
11.00 to 11.99	2,044,333.46	0.46	35	0.97
12.00 to 12.99	52,404,133.15	11.78	391	10.88
13.00 to 13.99	243,413,780.89	54.73	1,839	51.18
14.00 to 14.99	73,348,620.08	16.49	549	15.28
15.00 >=	70,775,670.91	15.91	736	20.48
Total:	444,728,577.79	100.00	3,593	100.00

Repayment Method	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Interest Only	396,094,590.76	89.06	2,604	72.47
Repayment	48,382,334.77	10.88	985	27.41
Part & Part	251,652.26	0.06	4	0.11
Total:	444,728,577.79	100.00	3,593	100.00

Interest Rate Index	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
BoE Base Rate	242,741,015.73	54.58	1,774	49.37
3 Month LIBOR	181,954,272.21	40.91	1,581	44.00
Standard Variable Rate	18,471,498.66	4.15	229	6.37
Fixed Rate	1,561,791.19	0.35	9	0.25
Total:	444,728,577.79	100.00	3,593	100.00

Current Interest Rate (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0.49	189,346.75	0.04	2	0.06
0.50 to 0.99	36,160,144.82	8.13	247	6.87
1.00 to 1.49	62,239,281.17	13.99	418	11.63
1.50 to 1.99	28,737,943.61	6.46	192	5.34
2.00 to 2.49	110,209,088.57	24.78	920	25.61
2.50 to 2.99	68,330,124.00	15.36	587	16.34
3.00 to 3.49	52,349,232.22	11.77	436	12.13
3.50 to 3.99	38,828,928.60	8.73	282	7.85
4.00 to 4.49	16,563,474.80	3.72	152	4.23
4.50 to 4.99	8,013,058.84	1.80	65	1.81
5.00 >=	23,107,954.41	5.20	292	8.13
Total:	444,728,577.79	100.00	3,593	100.00

Interest Rate Margin (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0.49	45,005,584.92	10.12	353	9.82
0.50 to 0.99	14,398,728.30	3.24	139	3.87
1.00 to 1.49	63,296,068.98	14.23	444	12.36
1.50 to 1.99	46,127,192.17	10.37	334	9.30
2.00 to 2.49	95,961,018.89	21.58	795	22.13
2.50 to 2.99	65,100,389.35	14.64	566	15.75
3.00 to 3.49	55,696,832.12	12.52	456	12.69
3.50 to 3.99	32,861,593.64	7.39	242	6.74

4.00 to 4.49	14,022,893.09	3.15	138	3.84
4.50 to 4.99	8,467,217.44	1.90	72	2.00
5.00 >=	3,791,058.89	0.85	54	1.50
Total:	444,728,577.79	100.00	3,593	100.00

Loan Purpose	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Investment Mortgage	163,042,042.28	36.66	1,182	32.90
Purchase	136,840,761.21	30.77	1,096	30.50
Remortgage	110,702,225.24	24.89	908	25.27
Remortgage with equity release	16,800,078.67	3.78	158	4.40
Right-to-Buy	6,065,038.09	1.36	107	2.98
Debt Consolidation	5,581,023.52	1.25	61	1.70
Other	5,350,449.33	1.20	47	1.31
Equity Release	346,959.45	0.08	34	0.95
Total:	444,728,577.79	100.00	3,593	100.00

Occupancy Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Owner-Occupied	281,686,535.51	63.34	2,411	67.10
Buy to let	163,042,042.28	36.66	1,182	32.90
Total:	444,728,577.79	100.00	3,593	100.00

Number Months in Arrears	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.00 to 0.99	386,250,207.85	86.85	3,125	86.97
1.00 to 1.99	27,734,701.55	6.24	215	5.98
2.00 to 2.99	9,402,424.86	2.11	77	2.14
3.00 to 3.99	5,192,280.22	1.17	49	1.36
4.00 to 4.99	3,850,384.05	0.87	34	0.95
5.00 to 5.99	3,295,478.49	0.74	28	0.78
6.00 >=	9,003,100.77	2.02	65	1.81
Total:	444,728,577.79	100.00	3,593	100.00

Loans Past their Maturity Date	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	438,281,851.39	98.55	3,532	98.30
Y	6,446,726.40	1.45	61	1.70
Total:	444,728,577.79	100.00	3,593	100.00

Right-to-Buy	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	438,663,539.70	98.64	3,486	97.02
Y	6,065,038.09	1.36	107	2.98
Total:	444,728,577.79	100.00	3,593	100.00

Income Verification for Primary Borrower	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Verified	252,467,636.97	56.77	2,145	59.70

Self-certified	167,252,630.23	37.61	1,237	34.43
Other	16,663,908.18	3.75	154	4.29
No Data	8,344,402.41	1.88	57	1.59
Total:	444,728,577.79	100.00	3,593	100.00

Region	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Greater London	127,410,279.98	28.65	617	17.17
South East	71,637,135.39	16.11	485	13.50
North West	60,522,667.70	13.61	611	17.01
West Midlands	34,250,326.03	7.70	357	9.94
East Midlands	28,613,109.43	6.43	278	7.74
East of England	23,823,936.13	5.36	174	4.84
South West	23,653,374.08	5.32	192	5.34
Yorkshire & Humberside	23,647,063.88	5.32	289	8.04
Wales	18,281,640.66	4.11	179	4.98
Scotland	15,902,994.84	3.58	179	4.98
North East	13,204,813.67	2.97	182	5.07
Northern Ireland	3,781,236.00	0.85	50	1.39
Total:	444,728,577.79	100.00	3,593	100.00

CCJs	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0	382,250,321.17	85.95	3,051	84.92
1 >=	62,478,256.62	14.05	542	15.08
Total:	444,728,577.79	100.00	3,593	100.00

Bankruptcy or Individual Voluntary Arrangement	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	438,683,460.78	98.64	3,537	98.44
Y	6,045,117.01	1.36	56	1.56
Total:	444,728,577.79	100.00	3,593	100.00

Property Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
House, detached or semi-detached	202,841,522.79	45.61	1,529	42.55
Flat/Apartment	118,450,389.28	26.63	862	23.99
Terraced	117,960,318.83	26.52	1,147	31.92
Bungalow	5,193,602.25	1.17	49	1.36
Commerical/Business use without recourse to borrower	184,179.12	0.04	1	0.03
Other	98,565.52	0.02	5	0.14
Total:	444,728,577.79	100.00	3,593	100.00

Employment Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Self-employed	188,005,793.20	42.27	1,338	37.24
Employed	182,099,633.44	40.95	1,853	51.57

Borrower is legal entity	59,863,014.03	13.46	291	8.10
No Data	12,387,074.13	2.79	92	2.56
Other	2,373,062.99	0.53	19	0.53
Total:	444,728,577.79	100.00	3,593	100.00

COVID-19 Payment Deferral Loans*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	436,384,474.04	98.12	3,522	98.02
Y	8,344,103.75	1.88	71	1.98
Total:	444,728,577.79	100.00	3,593	100.00

* "Y" means the loan was a COVID-19 Payment Deferral Loan as of the Portfolio Reference Date

COVID-19 Payment Deferral Loans*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	330,490,857.32	74.31	2,730	75.98
Y	114,237,720.47	25.69	863	24.02
Total:	444,728,577.79	100.00	3,593	100.00

* "Y" means the loan was a COVID-19 Payment Deferral Loan at any point up to and including the Portfolio Reference Date

Details of the Sunbury Loans

Originator	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Irish Permanent Isle of Man Limited	102,733,333.04	33.05	636	28.35
GMAC	59,748,632.59	19.22	469	20.91
Rooftop	54,321,339.83	17.47	475	21.18
Advantage	19,556,912.39	6.29	143	6.38
Mortgages PLC	15,119,986.67	4.86	109	4.86
DB Mortgages	14,000,971.13	4.50	80	3.57
Edeus	12,098,676.13	3.89	66	2.94
Money Partners	9,011,219.23	2.90	70	3.12
Mars Capital	7,786,933.10	2.50	61	2.72
Kensington	4,727,114.23	1.52	38	1.69
North Yorkshire Mortgages	4,250,762.50	1.37	37	1.65
Platform	2,769,964.63	0.89	19	0.85
Wave	2,147,180.20	0.69	6	0.27
Topaz	830,561.71	0.27	5	0.22
Victoria	696,054.06	0.22	3	0.13
Amber	600,379.60	0.19	4	0.18
Gemini	339,470.85	0.11	17	0.76
First Alliance	129,259.08	0.04	5	0.22
Total:	310,868,750.97	100.00	2,243	100.00

Current Balance	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 24,999.99	1,014,538.97	0.33	72	3.21
25,000.00 to 49,999.99	8,380,063.25	2.70	214	9.54
50,000.00 to 74,999.99	21,453,207.08	6.90	342	15.25

75,000.00 to 99,999.99	30,560,969.66	9.83	350	15.60
100,000.00 to 149,999.99	67,166,438.72	21.61	550	24.52
150,000.00 to 199,999.99	54,654,089.79	17.58	318	14.18
200,000.00 to 249,999.99	41,482,836.77	13.34	187	8.34
250,000.00 to 499,999.99	57,104,729.80	18.37	178	7.94
500,000.00 to 999,999.99	16,345,196.28	5.26	25	1.11
1,000,000.00 >=	12,706,680.65	4.09	7	0.31
Total:	310,868,750.97	100.00	2,243	100.00

Original Balance	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 24,999.99	573,160.46	0.18	14	0.62
25,000.00 to 49,999.99	2,538,206.55	0.82	72	3.21
50,000.00 to 74,999.99	15,390,265.25	4.95	288	12.84
75,000.00 to 99,999.99	32,624,536.40	10.49	428	19.08
100,000.00 to 149,999.99	72,642,493.61	23.37	660	29.42
150,000.00 to 199,999.99	63,349,771.60	20.38	395	17.61
200,000.00 to 249,999.99	37,365,956.96	12.02	170	7.58
250,000.00 to 499,999.99	57,797,506.48	18.59	183	8.16
500,000.00 to 999,999.99	17,200,107.47	5.53	26	1.16
1,000,000.00 >=	11,386,746.19	3.66	7	0.31
Total:	310,868,750.97	100.00	2,243	100.00

Original LTV (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	7,351,322.98	2.36	90	4.01
50.00 to 59.99	13,117,631.45	4.22	109	4.86
60.00 to 69.99	27,604,553.33	8.88	206	9.18
70.00 to 74.99	25,395,091.84	8.17	206	9.18
75.00 to 79.99	45,652,372.70	14.69	297	13.24
80.00 to 84.99	41,130,856.93	13.23	273	12.17
85.00 to 89.99	61,041,411.72	19.64	436	19.44
90.00 to 94.99	60,496,262.93	19.46	447	19.93
95.00 to 99.99	22,020,737.84	7.08	151	6.73
100.00 >=	7,058,509.25	2.27	28	1.25
Total:	310,868,750.97	100.00	2,243	100.00

Current LTV (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	21,778,339.49	7.01	385	17.16
50.00 to 59.99	18,554,594.58	5.97	170	7.58
60.00 to 69.99	28,902,018.55	9.30	206	9.18
70.00 to 74.99	24,173,373.69	7.78	170	7.58
75.00 to 79.99	34,804,871.37	11.20	205	9.14
80.00 to 84.99	39,331,659.79	12.65	226	10.08
85.00 to 89.99	51,481,515.62	16.56	312	13.91
90.00 to 94.99	56,156,461.37	18.06	353	15.74
95.00 to 99.99	23,493,444.55	7.56	148	6.60
100.00 >=	12,192,471.96	3.92	68	3.03
Total:	310,868,750.97	100.00	2,243	100.00

Indexed Current LTV (%)*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	108,072,070.26	34.76	826	36.83
50.00 to 59.99	62,130,099.17	19.99	405	18.06
60.00 to 69.99	55,802,966.11	17.95	371	16.54
70.00 to 74.99	22,897,639.43	7.37	179	7.98
75.00 to 79.99	16,688,870.81	5.37	128	5.71
80.00 to 84.99	18,318,535.47	5.89	154	6.87
85.00 to 89.99	16,824,334.69	5.41	105	4.68
90.00 to 94.99	7,278,789.21	2.34	53	2.36
95.00 to 99.99	2,064,381.02	0.66	15	0.67
100.00 >=	791,064.80	0.25	7	0.31
Total:	310,868,750.97	100.00	2,243	100.00

* Indexation calculated using Nationwide House Price Index as of 30 September 2020 (regional quarterly indices, non-seasonally adjusted)

Origination Year	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 2004	15,688,998.59	5.05	160	7.13
2005 to 2005	23,360,666.25	7.51	141	6.29
2006 to 2006	50,965,900.81	16.39	363	16.18
2007 to 2007	187,455,810.36	60.30	1,348	60.10
2008 to 2008	31,022,374.71	9.98	202	9.01
2009 >=	2,375,000.25	0.76	29	1.29
Total:	310,868,750.97	100.00	2,243	100.00

Original Term (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
10.00 to 14.99	6,792,821.55	2.19	43	1.92
15.00 to 19.99	44,911,489.01	14.45	317	14.13
20.00 to 24.99	114,942,953.20	36.97	739	32.95
25.00 to 29.99	128,404,046.86	41.30	990	44.14
30.00 >=	15,817,440.35	5.09	154	6.87
Total:	310,868,750.97	100.00	2,243	100.00

Remaining Term (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.00 to 1.99	22,756,183.88	7.32	164	7.31
2.00 to 3.99	15,744,299.60	5.06	132	5.88
4.00 to 5.99	35,175,141.49	11.32	195	8.69
6.00 to 7.99	70,191,790.53	22.58	429	19.13
8.00 to 9.99	28,249,873.16	9.09	254	11.32
10.00 to 11.99	96,288,084.39	30.97	712	31.74
12.00 to 13.99	24,860,199.40	8.00	193	8.60
14.00 to 15.99	3,347,995.48	1.08	31	1.38
16.00 to 17.99	11,829,870.54	3.81	112	4.99
18.00 >=	2,425,312.50	0.78	21	0.94
Total:	310,868,750.97	100.00	2,243	100.00

Seasoning (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 9.99	161,898.20	0.05	1	0.04

10.00 to 10.99	1,139,497.74	0.37	13	0.58
11.00 to 11.99	1,295,045.79	0.42	18	0.80
12.00 to 12.99	39,111,425.32	12.58	257	11.46
13.00 to 13.99	187,272,557.19	60.24	1,337	59.61
14.00 to 14.99	46,958,440.77	15.11	343	15.29
15.00 >=	34,929,885.96	11.24	274	12.22
Total:	310,868,750.97	100.00	2,243	100.00

Repayment Method	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Interest Only	283,711,590.72	91.26	1,753	78.15
Repayment	27,133,845.54	8.73	489	21.80
Part & Part	23,314.71	0.01	1	0.04
Total:	310,868,750.97	100.00	2,243	100.00

Interest Rate Index	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
BoE Base Rate	173,168,863.94	55.70	1,134	50.56
3 Month LIBOR	135,776,041.04	43.68	1,079	48.11
Standard Variable Rate	1,923,845.99	0.62	30	1.34
Total:	310,868,750.97	100.00	2,243	100.00

Current Interest Rate (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0.49	189,346.75	0.06	2	0.09
0.50 to 0.99	29,805,526.46	9.59	182	8.11
1.00 to 1.49	55,312,476.23	17.79	351	15.65
1.50 to 1.99	16,068,904.12	5.17	96	4.28
2.00 to 2.49	52,318,899.76	16.83	390	17.39
2.50 to 2.99	54,051,654.76	17.39	441	19.66
3.00 to 3.49	43,461,838.99	13.98	333	14.85
3.50 to 3.99	32,949,382.46	10.60	212	9.45
4.00 to 4.49	13,165,505.63	4.24	99	4.41
4.50 to 4.99	7,462,973.20	2.40	55	2.45
5.00 >=	6,082,242.61	1.96	82	3.66
Total:	310,868,750.97	100.00	2,243	100.00

Interest Rate Margin (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0.49	26,160,959.47	8.42	159	7.09
0.50 to 0.99	5,473,043.89	1.76	40	1.78
1.00 to 1.49	58,203,295.70	18.72	385	17.16
1.50 to 1.99	24,090,509.79	7.75	137	6.11
2.00 to 2.49	48,203,884.51	15.51	368	16.41
2.50 to 2.99	52,777,397.47	16.98	438	19.53
3.00 to 3.49	45,681,707.47	14.69	343	15.29
3.50 to 3.99	27,753,123.84	8.93	178	7.94
4.00 to 4.49	11,478,170.21	3.69	91	4.06
4.50 to 4.99	7,592,467.59	2.44	60	2.67
5.00 >=	3,454,191.03	1.11	44	1.96
Total:	310,868,750.97	100.00	2,243	100.00

Loan Purpose	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Investment Mortgage	129,648,802.26	41.71	853	38.03
Purchase	88,018,629.63	28.31	637	28.40
Remortgage	85,139,810.83	27.39	670	29.87
Other	5,350,449.33	1.72	47	2.10
Right-to-Buy	2,711,058.92	0.87	36	1.60
Total:	310,868,750.97	100.00	2,243	100.00

Occupancy Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Owner-Occupied	181,219,948.71	58.29	1,390	61.97
Buy to let	129,648,802.26	41.71	853	38.03
Total:	310,868,750.97	100.00	2,243	100.00

Number Months in Arrears	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.00 to 0.99	269,312,707.92	86.63	1,930	86.05
1.00 to 1.99	21,822,392.20	7.02	164	7.31
2.00 to 2.99	6,775,914.27	2.18	56	2.50
3.00 to 3.99	4,125,786.25	1.33	35	1.56
4.00 to 4.99	2,075,012.75	0.67	16	0.71
5.00 to 5.99	1,529,350.15	0.49	13	0.58
6.00 >=	5,227,587.43	1.68	29	1.29
Total:	310,868,750.97	100.00	2,243	100.00

Loans Past their Maturity Date	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	307,568,947.44	98.94	2,224	99.15
Y	3,299,803.53	1.06	19	0.85
Total:	310,868,750.97	100.00	2,243	100.00

Right-to-Buy	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	308,157,692.05	99.13	2,207	98.40
Y	2,711,058.92	0.87	36	1.60
Total:	310,868,750.97	100.00	2,243	100.00

Income Verification for Primary Borrower	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Verified	200,994,178.48	64.66	1,505	67.10
Self-certified	101,530,170.08	32.66	681	30.36
No Data	8,344,402.41	2.68	57	2.54
Total:	310,868,750.97	100.00	2,243	100.00

Region	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Greater London	104,474,691.27	33.61	481	21.44
North West	44,346,229.26	14.27	404	18.01

South East	36,546,602.89	11.76	228	10.16
West Midlands	23,866,712.56	7.68	226	10.08
East Midlands	21,402,419.92	6.88	191	8.52
East of England	19,871,121.26	6.39	135	6.02
Yorkshire & Humberside	15,161,193.14	4.88	161	7.18
South West	14,866,678.06	4.78	110	4.90
Wales	11,448,369.61	3.68	93	4.15
Scotland	9,675,612.03	3.11	104	4.64
North East	7,652,664.91	2.46	93	4.15
Northern Ireland	1,556,456.06	0.50	17	0.76
Total:	310,868,750.97	100.00	2,243	100.00

CCJs	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0	260,906,684.21	83.93	1,825	81.36
1 >=	49,962,066.76	16.07	418	18.64
Total:	310,868,750.97	100.00	2,243	100.00

Bankruptcy or Individual Voluntary Arrangement	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	306,643,754.83	98.64	2,213	98.66
Y	4,224,996.14	1.36	30	1.34
Total:	310,868,750.97	100.00	2,243	100.00

Property Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
House, detached or semi-detached	147,250,418.11	47.37	1,020	45.47
Flat/Apartment	89,359,934.54	28.75	622	27.73
Terraced	73,728,021.34	23.72	598	26.66
Bungalow	346,197.86	0.11	2	0.09
Commerical/Business use without recourse to borrower	184,179.12	0.06	1	0.04
Total:	310,868,750.97	100.00	2,243	100.00

Employment Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Employed	120,063,504.30	38.62	1,085	48.37
Self-Employed	118,515,368.50	38.12	776	34.60
Borrower is legal entity	59,863,014.03	19.26	291	12.97
No Data	10,053,801.15	3.23	72	3.21
Other	2,373,062.99	0.76	19	0.85
Total:	310,868,750.97	100.00	2,243	100.00

COVID-19 Payment Deferral Loans*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	306,124,374.47	98.47	2,207	98.40
Y	4,744,376.50	1.53	36	1.60
Total:	310,868,750.97	100.00	2,243	100.00

* "Y" means the loan was a COVID-19 Payment Deferral Loan as of the Portfolio Reference Date

COVID-19 Payment Deferral Loans*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	237,220,364.97	76.31	1,728	77.04
Y	73,648,386.00	23.69	515	22.96
Total:	310,868,750.97	100.00	2,243	100.00

* "Y" means the loan was a COVID-19 Payment Deferral Loan at any point up to and including the Portfolio Reference Date

Details of the Moonraker Loans

Originator	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Platform	76,337,571.33	57.03	742	54.96
GMAC	50,430,786.57	37.67	450	33.33
Kensington	2,093,275.51	1.56	15	1.11
Other	1,843,704.86	1.38	53	3.93
Citi	1,375,158.34	1.03	69	5.11
Southern Pacific Mortgages	923,725.45	0.69	8	0.59
Verso	855,604.76	0.64	13	0.96
Total:	133,859,826.82	100.00	1,350	100.00

Current Balance	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 24,999.99	2,783,464.93	2.08	216	16.00
25,000.00 to 49,999.99	7,630,203.21	5.70	203	15.04
50,000.00 to 74,999.99	10,944,409.25	8.18	177	13.11
75,000.00 to 99,999.99	14,645,857.83	10.94	169	12.52
100,000.00 to 149,999.99	36,672,676.49	27.40	294	21.78
150,000.00 to 199,999.99	27,683,570.17	20.68	162	12.00
200,000.00 to 249,999.99	19,144,285.81	14.30	85	6.30
250,000.00 to 499,999.99	13,670,392.39	10.21	43	3.19
500,000.00 to 999,999.99	684,966.74	0.51	1	0.07
Total:	133,859,826.82	100.00	1,350	100.00

Original Balance	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 24,999.99	602,452.74	0.45	60	4.44
25,000.00 to 49,999.99	3,435,819.15	2.57	148	10.96
50,000.00 to 74,999.99	8,919,734.59	6.66	201	14.89
75,000.00 to 99,999.99	15,800,399.88	11.80	232	17.19
100,000.00 to 149,999.99	40,691,338.83	30.40	374	27.70
150,000.00 to 199,999.99	28,314,828.95	21.15	179	13.26
200,000.00 to 249,999.99	18,607,962.22	13.90	92	6.81
250,000.00 to 499,999.99	16,802,323.72	12.55	63	4.67
500,000.00 to 999,999.99	684,966.74	0.51	1	0.07
Total:	133,859,826.82	100.00	1,350	100.00

Original LTV (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
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<= 49.99	4,504,838.39	3.37	89	6.59
50.00 to 59.99	5,449,857.76	4.07	73	5.41
60.00 to 69.99	13,223,465.12	9.88	150	11.11
70.00 to 74.99	10,828,227.49	8.09	117	8.67
75.00 to 79.99	15,844,075.85	11.84	166	12.30
80.00 to 84.99	16,582,945.50	12.39	144	10.67
85.00 to 89.99	31,329,912.47	23.41	294	21.78
90.00 to 94.99	19,445,215.19	14.53	163	12.07
95.00 to 99.99	16,308,173.96	12.18	135	10.00
100.00 >=	343,115.09	0.26	19	1.41
Total:	133,859,826.82	100.00	1,350	100.00

The calculation for the original LTV for the Moonraker loans takes the earliest origination date on the property and aggregates the original advance amounts of any current loan parts which have an origination date equal to the earliest origination. This figure is then divided by the original valuation amount.

Current LTV (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	16,978,434.04	12.68	429	31.78
50.00 to 59.99	9,051,355.23	6.76	105	7.78
60.00 to 69.99	14,563,612.55	10.88	122	9.04
70.00 to 74.99	9,444,469.53	7.06	83	6.15
75.00 to 79.99	12,828,348.36	9.58	105	7.78
80.00 to 84.99	12,309,112.73	9.20	96	7.11
85.00 to 89.99	22,497,373.72	16.81	157	11.63
90.00 to 94.99	17,621,508.07	13.16	124	9.19
95.00 to 99.99	12,220,451.66	9.13	81	6.00
100.00 >=	6,345,160.93	4.74	48	3.56
Total:	133,859,826.82	100.00	1,350	100.00

Indexed Current LTV (%)*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	51,069,058.27	38.15	699	51.78
50.00 to 59.99	28,471,652.40	21.27	210	15.56
60.00 to 69.99	25,200,915.94	18.83	197	14.59
70.00 to 74.99	11,407,987.52	8.52	91	6.74
75.00 to 79.99	6,765,775.73	5.05	61	4.52
80.00 to 84.99	5,086,071.81	3.80	44	3.26
85.00 to 89.99	3,283,079.87	2.45	28	2.07
90.00 to 94.99	1,135,661.74	0.85	9	0.67
95.00 to 99.99	583,633.64	0.44	5	0.37
100.00 >=	855,989.90	0.64	6	0.44
Total:	133,859,826.82	100.00	1,350	100.00

* Indexation calculated using Nationwide House Price Index as of 30 September 2020 (regional quarterly indices, non-seasonally adjusted)

Origination Year	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 2004	17,348,980.92	12.96	298	22.07
2005 to 2005	19,164,424.70	14.32	169	12.52
2006 to 2006	27,620,331.78	20.63	218	16.15
2007 to 2007	56,384,950.59	42.12	507	37.56

2008 to 2008	11,650,768.06	8.70	120	8.89
2009 >=	1,690,370.77	1.26	38	2.81
Total:	133,859,826.82	100.00	1,350	100.00

Original Term (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 9.99	26,958.60	0.02	2	0.15
10.00 to 14.99	2,974,262.37	2.22	28	2.07
15.00 to 19.99	12,412,214.50	9.27	145	10.74
20.00 to 24.99	33,040,870.07	24.68	344	25.48
25.00 to 29.99	76,577,581.13	57.21	707	52.37
30.00 >=	8,827,940.15	6.59	124	9.19
Total:	133,859,826.82	100.00	1,350	100.00

Remaining Term (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.00 to 1.99	8,684,692.32	6.49	112	8.30
2.00 to 3.99	5,781,121.85	4.32	87	6.44
4.00 to 5.99	12,429,268.80	9.29	155	11.48
6.00 to 7.99	15,578,382.18	11.64	166	12.30
8.00 to 9.99	26,190,721.26	19.57	258	19.11
10.00 to 11.99	47,611,346.73	35.57	394	29.19
12.00 to 13.99	8,203,147.47	6.13	80	5.93
14.00 to 15.99	3,470,706.54	2.59	38	2.81
16.00 to 17.99	5,536,051.41	4.14	56	4.15
18.00 >=	374,388.26	0.28	4	0.30
Total:	133,859,826.82	100.00	1,350	100.00

Seasoning (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 9.99	1,247,190.64	0.93	23	1.70
10.00 to 10.99	193,452.72	0.14	6	0.44
11.00 to 11.99	749,287.67	0.56	17	1.26
12.00 to 12.99	13,292,707.83	9.93	134	9.93
13.00 to 13.99	56,141,223.70	41.94	502	37.19
14.00 to 14.99	26,390,179.31	19.71	206	15.26
15.00 >=	35,845,784.95	26.78	462	34.22
Total:	133,859,826.82	100.00	1,350	100.00

Repayment Method	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Interest Only	112,383,000.04	83.96	851	63.04
Repayment	21,248,489.23	15.87	496	36.74
Part & Part	228,337.55	0.17	3	0.22
Total:	133,859,826.82	100.00	1,350	100.00

Interest Rate Index	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
BoE Base Rate	69,572,151.79	51.97	640	47.41
3 Month LIBOR	46,178,231.17	34.50	502	37.19
Standard Variable Rate	16,547,652.67	12.36	199	14.74

Fixed Rate	1,561,791.19	1.17	9	0.67
Total:	133,859,826.82	100.00	1,350	100.00

Current Interest Rate (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.50 to 0.99	6,354,618.36	4.75	65	4.81
1.00 to 1.49	6,926,804.94	5.17	67	4.96
1.50 to 1.99	12,669,039.49	9.46	96	7.11
2.00 to 2.49	57,890,188.81	43.25	530	39.26
2.50 to 2.99	14,278,469.24	10.67	146	10.81
3.00 to 3.49	8,887,393.23	6.64	103	7.63
3.50 to 3.99	5,879,546.14	4.39	70	5.19
4.00 to 4.49	3,397,969.17	2.54	53	3.93
4.50 to 4.99	550,085.64	0.41	10	0.74
5.00 >=	17,025,711.80	12.72	210	15.56
Total:	133,859,826.82	100.00	1,350	100.00

Interest Rate Margin (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0.49	18,844,625.45	14.08	194	14.37
0.50 to 0.99	8,925,684.41	6.67	99	7.33
1.00 to 1.49	5,092,773.28	3.80	59	4.37
1.50 to 1.99	22,036,682.38	16.46	197	14.59
2.00 to 2.49	47,757,134.38	35.68	427	31.63
2.50 to 2.99	12,322,991.88	9.21	128	9.48
3.00 to 3.49	10,015,124.65	7.48	113	8.37
3.50 to 3.99	5,108,469.80	3.82	64	4.74
4.00 to 4.49	2,544,722.88	1.90	47	3.48
4.50 to 4.99	874,749.85	0.65	12	0.89
5.00 >=	336,867.86	0.25	10	0.74
Total:	133,859,826.82	100.00	1,350	100.00

Loan Purpose	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Purchase	48,822,131.58	36.47	459	34.00
Investment Mortgage	33,393,240.02	24.95	329	24.37
Remortgage	25,562,414.41	19.10	238	17.63
Remortgage with equity release	16,800,078.67	12.55	158	11.70
Debt Consolidation	5,581,023.52	4.17	61	4.52
Right to Buy	3,353,979.17	2.51	71	5.26
Equity Release	346,959.45	0.26	34	2.52
Total:	133,859,826.82	100.00	1,350	100.00

Occupancy Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Owner-Occupied	100,466,586.80	75.05	1,021	75.63
Buy to let	33,393,240.02	24.95	329	24.37
Total:	133,859,826.82	100.00	1,350	100.00

Number Months in Arrears	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.00 to 0.99	116,937,499.93	87.36	1,195	88.52
1.00 to 1.99	5,912,309.35	4.42	51	3.78
2.00 to 2.99	2,626,510.59	1.96	21	1.56
3.00 to 3.99	1,066,493.97	0.80	14	1.04
4.00 to 4.99	1,775,371.30	1.33	18	1.33
5.00 to 5.99	1,766,128.34	1.32	15	1.11
6.00 >=	3,775,513.34	2.82	36	2.67
Total:	133,859,826.82	100.00	1,350	100.00

Loans Past their Maturity Date	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	130,712,903.95	97.65	1,308	96.89
Y	3,146,922.87	2.35	42	3.11
Total:	133,859,826.82	100.00	1,350	100.00

Right-to-Buy	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	130,505,847.65	97.49	1,279	94.74
Y	3,353,979.17	2.51	71	5.26
Total:	133,859,826.82	100.00	1,350	100.00

Income Verification for Primary Borrower	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Self-certified	65,722,460.15	49.10	556	41.19
Verified	51,473,458.49	38.45	640	47.41
Other	16,663,908.18	12.45	154	11.41
Total:	133,859,826.82	100.00	1,350	100.00

Region	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
South East	35,090,532.50	26.21	257	19.04
Greater London	22,935,588.71	17.13	136	10.07
North West	16,176,438.44	12.08	207	15.33
West Midlands	10,383,613.47	7.76	131	9.70
South West	8,786,696.02	6.56	82	6.07
Yorkshire & Humberside	8,485,870.74	6.34	128	9.48
East Midlands	7,210,689.51	5.39	87	6.44
Wales	6,833,271.05	5.10	86	6.37
Scotland	6,227,382.81	4.65	75	5.56
North East	5,552,148.76	4.15	89	6.59
East of England	3,952,814.87	2.95	39	2.89
Northern Ireland	2,224,779.94	1.66	33	2.44
Total:	133,859,826.82	100.00	1,350	100.00

CCJs	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0	121,343,636.96	90.65	1,226	90.81

1 >=	12,516,189.86	9.35	124	9.19
Total:	133,859,826.82	100.00	1,350	100.00

Bankruptcy or Individual Voluntary Arrangement	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	132,039,705.95	98.64	1,324	98.07
Y	1,820,120.87	1.36	26	1.93
Total:	133,859,826.82	100.00	1,350	100.00

Property Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
House, detached or semi-detached	55,591,104.68	41.53	509	37.70
Terraced	44,232,297.49	33.04	549	40.67
Flat/Apartment	29,090,454.74	21.73	240	17.78
Bungalow	4,847,404.39	3.62	47	3.48
Other	98,565.52	0.07	5	0.37
Total:	133,859,826.82	100.00	1,350	100.00

Employment Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Self-employed	69,490,424.70	51.91	562	41.63
Employed	62,036,129.14	46.34	768	56.89
No Data	2,333,272.98	1.74	20	1.48
Total:	133,859,826.82	100.00	1,350	100.00

COVID-19 Payment Deferral Loans*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	130,260,099.57	97.31	1,315	97.41
Y	3,599,727.25	2.69	35	2.59
Total:	133,859,826.82	100.00	1,350	100.00

* "Y" means the loan was a COVID-19 Payment Deferral Loan as of the Portfolio Reference Date

COVID-19 Payment Deferral Loans*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	93,270,492.35	69.68	1,002	74.22
Y	40,589,334.47	30.32	348	25.78
Total:	133,859,826.82	100.00	1,350	100.00

* "Y" means the loan was a COVID-19 Payment Deferral Loan at any point up to and including the Portfolio Reference Date

Details of the Irish Permanent Isle of Man Loans

Originator	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Irish Permanent Isle of Man Limited	102,733,333.04	100.00	636	100.00
Total:	102,733,333.04	100.00	636	100.00

Current Balance	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)

<= 24,999.99	208,800.66	0.20	15	2.36
25,000.00 to 49,999.99	1,786,119.74	1.74	44	6.92
50,000.00 to 74,999.99	6,363,055.98	6.19	101	15.88
75,000.00 to 99,999.99	13,298,625.34	12.94	153	24.06
100,000.00 to 149,999.99	13,864,008.84	13.50	115	18.08
150,000.00 to 199,999.99	11,882,995.88	11.57	70	11.01
200,000.00 to 249,999.99	10,552,800.52	10.27	47	7.39
250,000.00 to 499,999.99	22,221,399.98	21.63	68	10.69
500,000.00 to 999,999.99	10,890,617.67	10.60	17	2.67
1,000,000.00 >=	11,664,908.43	11.35	6	0.94
Total:	102,733,333.04	100.00	636	100.00

Original Balance	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 24,999.99	514,801.98	0.50	5	0.79
25,000.00 to 49,999.99	730,832.23	0.71	16	2.52
50,000.00 to 74,999.99	4,867,160.20	4.74	80	12.58
75,000.00 to 99,999.99	10,875,380.19	10.59	136	21.38
100,000.00 to 149,999.99	15,603,306.00	15.19	153	24.06
150,000.00 to 199,999.99	14,724,109.41	14.33	102	16.04
200,000.00 to 249,999.99	9,044,641.98	8.80	42	6.60
250,000.00 to 499,999.99	23,571,573.07	22.94	77	12.11
500,000.00 to 999,999.99	12,456,554.01	12.13	19	2.99
1,000,000.00 >=	10,344,973.97	10.07	6	0.94
Total:	102,733,333.04	100.00	636	100.00

Original LTV (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	4,466,412.50	4.35	36	5.66
50.00 to 59.99	7,792,863.46	7.59	47	7.39
60.00 to 69.99	13,368,013.67	13.01	76	11.95
70.00 to 74.99	13,206,714.67	12.86	90	14.15
75.00 to 79.99	24,887,652.66	24.23	161	25.31
80.00 to 84.99	15,039,007.88	14.64	80	12.58
85.00 to 89.99	14,687,193.94	14.30	111	17.45
90.00 to 94.99	1,374,115.73	1.34	9	1.42
95.00 to 99.99	1,337,702.03	1.30	3	0.47
100.00 >=	6,573,656.50	6.40	23	3.62
Total:	102,733,333.04	100.00	636	100.00

Current LTV (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	9,675,537.81	9.42	127	19.97
50.00 to 59.99	8,254,316.36	8.03	45	7.08
60.00 to 69.99	13,095,925.11	12.75	72	11.32
70.00 to 74.99	13,014,337.64	12.67	85	13.36
75.00 to 79.99	20,499,037.28	19.95	123	19.34
80.00 to 84.99	15,467,467.77	15.06	74	11.64
85.00 to 89.99	14,703,743.98	14.31	92	14.47
90.00 to 94.99	4,580,221.03	4.46	8	1.26
95.00 to 99.99	76,755.38	0.07	1	0.16

100.00 >=	3,365,990.68	3.28	9	1.42
Total:	102,733,333.04	100.00	636	100.00

Indexed Current LTV (%)*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 49.99	60,750,110.62	59.13	343	53.93
50.00 to 59.99	17,274,536.99	16.81	118	18.55
60.00 to 69.99	12,272,541.35	11.95	96	15.09
70.00 to 74.99	4,170,520.05	4.06	40	6.29
75.00 to 79.99	3,187,133.17	3.10	23	3.62
80.00 to 84.99	885,932.89	0.86	9	1.42
85.00 to 89.99	3,677,349.75	3.58	3	0.47
90.00 to 94.99	97,340.45	0.09	1	0.16
95.00 to 99.99	293,505.52	0.29	1	0.16
100.00 >=	124,362.25	0.12	2	0.31
Total:	102,733,333.04	100.00	636	100.00

* Indexation calculated using Nationwide House Price Index as of 30 September 2020 (regional quarterly indices, non-seasonally adjusted)

Origination Year	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 2004	8,885,888.24	8.65	85	13.36
2005 to 2005	15,648,440.48	15.23	73	11.48
2006 to 2006	21,311,645.08	20.74	151	23.74
2007 to 2007	30,443,573.88	29.63	166	26.10
2008 to 2008	24,310,047.44	23.66	134	21.07
2009 >=	2,133,737.92	2.08	27	4.25
Total:	102,733,333.04	100.00	636	100.00

Original Term (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
10.00 to 14.99	1,975,107.74	1.92	15	2.36
15.00 to 19.99	20,866,665.31	20.31	126	19.81
20.00 to 24.99	56,417,124.12	54.92	301	47.33
25.00 to 29.99	23,097,394.42	22.48	192	30.19
30.00 >=	377,041.45	0.37	2	0.31
Total:	102,733,333.04	100.00	636	100.00

Remaining Term (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.00 to 1.99	8,499,508.56	8.27	61	9.59
2.00 to 3.99	9,676,077.25	9.42	75	11.79
4.00 to 5.99	23,006,260.52	22.39	96	15.09
6.00 to 7.99	33,236,403.33	32.35	167	26.26
8.00 to 9.99	9,108,362.56	8.87	92	14.47
10.00 to 11.99	12,112,951.91	11.79	99	15.57
12.00 to 13.99	6,716,727.46	6.54	44	6.92
16.00 to 17.99	377,041.45	0.37	2	0.31
Total:	102,733,333.04	100.00	636	100.00

Seasoning (years)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
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10.00 to 10.99	1,060,133.61	1.03	12	1.89
11.00 to 11.99	1,295,045.79	1.26	18	2.83
12.00 to 12.99	26,870,652.90	26.16	141	22.17
13.00 to 13.99	30,230,975.70	29.43	167	26.26
14.00 to 14.99	20,707,285.21	20.16	151	23.74
15.00 >=	22,569,239.83	21.97	147	23.11
Total:	102,733,333.04	100.00	636	100.00

Repayment Method	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Interest Only	98,415,169.66	95.80	561	88.21
Repayment	4,318,163.38	4.20	75	11.79
Total:	102,733,333.04	100.00	636	100.00

Interest Rate Index	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
BoE Base Rate	102,733,333.04	100.00	636	100.00
Total:	102,733,333.04	100.00	636	100.00

Current Interest Rate (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.50 to 0.99	29,493,902.43	28.71	180	28.30
1.00 to 1.49	54,455,135.93	53.01	342	53.77
1.50 to 1.99	9,443,598.91	9.19	45	7.08
2.00 to 2.49	442,550.86	0.43	4	0.63
2.50 to 2.99	951,412.40	0.93	13	2.04
3.00 to 3.49	3,555,146.74	3.46	35	5.50
3.50 to 3.99	3,249,495.49	3.16	12	1.89
4.00 to 4.49	1,142,090.28	1.11	5	0.79
Total:	102,733,333.04	100.00	636	100.00

Interest Rate Margin (%)	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0.49	24,565,872.45	23.91	147	23.11
0.50 to 0.99	5,380,583.20	5.24	37	5.82
1.00 to 1.49	55,829,029.46	54.34	356	55.97
1.50 to 1.99	7,617,152.16	7.41	27	4.25
2.00 to 2.49	442,550.86	0.43	4	0.63
2.50 to 2.99	951,412.40	0.93	13	2.04
3.00 to 3.49	3,555,146.74	3.46	35	5.50
3.50 to 3.99	4,354,849.01	4.24	16	2.52
4.00 to 4.49	36,736.76	0.04	1	0.16
Total:	102,733,333.04	100.00	636	100.00

Loan Purpose	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Investment Mortgage	102,274,002.34	99.55	633	99.53
Purchase	459,330.70	0.45	3	0.47
Total:	102,733,333.04	100.00	636	100.00

Occupancy Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Buy to let	102,274,002.34	99.55	633	99.53
Owner-Occupied	459,330.70	0.45	3	0.47
Total:	102,733,333.04	100.00	636	100.00

Number Months in Arrears	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
0.00 to 0.99	101,532,514.23	98.83	627	98.58
1.00 to 1.99	592,358.92	0.58	3	0.47
2.00 to 2.99	256,250.60	0.25	2	0.31
3.00 to 3.99	81,578.54	0.08	1	0.16
4.00 to 4.99	270,630.75	0.26	3	0.47
5.00 to 5.99	0.00	0.00	0	0.00
Total:	102,733,333.04	100.00	636	100.00

Loans Past their Maturity Date	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	101,801,191.44	99.09	631	99.21
Y	932,141.60	0.91	5	0.79
Total:	102,733,333.04	100.00	636	100.00

Right-to-Buy	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	102,733,333.04	100.00	636	100.00
Total:	102,733,333.04	100.00	636	100.00

Income Verification for Primary Borrower	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Verified	102,312,037.78	99.59	633	99.53
No Data	421,295.26	0.41	3	0.47
Total:	102,733,333.04	100.00	636	100.00

Region	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Greater London	56,810,923.73	55.30	234	36.79
North West	15,656,400.62	15.24	139	21.86
South East	7,207,108.25	7.02	52	8.18
East Midlands	7,050,564.88	6.86	45	7.08
West Midlands	5,034,907.24	4.90	60	9.43
Wales	2,471,026.07	2.41	12	1.89
South West	2,442,247.89	2.38	25	3.93
East of England	2,429,365.81	2.36	22	3.46
Yorkshire & Humberside	2,150,080.34	2.09	27	4.25
North East	978,839.63	0.95	13	2.04
Northern Ireland	501,868.58	0.49	7	1.10
Total:	102,733,333.04	100.00	636	100.00

CCJs	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
<= 0	102,633,164.29	99.90	635	99.84
1 >=	100,168.75	0.10	1	0.16
Total:	102,733,333.04	100.00	636	100.00

Bankruptcy or Individual Voluntary Arrangement	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	102,733,333.04	100.00	636	100.00
Total:	102,733,333.04	100.00	636	100.00

Property Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Flat/Apartment	61,918,776.85	60.27	396	62.26
Terraced	29,118,257.29	28.34	171	26.89
House, detached or semi-detached	11,165,921.92	10.87	66	10.38
Bungalow	346,197.86	0.34	2	0.31
Commerical/Business use without recourse to borrower	184,179.12	0.18	1	0.16
Total:	102,733,333.04	100.00	636	100.00

Employment Type	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
Borrower is legal entity	59,863,014.03	58.27	291	45.75
Employed	23,540,027.13	22.91	196	30.82
Self-employed	17,188,656.48	16.73	131	20.60
No Data	1,833,906.86	1.79	16	2.52
Other	307,728.54	0.30	2	0.31
Total:	102,733,333.04	100.00	636	100.00

COVID-19 Payment Deferral Loans*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	102,733,333.04	100.00	636	100.00
Total:	102,733,333.04	100.00	636	100.00

* "Y" means the loan was a COVID-19 Payment Deferral Loan as of the Portfolio Reference Date

COVID-19 Payment Deferral Loans*	Current Balance (£)	Current Balance (%)	Number of Loans	Number of Loans (%)
N	101,620,419.30	98.92	627	98.58
Y	1,112,913.74	1.08	9	1.42
Total:	102,733,333.04	100.00	636	100.00

* "Y" means the loan was a COVID-19 Payment Deferral Loan at any point up to and including the Portfolio Reference Date

SUMMARY OF THE KEY TRANSACTION DOCUMENTS

Mortgage Sale Agreement

Portfolio

Under a mortgage sale agreement entered into on or around the Closing Date between, among others, the Sellers, the Issuer and the Security Trustee (the "**Mortgage Sale Agreement**"), on the Closing Date, the Sunbury Seller shall (in consideration for payment of the Sunbury Initial Consideration and the issuance and payment under the Residual Certificates to be issued to the Sunbury Seller on the Closing Date) and the Moonraker Seller shall (in consideration for the payment of the Moonraker Initial Consideration and the issuance and payment under the Residual Certificates to be issued to the Moonraker Seller on the Closing Date) each with respect to its Relevant Portfolio:

- (a) sell, assign or otherwise transfer to the Issuer pursuant to the Mortgage Sale Agreement a portfolio of English Loans, Northern Irish Loans and (in the case of the Sunbury Portfolio only) the Isle of Man Loans and their respective Related Security; and
- (b) direct the relevant Legal Title Holder(s) to hold a portfolio of Scottish Loans sold, assigned or transferred by the Sellers to the Issuer pursuant to the terms of the Mortgage Sale Agreement and their Related Security on trust under a Scottish Declaration of Trust for the benefit of the Issuer.

The English Loans, Northern Irish Loans and the Isle of Man Loans and their respective Related Security comprising the Relevant Portfolio will be assigned by way of equitable assignment to the Issuer, while the Scottish Loans and their Related Security comprising the Relevant Portfolio will be held on trust for the Issuer under Scottish Declarations of Trust dated the Closing Date, in each case referred to as the "**sale**" by the Sellers to the Issuer of the Loans and Related Security.

The consideration due to the Sunbury Seller in respect of the sale of the Sunbury Portfolio shall be:

- (a) the Sunbury initial consideration in an amount equal to £307,737,545.10, such Sunbury initial consideration being due and payable on the Closing Date (the "**Sunbury Initial Consideration**"); and
- (b) deferred consideration consisting of the Residual Payments payable to the Sunbury Seller pursuant to the applicable Priority of Payments, the right to such Residual Payments being represented by the relevant proportion of Residual Certificates to be issued by the Issuer and delivered to the Sunbury Seller on the Closing Date.

The consideration due to the Moonraker Seller in respect of the sale of the Moonraker Portfolio shall be:

- (a) the Moonraker initial consideration in an amount equal to £132,105,950.54, such Moonraker initial consideration being due and payable on the Closing Date (the "**Moonraker Initial Consideration**");
- (b) (in relation to any Flexible Drawings purchased by the Issuer from the Moonraker Seller) the payment of an amount equal to the Flexible Drawing Amount in respect of such Flexible Drawing payable on the relevant Drawings Date (or on any Interest Payment Date thereafter) in accordance with the Mortgage Sale Agreement; and
- (c) deferred consideration consisting of the Residual Payments payable to the Moonraker Seller pursuant to the applicable Priority of Payments, the right to such Residual Payments being

represented by the relevant proportion of Residual Certificates to be issued by the Issuer and delivered to the Moonraker Seller on the Closing Date.

Any Residual Payment payable pursuant to the Residual Certificates will be paid *pro rata* in accordance with the priority of payments set out in the sections headed "*Cashflows – Application of Available Revenue Receipts prior to the service of an Enforcement Notice on the Issuer*", "*Cashflows – Application of Available Redemption Receipts prior to the service of an Enforcement Notice on the Issuer*" and "*Cashflows – Distributions following the service of an Enforcement Notice on the Issuer*".

As used in this Prospectus:

"Relevant Portfolio" means:

- (a) in respect of the Sunbury Seller, the Sunbury Portfolio and
- (b) in respect of the Moonraker Seller, the Moonraker Portfolio.

Flexible Drawings

To the extent that the Mortgage Conditions require an advance of a Flexible Drawing and subject to the relevant Borrower satisfying any conditions under the relevant Mortgage Conditions, the relevant Moonraker Legal Title Holder will remain liable to the relevant Borrower for making any such payment. The Issuer shall purchase such Flexible Drawing from the Moonraker Seller on the relevant Drawings Date in accordance with the terms of the Mortgage Sale Agreement and the Moonraker Servicing Agreement.

The Cash Manager (on behalf of the Issuer) will pay to the Moonraker Servicer (acting on behalf of the Moonraker Seller, following the receipt from the Moonraker Servicer of a Redraw Notice) the purchase price for such Flexible Drawing (being an amount equal to the relevant Flexible Drawing Amounts) as consideration for the Issuer's purchase of such Flexible Drawing from the Moonraker Seller, by applying amounts standing to the credit of the Transaction Deposit Account representing Redemption Receipts in accordance with the Cash Management Agreement.

The Moonraker Servicer will test compliance with the Moonraker Loan Warranties applicable to the Moonraker Loans in relation to which Flexible Drawings have been purchased on the relevant Monthly Test Date falling after the end of the Calculation Period in which the Flexible Drawings occurred by reference to the circumstances existing as at the date the Flexible Drawing was advanced and notify the Moonraker Seller and the Issuer in writing of any breach of the Loan Warranties within five Business Days in accordance with the Moonraker Servicing Agreement. In such case, the Moonraker Seller will be required to repurchase such Loan and its Related Security or make an indemnity payment in lieu of such repurchase in accordance with the Mortgage Sale Agreement.

Title to the Mortgages, Registration and Notifications

The completion of the transfer, or, in the case of Scottish Loans and their Related Security, assignation, of the legal title to the Loans and their Related Security (and, where appropriate, their registration or recording) to the Issuer is, save in the limited circumstances referred to below, deferred. Legal title to the Loans and their Related Security therefore remains with the relevant Legal Title Holder until the occurrence of a Moonraker Perfection Event, a Sunbury Perfection Event or a Sunbury LASI Perfection Event (as applicable). Notice of the sale of the Loans and their Related Security to the Issuer will not be given to any Borrower until the occurrence of a relevant Perfection Event.

With respect to the Moonraker Loans, the transfers to the Issuer will be completed by or on behalf of the relevant Moonraker Legal Title Holder as soon as reasonably practicable after any of the following Moonraker Perfection Events occurs:

- (a) the relevant Moonraker Legal Title Holder being required (i) by an order of a court of competent jurisdiction; or (ii) by a regulatory authority which has jurisdiction over the relevant Moonraker Legal Title Holder; or (iii) by any organisation of which the relevant Moonraker Legal Title Holder is a member, or whose members comprise (but are not necessarily limited to) mortgage lenders with whose instructions it is customary for the relevant Legal Title Holder to comply, to perfect legal title to the Moonraker Loans and their Related Security;
- (b) it becoming necessary by law to take any or all such actions referred to in (a) above; or
- (c) the occurrence of an Insolvency Event in relation to the relevant Moonraker Legal Title Holder, (each of the events set out in paragraphs (a) to (c) inclusive being a "**Moonraker Perfection Event**").

With respect to the Sunbury Loans, the transfers to the Issuer will be completed by or on behalf of the Legal Title Holder as soon as reasonably practicable after any of the following Sunbury Perfection Events occurs:

- (a) an Insolvency Event occurs in respect of a Sunbury Legal Title Holder;
- (b) it becomes unlawful in any applicable jurisdiction for a Sunbury Legal Title Holder to hold legal title in respect of any Sunbury Loan or its Related Security, or a Sunbury Legal Title Holder is required to perfect the Issuer's legal title to the Loans by an order of a court of competent jurisdiction or by a regulatory authority which has jurisdiction over such Sunbury Legal Title Holder or by any organisation of which such Sunbury Legal Title Holder is a member;
- (c) the occurrence of a Sunbury Servicer Termination Event in respect of a Sunbury Servicer in circumstances where all applicable grace periods have expired and no replacement Sunbury Servicer has been appointed;
- (d) following the service of an Enforcement Notice, written notice having been given by the Security Trustee to a Sunbury Legal Title Holder and the Issuer, requesting that such Sunbury Legal Title Holder perfect title to the Issuer; or
- (e) if the Security Trustee considers that the Charged Assets or any part thereof is in danger of being seized or sold under any form of distress, diligence or execution levied, executed or threatened or to be otherwise in jeopardy and the Security Trustee serves written notice to a Sunbury Legal Title Holder and the Issuer, requesting that such Sunbury Legal Title Holder perfect title to the Issuer,

(each of the events set out in paragraphs (a) to (e) inclusive being a "**Sunbury Perfection Event**").

If the Loans and their Related Security are sold pursuant to the exercise of the Call Option, the Issuer or (if at the time the Call Option is exercised the Issuer does not hold the Whole Legal Title) the Legal Title Holders, upon receipt of a direction from the Issuer and at the sole cost and expense of the Option Holder, shall promptly transfer the Whole Legal Title in the Loans and their Related Security comprising the Portfolio to the Legal Title Transferee.

An "**Insolvency Event**" will occur in respect of an entity in the following circumstances:

- (a) an order is made or an effective resolution passed for the winding-up of the relevant entity (or it proposes or makes any compromise or arrangement with its creditors); or

- (b) the relevant entity stops or threatens to stop payment to its creditors generally or the relevant entity ceases or threatens to cease to carry on its business or substantially the whole of its business; or
- (c) an encumbrancer takes possession or a Receiver is appointed to the whole or any material part of the undertaking, property and assets of the relevant entity or a distress, diligence or execution is levied or enforced upon or sued out against the whole or any material part of the chattels or property of the relevant entity and, in the case of any of the foregoing events, is not discharged within 30 days; or
- (d) the relevant entity is unable to pay its debts as they fall due or it is deemed under section 123 of the Insolvency Act 1986 to be unable to pay its debts or announces an intention to suspend making payments with respect to any class of undisputed debts or takes steps with a view to obtaining a moratorium in respect of any indebtedness; or
- (e) if proceedings are initiated against the relevant entity under any applicable liquidation, insolvency, compromise, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the relevant entity or, as the case may be, in relation to the whole or any part of the undertaking or assets of any of relevant entity, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order), unless initiated by the relevant entity, is not discharged within 30 days; or
- (f) any analogous procedure or step is taken in any jurisdiction.

Following a Perfection Event, notice of the legal assignments and assignments will be given to the Borrowers and the Issuer will take steps to register and record such legal assignments and assignments at the Land Registry of England, Land Registers of Northern Ireland and Registers of Scotland (as applicable).

Save for Title Deeds held at the Land Registry of England, Land Registers of Northern Ireland or the Registers of Scotland (as the case may be), all the Title Deeds and the mortgage files and computer tapes relating to each of the Loans and their Related Security are held by the relevant Legal Title Holder or the relevant Servicer (on behalf of the relevant Legal Title Holder) or its solicitors or agents and the Title Deeds are held in dematerialised form or are returned to the Borrower's solicitors, and in relation to the Title Deeds held at the Registers of Scotland in respect of Properties title to which is recorded in the General Register of Sasines, such Title Deeds are held on the basis that they (other than the dematerialised copies of the Title Deeds) shall be returned to the relevant Legal Title Holder or the relevant Servicer or its solicitors or agents.

Neither the Security Trustee nor the Issuer has made or has caused to be made on its behalf any enquiries, searches or investigations, but each is relying entirely on the representations and warranties made by each Seller contained in the Mortgage Sale Agreement.

As used in this Prospectus:

"Perfection Event" means a "Sunbury Perfection Event", a "Sunbury LASI Perfection Event" or a "Moonraker Perfection Event".

Loan Porting

If a Borrower ports a Loan comprised in the Portfolio prior to the occurrence of a Perfection Event, such Loan will be deemed to be redeemed and the principal element of such amount will be applied as Available Redemption Receipts on the Interest Payment Date immediately following the Collection Period in which the Loan was ported.

Conditions to Sale

The sale of Loans and their Related Security to the Issuer will be subject to various conditions being satisfied on the Closing Date.

Representations and Warranties

On the Closing Date, the Sunbury Loan Warranties (described below under the sub-heading "*Representations and Warranties – Sunbury Loan Warranties*") will be given by the Sunbury Seller in respect of the Sunbury Loans and their Related Security sold by the Sunbury Seller to the Issuer on that day and the Moonraker Loan Warranties (described below under the sub-heading "*Representations and Warranties – Moonraker PFL Loan Warranties*" and "*Representations and Warranties – Moonraker Non-PFL Loan Warranties*") will be given by the Moonraker Seller in respect of the Loans and their Related Security sold by the Moonraker Seller to the Issuer on that day.

The Moonraker Seller will also make the Moonraker Flexible Drawing Loan Warranties (described below under the sub-heading "*Representations and Warranties – Moonraker Flexible Drawing Loan Warranties*") in relation to a Flexible Drawing (advanced in respect of a Moonraker Loan and its Related Security) on the date the Flexible Drawing was advanced (the "**Drawings Date**").

Sunbury Loan Warranties

The warranties that will be given to the Issuer and separately to the Security Trustee by the Sunbury Seller on the Closing Date pursuant to the Mortgage Sale Agreement, in respect of the Sunbury Loans (the "**Sunbury Loan Warranties**") include, *inter alia*, similar statements to the following effect:

- (a) As of the Portfolio Cut-Off Date, the particulars of each Sunbury Loan, as set out and identified in the Data Tape referred to in Annex 3 (*The Sunbury Portfolio*) of the Mortgage Sale Agreement, so far as the Sunbury Seller is aware, is true, accurate and complete in all material respects in respect of the data fields described in Annex 3 (*The Sunbury Portfolio*) of the Mortgage Sale Agreement.
- (b) The interest revision date in respect of each Sunbury Loan falls prior to 1 January 2020.
- (c) The Sunbury Seller is the absolute unencumbered beneficial owner of the Sunbury Loans, their Related Security to be sold, assigned and/or transferred, to the Issuer, and the Sunbury Seller has not assigned (whether by way of absolute assignment or by way of security only), transferred, charged, released, disposed of or dealt with the benefit of the Sunbury Loans, their Related Security or any of the property, rights, title, interest or benefit to be sold or assigned in any way whatsoever other than as contemplated by the Mortgage Sale Agreement.
- (d) The Sunbury Legal Title Holders are the legal title holders of the Sunbury Loans and their Related Security (as applicable) and, so far as the Sunbury Seller is aware, each Sunbury Loan is, subject to the relevant Borrower's equity or right of redemption and/or discharge, free from any security, lien or option over, or agreement for sale or other disposition of, that Sunbury Loan provided that no breach of this warranty will occur in respect of the three Sunbury Loans that are disclosed as being in breach of this warranty in the Mortgage Sale Agreement.

- (e) In those cases where a Sunbury Mortgage has not been registered at the relevant Land Registry or registered or recorded in the Registers of Scotland in Scotland at the Closing Date, the relevant Sunbury Legal Title Holder has an absolute right to be registered or recorded as proprietor or registered owner of a mortgage or charge or as heritable creditor and there is nothing to prevent that registration or recording being effected provided that no breach of this warranty will occur in respect of the three Sunbury Loans that are disclosed as being in breach of this warranty in the Mortgage Sale Agreement.
- (f) Each Property is situated in England, Wales, Scotland or Northern Ireland.
- (g) Each Sunbury Loan and its related guarantee (if any) constitutes legal, valid, binding and enforceable obligations of the relevant Borrower, except that:
 - (i) Enforceability may be limited by:
 - (A) bankruptcy or insolvency of the Borrower or other obligor in respect of each Sunbury Loan;
 - (B) the laws of general applicability affecting the enforcement of creditors' rights generally;
 - (C) the court's discretion in relation to equitable remedies;
 - (D) the application of the Unfair Terms in Consumer Contracts Regulations 1999 as amended, the Consumer Protection from Unfair Trading Regulations 2008, in relation to the Scottish Loans and their Related Security, the applicable provisions of the Conveyancing and Feudal Reform (Scotland) Act 1970 and, in relation to the Isle of Man Loans and their Related Security, the applicable provisions of the Misrepresentation and Unfair Contract Terms Act 1980; and
 - (ii) no warranty is given under this paragraph (g) that any early repayment charges, fees, administration fees, exit or other charges or fees are legal, valid, binding or enforceable.
- (h) Each Sunbury Mortgage constitutes a legal, valid, binding, and enforceable subsisting first ranking charge by way of legal mortgage (or, in Scotland, first ranking standard security; or, in Northern Ireland, first ranking mortgage or charge) over the relevant Property and secures in priority to all other mortgages all monies owing under that Sunbury Loan, except that:
 - (i) enforceability may be limited by:
 - (A) bankruptcy or insolvency of the Borrower;
 - (B) the court's discretion in relation to equitable remedies;
 - (C) the laws of general applicability affecting the enforcement of creditors' rights generally;
 - (D) completion of any registration or recording requirements at the Land Registry of England and Wales, the Registers of Scotland, the Land Registers of Northern Ireland (as applicable) and (in those cases) there is nothing to prevent that registration or recording from being effected); and

- (ii) no warranty is given under this paragraph (h) that any early repayment charges, fees, administration fees, exit or other charges or fees charged by the lender are legal, valid, binding or enforceable.
- (i) The Sunbury Seller has not received any notice and, so far as the Sunbury Seller is aware, the relevant Sunbury Legal Title Holder has not received any notice from any Borrower or any Regulatory Authority which, in the Sunbury Seller's reasonable opinion, correctly alleges that the Sunbury Seller has failed to perform its obligations as lender under the Sunbury Loans in all material respects in accordance with Applicable Laws, its policies and procedures and in accordance with the terms and conditions of such Sunbury Loans (including charging interest and all other sums due in respect of the Sunbury Loans in accordance with the terms of the Sunbury Loans).
- (j) In relation to each Sunbury Mortgage and at the date of the original loan advance, the Borrower had a good and marketable title to the relevant Property in England and Wales and Northern Ireland or a valid and marketable title to the relevant Scottish Property and where the relevant Property, as at Closing Date, is in the course of registration (or subject to first registration) at the relevant Land Registry, the relevant Borrower will be registered with such title to such Property as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender (and without prejudice to the generality of the foregoing, in relation to Scottish Property registered or recorded at Registers of Scotland the same shall be registered without the exclusion of indemnity).
- (k) Each Sunbury Loan and its Related Security was made on and remains on materially the same terms as are set out in the Standard Documentation or, where there have been any changes to those terms, those changes would otherwise have been acceptable to a Reasonable, Prudent Residential Mortgage Lender.
- (l) No Sunbury Loan contains an obligation which remains to be performed to make any Further Advance to or to permit re-drawings by any Borrower.
- (m) Each Sunbury Loan is denominated in, and all amounts in respect of such Sunbury Loan are payable only in sterling or euros (as applicable) and may not be changed by the relevant Borrower to any other currency.
- (n) All Sunbury Loans and Related Security are freely assignable or otherwise transferable and no formal approvals, consents or other steps are necessary to permit an equitable or beneficial transfer of the Sunbury Loans and Related Security, no notification to any Borrower is required to effect any equitable or beneficial transfer of the Sunbury Loans and Related Security to the Issuer and the Sunbury Loans and Related Security are not subject to any contractual confidentiality restrictions which may restrict the ability of the Issuer to acquire or dispose of the same or exercise its rights or discharge its obligations under the Transaction Documents.
- (o) Since the time the Sunbury Seller has beneficially owned the loans, interest has been charged under each Sunbury Loan in accordance with the applicable Mortgage Conditions or otherwise not adverse to the Borrower.
- (p) As far as the Sunbury Seller is aware (having made reasonable enquiries), no fraud, misrepresentation or concealment has been perpetrated in respect to a Sunbury Loan.
- (q) So far as the Sunbury Seller is aware, not more than 12 months prior to the execution of each Sunbury Loan (or such longer periods as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender), the relevant originator received a Valuation Report on the relevant Property (or another report concerning the valuation of the relevant Property) as would

be acceptable to a Reasonable, Prudent Residential Mortgage Lender), and the contents of which were such as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender.

- (r) Each Sunbury Loan was fully insured by the relevant Original Sunbury Legal Title Seller under that Original Sunbury Legal Title Seller's contingency insurance policies if the Borrower does not otherwise have insurance.
- (s) None of the Sunbury Loans in the Portfolio are regulated credit agreements under regulation 60B of The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 or section 8 of the Consumer Credit Act 1974.
- (t) The operations of the Sunbury Seller and its subsidiaries with respect to the Sunbury Loans had are and have been conducted in compliance with the anti-money laundering laws, anti-corruption laws, any Applicable Laws relating to economic or trade sanctions and any similar laws or regulations in other jurisdictions (together, the "**Regulatory Laws**") and no such action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Sunbury Seller or any of its subsidiaries with respect to the Regulatory Laws are pending and, to the best of the Sunbury Seller's knowledge, no such actions, suits or proceedings are threatened or contemplated.
- (u) So far as the Sunbury Seller is aware, each of the Sunbury Seller and the relevant Original Sunbury Legal Title Seller has complied in all material respects with all regulatory requirements in respect of the Sunbury Loans and in particular, the provisions of MCOB.
- (v) The Sunbury Seller has not received any written notice or counterclaim from any Borrower validly exercising any right of set off or counterclaim (and is not otherwise aware that any such right or counterclaim has arisen).
- (w) The Sunbury Seller has not received and is not aware of any written complaint or notice of any litigation or claim (including, without limitation, forfeiture proceedings) brought by any Borrower or by a third party relating to any Sunbury Loan or Property.
- (x) The relevant Original Sunbury Legal Title Seller has in relation to each Sunbury Loan and its Related Security kept or procured the keeping of (i) such accounts, books and records as are necessary to show all material transactions, payments, receipts and proceedings or conducted by the Sunbury Seller against the Borrower in relation to that Sunbury Loan and the Related Security, (ii) the documentation relating to the Sunbury Loans and Related Security and (iii) the Title Deeds, and all such accounts, books and records and documentation relating to the Sunbury Loans and Related Security are in the possession of the relevant Sunbury Legal Title Holder or held to its order.
- (y) The Loan Files in respect of the Sunbury Loans and the Title Deeds are currently in the relevant Sunbury Legal Title Holder's possession, or held to its order, save for those Title Deeds held or being dealt with by solicitors in accordance with the Sunbury Seller's instructions or held at the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland (as applicable).

As used in this Prospectus:

"Data Tape" means, for the purposes of the Sunbury Loans, the data tape described in Part 1 of Annex 3 (*The Sunbury Portfolio*) to the Mortgage Sale Agreement and for the purposes of the Moonraker Loans, the data tape described in Part 1 of Annex 4 (*The Moonraker Portfolio*) to the Mortgage Sale Agreement;

"Loan Warranties" means together, the Sunbury Loan Warranties, the Moonraker Loan Warranties and the Moonraker Flexible Drawing Loan Warranties;

"Portfolio Cut-Off Date" means 31 January 2021;

"Regulatory Authority" means any government department or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, authority (including a tax authority), agency, bureau, board commission, court, department, arbitrator, tribunal or instrumentality thereof; and

"Sunbury Mortgage" means a Mortgage in respect of a Sunbury Loan.

Moonraker PFL Loan Warranties

The warranties that will be given to the Issuer and separately to the Security Trustee by the Moonraker Seller on the Closing Date pursuant to the Mortgage Sale Agreement, in respect of the PFL Loans (the **"Moonraker PFL Loan Warranties"**) include, *inter alia*, similar statements to the following effect:

- (a) each Loan was originated by and made by PFL on its own account;
- (b) as of the Portfolio Cut-Off Date, (i) the particulars of the PFL Loans set out in the Data Tape under the data fields described in Part 2 of Annex 4 (*The Moonraker Portfolio*) to the Mortgage Sale Agreement and (ii) the particulars of the PFL Loans set out in the Data Tape under the data fields described in Part 3 of Annex 4 (*The Moonraker Portfolio*) to the Mortgage Sale Agreement were true and accurate in all material respects;
- (c) each PFL Loan arose from the ordinary course of PFL's residential secured lending activities in England, Wales, Scotland or Northern Ireland and, in each case, at the time of origination, the Lending Criteria were satisfied;
- (d) each PFL Loan and its Related Security was made on the terms of the standard documentation of PFL without any material variation thereto, or on terms of documentation similar to the standard documentation of PFL that would be acceptable to a Reasonable, Prudent Residential Mortgage Lender, and nothing has been done subsequently to add to, lessen, modify or otherwise vary the express provisions of any of the same in any material respect (other than in cases where PFL's or, as the case may be, the Moonraker Seller's, prior consent was obtained);
- (e) all of the Borrowers are individuals;
- (f) no Borrower, mortgagor or guarantor of a Borrower's obligations was an employee or director of the Moonraker Seller as at the date of the Mortgage Sale Agreement;
- (g) the amount outstanding under each PFL Loan is a valid debt to the Moonraker Seller from the Borrower and the terms of each PFL Loan and its Related Security constitute valid, binding and enforceable obligations of the relevant parties except that (i) enforceability may be limited by bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the courts' discretion in relation to equitable remedies, (ii) enforcement of a Scottish Mortgage may be delayed if challenged by a Borrower on the grounds of the *OneSavings Bank plc v Burns* decision and (iii) this warranty shall not apply in respect of any redemption fees or other charges that may be payable;
- (h) no PFL Loan is wholly or partly regulated by the CCA or treated as such;
- (i) no PFL Loan (whether alone or with any related agreement) constitutes an unfair relationship for the purposes of sections 140A to 140C of the CCA;

- (j) (except in relation to a Right-to-Buy Loan, any charge or security which may arise or be granted in favour of the relevant Local Authority which has not been postponed), each PFL Mortgage constitutes a valid and subsisting first charge, mortgage or standard security and/or has first priority or ranking (where a second or subsequent mortgage or standard security exists) by way of legal mortgage or standard security over the relevant Property for the whole amount of the relevant PFL Loan subject only to registration or recording of such PFL Mortgage at the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland (as applicable) and there is nothing to prevent such registration being effected with absolute title or (in Scotland) with title warranted and/or no exclusion of indemnity in due course;
- (k) other than in relation to any Moonraker Seller's obligation to advance or permit the making of Flexible Drawings, there are no outstanding obligations on the Moonraker Seller to make any Further Advances to any Borrower;
- (l) in respect of any PFL Loan in respect of which the relevant Borrower has been permitted to enter into a tenancy, such tenancy is an assured shorthold tenancy (in relation to any English Loan) or a tenancy that is neither controlled by the Rent (Northern Ireland) Order 1978 nor a controlled tenancy under the provisions of the Private Tenancies (Northern Ireland) Order 2006 (in relation to any Northern Irish Loan) or a short assured tenancy within the meaning of the Housing (Scotland) Act 1988 (in relation to any Scottish Loan) or private residential tenancy within the meaning of The Private Housing (Tenancies) (Scotland) Act 2016;
- (m) in relation to any leasehold Property, in any case where PFL or any Original Moonraker Seller has received written notice from the relevant landlord that it is or may be taking reasonable steps to forfeit or irritate the lease of that Property, PFL or the Original Moonraker Sellers, as applicable, have taken such reasonable steps (if any) and in such time as would be taken by a Reasonable, Prudent Residential Mortgage Lender to protect their security and the PFL Loan;
- (n) no PFL Loan is currently repayable in a currency other than Sterling;
- (o) with the exception of certain allowable fees being added to the aggregate balance of the PFL Loan, the original advance being made under each PFL Loan was less than £1,100,000;
- (p) all costs and fees payable by the Borrower in connection with the origination of the PFL Loans have been paid;
- (q) in the case of each PFL Loan, PFL caused to be made on its behalf a valuation of the relevant Property either by a valuer approved by PFL (being a fellow or associate of the Royal Institution of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers for the valuation of a Property) or by an automated valuation model by Hometrack Data Systems Limited in all material respects in accordance with the Lending Criteria;
- (r) neither PFL nor any Original Moonraker Seller had agreed to waive any of their rights against any valuer, solicitor, licensed or qualified conveyancer or other professional who had provided information, carried out work or given advice in connection with any PFL Loan or Related Security;
- (s) all of the Properties are residential and located in England, Wales, Scotland or Northern Ireland;
- (t) prior to making a PFL Loan to a Borrower, PFL either:
 - (A) caused its Approved Solicitors or its Approved Conveyancers to carry out in relation to the relevant Property all investigations, searches and other actions and enquiries which a Reasonable, Prudent Residential Mortgage Lender or its

solicitors normally make when lending to an individual on the security of residential property, as the case may be, in England, Wales, Scotland or Northern Ireland; and

- (B) received a certificate of title prepared by Approved Solicitors or Approved Conveyancers (a "**Certificate of Title**") relating to such Property and the results thereof were such as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender in order to proceed with the PFL Loan; or
 - (C) arranged for PFL's interest in the Property to be insured under a Title Insurance Policy applicable to such Property and the relevant Original Moonraker Seller is insured under such policy; and
 - (D) received a restricted certificate of title from Approved Solicitors or Approved Conveyancers relating to such Property relating to the title to the Property in a form approved by the insurer under each Title Insurance Policy (a "**Restricted Certificate of Title**");
- (u) in relation to each PFL Mortgage that is an English Mortgage, the Borrower has good and marketable title to the relevant Property (subject to registration of the title at the Land Registry) free from any encumbrance (except any subsequent ranking mortgage and subject to any Existing Tenancy Agreements and, in relation to a Right-to-Buy Loan, any charge or security which may arise or be granted in favour of the relevant Local Authority which has not been postponed) which would materially adversely affect such title and, without limiting the foregoing, in the case of a Right-to-Buy Loan secured on a leasehold Property:
- (i) the lease cannot be forfeited on the bankruptcy of the tenant;
 - (ii) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (iii) a copy of the consent or notice has been or will be placed with the Title Deeds;
- (v) in relation to each PFL Mortgage that is a Scottish Mortgage, the Borrower has a valid and marketable heritable or long lease title to the relevant Property (subject to registration or recording of the title at the Registers of Scotland) free (save for the Scottish Mortgage and any subsequent ranking heritable security and, in relation to a Right-to-Buy Loan, any standard security which may arise or be granted in favour of the relevant Local Authority which has not been postponed) from any encumbrance which would materially and adversely affect such title and, without limiting the foregoing, in the case of a leasehold Property:
- (i) the lease cannot be irritated on the bankruptcy or sequestration of the tenant;
 - (ii) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (iii) a copy of the consent or notice has been or will be placed with the Title Deeds;
- (w) in relation to each PFL Mortgage that is a Northern Irish Mortgage, the Borrower has a good and marketable title to the relevant Property (subject to registration or recording of the title at the Land Registers of Northern Ireland) free (save for the Northern Irish Mortgage and any subsequent ranking mortgage and, in relation to a Right-to-Buy Loan, any charge or security which may arise or be granted in favour of the Northern Ireland Housing Executive which has

not been postponed) from any encumbrance which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold Property:

- (i) the lease cannot be forfeited on the bankruptcy of the tenant;
 - (ii) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (iii) a copy of the consent or notice has been or will be placed with the Title Deeds;
- (x) all steps necessary to perfect the relevant Moonraker Legal Title Holder's title to each PFL Mortgage or procure that the relevant Moonraker Legal Title Holder's title to each PFL Mortgage is held on trust for the Moonraker Legal Title Holder were duly taken or are in the process of being taken with all due diligence and the Moonraker Seller is not aware of any caution, notice, inhibitions or restrictions which would prevent the registration or recording of the PFL Mortgage in due course;
- (y) other than registered charges subject to completion of registration at the Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland the whole of each PFL Loan, is secured by a PFL Mortgage;
- (z) no PFL Loan or Related Security is subject to any right of rescission, set off, lien, counterclaim or defence (including any equivalent or analogous right arising under the laws of Scotland) and there are no outstanding claims by PFL or any Original Moonraker Seller, as applicable, in respect of any material breaches of the terms of any PFL Loan;
- (aa) neither the Original Moonraker Sellers nor, PFL had, waived any of their rights under or in relation to a PFL Loan or Related Security which would materially reduce the value of the PFL Loan;
- (bb) the terms of the Loan Agreement or Related Security relating to each PFL Loan entered into between the relevant Borrower and the relevant Originator are not "**unfair terms**" within the meaning of the Unfair Terms in Consumer Contracts Regulations 1994 or the Unfair Terms in Consumer Contract Regulations 1999 but this warranty shall not be construed so as to apply in respect of any redemption fees or other charges;
- (cc) as far as the Moonraker Seller is aware, in relation to each PFL Loan entered into before 31 October 2004, PFL has complied in all material respects with the Mortgage Code issued by the Council of Mortgage Lenders' Code of Practice;
- (dd) as far as the Moonraker Seller is aware, in respect of each PFL Loan entered into before 21 July 2009, PFL has received no complaints that it has not complied with the terms of the Office of Fair Trading's November 1997 Guidelines for Non Status Mortgage Lenders;
- (ee) in relation to each PFL Mortgage which is an English Mortgage or Northern Irish Mortgage, every person who, at the date upon which the relevant PFL Mortgage was made, had attained the age of seventeen and who had been notified to PFL as residing or being about to reside in a Property subject to a PFL Mortgage, is either the relevant Borrower or has signed a Deed of Consent and in relation to each PFL Mortgage which is a Scottish Mortgage, all necessary documentation has been obtained so as to ensure that the relevant Property is not subject to any right of occupancy;

- (ff) in relation to each Scottish Mortgage relating to a PFL Loan, all necessary MHA/CP Documentation has been obtained so as to ensure that neither the relevant Property nor the relevant PFL Mortgage is subject to any right of occupancy;
- (gg) at the date of completion of the relevant PFL Loan each Property was insured (i) under the Third Party Buildings Policies, (ii) with a reputable insurance company approved by PFL, (iii) against all risks usually covered by a Reasonable, Prudent Residential Mortgage Lender in England, Wales, Scotland or Northern Ireland, as applicable, advancing money on the security of residential property and (iv) to an amount not less than the full reinstatement cost as determined by the relevant valuer or automated valuation model (as applicable);
- (hh) save in respect of any new mortgage indemnity insurance policy that the Moonraker Seller may enter into after the date of the Mortgage Sale Agreement, the Insurance Policies were in full force and effect and all premiums payable thereon had been paid and, as far as the Moonraker Seller was aware, the relevant policies were valid and enforceable and the Moonraker Seller had not received notice that there are, and is not otherwise aware of any reasons why an insurer may refuse to accept liability under the same;
- (ii) as far as the Moonraker Seller was aware, there was no claim outstanding under any of the Third Party Buildings Policies (save for senior claims not involving the destruction of Property) and the Moonraker Seller was not aware of any circumstances, act or thing which would, or would be likely to, give rise to any claim under any of the foregoing;
- (jj) save for title deeds held at the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland (as applicable) all the Title Deeds and the mortgage files and computer tapes relating to each of the PFL Loans and their Related Security are held by or to the order of the Moonraker Seller or its agents and the title deeds held at the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland (as applicable) are held on the basis that any such title deeds shall be returned to the Moonraker Seller or its solicitors or agents;
- (kk) the Moonraker Seller is the absolute unencumbered beneficial owner of, and the relevant Moonraker Legal Title Holder is the absolute unencumbered legal owner of, each PFL Loan and its Related Security, subject in each case only to the Mortgage Sale Agreement, the Borrower's equity or right of redemption and subject to registration or recording at the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland (as applicable) of the Moonraker Seller as proprietor or heritable creditor of the relevant PFL Mortgage;
- (ll) as at the date of the Mortgage Sale Agreement the Moonraker Seller has not received written notice and is not aware of any litigation or claim which may have a material adverse effect on the Moonraker Seller's title to any PFL Loan or Related Security;
- (mm) the Original Moonraker Sellers had at all relevant times: (i) held a registration under the provisions of the Data Protection Act 2018, or equivalent; or (ii) paid a data protection fee to the Information Commissioner's officer, in each case, as applicable and where required to do so, to enable it to perform its obligations under the Original Moonraker Seller Mortgage Sale Agreement;
- (nn) all formal approvals, consents and other steps necessary to permit an assignment and assignation of the PFL Loans and their related Mortgages and the other Related Security to be sold under the Mortgage Sale Agreement have been obtained or taken;
- (oo) the Moonraker Servicer (or its delegate) keeps such accounts, books and records as are necessary to show all material transactions, payments, receipts and proceedings relating to that PFL Loan and its PFL Mortgage and the Related Security and all such accounts, books and

records are in the possession of the Moonraker Servicer (or its delegate) as would be done by a Prudent Mortgage Lender;

(pp) in respect of each PFL Loan which is a Buy to Let Loan and in substitution for the Moonraker Loan Warranties set out in paragraphs (l), (q), (u), (v), (w) and (kk) above:

(i) the relevant tenancy, if any, is (A) an assured shorthold tenancy within the meaning of the Housing Act 1988 or either a tenancy agreement not controlled by the Rent (Northern Ireland) Order 1978 or not a controlled tenancy under the provisions of the Private Tenancies (Northern Ireland) Order 2006 (in relation to any English Loan or Northern Irish Loan) or a short assured tenancy within the meaning of the Housing (Scotland) Act 1988 (in relation to any Scottish Loan) (an "Assured Shorthold Tenancy") for a fixed term not more than 12 months or a private residential tenancy within the meaning of The Private Housing (Tenancies) (Scotland) Act 2016 (a "PRT") or, where the Housing Act 1988, the Housing (Scotland) Act 1988 do not apply to the tenancy, or the tenancy agreement is controlled by the Rent (Northern Ireland) Order 1978 or is a controlled tenancy under the provisions of the Private Tenancies (Northern Ireland) Order 2006, a tenancy agreement on terms no less favourable to the Original Moonraker Seller as would be the case if the tenancy had been an Assured Shorthold Tenancy (an "Other Tenancy Agreement" and together with the "Assured Shorthold Tenancies", and PRTs the "Existing Tenancy Agreements") and (B) the Original Moonraker Sellers were not aware of any material breach of such Existing Tenancy Agreements;

(ii) PFL caused to be made on its behalf a valuation of the relevant Property together with the relevant rental income estimate (except for a House Plus PFL Loan which is assessed on a Borrower's self certified income) of the relevant Property by a valuer in all material respects in accordance with the Lending Criteria or by an automated valuation model;

(iii) if the relevant Property is secured by a PFL Mortgage which is an English or Northern Irish Mortgage, the Borrower has good and marketable title to the relevant Property (subject to registration of the title at the Land Registry (in the case of an English Mortgage) or subject to registration of the title at the Land Registers of Northern Ireland (in the case of a Northern Irish Mortgage)) free from any encumbrance (except the English Mortgage or the Northern Irish Mortgage (as applicable), any subsequent ranking mortgage and subject to any Existing Tenancy Agreements and, in relation to a Right-to-Buy Loan, any charge or security which may arise or be granted in favour of the relevant Local Authority or Northern Ireland Housing Executive (as applicable) which has not been postponed) which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold Property:

(A) the lease cannot be forfeited on the bankruptcy of the tenant;

(B) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and

(C) a copy of the consent or notice has been or will be placed with the title deeds;

(iv) if the relevant Property is secured by a Scottish Mortgage, the Borrower has a valid and marketable heritable or long lease title to the relevant Property (subject to registration or recording of the title at the Registers of Scotland) free (save for the Scottish Mortgage and any subsequent ranking heritable security and subject to any Existing Tenancy Agreements and, in relation to a Right-to-Buy Loan, any standard security

which may arise or be granted in favour of the relevant Local Authority which has not been postponed) from any encumbrance which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold Property:

- (A) the lease cannot be irritated on the bankruptcy or sequestration of the tenant;
 - (B) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (C) a copy of the consent or notice has been or will be placed with the title deeds; and
- (v) the Moonraker Seller is the absolute unencumbered beneficial owner of, and the relevant Moonraker Legal Title Holder is the absolute unencumbered legal owner of, each PFL Loan which is a Buy to Let Loan and its Related Security (and each such respective title is good and marketable), subject in each case only to the Mortgage Sale Agreement, the Borrowers' equity or right of redemption, any Existing Tenancy Agreements and subject to registration or recording at the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland (as applicable) of the relevant Moonraker Legal Title Holder as proprietor or registered owner or heritable creditor of the relevant PFL Mortgage;
- (qq) the Original Moonraker Sellers held authorisation and appropriate permissions from the FCA for conducting all regulated activities specified in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (as amended) carried on by it in respect of each PFL Loan;
- (rr) the Original Moonraker Sellers had complied with all applicable requirements of law or of any person who has regulatory authority which has the force of law in respect of the PFL Loan and Related Security, in particular the provisions of the FCA Mortgages and Home Finance: Conduct of Business sourcebook as amended;
- (ss) as far as the Original Moonraker Sellers were aware, no Borrower had made any material complaint and there is no pending or threatened action or proceeding of a material or adverse nature by an applicant against any Original Moonraker Seller in respect of the PFL Loans or Related Security;
- (tt) each officer or employee of the Original Moonraker Sellers, in any capacity which involved a controlled function (as defined in the rules, guidance and evidential provisions as amended contained in the FCA Handbook of Rules and Guidance (the "**FCA Rules**")) or involves the supervision of any person or persons so engaged in respect of the PFL Loans and the Related Security was at all relevant times a validly registered approved person in accordance with the FCA Rules;
- (uu) PFL had created and the Original Moonraker Sellers had maintained all records in respect of the Mortgages in accordance with the FCA Rules and any other applicable requirements of law or of any person who has regulatory authority which has the force of law;
- (vv) no PFL Loan or Related Security comprises or includes (or comprises or includes an interest in) stock or marketable securities (within the meaning of section 122 of Stamp Act 1891), chargeable securities (within the meaning of section 99 of the Finance Act 1986) or a chargeable interest (within the meaning of section 48 of Finance Act 2003, section 4 of the Land and Buildings Transaction Tax (Scotland) Act 2013 or section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017);

- (ww) each PFL Loan sold by the Original Moonraker Sellers to the Moonraker Seller pursuant to the Original Moonraker Seller Mortgage Sale Agreement were, at the time when the Moonraker Seller acquired such PFL Loan, a "**financial asset**" as defined in: (i) United Kingdom Financial Reporting Standard 102 ("**FRS 102**") (if the Purchaser prepares its statutory individual entity financial statements for the period in which such acquisition occurs in accordance with FRS 102); or (ii) International Financial Reporting Standard 9 ("**IFRS 9**") (if the Purchaser prepares its statutory individual entity financial statements for the period in which such acquisition occurs in accordance with IFRS 9);
- (xx) PFL had not directly sold, to any Borrower in respect of a PFL Loan in the Portfolio, any PPI Policy, (ii) so far as the Moonraker Seller is aware, no PPI Policy was sold to any Borrower as a condition for, or attached to, the Mortgage Offer in connection with any PFL Loan and no fees or commissions were paid by PFL to a broker in relation to any PPI Policy which were not disclosed to any Borrower;
- (yy) the Related Security consists wholly and exclusively of rights held by way of security and does not compromise any beneficial entitlement to any other assets other than assets which are rights held by way of security;
- (zz) in respect of the Loans originated by PFL, PFL granted such Loans on the basis of the same sound and well-defined criteria for credit-granting which it applied to Loans that were originated by it and were not purported to be sold to the Moonraker Seller under the Original Moonraker Seller Mortgage Sale Agreement and it applied the same clearly established processes for approving, and where relevant, amending, renewing and refinancing those Loans that were originated by it and not purported to be sold to the Moonraker Seller under the Original Moonraker Seller Mortgage Sale Agreement and it had effective systems in place to apply such criteria and processes in order to ensure that credit-granting was based on a thorough assessment of the relevant Borrower's creditworthiness;
- (aaa) no PFL Loan had been selected to be transferred to the Moonraker Seller pursuant to the Original Moonraker Seller Mortgage Sale Agreement with the aim of rendering losses on the assets transferred to the Moonraker Seller, measured over the life of the transaction, or over a maximum of 4 years, higher than the losses over the same period on comparable assets held on the balance sheet of the relevant Originator as contemplated by Article 6(2) of the EU Securitisation Regulation.

Moonraker Non-PFL Loan Warranties

The warranties that will be given to the Issuer and separately to the Security Trustee by the Moonraker Seller on the Closing Date pursuant to the Mortgage Sale Agreement, in respect of the Non-PFL Loans (the "**Moonraker Non-PFL Loan Warranties**") include, *inter alia*, similar statements to the following effect:

- (a) each Non-PFL Loan was originated by and made by:
 - (i) GMAC-RFC on its own account and each Non-PFL Loan and its Related Security (A) was sold to MAS4 and MAS5, on arm's length terms, all consideration payable under that agreement has been paid in full and an application for the transfer or assignation of the relevant Mortgage to the relevant Original Moonraker Seller has been delivered to the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland and (B) the beneficial interest therein was then sold to the relevant Original Moonraker Seller, on arm's length terms;
 - (ii) Verso on its own account and each Non-PFL Loan and its Related Security (A) was sold to MAS2, on arm's length terms, all consideration payable under that agreement

- has been paid in full and an application for the transfer or assignation of the relevant Mortgage to the relevant Original Moonraker Seller has been delivered to the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland and (B) the beneficial interest therein was then sold to the relevant Original Moonraker Seller, on arm's length terms;
- (iii) SPML on its own account and each Non-PFL Loan and its Related Security (A) was sold to MAS2, on arm's length terms, all consideration payable under that agreement has been paid in full and an application for the transfer or assignation of the relevant Mortgage to the relevant Original Moonraker Seller has been delivered to the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland and (B) the beneficial interest therein was then sold to the relevant Original Moonraker Seller, on arm's length terms; and
 - (iv) KMCL on its own account and each Non-PFL Loan and its Related Security (A) was sold to MAS6, on arm's length terms, all consideration payable under that agreement has been paid in full and an application for the transfer or assignation of the relevant Mortgage to the relevant Original Moonraker Seller has been delivered to the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland and (B) the beneficial interest therein was then sold to the relevant Original Moonraker Seller, on arm's length terms;
- (b) as of the Portfolio Cut-Off Date, (i) the particulars of the Non-PFL Loans set out in the Data Tape under the data fields described in Part 2 of Annex 4 (*The Moonraker Portfolio*) to the Mortgage Sale Agreement and (ii) the particulars of the Non-PFL Loans set out in the Data Tape under the data fields described in Part 3 of Annex 4 (*The Moonraker Portfolio*) to the Mortgage Sale Agreement were true and accurate in all material respects;
 - (c) each Non-PFL Loan arose from the ordinary course of the Non-PFL Originator's residential secured lending activities in England and Wales or Scotland and, in each case, at the time of origination, the Lending Criteria were materially satisfied;
 - (d) each Non-PFL Loan and its Related Security was made on the terms of the standard documentation of the Non-PFL Originators without any material variation thereto, or on terms of documentation similar to the standard documentation of the Non-PFL Originators that would be acceptable to a Reasonable, Prudent Residential Mortgage Lender, and nothing has been done subsequently to add to, lessen, modify or otherwise vary the express provisions of any of the same in any material respect (other than in cases where Non-PFL Originators' or, as the case may be, MAS2's, MAS4's, MAS5's, MAS6's or the relevant Original Moonraker Seller's, as applicable, prior written consent was obtained);
 - (e) all of the Borrowers are individuals;
 - (f) no Borrower, mortgagor or guarantor of a Borrower's obligations was an employee or director of the Moonraker Seller as at the date of the Mortgage Sale Agreement;
 - (g) the amount outstanding under each Non-PFL Loan was a valid debt to the relevant Original Moonraker Seller from the Borrower and the terms of each Non-PFL Loan and its Related Security constitute valid, binding and enforceable obligations of the relevant parties except that (i) enforceability may be limited by bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the courts' discretion in relation to equitable remedies and (ii) enforcement of a Scottish Mortgage may be delayed if challenged by a Borrower on the grounds of the *OneSavings Bank plc v Burns* decision and (iii) this warranty shall not apply in respect of any redemption fees;

- (h) no Non-PFL Loan is wholly or partly regulated by the CCA or treated as such;
- (i) no agreement for any Unregulated Loan is a consumer credit agreement (as defined in Section 8 of the Consumer Credit Act 1974) or constitutes any other agreement regulated or partly regulated by the Consumer Credit Act 1974 (other than Sections 140A to 140C of such Act) or any modification or re-enactment thereof;
- (j) no Non-PFL Loan (whether alone or with any related agreement) constitutes an unfair relationship for the purposes of sections 140A to 140C of the CCA;
- (k) there are no outstanding obligations on the Moonraker Seller or the Moonraker Legal Title Holders to make any Further Advances to any Borrower;
- (l) as far as the Moonraker Seller is aware, to the extent that any of the Non-PFL Loans qualify as distance contracts (as defined by Article 2 of the Financial Services (Distance Marketing) Regulations 2004), the relevant Non-PFL Originator has complied with the relevant provisions of the Financial Services (Distance Marketing) Regulations 2004;
- (m) in respect of any Non-PFL Loan in respect of which the relevant Borrower has been permitted to enter into a tenancy, such tenancy is an assured shorthold tenancy (in relation to any English Loan) or a tenancy that is neither controlled by the Rent (Northern Ireland) Order 1978 nor a controlled tenancy under the provisions of the Private Tenancies (Northern Ireland) Order 2006 (in relation to any Northern Irish Loan) or in relation to any Scottish Loan, a short assured tenancy within the meaning of the Housing (Scotland) Act 1988 or private residential tenancy within the meaning of The Private Housing (Tenancies) (Scotland) Act 2016;
- (n) in relation to any leasehold Property, in any case where MAS2, MAS4, MAS5 or MAS6, as applicable or any Original Moonraker Seller has received written notice from the relevant landlord that it is or may be taking reasonable steps to forfeit or irritate the lease of that Property, MAS2, MAS4, MAS5 or MAS6, as applicable or the Original Moonraker Sellers have taken such reasonable steps (if any) and in such time as would be taken by a Reasonable, Prudent Residential Mortgage Lender to protect their security and the Non-PFL Loan;
- (o) no Non-PFL Loan is currently repayable in a currency other than Sterling;
- (p) the original advance being made under each Non-PFL Loan was less than £1,100,000;
- (q) insofar as the Moonraker Seller is aware, all costs and fees payable by the Borrower in connection with the origination of the Non-PFL Loans have been paid (or capitalised onto the relevant Non-PFL Loan);
- (r) not more than six months prior to making an advance, either a valuation of the relevant Property was undertaken on behalf of the Non-PFL Originators by a valuer and a valuation report addressed to the Non-PFL Originators was obtained or an AVM Valuation was carried out and, other than the contents of the valuation report (or AVM Valuation) were such as to be acceptable to an underwriter of the Non-PFL Originators acting prudently and reasonably;
- (s) neither MAS2, MAS4, MAS5 nor MAS6, as applicable, nor the Original Moonrakers Seller had agreed to waive any of their rights against any valuer, solicitor, licensed or qualified conveyancer or other professional who had provided information, carried out work or given advice in connection with any Non-PFL Loan or Related Security;
- (t) all of the Properties are residential properties and located in England and Wales, Scotland and Northern Ireland;

- (u) prior to making a Non-PFL Loan to a Borrower, the Non-PFL Originators either:
 - (i) both of:
 - (A) caused its Approved Solicitors to carry out in relation to the relevant Property all investigations, searches and other actions and enquiries which a Reasonable, Prudent Residential Mortgage Lender or its solicitors normally make when lending to an individual on the security of residential property in England and Wales, Northern Ireland or Scotland; and
 - (B) save in relation to a Certificate of Insurance Loan, the Non-PFL Originators instructed its solicitors and received, not more than six months prior to making the relevant advance, a Certificate of Title from such solicitors and a signed copy of that Certificate of Title is with the Loan File and the Certificate of Title did not reveal anything as a result of which a Reasonable, Prudent Residential Mortgage Lender would not have proceeded with the relevant Loan on the terms upon which it was made; or
 - (ii) procured that the Non-PFL Originators interest in the Property was insured under a Title Insurance Policy;
- (v) in relation to each Non-PFL Mortgage that is an English Mortgage, the Borrower has good and marketable title to the relevant Property (subject to registration of the title at the Land Registry) free from any encumbrance (except the Mortgage and any subsequent ranking mortgage or in relation to a Right-to-Buy Loan, any charge or security which may arise or be granted in favour of the relevant Local Authority which has not been postponed) which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold property:
 - (i) the lease cannot be forfeited on the bankruptcy of the tenant;
 - (ii) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (iii) a copy of the consent or notice has been or will be placed with the Title Deeds;
- (w) in relation to each Non-PFL Mortgage that is a Scottish Mortgage, the Borrower has a valid and marketable heritable or long lease title to the relevant Property (subject to registration or recording of the title at the Registers of Scotland) free (save for the Non-PFL Mortgage and any subsequent ranking heritable security and, in relation to a Right-to-Buy Loan, any standard security which may arise or be granted in favour of the relevant Local Authority which has not been postponed) from any encumbrance which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold Property:
 - (i) the lease cannot be irritated on the bankruptcy or sequestration of the tenant;
 - (ii) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (iii) a copy of the consent or notice has been or will be placed with the Title Deeds;
- (x) in relation to each Non-PFL Mortgage that is a Northern Irish Mortgage, the Borrower has good and marketable title to the relevant Property (subject to registration of the title at the Land Registry of Northern Ireland) free from any encumbrance (except the Non-PFL Mortgage and

any subsequent ranking mortgage or in relation to a Right-to-Buy Loan, any charge or security which may arise or be granted in favour of the relevant Local Authority which has not been postponed) which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold property:

- (i) the lease cannot be irritated on the bankruptcy or sequestration of the tenant;
 - (ii) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (iii) a copy of the consent or notice has been or will be placed with the Title Deeds;
- (y) the whole of each Non-PFL Loan, is secured by a Non-PFL Mortgage;
- (z) (except in relation to a Right-to-Buy Loan, any charge or security which may arise or be granted in favour of the relevant Local Authority which has not been postponed), each Non-PFL Mortgage constitutes a valid and subsisting first charge or standard security and/or has first priority or ranking (where a second or subsequent mortgage or standard security exists) by way of legal mortgage or standard security over the relevant Property for the whole amount of the relevant Non-PFL Loan subject only to registration of such Non-PFL Mortgage at the Land Registry or the Registers of Scotland and there is nothing to prevent such registration being effected with absolute title or (in Scotland) with title warranted and/or no exclusion of indemnity in due course;
- (aa) in relation to any Right-to-Buy Loan:
- (i) the Non-PFL Originators were, at the relevant time, an approved lending institution within the meaning given to that expression in the Housing Act 1985 or the Housing (Northern Ireland) Order 1983 (as amended by the Housing (Northern Ireland) Order 1986, the Housing (Northern Ireland) Order 1992 and the Housing (Northern Ireland) Order 2003) or, in Scotland, a recognised lending institution in terms of the Housing (Scotland) Act 1987;
 - (ii) the original advance or Further Advance was made to a person exercising the right to buy;
 - (iii) either the Non-PFL Loan (and Further Advance, if applicable) was made for the sole purpose of enabling the recipient thereof to purchase or re mortgage the relevant Property or, in cases where additional amounts have been advanced to the Borrower and the relevant local authority's statutory charge or standard security has not been postponed, there exists legal, valid, binding and enforceable insurance cover in respect of any losses which could arise by virtue of the local authority's statutory charge or standard security; or
 - (iv) where the Property comprises an ex-council flat, the minimum property value is £25,000 and the block contains no more than ten floors (any ex-council flat in a block containing more than ten floors could only be agreed by exception);
- (bb) no Non-PFL Loan is subject to any right of set off, lien counterclaim or defence (including any equivalent or analogous right arising under the Law of Scotland) and there are no outstanding claims by MAS2, MAS4, MAS5 or MAS6 or the Moonraker Seller, as applicable in respect of any material breaches of the terms of any Non-PFL Loan;

- (cc) neither MAS2, MAS4, MAS5, MAS6 nor any of the Original Moonraker Sellers, as applicable, had waived and, as far as the Moonraker Seller is aware, no Non-PFL Originators had waived any of their rights under or in relation to a Non-PFL Loan, which would materially reduce the value of the Non-PFL Loan;
- (dd) in respect of each Non-PFL Loan, each of Non-PFL Originators, MAS2, MAS4, MAS5 or MAS6, as applicable and the Original Moonraker Sellers complied in all material respects with the FCA Handbook;
- (ee) each officer or employee of MAS2, MAS4, MAS5, MAS6 or the relevant Original Moonraker Seller or, so far the Moonraker Seller is aware, the relevant Non-PFL Originator as applicable, in any capacity which involved a controlled function (as defined in the FCA Rules) or involved the supervision of any person or persons so engaged in respect of the Non-PFL Loans and the Related Security was at all relevant times a validly registered approved person in accordance with the FCA Rules;
- (ff) the Non-PFL Originators had created and each of MAS2, MAS4, MAS5, MAS6 or the Original Moonraker Sellers, as applicable had maintained all records in respect of the Non-PFL Loans in accordance with the FCA Rules and any other Regulatory Requirements;
- (gg) no Non-PFL Loan or Related Security comprises or includes (or comprises or includes an interest in) stock or marketable securities (within the meaning of section 122 of Stamp Act 1891), chargeable securities (within the meaning of section 99 of the Finance Act 1986) or a chargeable interest (within the meaning of section 48 of Finance Act 2003, section 4 of the Land and Buildings Transaction Tax (Scotland) Act 2013 or section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017);
- (hh) the terms of the Loan Agreement or Related Security relating to each Non-PFL Loan entered into between the relevant Borrower and the relevant Originator are not unfair terms within the meaning of the Unfair Terms in Consumer Contracts Regulations 1994 or the Unfair Terms in Consumer Contract Regulations 1999 but this warranty shall not be construed so as to apply in respect of any redemption fees or other charges;
- (ii) as far as the Moonraker Seller is aware, in relation to each Non-PFL Loan entered into before 31 October 2004, the Non-PFL Originators complied in all material respects with the Mortgage Code issued by the Council of Mortgage Lenders' Code of Practice;
- (jj) so far the Moonraker Seller is aware, in respect of each Non-PFL Loan entered into before 21 July 2009, the Non-PFL Originators have received no complaints that it has not complied with the terms of the Office of Fair Trading's November 1997 Guidelines for Non Status Mortgage Lenders;
- (kk) in relation to each Non-PFL Mortgage that is an English Mortgage or a Northern Irish Mortgage every person who, at the date upon which the relevant Non-PFL Loan was made, had attained the age of seventeen and who had been notified to MAS2, MAS4, MAS5 or MAS6, as applicable, or the Non-PFL Originators as residing or being about to reside in a Property subject to a Non-PFL Mortgage, is either the relevant Borrower or has signed a Deed of Consent (except in relation to any Non-PFL Loans which are a Buy to Let Loan);
- (ll) in relation to each Non-PFL Mortgage that is a Scottish Mortgage, all necessary MHA/CP Documentation has been obtained so as to ensure that neither the relevant Property nor the relevant Mortgage is subject to any right of occupancy;
- (mm) each Property is insured (from the date of completion of the relevant Non-PFL Loan):

- (i) under a Third Party Buildings Policies;
 - (ii) with a reputable insurance company approved or not objected to by MAS2, MAS4, MAS5 or MAS6 or, as applicable, the Moonraker Seller or the relevant Non-PFL Originators;
 - (iii) against all risks usually covered by a Reasonable, Prudent Residential Mortgage Lender in England and Wales and Scotland as applicable, advancing money on the security of residential property; and
 - (iv) to an amount not less than the full reinstatement cost as determined by the relevant valuer or automated valuation model (as applicable);
- (nn) the Insurance Policies were in full force and effect and, all premiums payable thereon had been paid and, as far as the Moonraker Seller was aware, the relevant Insurance Policies were valid and enforceable and the Moonraker Seller had not received notice that there are, and are not otherwise aware of any reasons why an insurer may refuse to accept liability under the same;
- (oo) as far as the Moonraker Seller is aware, there is no claim disputed and outstanding under any of the Third Party Buildings Policies (save for senior claims not involving the destruction of Property) and the Moonraker Seller is not aware of any circumstances, act or thing which would, or would be likely to, give rise to any claim under any of the foregoing;
- (pp) save for Title Deeds held at the Land Registry or the Registers of Scotland or the Land Registers of Northern Ireland or in relation to a Certificate of Insurance Loan to the Title Deeds held or being dealt with by Approved Solicitors acting on behalf of the Non-PFL Originators, MAS2, MAS4, MAS5 or MAS6, as applicable, all the Title Deeds and the mortgage files and computer tapes relating to each of the Non-PFL Loans and their Related Security are held by (i) the Moonraker Seller or its agents, (ii) MAS2, MAS4, MAS5 or MAS6, as applicable, or its agents or (iii) MAS2, MAS4, MAS5 or MAS6's agents or solicitors to the order of the Moonraker Seller, and the Title Deeds held at the Land Registry or the Registers of Scotland or the Land Registers of Northern Ireland are held on the basis that any such Title Deeds shall be returned to the Moonraker Seller or their solicitors or agents;
- (i) The Moonraker Seller is the absolute unencumbered beneficial owner of, each Non-PFL Loan and its Related Security, subject in each case only to the Mortgage Sale Agreement, the Borrowers' equity or right of redemption and subject to registration or recording at Land Registry or the Registers of Scotland of the Moonraker Seller as proprietor or heritable creditor of the relevant Non-PFL Mortgage; and
 - (ii) the relevant Moonraker Legal Title Holders is the sole legal title holder to each Non-PFL Loan and its Related Security;
- (qq) the Original Moonraker Seller has not and, as far as the Moonraker Seller is aware, none of MAS2, MAS4, MAS5 or MAS6, as applicable or the Non-PFL Originators had received written notice and are not aware of any litigation or claim which may have a material adverse effect on the Moonraker Seller's title to any Non-PFL Loan or Related Security;
- (rr) the Moonraker Seller has and, so far as the Moonraker Seller is aware, the Originator and the relevant Legal Title Holders have complied with all applicable requirements of law or of any person who has regulatory authority which has the force of law in respect of the Loan and Related Security, in particular the provisions of the FCA Mortgages and Home Finance; Conduct of Business sourcebook as amended from time to time;

- (ss) the Original Moonraker Sellers had at all relevant times: (i) held a registration under the provisions of the Data Protection Act 2018, or equivalent or (ii) paid a data protection fee to the Information Commissioner's officer, in each case, as applicable and where required to do so, to enable it to perform its obligations under the Original Moonraker Seller Mortgage Sale Agreement;
- (tt) from and including 31 October 2004:
 - (i) each of the Original Moonraker Sellers, MAS2, or MAS6 as applicable and the Non-PFL Originators had been authorised by and held appropriate permissions from the FCA to conduct all applicable Regulated Mortgage Activities in respect of the Loans;
 - (ii) each of the Original Moonraker Sellers, MAS2, or MAS6 as applicable and the Non-PFL Originators has complied with the provisions of MCOB where applicable in respect of all Loans;
- (uu) as far as the Moonraker Seller is aware, each intermediary that introduced a Non-PFL Loan to the Non-PFL Originators on or after 31 October 2004 was authorised by the FSA;
- (vv) all formal approvals, consents and other steps necessary to permit an assignment and assignation of the Loans and their related Non-PFL Mortgages and the other Related Security that were sold under the Original Moonraker Seller Mortgage Sale Agreement were obtained or taken;
- (ww) each of the Moonraker Seller, MAS2, or MAS6, as applicable, and the Non-PFL Originators have, since the making of each Non-PFL Loan, kept such accounts, books and records as are necessary to show all material transactions, payments, receipts and proceedings relating to that Non-PFL Loan and its Non-PFL Mortgage and the Related Security and all such accounts, books and records are in the possession of the Moonraker Seller (or its agents) as would be done by a Reasonable, Prudent Residential Mortgage Lender;
- (xx) each Non-PFL Loan sold by the Moonraker Seller to the Issuer pursuant to the Mortgage Sale Agreement will be, at the time when the Issuer acquires such Non-PFL Loan, a "**financial asset**" as defined in: (i) United Kingdom Financial Reporting Standard 102 ("**FRS 102**") (if the Purchaser prepares its statutory individual entity financial statements for the period in which such acquisition occurs in accordance with FRS 102); or (ii) International Financial Reporting Standard 9 ("**IFRS 9**") (if the Issuer prepares its statutory individual entity financial statements for the period in which such acquisition occurs in accordance with IFRS 9);
- (yy) the Original Moonraker Sellers were authorised by, held appropriate permissions from the FCA to conduct all Regulated Mortgage Activities and had complied with the provisions of MCOB in respect of each Further Advance;
- (zz) no Borrower, mortgagor or guarantor of a Borrower's obligations is an employee or director of the Moonraker Seller as at the date of the Mortgage Sale Agreement;
- (aaa) in respect of each Non-PFL Loan which is a Buy to Let Loan and in substitution for the Moonraker Loan Warranties set out in paragraphs (m), (r), (v) and (w) above:
 - (i) the relevant tenancy, if any, is (A) an assured shorthold tenancy within the meaning of the Housing Act 1988 or (in relation to any Scottish Loan) a short assured tenancy within the meaning of the Housing (Scotland) Act 1988 (an "**Assured Shorthold Tenancy**") for a fixed term not more than 12 months or a private residential tenancy within the meaning of The Private Housing (Tenancies) (Scotland) Act 2016 (a

"PRT") or, where the Housing Act 1988, the Housing (Scotland) Act 1988 or the Private Housing (Tenancies) (Scotland) Act 2016 do not apply to the tenancy, a tenancy agreement on terms no less favourable to the Moonraker Seller as would be the case if the tenancy had been an Assured Shorthold Tenancy (an **"Other Tenancy Agreement"** and together with the Assured Shorthold Tenancies and PRT, the **"Existing Tenancy Agreements"**) and (B) the Moonraker Seller is not aware of any material breach of such Existing Tenancy Agreements; or

- (ii) the Non-PFL Originators caused to be made on its behalf a valuation of the relevant Property together with the relevant rental income estimate (except in the case of a House Plus Non-PFL Loan which is assessed on a Borrowers' self certified income) of the relevant Property by a valuer in all material respects in accordance with the Lending Criteria;
- (iii) if the relevant Property is secured by an English Mortgage, the Borrower has good and marketable title to the relevant Property (subject to registration of the title at the Land Registry, any subsequent ranking mortgage and subject to any Existing Tenancy Agreements and, in relation to a Right-to-Buy Loan, any charge or security which may arise or be granted in favour of the relevant Local Authority) which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold Property:
 - (A) the lease cannot be forfeited on the bankruptcy of the tenant;
 - (B) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (C) a copy of the consent or notice has been or will be placed with the Title Deeds;
- (iv) in relation to each Non-PFL Mortgage that is a Scottish Mortgage, if the relevant Property is secured by a Scottish Mortgage, the Borrower has a valid and marketable heritable or long lease title to the relevant Property (subject to registration or recording of the title at the Registers of Scotland) free (save for the Non-PFL Mortgage and any subsequent ranking heritable security and subject to any Existing Tenancy Agreements and, in relation to a Right-to-Buy Loan, any standard security which may arise or be granted in favour of the relevant Local Authority which has not been postponed) from any encumbrance which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold Property:
 - (A) the lease cannot be irritated on the bankruptcy or sequestration of the tenant;
 - (B) any requisite consent of the landlord to or notice to the landlord of, the creation of the Related Security has been obtained or given; and
 - (C) a copy of the consent or notice has been or will be placed with the title deeds;
- (bbb) the Moonraker Seller is the absolute unencumbered beneficial owner of, each Non-PFL Loan which is a Buy to Let Loan and its Related Security, subject in each case only to the Mortgage Sale Agreement, the Borrowers' equity or right of redemption, any Existing Tenancy Agreements and subject to registration or recording at the Land Registry of the Registers of Scotland or the Land Registers of Northern Ireland of the Moonraker Seller as proprietor or registered owner of the relevant Mortgage;

- (ccc) (i) none of the Non-PFL Legal Title Holders had directly sold, to any Borrower in respect of a Moonraker Loan in the Portfolio, any PPI Policy, (ii) so far as the Moonraker Seller is aware, no PPI Policy was sold to any Borrower as a condition for, or attached to, the Mortgage Offer in connection with any Mortgage Loan and no fees or commissions were paid by any Non-PFL Legal Title Holder to a broker in relation to any PPI Policy which were not disclosed to any Borrower;
- (ddd) the Related Security consists wholly and exclusively of rights held by way of security and does not compromise any beneficial entitlement to any other assets other than assets which are rights held by way of security;
- (eee) in respect of Moonraker Loans originated by an Originator other than PFL, the criteria applied by the relevant Originator in the credit-granting of the relevant Loan was as sound and well-defined as the criteria applied to the Loan advanced by the relevant Originator but not purported to be sold in the Original Moonraker Seller Mortgage Agreement; and
- (fff) no Non-PFL Loan had been selected to be transferred to the Moonraker Seller pursuant to the Original Moonraker Seller Mortgage Sale Agreement with the aim of rendering losses on the assets transferred to the Moonraker Seller, measured over the life of the transaction, or over a maximum of 4 years, higher than the losses over the same period on comparable assets held on the balance sheet of the relevant Originator as contemplated by Article 6(2) of the EU Securitisation Regulation.

Moonraker Flexible Drawing Loan Warranties

The warranties that will be given to the Issuer and separately to the Security Trustee by the Moonraker Seller on the Drawings Date pursuant to the Mortgage Sale Agreement, in respect of the Flexible Loans (the "**Moonraker Flexible Drawing Loan Warranties**") are:

- (a) each Flexible Loan arose from the ordinary course of PFL's or the Non-PFL Originator's residential secured lending activities in England, Wales, Scotland or Northern Ireland and, in each case, at the time of advance of such Flexible Loan, the Lending Criteria were satisfied;
- (b) each Flexible Loan was made on the terms of the standard documentation of PFL and the Non-PFL Originators without any material variation thereto, or on terms of documentation similar to the standard documentation of PFL or the Non-PFL Originators that would be acceptable to a Reasonable, Prudent Residential Mortgage Lender, and nothing has been done subsequently to add to, lessen, modify or otherwise vary the express provisions of any of the same in any material respect (other than in cases where PFL's, the Non-PFL Originators', MAS2's, MAS4's, MAS5's, MAS6's or, as the case may be, the Original Moonraker Seller's, as applicable, prior consent was obtained);
- (c) the amount outstanding under each Flexible Loan was a valid debt to the relevant Original Moonraker Seller from the Borrower and the terms of each Flexible Loan and its Related Security constitute valid, binding and enforceable obligations of the relevant parties except that (i) enforceability may be limited by bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the courts' discretion in relation to equitable remedies, (ii) enforcement of a Scottish Mortgage may be delayed if challenged by a Borrower on the grounds of the OneSavings Bank plc v Burns decision and (iii) this warranty shall not apply in respect of any redemption fees or other charges that may be payable;

- (d) other than registered charges subject to completion of registration at the Land Registry, the Land Registers of Northern Ireland or the Registers of Scotland the whole of each Flexible Loan, is secured by a Moonraker Mortgage; and
- (e) the Moonraker Seller is the absolute unencumbered beneficial owner of, and the relevant Moonraker Legal Title Holder is the absolute unencumbered legal owner of, each Flexible Loan and its Related Security, subject in each case only to the Mortgage Sale Agreement, the Borrower's equity or right of redemption and subject to registration or recording at the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland (as applicable) of the Moonraker Seller as proprietor or heritable creditor of the relevant Moonraker Mortgage.

As used in this Prospectus:

"Approved Solicitors" means (1) any firm of solicitors authorised to practise law by the Law Society of England and Wales, the Law Society of Scotland or the Law Society of Northern Ireland having at least two partners; (2) any firms of solicitors authorised to practice law by the Law Society of England and Wales, the Law Society of Scotland or the Law Society of Northern Ireland having a sole principal; or (3) such other firm as would be approved by a Reasonable, Prudent Residential Mortgage Lender;

"Approved Conveyancers" means (1) any sole principal, partnership or incorporated practice of conveyancers authorised to practise conveyancing by the Council of Licensed Conveyancers or (in Scotland) by the Law Society of Scotland; or (2) such other firm as would be approved by a Reasonable, Prudent Residential Mortgage Lender;

"Land Registers of Northern Ireland" means the Land Registry of Northern Ireland and/or the Registry of Deeds of Belfast;

"Land Registry" means the body responsible for recording details of land in England and Wales;

"Local Authority" means the relevant local authority, including in relation to Northern Ireland, the Northern Ireland Housing Executive.

"Insurance Policies" means with respect to certain Loans, the Title Insurance Policies (which are in favour of one or more of the Original Moonraker Sellers) and any other insurance contracts in replacement, addition or substitution thereof from time to time which relates to the Loans (but excluding for the avoidance of doubt any PPI Policy) and Insurance Policy means any one of them;

"Moonraker Loan Warranties" means together, the Moonraker PFL Loan Warranties and the Moonraker Non-PFL Loan Warranties;

"Non-PFL Loan" means a Moonraker Loan originated by GMAC-RFC, Verso, Kensington or SPML;

"Non-PFL Mortgage" means the GMAC-RFC Mortgages, Verso Mortgages, Kensington Mortgages and SPML Mortgages;

"Non-PFL Originator" means the Originator of the relevant Loan secured by a Non-PFL Mortgage;

"PFL Loan" means a Moonraker Loan originated by PFL;

"PFL Mortgage" means a Mortgage in respect of a PFL Loan;

"Registers of Scotland" means the Land Register of Scotland and/or the General Register of Sasines;

"Regulatory Requirements" means any applicable requirement of law or of any person who has regulatory authority which has the force of law;

"Third Party Buildings Policies" means with respect to the Properties, buildings insurance or building and contents insurance arranged by the relevant Borrower;

"Title Insurance Policies" means the title insurance policies (if any) in favour of one or more Original Moonraker Sellers to the extent such policies relate to the Loans and any additional, replacement or substitute title insurance policy to the extent such policies relates to the Loans; and

"Unregulated Loan" means a Loan which is not a Regulated Mortgage Contract.

Neither the Security Trustee nor the Arranger have undertaken any additional due diligence in respect of the application of the Lending Criteria and have relied entirely upon the representations and warranties referred to above which will be made by the Sellers to the Issuer and the Security Trustee pursuant to the Mortgage Sale Agreement.

For the avoidance of doubt, each reference to a "Loan" in a Loan Warranty shall where the context requires include any Further Advances made in respect of that Loan on or prior to the Closing Date.

Repurchase by the Sellers

Each Seller will agree to be liable for the repurchase of any Loan and its Related Security sold pursuant to the Mortgage Sale Agreement if any Loan Warranty made by the relevant Seller in relation to that Loan and/or its Related Security proves to be materially untrue as at the Closing Date and that default has not been remedied in accordance with the Mortgage Sale Agreement and within the applicable grace period. Any Loans and their Related Security will be required to be repurchased following receipt by the relevant Seller of a loan repurchase notice substantially in the form set out in and delivered in accordance with the Mortgage Sale Agreement (a "**Loan Repurchase Notice**") requiring the relevant Seller to repurchase the relevant Loan and its Related Security in accordance with the terms of the Mortgage Sale Agreement.

A Seller may in lieu of the repurchase, at the option of that Seller, make an indemnity payment in lieu of repurchase of a Loan or Loans.

The Sellers shall have no other liability for breach of a Loan Warranty other than the obligation to repurchase such Loan or Loans in breach of Loan Warranty or make an indemnity payment in lieu of such repurchase in accordance with the terms of the Mortgage Sale Agreement, and shall have no obligation to repurchase any Loans in breach of any Loan Warranty or make any indemnity payment in lieu of such repurchase unless the Issuer has given the relevant Seller notice of the event giving rise to the obligation to repurchase before the Optional Redemption Date. In addition, the Sellers shall have no liability for a material breach of a Loan Warranty other than the obligation to repurchase (or make an indemnity payment in lieu of repurchase) in accordance with the terms of the Mortgage Sale Agreement unless:

- (i) in relation to each Loan the amount of such loss suffered by the Issuer would be more than £5,000; and
- (ii) (in relation to the first claim) the loss suffered by the Issuer for all breaches of warranty in relation to all the Loans in the Portfolio would exceed £500,000 in aggregate PROVIDED that once such aggregate threshold has been reached, a claim for breach of a Loan Warranty may be made in relation to each Loan where the loss exceeds the threshold referred to in paragraph (i) above, and in which case the Sellers shall be liable for their respective share of the total loss (being, for the avoidance of doubt, £500,000 plus any amount in excess thereof).

Repurchase following legal proceedings

Each Seller and the Issuer will agree pursuant to the Mortgage Sale Agreement that if and to the extent that any determination shall be made by any court or other competent authority or any ombudsman or regulator that:

- (a) any term which relates to the recovery of interest under the Standard Documentation applicable to a Loan and its Related Security is unfair;
- (b) the Standard Variable Rate or any other discretionary interest rate or margin payable under any Loan (subject to any applicable caps, discounts and fixed rates) may not be set by the relevant Legal Title Holder, any successors, assigns or transferees of the relevant Legal Title Holder, any person holding legal title as bare trustee for the Issuer or those deriving title from the Issuer or such holder of legal title; or
- (c) there has been any material breach of or non-observance or non-compliance with any obligation, undertaking, covenant or condition on the part of the Sellers or the Originators or the relevant Legal Title Holder relating to the interest payable by or applicable to a Borrower under any Loan,

and such determination results in the relevant Loan (or any terms thereof relating to the obligations of the relevant Borrower to make payment of principal or interest in respect of the relevant Loan or the security granted in respect of the relevant Loan) being unenforceable, non-binding upon the relevant Borrower or has a material adverse effect on the enforceability of such Loan or its Related Security, then, as soon as reasonably practicable after the receipt by the Issuer of a notification that such a determination has been made under paragraph (a), (b) or (c) above, the Issuer will serve upon the relevant Seller a Loan Repurchase Notice requiring the relevant Seller to repurchase (or procure the repurchase of) the relevant Loan and its Related Security and, following receipt of such Loan Repurchase Notice, the relevant Seller shall be required to repurchase the relevant Loan and its Related Security in accordance with the terms of the Mortgage Sale Agreement.

Repurchase price

Where a Seller is required to repurchase an affected Loan and its Related Security, the consideration payable by the relevant Seller in respect of the repurchase of an affected Loan and its Related Security shall be equal to the Outstanding Principal Balance of such Loan as at the relevant date of any such repurchase, plus Arrears of Interest plus the Issuer's costs and expenses (if any) associated with the transfer of such Loan and its Related Security to the relevant Seller.

As noted above, the relevant Seller may in lieu of the repurchase, at the option of the relevant Seller, elect to make an indemnity payment to the Issuer in respect of the affected Loan. If the relevant Seller makes such an election, instead of effecting a repurchase of the relevant Loan, it shall indemnify on an after-tax basis and keep indemnified the Issuer against all Liabilities relating to the breach of Loan Warranty, provided that any Liabilities of the Issuer in relation to any Loan shall not exceed the amount that would have been payable by the relevant Seller if it had repurchased the Loan and its Related Security.

As used in this Prospectus:

"Accrued Interest" means, in relation to a Loan, as at any given date, the aggregate amount of interest accrued or charged from and including the immediately preceding monthly payment date for such Loan but not yet paid (or, if later, the date of completion of such Loan) to, but excluding, that given date.

"Arrears Balance" means, in relation to a Loan, as at any given date, the aggregate amount of all the sums which are due and payable but have not been paid by the relevant Borrower in accordance with the terms of that Loan as at that given date including any:

- (a) Arrears of Interest; and
- (b) arrears of any repayment of principal.

"Arrears of Interest" means, in relation to a Loan, as at any given date, interest which has become due and payable but remains unpaid as at that given date.

"Borrower" means, in relation to a Loan, each person or persons who is or are named and defined as such in the relevant Loan, Mortgage or Mortgage Conditions and to whom such Loan is advanced together with any person or persons from time to time assuming the obligations of the Borrower to repay such Loan or any part of it.

"Calculation Date" means the day falling three Business Days prior to each Interest Payment Date.

"Calculation Period" means each period from (and including) the first day in a calendar month to (and including) the last day of that same calendar month and in the case of the first Calculation Period, the period from (and including) the Closing Date to (but excluding) 1 March 2021.

"Certificate of Title" means, in respect of a Property, a solicitor's, licensed or (in Scotland) qualified conveyancer's report or certificate of title obtained by or on behalf of the Originators in respect of such Property substantially in the form of the pro forma set out in the Standard Documentation and all documents and enclosures accompanying the certificate of title as required by the solicitor's instructions.

"Collection Period" means each quarterly period commencing from (but excluding) each Collection Period End Date and ending on (and including) the immediately succeeding Collection Period End Date, with the first Collection Period commencing on (and including) 1 February 2021 (in respect of the Sunbury Loans) and 1 February 2021 (in respect of the Moonraker Loans).

"Collection Period End Date" means the last calendar day of February, May, August and November, with the first Collection Period End Date ending on (and including) 31 May 2021.

"Completion Interest" means any interest which has become due and payable or has been added to the Current Balance of a Loan for the period between completion of that Loan and the end of the relevant calendar month in which such completion took place;

"Current Balance" means, in relation to any Loan as at any date, all sums owing by a Borrower under that Loan and secured or intended to be secured by the relevant Mortgage as at close of business on that date including but not limited to the Arrears Balance and (where relevant) Accrued Interest in respect of the period up to and including, but not beyond, that date and including any:

- (a) rent and service charge paid by the relevant Legal Title Holder or a predecessor in title to an applicable Borrower's reversioner or landlord in relation to leasehold properties and not reimbursed by the applicable Borrower;
- (b) Completion Interest; and
- (c) Sundry Fees.

"Deed of Consent" means a deed whereby the signatory agreed to postpone his interest (if any) in the relevant Property to that created by an English Mortgage by declaring that he will not assert any right to an overriding interest by occupation adverse to the mortgagee's rights under the relevant Mortgage.

"Early Repayment Charge" means amounts payable by a Borrower in respect of a Loan as additional payments in respect of the early repayment of all or part of that Loan (for the avoidance of doubt, excluding the principal amount repayable and any accrued interest payable in respect of such Loan).

"Enforced Loans" means Loans in respect of which the Related Security has been enforced and the related Property has been sold.

"English Loan" means a Loan secured by an English Mortgage.

"English Mortgage" means a Mortgage secured over a Property situated in England or Wales.

"Flexible Drawing" means, in relation to a Flexible Loan, any further drawing of monies made by a Borrower under that Flexible Loan which the Borrower is contractually permitted to demand.

"Flexible Loan" means a Loan where the Borrower has exercisable redraw rights under that Loan.

"Insolvency Proceedings" means in respect of any person:

- (a) it is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (b) the value of its assets is less than its liabilities (taking into account contingent and prospective liabilities) or
- (c) a moratorium is declared in respect of any of its indebtedness.

"Irrecoverable VAT" means any amount in respect of VAT incurred by a party to the Transaction Documents (for the purposes of this definition, a **"Relevant Party"**) as part of a payment in respect of which it is entitled to be reimbursed or indemnified under the relevant Transaction Documents to the extent that the Relevant Party does not or will not receive and retain a credit, deduction or repayment of such VAT (as input tax as that expression is defined in section 24(1) of the Value Added Tax Act 1994 or under Article 168 of the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) or any provision of a similar nature, under the law of a member state of the European Union or elsewhere);

"Isle of Man Loan" means a Loan governed by the laws of the Isle of Man secured by an Isle of Man Mortgage (which, for the avoidance of doubt, is secured over Property situated in England, Wales or Northern Ireland);

"Isle of Man Mortgage" means a Mortgage which is governed by the laws of the Isle of Man (but which, for the avoidance of doubt, is secured over Property situated in England, Wales or Northern Ireland);

"Lending Criteria" means in respect of a Loan the lending criteria of the Originators as at the time of origination of such Loan.

"Liabilities" means, in respect of any person, any loss, damage, cost, charge, award, claim, demand, expense, judgment, action, proceeding or other liability including legal costs and expenses properly incurred (including, in each case, Irrecoverable VAT in respect thereof);

"Litigation" means any form of court proceedings in respect of a Loan pursued by or on behalf of the Issuer, the Originators or the relevant Legal Title Holder.

"Loan" means a residential mortgage loan (including the aggregate of the outstanding balance of any Loan Advance (including for the avoidance of doubt, any amounts relating to a Flexible Drawing), any Accrued Interest, Arrears Balance and any fees, costs and other amounts owing to the Sellers, the Issuer or the relevant Legal Title Holders from the Borrower (including all capitalised sums) which is secured or intended to be secured by the related Mortgage comprised in the Portfolio.

"Loan Advance" means all of the monies advanced by the Legal Title Holders or a predecessor in title to a Borrower.

"Loan Agreement" means, in relation to a Loan, the loan agreement entered into between the relevant Borrower and the Originators.

"Loan Files" means, in relation to a Loan, the customer file (in paper and/or electronic form) maintained by or on behalf of the Issuer or by its agents on their behalf and, where appropriate, MHA/CP Documentation but excluding the Title Deeds.

"MHA/CP Documentation" means an affidavit, declaration, consent or renunciation granted in terms of the Matrimonial Homes (Family Protection) (Scotland) Act 1981 and/or (as applicable) the Civil Partnership Act 2004 in connection with a Scottish Mortgage or the Scottish Property to which it relates.

"Moonraker Portfolio" means the Loans listed in the Data Tape described in Annex 4 (*The Moonraker Portfolio*) of the Mortgage Sale Agreement, but excluding any such Loan and its Related Security which is repurchased by a Seller pursuant to the Mortgage Sale Agreement and no longer beneficially owned by the Issuer.

"Mortgage" means in the case of land situated in England and Wales or Northern Ireland, a charge by way of legal mortgage and, in the case of land situated in Scotland, a standard security over a Scottish Property, in each case securing a Loan comprised in the Portfolio and all principal sums, interest, costs and other amounts secured or intended to be secured by that legal mortgage, standard security or legal charge.

"Mortgage Conditions" means, in relation to each Loan and the Mortgage relating thereto, the terms and conditions subject to which the Loan and Mortgage are made including, for the avoidance of doubt, the terms and conditions incorporated into any letter or letters of offer or agreement to make such Loan, and in the case of Scottish Loans and the Scottish Mortgages relating thereto, any deeds of variation subject to which the Scottish Loans and the Scottish Mortgages relating thereto are made.

"Northern Irish Loan" means a Loan secured by a Northern Irish Mortgage.

"Northern Irish Mortgage" means a Mortgage secured over a Property in Northern Ireland.

"Outstanding Principal Balance" means:

- (a) in relation to any Loan and on any day, the aggregate, including any arrears, of:
 - (i) the original principal amount advanced to any relevant Borrower pursuant to the Mortgage Conditions; plus

- (ii) any disbursement, legal expense, fee, charge or premium in respect of such Loan; plus
- (iii) any further advance of principal to such Borrower prior to the Closing Date pursuant to the Mortgage Conditions; minus
- (iv) any repayments or reduction of the amounts specified in sub-paragraphs (i) to (iii) (inclusive) above;

but after completion of any relevant Enforcement Procedures in relation to a Loan, the Outstanding Principal Balance of such Loan will be deemed to be zero;

- (b) in relation to the Mortgage Portfolio and any day, the aggregate of the Outstanding Principal Balances in respect of the Loans comprised in that Portfolio;

"Portfolio" means the Sunbury Portfolio and Moonraker Portfolio.

"Porting" or **"Port"** means the transfer of the Mortgage in respect of a Loan from an existing Property to a new Property where the new Property provides replacement security for the repayment by the Borrower of the relevant Loan whether or not resulting in the creation of a new Loan.

"Property" means, in relation to a Loan and its related Mortgage, the freehold or leasehold property situated in England or Wales or Northern Ireland or the Scottish Property charged or intended to be charged as security for the repayment of such Loan.

"Reasonable, Prudent Residential Mortgage Lender" means a reasonably prudent residential mortgage lender lending to borrowers in England, Wales, Scotland and Northern Ireland who include buy to let borrowers, the self-employed, independent contractors, temporary employees, borrowers who self-certify their income and/or those who may have experienced previous credit problems including borrowers who generally may not satisfy the lending criteria of traditional residential mortgage lenders and to borrowers with similar credit histories as the Borrowers.

"Receiver" means any person or persons appointed (and any additional person or persons appointed or substituted) as an administrative receiver, receiver, manager, or receiver and manager of the Charged Assets by the Security Trustee pursuant to the Deed of Charge.

"Regulated Mortgage Contract" has the meaning given to that term in Article 61(3)(a) of the Regulated Activities Order to the extent that it is a regulated activity for the purposes of FSMA.

"Related Security" means, in relation to a Loan, the Mortgage relating thereto and all other collateral security for, and rights in respect of such Loan including (but not limited to):

- (a) the benefit of all affidavits, declarations, consents, renunciations, waivers and any Deed of Consent, MHA/CP Documentation, deeds of postponement, ranking agreements and any rights against any person or persons in connection with the origination and completion of such Loan and Related Security;
- (b) the benefit of (including notations of interest on) any life policies, life policy assignments, assignments, priority letters, pension policies, deposited, charged, obtained or held in connection with the relevant Loan and Related Security;
- (c) to the extent assignable (without the consent of the relevant counterparty), all causes and rights of action (whether assigned to the Issuer, the relevant Seller, the relevant Legal Title Holder or otherwise) against Valuers, Solicitors, Land Registry of England, Land Registers of Northern Ireland or Registers of Scotland or any other person in connection with any report (including a

report on title), Valuation Report, opinion, certificate, consent or other statement of fact or opinion given in connection with the relevant Loan or Related Security; and

- (d) assignments, searches, indemnities and related documentation and any other deed or document providing ancillary security or indemnity for repayment of any sums due from time to time under the relevant Loan.

"Right-to-Buy Loan" means a Loan in respect of a Property made as at the date of origination in whole or in part to a Borrower for the purpose of enabling that Borrower to finance or refinance the exercise of his right to buy the relevant Property under:

- (a) Part V of the Housing Act 1985 (or section 16 of the Housing Act 1996); or
- (b) Part III of the Housing (Scotland) Act 1987 (as amended).

"Scottish Loan" means a Loan secured by a Scottish Mortgage.

"Scottish Mortgage" means a standard security over a Scottish Property securing a Scottish Loan comprised in the Portfolio.

"Scottish Property" means, in relation to a Scottish Loan and its related Scottish Mortgage, the heritable or long-leasehold property in Scotland mortgaged or charged as security for repayment of such Scottish Loan.

"Solicitors" means a firm of solicitors (or a firm of licensed or qualified conveyancers) selected by the Originators in accordance with the standard practices of the Originators, in the origination of a Loan and its Related Security.

"Solicitors' Instructions" means the instructions from the Originators to its Solicitors in substantially the form of the relevant pro-forma instructions contained in the relevant Standard Documentation;

"Standard Documentation" means the documents set out in Mortgage Sale Agreement which have been used by the Originators from time to time in connection with its activities as lender and on which each Loan and its Related Security comprised in the Portfolio has been granted or is outstanding, and those documents not set out in the Mortgage Sale Agreement but which:

- (a) are in the same form as those used by the Originators but are jointly branded with remote mortgage processors;
- (b) are copies of mortgage application forms which originate from mortgage introducers to the Originators; or
- (c) are special mortgage conditions appropriate for the relevant product specification or are not related to a particular product specification but are such as would be required by the Originators in the circumstances of the particular Loan.

"Sunbury Portfolio" means the Loans listed in the Data Tape described in Annex 3 (*The Sunbury Portfolio*) of the Mortgage Sale Agreement, but excluding any such Loan and its Related Security which is repurchased by a Seller pursuant to the Mortgage Sale Agreement and no longer beneficially owned by the Issuer.

"Sundry Fees" means any administration or service fee or third party fee (including, without limitation, legal fees for Litigation) or outgoings and expenses owed in connection with the Loan which is debited to the Loan;

"Successor" means, in relation to a Loan and its Related Security, a successor in title to the Originators.

"Title Deeds" means, in relation to a Loan, the agreement or agreements for such Loan, the deed constituting the relevant Mortgage and any documents of title to the relevant Property and to the relevant Related Security.

"Valuation Report" means the valuation report substantially in the form of the pro-forma report contained in the relevant Standard Documentation and addressed to the Originators from a Valuer in respect of each Property.

"Valuer" means an independent valuer (being a fellow or associate of the Royal Institution of Chartered Surveyors).

Governing Law

The Mortgage Sale Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law (other than (i) those terms of the Mortgage Sale Agreement specific to the laws of Northern Ireland relating to the Northern Irish Loans and their Related Security which are construed in accordance with the laws of Northern Ireland and (ii) those terms of the Mortgage Sale Agreement specific to the law of Scotland relating to the Scottish Loans and their Related Security which are construed in accordance with Scots law); and those terms of the Mortgage Sale Agreement specific to the laws of Isle of Man relating to the Isle of Man Loans and their Related Security which are construed in accordance with Isle of Man law).

Sunbury Servicing Agreement

The Sunbury Servicers are required to administer the Sunbury Loans on behalf of the Issuer, the Security Trustee and the Sunbury Legal Title Holders (to the extent of their respective interests) under the Sunbury Servicing Agreement. The Sunbury Servicers will service the Sunbury Loans and their Related Security in accordance with the terms of the Sunbury Servicing Agreement (including the procedures set out therein) and their actions in doing so are binding on the Issuer and (where applicable) the Sunbury Legal Title Holders.

Appointment

The Sunbury Servicers will be appointed to:

- (a) service, manage and administer the Sunbury Loans and their Related Security in accordance with the Sunbury Servicing Agreement; and
- (b) take all such steps as may be required in connection with the discontinuation of LIBOR in accordance with applicable laws, subject to its fees, costs and expenses being recoverable from the Issuer pursuant to Clause 6 (*Costs and Expenses*) of the Sunbury Servicing Agreement; and
- (c) perform any other functions imposed on the Sunbury Servicers, in such capacity, by any other Transaction Document to which it is a party (the "**Sunbury Services**").

Undertakings and Covenants by the Sunbury Servicers

The Sunbury Servicers will undertake and covenant, among other things, to:

- (a) devote such time and attention and shall exercise such skill, care and diligence as necessary to ensure proper performance and discharge of the Sunbury Servicer's obligations and undertakings contained in the Sunbury Servicing Agreement;

- (b) service the Sunbury Loans and the Related Security in accordance with the Sunbury Servicing Agreement, all applicable Regulatory Requirements and in accordance with the terms of the Mortgage Conditions;
- (c) to the extent practicable, comply with any proper directions, orders and instructions which the Sunbury Legal Title Holder, the Issuer or the Security Trustee may from time to time give to it in accordance with the provisions of the Sunbury Servicing Agreement and which in any event are not inconsistent with the terms upon which it has been appointed under the Sunbury Servicing Agreement nor with any applicable Regulatory Requirements;
- (d) obtain and keep in force all licences, approvals, registrations, authorisations and consents which are necessary for the lawful performance of the Sunbury Services;
- (e) make all payments required to be made by it pursuant to the Sunbury Servicing Agreement on the due date for payment thereof in the currency in which such payment is due for value on such day without set off (including in respect of any fees owed to it) or counterclaim; and
- (f) by no later than 10 a.m. on each Monthly Reporting Date, notify each Reporting Entity, the Security Trustee, the Corporate Services Provider, EuroABS and the Cash Manager of all information necessary (such information relating to the previous Calculation Period) for the completion and production by EuroABS and the Cash Manager (as applicable) of the EU Loan Report, the UK Loan Report, the Investor Report, the EU Investor Report and the UK Investor Report in accordance with Article 7(1)(a) and Article 7(1)(e) of each of the Securitisation Regulations.

"Monthly Reporting Date" means the eighth Business Day of each calendar month.

Majority Residual Certificateholder rights

The LASI Servicer shall consult with and require the agreement of the Majority Residual Certificateholder or its Authorised Representative on certain matters under the Sunbury Servicing Agreement, including, but not limited to, any increase in the LASI Servicer Servicing Fee where more than 10 per cent. of the LASI BTL Portfolio is in Default.

"Majority Residual Certificateholder" means the holder of greater than 50.1 per cent. of the Residual Certificates, provided that, for the purpose of this definition, where both of the Moonraker Seller and the Sunbury Seller hold Residual Certificates, the Sunbury Seller shall be counted as holding the Moonraker Seller's Residual Certificates and the Sunbury Seller's Residual Certificates.

Further Advances and Porting

The Sunbury Servicers shall not agree to pay or make any Further Advance to a Borrower or provide any services relating to the porting of Sunbury Loans.

Operation of Sunbury Collection Accounts

Each Sunbury Servicer shall procure that the relevant Sunbury Collection Account Bank shall transfer on each Business Day from the relevant Sunbury Collection Account to the Sunbury Deposit Account all amounts of cleared funds received by such Sunbury Collection Account Bank and credited to such Sunbury Collection Account in respect of the Sunbury Loans subject to the deduction of any Third Party Amounts. Each Sunbury Servicer shall instruct the relevant Sunbury Collection Account Bank to pay such Third Party Amounts.

Each Sunbury Legal Title Holder grants to each Sunbury Servicer full access to manage the relevant Sunbury Collection Account for the purpose of delivering the Sunbury Services.

Replacement of Sunbury Collection Account Bank

Following (i) the occurrence of an Insolvency Event in relation to the Sunbury Collection Account Bank, or (ii) the Sunbury Collection Account Bank ceasing to have the Collection Account Bank Rating, (x) the Issuer will and (z) the relevant Sunbury Legal Title Holder shall use reasonable endeavours to:

- (a) appoint a replacement financial institution with the Collection Account Bank Rating to act as replacement Sunbury Collection Account Bank which is a bank for the purposes of section 878 of the ITA 2007 and which will pay interest in relation to the Sunbury Collection Account in the ordinary course of its business;
- (b) procure that such financial institution enters into a replacement collection account agreement;
- (c) procure that a trust is declared with respect to any replacement collection account in favour of, *inter alia*, the Issuer;
- (d) procure that a new collection account is opened and established at the replacement institution and further procure that all amounts held on trust for the Issuer standing to the credit of the Sunbury Collection Account are transferred to the replacement account at such replacement institution as soon as practicable or, where the Sunbury Collection Account Bank ceases to have the Collection Account Bank Rating, in each case, within 35 calendar days of such downgrade or such longer period as is commensurate with the then current ratings of the Notes; and
- (e) procure the transfer of Borrowers' direct debit mandates to the replacement collection account and that all monthly payments made by Borrowers by any other payment arrangement are made to the replacement collection account,

and each Sunbury Servicer shall provide such assistance as the Issuer and the Sunbury Legal Title Holders may reasonably require to carry out the foregoing.

Termination of the appointment of a Sunbury Servicer

In accordance with the provisions of the Sunbury Servicing Agreement, the Issuer may terminate the Sunbury Servicing Agreement without cause:

- (a) on not less than one hundred and eighty (180) days' written notice to the other parties to the Sunbury Servicing Agreement; or
- (b) on such shorter written notice as may be appropriate in the event that it becomes unlawful under any Regulatory Requirements for any Sunbury Servicer, the Issuer, or any Sunbury Legal Title Holder to comply with the Sunbury Servicing Agreement or a substantial part of it or in the event that a Competent Authority lawfully directs any Sunbury Servicer, the Issuer, or any Sunbury Legal Title Holder to terminate the Sunbury Servicing Agreement; or
- (c) on reasonable written notice following such time as any Sunbury Servicer, the Issuer, or any Sunbury Legal Title Holder have no further interest in any of the Sunbury Loans and Related Security.

In the event of such termination by the Issuer, the Issuer shall be liable to pay any applicable Termination Fee and shall otherwise bear all costs of termination and transfer to a Sunbury Substitute Servicer under the Sunbury Services Agreement.

"Termination Fee" means a termination fee payable to each Sunbury Servicer of £75 plus VAT for each live Sunbury Loan.

If any of the following events (each a **"Sunbury Servicer Termination Event"**) shall occur:

- (a) default is made by a Sunbury Servicer in the payments on the due date of any payments due and payable by it under the Sunbury Servicing Agreement or any other Transaction Document to which it is a party and such default continues unremedied for a period of five Business Days after the earlier of such Sunbury Servicer becoming aware of such default and receipt by such Sunbury Servicer of written notice from the Issuer or (following service of an Enforcement Notice) the Security Trustee (acting on the instructions of the Instructing Party) requiring the default to be remedied;
- (b) default is made by a Sunbury Servicer in the performance or observance of any of its other covenants and obligations under the Sunbury Servicing Agreement or any other Transaction Document to which it is a party, which default in the reasonable opinion of the Issuer or the opinion of the Security Trustee (acting on the instructions of the Instructing Party after the delivery of an Enforcement Notice), acting on the advice of a financial adviser, such advice to be relied upon by the Security Trustee absolutely and without further enquiry or any liability, is materially prejudicial to the interests of the Noteholders and such default continues unremedied for a period of 15 Business Days after the earlier of such Sunbury Servicer becoming aware of such default and receipt by such Sunbury Servicer of written notice from the Issuer or (following delivery of an Enforcement Notice) the Security Trustee (acting on the instructions of the Instructing Party), as appropriate, requiring the same to be remedied, provided, however, that where the relevant default and receipt of notice of such default occurs as a result of a default by a person to whom a Sunbury Servicer has sub-contracted or delegated part of its obligations hereunder, such default shall not constitute a Sunbury Servicer Termination Event if, within such period of 15 Business Days of receipt of such notice from the Issuer or, as the case may be, the Security Trustee (acting on the instructions of the Instructing Party), the Sunbury Servicer terminates the relevant sub-contracting or delegation arrangements and remedies such default or takes such steps as the Issuer, or (following the delivery of an Enforcement Notice) the Security Trustee, may in its discretion specify to indemnify the Issuer and/or the Security Trustee against the consequences of such default acting on the instructions of the Instructing Party;
- (c) a Sunbury Servicer ceasing to be an authorised person under the FSMA or the failure by a Sunbury Servicer to obtain or maintain, or the revocation of, applicable licences, registrations or regulatory approvals or permissions enabling it to continue servicing the Sunbury Loans and to perform the Sunbury Services;
- (d) the occurrence of an Insolvency Event in respect of a Sunbury Servicer or the Sunbury Servicer becomes subject to Insolvency Proceedings; or
- (e) a Sunbury Servicer ceases to carry on the whole of its business or ceases to carry on the whole or substantially the whole of its residential mortgage servicing business,

then the Issuer (prior to the delivery of an Enforcement Notice) or (after delivery of an Enforcement Notice) the Security Trustee (in the case of (a) and (b) or (d)) shall deliver written notice to the relevant Sunbury Servicer on becoming aware of the relevant Sunbury Servicer Termination Event to terminate the relevant Sunbury Servicer's appointment with effect from the date of receipt of such notice (and in

the case of (c) such notice shall be deemed to have been given to terminate the relevant Sunbury Servicer's appointment as Sunbury Servicer under the Sunbury Servicing Agreement with immediate effect), provided that the relevant Sunbury Servicer's appointment shall not be terminated until a successor servicer (the "**Sunbury Successor Servicer**") has been appointed. Upon and following the termination of the appointment of a Sunbury Servicer as servicer under the Sunbury Servicing Agreement, the Issuer shall use its reasonable endeavours to appoint a Sunbury Successor Servicer which satisfies certain conditions set out in the Sunbury Servicing Agreement.

Voluntary Resignation

The appointment of a Sunbury Servicer under the Sunbury Servicing Agreement may be terminated by the relevant Sunbury Servicer without cause:

- (a) on not less than one hundred and eighty (180) days' written notice to the other parties to the Sunbury Servicing Agreement; or
- (b) on such shorter written notice as may be appropriate in the event that it becomes unlawful under any Regulatory Requirements for any Sunbury Servicer or the Issuer and the Sunbury Legal Title Holders to comply with the Sunbury Servicing Agreement or a substantial part of it or in the event that a Competent Authority lawfully directs any Sunbury Servicer or the Issuer and the Sunbury Legal Title Holders to terminate the Sunbury Servicing Agreement; or
- (c) on reasonable written notice, following such time as the Issuer and the Sunbury Legal Title Holders have no further interest in any of the Sunbury Loans and Related Security.

Delivery of documents and records

If the appointment of a Sunbury Servicer is terminated or a Sunbury Servicer resigns or where Loans are otherwise no longer serviced by a Sunbury Servicer, the relevant Sunbury Servicer must deliver to the Issuer (or as the Issuer shall direct), *inter alia*, the Title Deeds and Loan Files relating to the Sunbury Loans and their Related Security in its possession.

Sunbury Enforcement Procedures

Each Sunbury Servicer shall act in the manner of a Prudent Mortgage Lender to collect all payments due under or in connection with the Sunbury Loans and the Related Security and to enforce all covenants and obligations of each Borrower in accordance with the Sunbury Enforcement Procedures in the event that they become enforceable under the terms of the relevant Sunbury Loan on a default by a Borrower provided that each Sunbury Servicer may not, unless by prior written agreement with the Issuer and the Sunbury Legal Title Holders, agree to:

- (a) extend the term of any Sunbury Loan;
- (b) grant any waiver of principal due or interest under a Sunbury Loan; or
- (c) vary or amend the terms and conditions of a Sunbury Loan,

unless such Sunbury Servicer, acting as a Prudent Mortgage Lender, considers that such action (i) would lead to a higher recovery in respect of the relevant Sunbury Loan than which could be recovered under the Sunbury Enforcement Procedures and gives notice thereof to the Owners or (ii) is necessary as a result of a Regulatory Requirement.

As used in this Prospectus:

"Prudent Mortgage Lender" means a reasonably prudent mortgage lender acting in a manner consistent with that of an experienced lender, servicer or administrator of residential mortgage loans lending to borrowers in the United Kingdom, the Republic of Ireland or the Isle of Man who include the recently self-employed, independent contractors, temporary employees and people who may have experienced previous credit problems being, in each case, people who generally do not satisfy the lending criteria of traditional sources of residential mortgage capital.

"Sunbury Enforcement Procedures" means the exercise by a Sunbury Servicer on behalf of the Issuer and the Sunbury Legal Title Holders of the rights and remedies of the Issuer and such Sunbury Legal Title Holder and/or the Security Trustee (as applicable) against a Borrower or in relation to the security for the Borrower's obligations arising from any default by the Borrower under or in connection with the respective Sunbury Loan or Related Security in accordance with the procedures agreed or as may be agreed from time to time by the Issuer and the Sunbury Legal Title Holders with such Sunbury Servicer acting in accordance with the standards of a Prudent Mortgage Lender in connection with defaults of a similar nature and **"Enforcement Procedures "** means either or both the Sunbury Enforcement Procedures or the Moonraker Enforcement Procedures as the context requires.

Each Sunbury Servicer shall procure that if, upon completion of the Sunbury Enforcement Procedures, an amount in excess of all sums due by the relevant Borrower is recovered or received by such Sunbury Servicer, the balance, after discharge of all sums due by the Borrower, is paid to the person or persons entitled thereto by requesting respective transfers from the Issuer and the Sunbury Legal Title Holders.

Issuer's Liability

The Issuer shall indemnify each Sunbury Servicer and each Sunbury Legal Title Holder (as applicable) and their officers, directors, employees, agents, sub-contractors and representatives from and against any loss, damage, cost, charge, award, claim, demand, expense, judgment, action, proceedings or other liability including legal costs and expenses properly incurred (including, in each case, Irrecoverable VAT in respect thereof) ("**Liability**") incurred or suffered by in connection with, inter alia, any failure by the Issuer, its officers or employees to comply with their obligations to any Borrower or carrying out or relying on any Authorised Instruction, provided that the Issuer shall not be liable for any Liability to the extent that such Liabilities arise from the negligence, wilful default or fraud of such Sunbury Servicer or such Sunbury Legal Title Holder or their officers, directors, employees, agents, sub-contractors and representatives.

Limit to Sunbury Servicers' Liability

The aggregate liability of the Sunbury Servicers under the Sunbury Servicing Agreement is limited to a capped amount of £3,000,000 overall and £1,000,000 in any twelve (12) month period.

Governing Law

The Sunbury Servicing Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Sunbury LASI Declaration of Trust

The Issuer and the LASI Legal Title Holder will enter into on or about the Closing Date, a declaration of trust (the "**Sunbury LASI Declaration of Trust**") pursuant to which the LASI Legal Title Holder will declare a trust over legal title to the relevant Sunbury Loans in the Portfolio for the benefit of the Issuer.

In consideration for the LASI Servicer Servicing Fee, the LASI Legal Title Holder will agree to continue to hold the legal title and any other right, title, interest and benefit held by it with respect to the relevant

Sunbury Loans in the Portfolio, from time to time, on trust for and on behalf of the Issuer absolutely, and undertake not to breach any legal or regulatory requirements in relation to the relevant Sunbury Loans.

Under the terms of the Sunbury LASI Declaration of Trust, the LASI Legal Title Holder may exercise an option the ("**LASI Option**") and require the Issuer within 60 days (or such shorter period if a regulated or supervisory authority has required such transfer) to accept or procure the transfer to a transferee appointed in accordance with the Sunbury LASI Declaration of Trust) of the legal title in and to all of the Trust Assets following the occurrence of a Prejudicial Event or in the event of a material breach of the terms of the Sunbury LASI Declaration of Trust or the Sunbury Servicing Agreement by the Issuer

Governing Law

The Sunbury LASI Declaration of Trust and any non-contractual obligations arising out of or in connection with them is governed by and shall be construed in accordance with Irish law.

Moonraker Servicing Agreement

Introduction

The Issuer, the Moonraker Legal Title Holders, the Security Trustee, the Back-Up Servicer Facilitator, the Cash Manager and the Moonraker Servicer will enter into on or about the Closing Date, a servicing agreement (the "**Moonraker Servicing Agreement**") pursuant to which the Moonraker Servicer will commence servicing the Moonraker Loans on the Closing Date. The services to be provided by the Moonraker Servicer are set out in the Moonraker Servicing Agreement, and may include any services incidental thereto as may be agreed to in writing by the Issuer, the Moonraker Legal Title Holders, the Security Trustee and the Moonraker Servicer (the "**Moonraker Services**").

Appointment

On or about the Closing Date, the Moonraker Servicer will be appointed by the Issuer and the Moonraker Legal Title Holders.

LIBOR Discontinuation Project

Each Moonraker Legal Title Holder shall give reasonable notice to the Authorised Representative of the Majority Residual Certificateholder of its plans to change the reference rate applicable to the Moonraker Loans as a result of LIBOR discontinuation (including any estimated third-party expenses in respect of the same) (the "**LIBOR Discontinuation Project**") prior to incurring any third-party costs and expenses in respect of such LIBOR Discontinuation Project. The Authorised Representative of the Majority Residual Certificateholder shall respond as soon as practicable and in any event at least 10 Business Days before the implementation date of the LIBOR Discontinuation Project and each Moonraker Legal Title Holder shall consider in good faith any proposals made by the Authorised Representative of the Majority Residual Certificateholder. The Moonraker Legal Title Holders shall not be obliged to follow or agree to any suggestions, recommendations or directions of the Authorised Representative of the Majority Residual Certificateholder or any other authorised representative which arise as part of a consultation process or otherwise and the final determination of such matters shall be made by the Moonraker Legal Title Holders.

The Issuer will, on each Interest Payment Date, in accordance with the relevant Priority of Payments, or on any date as permitted in accordance with the Cash Management Agreement reimburse the Moonraker Servicer and each Moonraker Legal Title Holder for all reasonable out-of-pocket costs, expenses and charges (including any Irrecoverable VAT in respect thereof) properly incurred by the

Moonraker Servicer in the performance of the Moonraker Services in relation to the LIBOR Discontinuation Project, provided that where such costs also relate to the activities of the Moonraker Legal Title Holder in relation to loans other than the Moonraker Loans, the Issuer shall cover a prorated amount calculated by reference to the number of Moonraker Loans to which that Moonraker Legal Title Holder holds legal title.

Moonraker Servicer

The Moonraker Servicer is appointed as the lawful agent of the Issuer to service the Moonraker Loans and their Related Security, to provide certain other services which the Issuer reasonably considers necessary or convenient in connection with, or incidental to, the servicing of such Moonraker Loans and their Related Security and to exercise the Issuer's rights, powers and discretions under and in relation to such Moonraker Loans and their Related Security as set out in the Moonraker Servicing Agreement. The Moonraker Servicer is appointed as the lawful agent of the Moonraker Legal Title holders to operate the Direct Debiting Scheme and for the purposes of the Scottish Declaration of Trust.

Undertakings by the Moonraker Servicer

The Moonraker Servicer has undertaken, among other things, to:

- (a) administer the relevant Moonraker Loans and their Related Security (including in relation to applying the Standard Variable Rates, where applicable) in accordance with all applicable law and the standards of a Prudent Mortgage Servicer as they apply to the Moonraker Loans from time to time;
- (b) procure the enforcement of the relevant Moonraker Loans and their Related Security in accordance with all Applicable Laws and the standards of a Prudent Mortgage Servicer as they apply to the Moonraker Loans from time to time;
- (c) assess and service any Capitalisation in accordance with the Service Specification as it applies to the relevant Moonraker Loans from time to time;
- (d) provide the Moonraker Services in such manner and with the same level of skill, care and diligence as would a Prudent Mortgage Servicer;
- (e) comply with any proper directions, orders and instructions which the Issuer or (following the service of an Enforcement Notice) the Security Trustee may from time to time give to it in accordance with the provisions of the Moonraker Servicing Agreement and, in the event of any conflict, those of the Security Trustee shall prevail;
- (f) maintain all approvals, authorisations, permissions, consents and licences considered, from time to time, by the Moonraker Servicer as required for itself in connection with the performance of the Moonraker Services, and prepare and submit on a timely basis all necessary applications and requests for any further approvals, authorisations, permissions, consents and licences considered, from time to time, by the Moonraker Servicer as required for itself in connection with the performance of the Moonraker Services (including, without limitation, any necessary notification under Data Protection Laws and any authorisation and permissions under the FSMA to the extent applicable);
- (g) perform its obligations under the Transaction Documents in accordance with the terms of such approvals, authorisations, permissions, consents, licences and registrations and in a manner so as not to prejudice the continuation of such approvals, authorisations, permissions, consents, licences and registrations;

- (h) not knowingly do or omit to do any act or thing which might prejudice the respective interests of the Issuer, the Moonraker Seller, the relevant Moonraker Legal Title Holder and/or the Security Trustee in the Moonraker Portfolio;
- (i) not knowingly fail to comply with any legal or regulatory requirements in the performance of the Moonraker Services, including without limitation any rules of the FCA in MCOB or otherwise;
- (j) make all payments required to be made by it pursuant to the Moonraker Servicing Agreement on the due date for payment thereof in Sterling (or as otherwise required under the Transaction Documents) in immediately available funds for value on such day without set-off (including, without limitation, in respect of any fees owed to it) or counterclaim but subject to any deductions required by law;
- (k) not take any action which would cause the Issuer to breach any Applicable Law binding upon it or the terms of any Transaction Documents to which the Issuer is a party;
- (l) at all times perform its obligations in the UK;
- (m) not without the prior written consent of the Security Trustee amend, vary, waive, novate or terminate any of the Relevant Transaction Documents, or consent to any other party doing the same, in any material respect except in accordance with their terms;
- (n) the Moonraker Servicer undertakes that it shall prepare and deliver to each of the Issuer, the Moonraker Legal Title Holders, the Corporate Services Provider, EuroABS, the Cash Manager and the Security Trustee certain loan-by-loan information in relation to the Moonraker Portfolio in respect of the relevant Collection Period as required by and in accordance with Article 7(1)(a) of each of the Securitisation Regulations, in each case, in the form prescribed as at such time under the applicable Securitisation Regulation Rules, before 10:00 a.m. on the 10th Business Day following each Interest Payment Date (the "**Moonraker Loan Level Information**");
- (o) the Moonraker Servicer shall, upon request, provide reasonable assistance to each Reporting Entity (and the Cash Manager, Corporate Services Provider and EuroABS) in making available such information related to the Moonraker Portfolio that such Reporting Entity is required to provide for the purposes of the Moonraker Servicing Agreement and Article 7(1)(a) and Article 7(1)(e) of each of the Securitisation Regulations and shall provide the Cash Manager, EuroABS, Security Trustee, Corporate Services Provider and the Issuer with (i) the Moonraker Servicer Report, which shall be in such form as may be agreed between the Issuer, the Moonraker Seller and the Moonraker Servicer from time to time, with the assistance of EuroABS and the Cash Manager, on or before 10 a.m. on each Monthly Reporting Date, and (ii) the Moonraker Loan Level Information on or before 10:00 a.m. on the 10th Business Day following each Interest Payment Date; and
- (p) the Moonraker Servicer (on behalf of the Issuer) shall, upon request, provide the Corporate Services Provider, EuroABS and the Cash Manager with such information in relation to the Moonraker Portfolio which it holds as is required to fulfil any reporting obligations under Article 7(1)(f) and/or Article 7(1)(g) of each of the Securitisation Regulations which the Moonraker Servicer is capable of providing without additional cost or material administrative burden, or otherwise at the Issuer's cost.

As used in this Prospectus:

"Arrears" means as at any date in respect of any Loan, all amounts currently due and payable on a Loan which remains unpaid on the relevant date;

"Capitalisation" means an arrangement to manage Arrears which involves converting the balance of Arrears into Capitalised Arrears;

"Capitalised Arrears" means, in relation to a Moonraker Loan, at any date, amounts which are overdue in respect of that Moonraker Loan and which as at that date have been included in the Current Balance of the Moonraker Loan in accordance with the Mortgage Conditions, or otherwise by arrangement with the relevant Borrower;

Setting of Interest Rates on the Moonraker Loans

The Issuer has granted the Moonraker Servicer full right, liberty and authority from time to time, in accordance with the relevant Mortgage Conditions, to apply in relation to the Moonraker Loans, the Standard Variable Rates applicable to such Moonraker Loans as informed by the Moonraker Legal Title Holders to the Moonraker Servicer in accordance with the terms of the Moonraker Servicing Agreement.

Majority Residual Certificateholder rights

The Moonraker Servicer, the Moonraker Legal Title Holders, the Issuer and the Security Trustee (following the delivery of an Enforcement Notice) (as applicable) shall consult with the Majority Residual Certificateholder or its authorised representative ("**Authorised Representative**") on certain matters under the Moonraker Servicing Agreement, including, but not limited to, review of the outcome of any reports (including but not limited to Investor Reports and Servicer Reports (together the "**Transaction Reports**" and EU Loan Reports, EU Investor Reports, UK Loan Reports and UK Investor Reports (together, the "**Securitisation Regulations Reports**")) (including in relation to any manifest errors or issues flagged to the Moonraker Servicer), consideration of the outcome of any annual third party audit of the Moonraker Servicer (which will include sampling and data integrity (such as verifying the data tape against the Moonraker Servicer's systems and documentation)) and the right to discuss the outcome of such audit in an annual meeting with the Moonraker Servicer and, if a Moonraker Servicer default has occurred as identified in that audit report, the right to notify the Issuer and the Security Trustee thereof, and any LIBOR Discontinuation Project.

In addition, each Moonraker Legal Title Holder shall give notice to the Authorised Representative of the Majority Residual Certificateholder of any proposed changes to the Standard Variable Rate (other than in respect of any changes to the Standard Variable Rate to reflect an increase or a decrease in the Bank Rate) and of any changes to the discretionary rates or margins applicable to the Moonraker Loans as soon as reasonably practicable after such changes have been proposed (and shall inform the Authorised Representative of the Majority Residual Certificateholder of the proposed date for the approval of such changes). If requested by the Authorised Representative of the Majority Residual Certificateholder, the Moonraker Legal Title Holders shall consult with the Authorised Representative of the Majority Residual Certificateholder in respect of a proposed change in the Standard Variable Rate and the Moonraker Legal Title Holders shall consider in good faith any proposals or representations made by the Authorised Representative of the Majority Residual Certificateholder in respect of the proposed change.

The Moonraker Servicer and the Moonraker Legal Title Holders shall consider in good faith any recommendations or representations made by the Majority Residual Certificateholder or its Authorised Representative with respect to such consultation matters. Except for Consent Matters, the Servicer and the Legal Title Holders shall not be obliged to follow or agree to any suggestions, recommendations or directions of the Majority Residual Certificateholder or its Authorised Representative which arise as part of a consultation process or otherwise and the final determination of all such matters shall be made by the Moonraker Servicer or the Moonraker Legal Title Holders acting as a Prudent Mortgage Servicer or Prudent Lender, as applicable.

The Moonraker Servicer and/or the Issuer (as applicable) shall also be required to consult with the Authorised Representative in relation to the following matters (the "**Consent Matters**"):

- (a) replacement or termination of the Moonraker Servicer (except in the case of termination of the Moonraker Servicing Agreement by the Moonraker Servicer in accordance with the terms of the Moonraker Servicing Agreement);
- (b) making any material modifications to the Moonraker Services (other than where such modifications are required in order to comply with any Applicable Law or where such revision, amendment, update or introduction is being applied generally by the Moonraker Legal Title Holders and/or their Affiliates in relation to its mortgage and loan portfolios);
- (c) delegation of a material portion of the Moonraker Servicer's power and obligations under the Servicing Agreement and the Moonraker Legal Title Holder Deed; and
- (d) any Servicer Expense Amounts in excess of the Moonraker Expenses Cap,

and the Moonraker Servicer and/or the Issuer shall not be permitted to undertake such activities without the consent of the Authorised Representative of the Majority Residual Certificateholder, such consent in the case of paragraph (d) above not to be unreasonably withheld.

The Majority Residual Certificateholder may act solely in its own interests and have no implied duties or obligations of any kind to other Noteholders.

Operation of Moonraker Collection Accounts

Before the Moonraker Collection Account Opening Date, Moonraker Collection Amounts will be paid by the Borrowers into the Original Moonraker Collection Accounts. The Moonraker Legal Title Holders will hold the Moonraker Collection Amounts standing to the credit of the Original Moonraker Collection Accounts on bare trust for and on behalf of the Issuer absolutely in accordance with the terms of the Moonraker Legal Title Holder Deed. On and from the Moonraker Collection Account Opening Date, Moonraker Collection Amounts will be paid by the Borrowers into the Moonraker Collection Accounts.

On or before the Moonraker Collection Accounts Opening Date, the Moonraker Legal Title Holders shall ensure that (i) the relevant Borrowers under the Moonraker Loans will pay Moonraker Collection Amounts into the Moonraker Collection Accounts, and (ii) the Moonraker Legal Title Holders will enter into, and will use reasonable endeavours to procure that all other relevant parties enter into the Moonraker Collection Accounts Declaration of Trust, creating a trust over the Moonraker Collection Accounts and all amounts in such accounts in favour of the Issuer.

Moonraker Collection Amounts will be identified on a daily basis to the Moonraker Servicer by the Moonraker Collection Account Bank and swept on a daily basis to a single account of the Co-operative Bank PLC (the "**Co-op Main Account**"). Upon receipt of such identification, the Moonraker Servicer shall make all such determinations and calculations as are necessary in order to determine the total amounts to be transferred to the Moonraker Deposit Account (subject to the deduction of any amount required by the Moonraker Servicer to pay costs and expenses due at such time (the "**Moonraker Servicer Expenses Amount**"), subject to the Moonraker Expenses Cap). Promptly following such determinations and calculations, the Moonraker Servicer or the relevant Moonraker Legal Title Holder (as applicable) shall direct the Moonraker Collection Account Bank, before the cut-off time on the each Business Day (which will allow the transfer to take place on that same Business Day) to transfer such amounts (i) before the Moonraker Collection Account Opening Date, from the Original Moonraker Collection Accounts and the Co-op Main Account, and (ii) on and from the Moonraker Collection Account Opening Date, from each Moonraker Collection Account into the Moonraker Deposit Account.

In the event that the Moonraker Servicer Expenses Amount exceeds the Moonraker Expenses Cap in any Interest Period, the Moonraker Servicer shall consult with the Authorised Representative of the Majority Residual Certificateholder who shall be required to consent to any Moonraker Servicer Expenses Amount in excess of the Moonraker Expenses Cap, such consent not to be unreasonably withheld.

Each of the Issuer and the Moonraker Legal Title Holders appoint the Moonraker Servicer as their agent to act on their behalf to manage the Original Moonraker Collection Accounts and the Moonraker Collection Accounts.

Replacement of Moonraker Collection Account Bank

Following (i) the occurrence of an Insolvency Event in relation to the Moonraker Collection Account Bank or (ii) the Moonraker Collection Account Bank ceasing to have the Collection Account Bank Rating, the Moonraker Servicer (on behalf of the Issuer) will (with the reasonable assistance of each Moonraker Legal Title Holder) within 60 calendar days of such downgrade (provided that the Moonraker Servicer shall not be required to take or direct to be taken any action unless the estimated costs of the Moonraker Servicer in connection with replacement of the Moonraker Collection Account Bank have been pre-approved by the Issuer and the Authorised Representative of the Majority Residual Certificateholder and the Moonraker Servicer undertakes to provide an estimate of such costs to the Issuer and the Authorised Representative of the Majority Residual Certificateholder promptly after the occurrence of an event set out in (i) or (ii) above):

- (a) use all reasonable endeavours to appoint a replacement financial institution with the Collection Account Bank Rating to act as replacement Moonraker Collection Account Bank which is a bank for the purposes of section 878 of the ITA 2007 and which will pay interest in relation to (i) before the Moonraker Collection Accounts Opening Date, the Original Moonraker Collection Accounts or (ii) on and after the Moonraker Collection Accounts Opening Date, the Moonraker Collection Accounts in the ordinary course of its business;
- (b) use all reasonable endeavours to procure that such financial institution enters into a replacement Moonraker Collection Accounts Declaration of Trust or a collection account agreement;
- (c) use all reasonable endeavours to procure that new collection accounts are opened and established at the replacement institution and further procure that all amounts held on trust for the Issuer standing to the credit of (i) before the Moonraker Collection Accounts Opening Date, the Original Moonraker Collection Accounts or (ii) on and after the Moonraker Collection Accounts Opening Date, the Moonraker Collection Accounts are transferred to the replacement accounts at such replacement institution as soon as practicable;
- (d) transfer all Direct Debit mandates to such replacement collection accounts and the Moonraker Servicer (on the Issuer's behalf) will instruct Borrowers to make all monthly instalments made by a Borrower under a payment arrangement other than the Direct Debiting Scheme to such replacement collection accounts from the date on which the replacement collection accounts are opened; and
- (e) enter into a deed on terms substantially similar to those set out in the Moonraker Collection Accounts Declaration of Trust,

and the Issuer and the Moonraker Legal Title Holders shall provide such assistance as the Moonraker Servicer may reasonable require to carry out the foregoing.

No replacement or termination of the Moonraker Collection Account Bank may be made without the prior written consent of the Issuer (or, following the service of an Enforcement Notice, the Security

Trustee).

Flexible Drawings

Where the Moonraker Servicer, pursuant to its appointment under the Moonraker Servicing Agreement and on behalf of the relevant Moonraker Legal Title Holder, agrees that a Flexible Drawing is required to be advanced to a Borrower as a result of, inter alia, the Moonraker Servicer having determined that:

- (a) the conditions under the relevant Mortgage Conditions for the advancing of the Flexible Drawing have been satisfied by the relevant Borrower;
- (b) the Flexible Drawing would be in accordance with the relevant Mortgage Conditions and Moonraker Legal Title Holder's Policies;
- (c) the advance of the Flexible Drawing would not cause the relevant Moonraker Legal Title Holder, the Issuer or the Security Trustee to contravene any Applicable Law or regulations; and
- (d) it is acting otherwise in a manner which would be acceptable to a Reasonable, Prudent Residential Mortgage Lender,

the Moonraker Servicer shall then notify the Issuer, the Moonraker Seller and the Cash Manager (with a copy to the relevant Moonraker Legal Title Holder) in writing of the details of such Flexible Drawing (and the amount required to be paid by the Issuer to the Moonraker Seller as purchase consideration for the Issuer's purchase of the relevant Flexible Drawing from the Moonraker Seller). For the avoidance of doubt, legal title remains with the relevant Moonraker Legal Title Holder until the occurrence of a Moonraker Perfection Event with respect to that relevant Moonraker Legal Title Holder.

The Moonraker Legal Title Holders shall have no obligations to make any Flexible Drawing save and to the extent that they receive the monies to fund such Flexible Drawing in full under the terms of the Moonraker Servicing Agreement and the Mortgage Sale Agreement. If such monies are not received by the Moonraker Legal Title Holders for any reason, the Issuer shall indemnify the Moonraker Legal Title Holders for any breach of its obligations owed to the Borrowers for failure to make that Flexible Drawing.

Without prejudice to any subsequent determination of a breach of a Moonraker Flexible Drawing Loan Warranty, the Moonraker Servicer (on behalf of the Issuer) shall (i) test compliance of the relevant Moonraker Loans with the Moonraker Flexible Drawing Loan Warranties in respect of Flexible Drawings on the Monthly Test Date falling immediately after the Drawings Date by reference to the circumstances existing as at such Drawings Date and (ii) notify the Moonraker Seller in writing of any breach of such Moonraker Loan Warranties within five (5) Business Days of the relevant Monthly Test Date and, in the case of a breach of Moonraker Flexible Drawing Loan Warranties, assist the Moonraker Seller with effecting any required repurchase or payment in lieu of such repurchase of the Moonraker Loans to rectify such breach in accordance with the terms of the Mortgage Sale Agreement.

Porting and Product Switches

If, at any time prior to the occurrence of a Moonraker Perfection Event, a Borrower requests a Port, the Moonraker Servicer shall determine whether the relevant Mortgage Conditions and the relevant Moonraker Legal Title Holder's Policy permit such porting. If, at any time prior to the occurrence of a Moonraker Perfection Event, a Borrower requests a Product Switch, the Moonraker Servicer shall determine whether the relevant Mortgage Conditions and the relevant Moonraker Legal Title Holder's Policy permit such Product Switch. If a Port or a Product Switch (as applicable) is permitted, the Moonraker Servicer shall then request the relevant Moonraker Legal Title Holder to confirm in writing whether such Loan will be fully redeemed (and each Moonraker Legal Title Holder has agreed to provide such confirmation, positive or negative, as soon as reasonably practicable upon receipt of such a request).

If the relevant Moonraker Legal Title Holder confirms that such Loan will be fully redeemed, the Moonraker Servicer shall approve the Borrower's application to port or to switch product, release the Related Security for the Loan, and accept any redemption into the Moonraker Deposit Account such as to enable the Cash Manager to apply any such proceeds as Available Principal Receipts. For the avoidance of doubt, an application from a Borrower to port to another Property or to switch product shall be accepted only if the relevant Moonraker Legal Title Holder confirms that the relevant Loan is going to be redeemed in full, and the Issuer will have no further obligation in relation to such Moonraker Loan following such redemption.

Capital Costs and Further Advances

Capital Costs will (where applicable in accordance with the terms and conditions of the Loans) be funded by debiting amounts standing to the credit of (i) before the Moonraker Collections Accounts Opening Date, the Original Moonraker Collection Accounts or (ii) on and after the Moonraker Collections Accounts Opening Date, the Moonraker Collection Account.

No Moonraker Legal Title Holder is obliged to make any Further Advances. The Issuer is not obliged to purchase any Further Advances. Neither the Issuer nor the Moonraker Servicer will agree to a Further Advance.

As used in this Prospectus:

"Capital Costs" means any costs relating to any works required to protect the Issuer's beneficial interest in the security over the property where the relevant Borrower has not been able to remedy the damage caused to such property (for example as a result of the Borrower not being able to claim under its insurance policy) and where such costs can be capitalised in accordance with terms and conditions.

"Further Advance" means, in relation to a Loan, any advance of further money to the relevant Borrower following the making of the Initial Advance, which is secured by the same Mortgage as the Initial Advance, but does not include the amount of any retention advanced to the relevant Borrower as part of the Initial Advance after completion of the Mortgage, for the avoidance of doubt, references to Further Advances shall not be deemed to include references to Flexible Drawings.

"Initial Advance" means all amounts advanced by the Moonraker Seller (or, as applicable, an Originator) to a Borrower under a Loan other than a Further Advance.

As used in this Prospectus:

"Product Switch" means any variation in the financial terms and conditions applicable to a Loan but excluding any variation:

- (a) agreed with a Borrower to control or manage actual or anticipated arrears on a Loan;
- (b) in the maturity date of the Loan (unless the maturity date would be extended to a date later than three years before the Final Redemption Date of the Notes in which case such variation will constitute a Product Switch);
- (c) imposed by statute or by Applicable Laws and such variation is being applied generally by the relevant Servicer and/or the Legal Title Holder and/or their Affiliates in relation to its mortgage and loan portfolios (or the mortgage and loan portfolios managed by it, as applicable) that have substantially the same characteristics as the Loans (including, without limitation and for the avoidance of doubt, any variation arising as a result of regulatory guidance on "mortgage prisoners" and the COVID-19 pandemic);
- (d) in the rate of interest payable in respect of a Loan (i) as a result of any variation in the standard variable rate or (ii) where the terms of the Loan change the rate of interest payable by a

Borrower on termination of an interest discount for a fixed period of time or the terms of the Loan otherwise change the interest rate payable;

- (e) in the frequency with which the interest payable in respect of the Loan is charged;
- (f) agreed with a Borrower to change the Loan from an interest-only Loan to a repayment Loan;
- (g) that effects a transfer of equity;
- (h) that effects the release of a party to a Loan provided that at least one party to that Loan remains unreleased; or
- (i) where the Legal Title Holder agrees to a Borrower's request for consent to let.

Payment Holidays

If the Moonraker Servicer receives an application from a Borrower requesting a Payment Holiday it will deal with such request in accordance with the Mortgage Conditions of the Moonraker Loan and the relevant Moonraker Legal Title Holder's Policy. Any Moonraker Loan in respect of which a Payment Holiday is granted will continue to accrue interest and other charges. Any Moonraker Loan in respect of which an Authorised Underpayment is granted will continue to accrue interest and other charges during such Authorised Underpayment period and any missed Contractual Monthly Payments will be treated as a payment shortfall until such time as outstanding Contractual Monthly Payments has been repaid in full.

Removal or Resignation of the Moonraker Servicer

The Issuer may terminate the appointment of the Moonraker Servicer without cause:

- (a) on three months written notice to the Moonraker Servicer;
- (b) by giving notice in writing to the Moonraker Servicer following the occurrence of a Moonraker Perfection Event,

provided that (i) the Issuer shall not terminate the appointment of the Moonraker Servicer without cause for the first 12 months from the date of the Moonraker Servicing Agreement and (ii) if such notice period expires before the end of the Initial Term, the Issuer shall pay the Moonraker Servicer the Estimated Remaining Fees due from the date of termination until the date the Initial Term expires, which shall be subject to a cap equal to 12 months of Core Fees. The Moonraker Servicer's appointment shall not be terminated until a Moonraker Successor Servicer has been appointed and the Moonraker Servicer will continue to act in accordance with the terms of the Moonraker Servicing Agreement until the relevant termination date of the Moonraker Servicing Agreement

"Estimated Remaining Fees" means an amount estimated by the Moonraker Servicer and agreed with the Issuer and the Majority Residual Certificateholder based on the Core Fees for the Moonraker Servicer. The estimate is to be based on the previous four quarter average of the Core Fees plus estimated scheduled amortisation and maturity.

"Initial Term" means the period starting on the Closing Date and ending on the third anniversary of the Closing Date.

A Moonraker Servicer Termination Event shall occur if any of the following events (each, a **"Moonraker Servicer Termination Event"**) occurs:

- (a) default is made by the Moonraker Servicer in the payment on the due date of any payment due and payable by it under the Moonraker Servicing Agreement or any other Transaction Document to which the Moonraker Servicer is a party and such default continues unremedied for a period of 25 Business Days after the earlier of the Moonraker Servicer becoming aware of such default and receipt by the Moonraker Servicer of written notice from the Issuer or (following service of an Enforcement Notice) the Security Trustee requiring the same to be remedied;
- (b) default is made by the Moonraker Servicer in the performance or observance of any of its other covenants and obligations under the Moonraker Servicing Agreement or any other Transaction Document to which it is a party and in the opinion of the Issuer (prior to the delivery of an Enforcement Notice) or in the opinion of the Security Trustee (after the delivery of an Enforcement Notice) (acting on the instructions of the Instructing Party) such default is materially prejudicial to the interests of the Noteholders (which determinations shall be conclusive and binding on all Secured Creditors) and such default continues unremedied for a period of 30 Business Days after the earlier of the Moonraker Servicer becoming aware of such default and receipt by the Moonraker Servicer of written notice from the Issuer or the Moonraker Legal Title Holders or (following delivery of an Enforcement Notice) the Security Trustee, as appropriate, requiring the same to be remedied provided however that where the relevant default and receipt of notice of such default occurs as a result of a default by any person to whom the Moonraker Servicer has sub-contracted or delegated part of its obligations hereunder, such default shall not constitute a Moonraker Servicer Termination Event if, within such period of 30 Business Days, the Moonraker Servicer terminates the relevant sub-contracting or delegation arrangements and takes such steps as the Issuer may in its reasonable discretion specify to remedy such default or to indemnify and/or secure and/or pre-fund the Issuer to its satisfaction (as applicable) against the consequences of such default;
- (c) the Moonraker Servicer ceasing to be an authorised person under the FSMA or the revocation of an applicable licence, registration or regulatory permission held by it required to perform the Moonraker Services;
- (d) an Insolvency Event in respect of the Moonraker Servicer; and
- (e) a Change of Control of the Moonraker Servicer provided that, if the Moonraker Servicer has notified the Issuer in writing that any such Change of Control has taken place, the Issuer must deliver a termination notice within 30 days following receipt of such notice or otherwise will be deemed to have consented to the Change of Control.

Following the occurrence of a Moonraker Servicer Termination Event, the Issuer (prior to the delivery of an Enforcement Notice) or the Security Trustee (after delivery of an Enforcement Notice) may deliver written notice to the Moonraker Servicer on becoming aware of the relevant Moonraker Servicer Termination Event to terminate the appointment of the Moonraker Servicer with effect from the later of the date specified in the notice and the date on which a transfer of servicing to all the then subsisting, Moonraker Loans and Related Security has been completed, provided that the Moonraker Servicer's appointment shall not be terminated until a successor servicer (the "**Moonraker Successor Servicer**") has been appointed. Upon and following termination of the appointment of the Moonraker Servicer under the Moonraker Servicing Agreement due to the occurrence of a Moonraker Servicer Termination Event, the Issuer and the Back-Up Servicer Facilitator, if requested to do so by the Issuer, shall use its reasonable endeavours to procure the appointment by the Issuer and the Legal Title Holders of a Moonraker Successor Servicer which satisfies the conditions set forth in the Moonraker Servicing Agreement. The termination of the appointment of the Moonraker Servicer shall take effect on the later of:

- (a) the date specified in the relevant notice;

- (b) the date on which a transfer of servicing to all the then subsisting, Loans and Related Security has been completed; and
- (c) the date on which the Issuer has appointed a successor servicer in accordance with the Moonraker Servicing Agreement.

Change in Applicable Law

The Moonraker Servicing Agreement may be terminated by the Moonraker Servicer or the Issuer after the occurrence of a Change in Applicable Law upon giving 180 days' written notice to the other parties to the Moonraker Servicing Agreement or such shorter notice period that is reasonably practicable under the circumstances, provided that the Moonraker Servicer or the Issuer may terminate the Moonraker Servicing Agreement upon the occurrence of a Change in Applicable Law only if, having used commercially reasonable endeavours, they are unable to reach an agreement in relation to appropriate terms in light of the Change in Applicable Law, or mitigate or avoid the effects or application of the Change in Applicable Law, to the satisfaction of both the Moonraker Servicer and the Issuer, provided further that failure to reach an agreement as to appropriate terms or failure to mitigate the effects of the Change in Applicable Law to the satisfaction of the Moonraker Servicer and the Issuer shall not constitute a default or breach by any party to the Moonraker Servicing Agreement in the performance or observance of any of its covenants and obligations under the Moonraker Servicing Agreement,

where:

"Change in Applicable Law" means a change of any law or regulation applicable to any of the parties to the Moonraker Servicing Agreement or any other event outside the reasonable control of the parties occurring after the Closing Date which (i) renders the performance of the Moonraker Services by the Moonraker Servicer or the performance of any of the obligations of the Moonraker Servicer, unlawful or illegal or (ii) as to a termination by the Moonraker Servicer, results in the loss of all or any requisite licences or authorisations to be maintained by the Moonraker Servicer or (iii) as to a termination by the Moonraker Servicer, imposes additional licensing or regulatory requirements on the Moonraker Servicer, which requirements the Moonraker Servicer will not, on or before the date on which the Moonraker Servicer is required to have such licences or requirements in place, comply with in connection with the Loans or any other mortgage loans which it services or otherwise administers for third party clients on substantially similar terms to the terms of the Moonraker Servicing Agreement.

Voluntary Resignation of the Moonraker Servicer

The appointment of the Moonraker Servicer under the Moonraker Servicing Agreement may be terminated by the Moonraker Servicer upon the expiry of not less than 12 months' written notice of termination given by the Moonraker Servicer to the Issuer, the Back-Up Servicer Facilitator, each Moonraker Legal Title Holder, the Authorised Representative of the Majority Residual Certificateholder and the Security Trustee (or such shorter period of notice as may be agreed between Moonraker Servicer, the Issuer, the Authorised Representative of the Majority Residual Certificateholder and the Security Trustee).

Delivery of documents and records

If the appointment of the Moonraker Servicer is terminated or the Moonraker Servicer resigns, the Moonraker Servicer must as soon as reasonably practicable deliver (and in the meantime hold on trust for, and to the order of, the Issuer) to the Issuer, or as it shall direct, *inter alia*, the Loan Files, the Title Deeds, all books of account, papers, records, registers, correspondence and documents relating to the Moonraker Loans and their Related Security in its possession or under its control relating to the affairs of or belonging to the Issuer and the Moonraker Loans sold by the Moonraker Seller to the Issuer and comprised in the Moonraker Portfolio and any other Related Security and (if practicable, on the date of

receipt by the Moonraker Servicer) any monies then held by the Moonraker Servicer on behalf of the Issuer and any other assets of the Issuer.

Moonraker Enforcement Procedures

The Moonraker Servicer will, in relation to any default by a Borrower under or in connection with a Moonraker Loan or its Related Security, comply with the Moonraker Enforcement Procedures or, to the extent that the Moonraker Enforcement Procedures are not applicable having regard to the nature of the default in question, take such action as complies with the usual procedures undertaken by a Prudent Mortgage Servicer in connection with defaults of a similar nature, provided that:

- (a) it shall only become obliged to comply with the Moonraker Enforcement Procedures (to the extent applicable) or to take action as aforesaid after it has become aware of the default; and
- (a) it is acknowledged by the Issuer that mortgage lenders generally exercise discretion in pursuing their respective Moonraker Enforcement Procedures and that the Moonraker Servicer may exercise such discretion as would a Prudent Mortgage Servicer in applying the relevant Moonraker Enforcement Procedures to any particular defaulting Borrower or in taking action as aforesaid provided that in exercising such discretion the interests of the Issuer in the Moonraker Portfolio are not materially prejudiced.

Limit to Moonraker Servicer's Liability

The aggregate liability of the Moonraker Servicer in respect of any claim arising out of or in connection with the Moonraker Servicing Agreement (including but not limited to, contractual or delictual liability, tortious liability, including negligence and non-fraudulent misrepresentation, breach of statutory duty, restitution or otherwise) for any loss however so caused arising out of or in connection with the Moonraker Servicing Agreement or the services carried out by the Moonraker Servicer pursuant to the Moonraker Servicing Agreement shall, except in respect of fraud on the part of the Moonraker Servicer, wilful default by the Moonraker Servicer, gross negligence of the Moonraker Servicer or any liability which may not be excluded or limited as a matter of applicable law, be a capped amount, being 200 per cent of the Moonraker Servicing Fee paid or payable in the first Contract Year (or, in the case of a period of less than 12 months, which would otherwise be payable to the Moonraker Servicer for the full first Contract Year) in respect of the Moonraker Servicer under the Moonraker Servicing Agreement, provided that the aggregate liability of the Moonraker Servicer (a) over the Initial Term shall not exceed 250 per cent. of the Servicing Fee payable in the first Contract Year and (b) in respect of each subsequent three year period, shall not exceed 250 per cent. of the Servicing Fee payable in the first 12 months of such three year period (or, in the case of a subsequent period of less than three years, 200 per cent of the Servicing Fee paid or payable for the full first 12 months of such subsequent period).

Governing Law

The Moonraker Servicing Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law (provided that any terms of the Moonraker Servicing Agreement which are particular to the Law of Scotland shall be construed in accordance with Scots law and any terms of the Moonraker Servicing Agreement which are particular to the laws of Northern Ireland shall be governed by the laws of Northern Ireland).

In this Prospectus, the capitalised terms below have the following definitions:

"Applicable Laws" means:

- (a) for the purpose of the Mortgage Sale Agreement, the Moonraker Servicing Agreement and the Moonraker Legal Title Holder Deed (i) all applicable laws, rules, regulations, guidance,

ordinances, directives, statutes, authorisations, permits, licences, notices, instructions and decrees of any relevant regulatory authority or any judgment or judicial practice of any court, and any other legally binding requirements of any regulatory authority or government authority having jurisdiction with respect to the Moonraker Loans, including, without limitation, MCOB and the FCA Consumer Credit sourcebook; (ii) any publications of any relevant regulatory authority or regulator (including the FCA's guidance, policies and publications relating to the Treating Customers Fairly initiative and good practice and guidance published by the FOS) and any prevailing guidance of UK Finance, in each case only to the extent it is legally binding or is good practice to follow and which does not conflict with any of the matters referred to in paragraph (i) above and the Moonraker Legal Title Holder Deed; (iii) any domestic or foreign statute or regulation; (iv) any rule or practice of any Authority with which any party is bound or accustomed to comply; and (v) any agreement entered into by any party and any Authority or between any two or more Authorities;

- (b) for all other purposes, any Law or regulation including, but not limited to: (i) any domestic or foreign statute or regulation; (ii) any rule or practice of any Authority with which any party is bound or accustomed to comply; and (iii) any agreement entered into by any party and any Authority or between any two or more Authorities.

"Authority" means any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction, domestic or foreign.

"Breach of Duty" means:

- (a) in relation to any person (other than the persons set out in paragraphs (b) and (c) below), a wilful default, fraud, illegal dealing, negligence or material breach of any agreement or breach of trust by such person;
- (b) in relation to the Note Trustee, the Security Trustee, the Issuer Account Bank, the Agent Bank, the Cash Manager, the Principal Paying Agent and the Registrar a wilful default, fraud or gross negligence by the Note Trustee, the Security Trustee, the Issuer Account Bank, the Agent Bank, the Cash Manager, the Principal Paying Agent or the Registrar (as the case may be); and
- (c) in relation to the Moonraker Servicer and each Moonraker Legal Title Holder, a wilful default, fraud, illegal dealing, negligence or material breach of any agreement or breach of trust by such person;

"Change of Control" means in respect of the Moonraker Servicer, it ceases to be Controlled, directly or indirectly, by Capita plc;

"Control" means the holding of a majority of the voting rights in a person, or the right to appoint or remove a majority of its board of directors or equivalent body, or the control of a majority of the voting rights in it under an agreement with other shareholders or investors, in each case whether directly or indirectly, and "Controlled" shall be interpreted accordingly;

"Data Protection Laws" means any law, enactment, regulation or order concerning the processing of data relating to living persons including:

- (a) the EU GDPR;
- (b) the UK GDPR;
- (c) the UK Data Protection Act 2018; and

(d) other European Data Protection Laws,

each to the extent applicable to the activities or obligations under or pursuant to the Transaction Documents.

"Direct Debit" means a written instruction of a Borrower authorising its bank to honour a request of the relevant Moonraker Legal Title Holder to debit a sum of money on specified dates from the account of the Borrower for deposit into an account of the Moonraker Legal Title Holder.

"Direct Debiting Scheme" means the scheme for the manual or automated debiting of bank accounts operated in accordance with the detailed rules of certain members of the Association for Payment Clearing Services.

"Instructing Party" means:

- (a) the Note Trustee;
- (b) if there are no Notes outstanding, the Certificateholders; or
- (c) if there are no Notes outstanding and the Residual Certificates have been cancelled, the Secured Creditors (other than the Noteholders and the Certificateholders).

"Moonraker Enforcement Procedures" means procedures for the enforcement of Mortgages undertaken by the Moonraker Servicer from time to time in accordance with the relevant Moonraker Legal Title Holder's Policy.

"Prudent Mortgage Servicer" means a reasonable, prudent mortgage administrator operating in the UK residential mortgage administration outsourcing industry and who follows generally accepted good practice within that industry.

"Standard Variable Rate" means (i) in respect of the Moonraker Servicer and the Moonraker Loans, the standard variable rate applicable to certain Moonraker Loans in the Moonraker Portfolio as set, other than in limited circumstances, by the Moonraker Servicer, in accordance with the Moonraker Servicing Agreement and (ii) in respect of a Moonraker Legal Title Holder, the relevant standard variable rate set by the relevant Moonraker Legal Title Holder in relation to mortgage loans owned by that Moonraker Legal Title Holder in their residential mortgage book.

Moonraker Legal Title Holder Deed

The Issuer, the Moonraker Legal Title Holders, the Security Trustee and the Moonraker Servicer will enter into on or about the Closing Date, a legal title holders deed (the **"Moonraker Legal Title Holder Deed"**) pursuant to which the Moonraker Legal Title Holders will continue to hold legal title to the relevant Loans in the Portfolio.

Each of the Moonraker Legal Title Holders will agree to continue to hold the legal title and any other right, title, interest and benefit held by it with respect to the relevant Loans in the Portfolio, from time to time, on bare trust (or in the case of the Scottish Loans and their Related Security, PFL will agree to hold the same in terms of the Scottish Declaration of Trust) for and on behalf of the Issuer absolutely, and undertake not to breach any legal or regulatory requirements in relation to the Portfolio.

On and from the Closing Date and before the Moonraker Collection Accounts Opening Date, the Borrowers under the Moonraker Loans will pay Moonraker Collection Amounts into the Original Moonraker Collection Accounts which are held at the Moonraker Collection Bank by the Moonraker Legal Title Holders. The Moonraker Legal Title Holders also receive collections on other loans into the

Original Moonraker Collection Accounts, and so the Moonraker Legal Title Holders have declared a trust over the Moonraker Collection Amounts in favour of the Issuer pursuant to the Moonraker Legal Title Holder Deed. On and from the Moonraker Collection Accounts Opening Date, the Borrowers under the Moonraker Loans will pay interest and principal into the Moonraker Collection Accounts. The Moonraker Collection Accounts will be held at the Moonraker Collection Account Bank by the Moonraker Legal Title Holders. The Moonraker Legal Title Holders will declare a trust over each Moonraker Collection Account and all amounts in such account in favour of the Issuer pursuant to the Moonraker Legal Title Holder Deed.

Under the terms of the Moonraker Legal Title Holder Deed the Moonraker Legal Title Holders may give a perfection notice to each of the Issuer, the Authorised Representative of the Majority Residual Certificateholders, the Moonraker Servicer and the Security Trustee that they require the legal title to the Moonraker Loans and Related Security to be transferred. Such transfer of legal title must be completed within six months of delivery of the notice, **provided that** the Moonraker Legal Title Holders shall not purport to transfer legal title to the Moonraker Loans and Related Security and shall continue to act in accordance with the terms of the Moonraker Legal Title Holder Deed (and any Scottish Declaration of Trust) until the Moonraker Legal Title Transferee has been appointed and the transfer of the legal title has been completed.

The Moonraker Legal Title Holders' Fee will be paid by the Issuer in accordance with the applicable Priority of Payments.

Majority Residual Certificateholder Rights

Each Moonraker Legal Title Holder shall be required to consult with the Authorised Representative of the Majority Residual Certificateholder in relation to any write off or waiver of any principal balance of a Moonraker Loan, where such write off or waiver requires the approval of a director of the Co-operative Bank as a result of it being outside the mandate of a credit director of the Co-operative Bank (and any mandate below the level of credit director) pursuant to the Moonraker Legal Title Holder's Policy, and the Moonraker Legal Title Holders shall not be permitted to undertake such write off or waiver without the consent of the Authorised Representative of the Majority Residual Certificateholder, provided that the Authorised Representative of the Majority Residual Certificateholder shall revert in respect of such write off or waiver within five Business Days of such matter being notified to it (or such shorter or longer period as agreed between the Moonraker Legal Title Holders and the Authorised Representative of the Majority Residual Certificateholder).

Governing Law

The Moonraker Legal Title Holder Deed and any non-contractual obligations arising out of or in relation to the Moonraker Legal Title Holder Deed shall be governed by and construed in accordance with the laws of England, provided that any terms thereof which are particular to the laws of Scotland or Northern Ireland shall be construed in accordance with Scots law and the laws of Northern Ireland, respectively.

Deed of Charge

On the Closing Date, the Issuer will enter into the Deed of Charge with, *inter alios*, the Security Trustee.

Security

Under the terms of the Deed of Charge, the Issuer will provide the Security Trustee with the benefit of, *inter alia*, the following security (the "**Security**") as trustee for itself and for the benefit of the Secured Creditors (including the Noteholders and the Certificateholders):

- (a) an assignment by way of security of (and, to the extent not effectively assigned to the Security Trustee, a charge by way of first fixed charge over) the Issuer's rights, title, interest and benefit in, to and under the Transaction Documents (other than the Trust Deed, the Deed of Charge, any Scottish Declaration of Trust and the Scottish Trust Security) and any sums derived therefrom;
- (b) an assignment by way of security of (and, to the extent not effectively assigned to the Security Trustee, a charge by way of first fixed charge over) the Issuer's interest in the English Loans, the Northern Irish Loans and the Isle of Man Loans and their respective Related Security and other related rights comprised in the Portfolio (other than in respect of Scottish Loans) and any sums derived therefrom;
- (c) an assignment by way of security of (and, to the extent not effectively assigned to the Security Trustee, a charge by way of first fixed charge over) the Issuer's rights, title, interest and benefit in, to and under Insurance Policies assigned to the Issuer pursuant to the Mortgage Sale Agreement;
- (d) an assignment in security of the Issuer's interest in the Scottish Loans and their Related Security (comprising the Issuer's beneficial interest under the trusts declared by the relevant Legal Title Holders over such Scottish Loans and their Related Security for the benefit of the Issuer pursuant to each Scottish Declaration of Trust) (the "**Scottish Trust Security**");
- (e) a charge by way of first fixed charge over the Issuer's interest in its bank accounts (including the Deposit Accounts) maintained with the Issuer Account Bank and any other bank or custodian and any sums or securities standing to the credit thereof;
- (f) an assignment by way of first fixed security (and, to the extent not effectively assigned to the Security Trustee, a charge by way of first fixed charge over) (but subject to the right of reassignment) the benefit of the Issuer's rights, title, interest and benefit under each Collection Account trust (created pursuant to the Sunbury SRL Collection Account Declaration of Trust, the Sunbury LASI Collection Account Agreement and the Moonraker Collection Account Declarations of Trust); and
- (g) a floating charge over all assets of the Issuer not otherwise subject to the charges referred to above or otherwise effectively assigned by way of security (other than paragraph (d) above), but (for the avoidance of doubt) including over all of the Issuer's property, assets, rights and revenues as are situated in Scotland or governed by Scots law (whether or not such assets are the subject of the charges or Security referred to above).

"Secured Creditors" means the Security Trustee, any Receiver appointed by the Security Trustee pursuant to the Deed of Charge, the Note Trustee, the Noteholders, the Certificateholders, the Sellers, the Sunbury Legal Title Holders, the Moonraker Legal Title Holders, the Sunbury Servicers, the Moonraker Servicer, the Back-Up Servicer Facilitator, the Cash Manager, the Issuer Account Bank, the Sunbury LASI Collection Account Bank, the Moonraker Collection Account Bank, the Corporate Services Provider, the Paying Agents, the Registrar, the Agent Bank and any other person who is expressed in any deed supplemental to the Deed of Charge to be a secured creditor.

"Transaction Documents" means:

- (a) the Agency Agreement;
- (b) the Bank Account Agreement;
- (c) the Cash Management Agreement;

- (d) the Sunbury LASI Collection Account Agreement;
- (e) the Sunbury SRL Collection Account Declaration of Trust;
- (f) the Moonraker Collection Accounts Declaration of Trust;
- (g) the Corporate Services Agreement;
- (h) the Deed of Charge;
- (i) the Deed Poll;
- (j) the Moonraker Legal Title Holder Deed;
- (k) the Sunbury LASI Declaration of Trust;
- (l) the Master Definitions and Construction Schedule;
- (m) the Mortgage Sale Agreement;
- (n) a risk retention letter between, amongst others, the Retention Holder, the Sellers and the Security Trustee dated on or about the Closing Date (the "**Risk Retention Letter**");
- (o) the Sunbury Servicing Agreement;
- (p) the Moonraker Servicing Agreement;
- (q) any Scottish Trust Security;
- (r) any Scottish Declaration of Trust;
- (s) a share trust deed dated 25 January 2021 (the "**Share Trust Deed**");
- (t) the power of attorney granted by the Issuer in favour of the Security Trustee under the Deed of Charge (the "**Issuer Power of Attorney**");
- (u) the Trust Deed;
- (v) the powers of attorney granted by the Sunbury SRL Legal Title Holder, the LASI Legal Title Holder and the Moonraker Legal Title Holders in favour of the Issuer and the Security Trustee on the Closing Date (the "**Sunbury SRL Legal Title Holder Power of Attorney**" the "**LASI Legal Title Holder Power of Attorney**" and the "**Moonraker Legal Title Holder Power of Attorney**" respectively);
- (w) the powers of attorney granted by the Issuer in favour of the Sunbury Servicers and Moonraker Servicer on the Closing Date (the "**Sunbury Servicer Power of Attorney**" and "**Moonraker Servicer Power of Attorney**" respectively);
- (x) the powers of attorney granted on the Closing Date by: (A) the Sunbury SRL Legal Title Holder and the LASI Legal Title Holder respectively in favour of the Sunbury Servicers (the "**Sunbury SRL Legal Title Holder Servicer Power of Attorney**" and the "**Sunbury LASI Legal Title Holder Power of Attorney**"; and (B) the Moonraker Legal Title Holders in favour of the Moonraker Servicer, the "**Moonraker Legal Title Holder Servicer Power of Attorney**");

- (y) any fee letter between any of the Transaction Parties relating to any of the Transaction Documents; and
- (z) such other related documents which are referred to in the terms of the above documents or which relate to the issue of the Notes and/or the Residual Certificates.

The floating charge created by the Deed of Charge may "crystallise" and become a fixed charge over the relevant class of assets owned by the Issuer at the time of crystallisation. Crystallisation will occur automatically (subject to applicable law) following the occurrence of specific events set out in the Deed of Charge, including, among other events, service of an Enforcement Notice, except in relation to the Issuer's Scottish assets, where crystallisation will occur on the appointment of an administrative receiver or receiver or upon commencement of the winding-up of the Issuer. A crystallised floating charge will rank ahead of the claims of unsecured creditors which are in excess of the prescribed part but will rank behind the expenses of any administration or liquidator, the claims of preferential creditors and the beneficiaries of the prescribed part on enforcement of the Security.

Pre-Enforcement Revenue Priority of Payments and Pre-Enforcement Redemption Priority of Payments

Prior to the Note Trustee serving an Enforcement Notice on the Issuer pursuant to Condition 11 (*Events of Default*) or Residual Certificates Condition 10 (*Events of Default*), declaring the Notes to be immediately due and payable, the Cash Manager (on behalf of the Issuer) shall apply monies standing to the credit of the Deposit Accounts as described in "*Cashflows – Application of Available Revenue Receipts prior to the service of an Enforcement Notice on the Issuer*", "*Cashflows – Application of Available Redemption Receipts prior to the service of an Enforcement Notice on the Issuer*" and "*Cashflows – Application of Monies released from the Liquidity Reserve Fund*".

On the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date, the Risk Retention Regulatory Change Option Date, the Market Sale Date or the Refinancing Call Option Date, the Cash Manager (on behalf of the Issuer) shall apply certain monies standing to the credit of the Transaction Deposit Account in accordance with the Post-Enforcement Priority of Payments defined in "*Cashflows – Application of Available Revenue Receipts prior to the service of an Enforcement Notice on the Issuer*".

Post-Enforcement Priority of Payments

Pursuant to Condition 11 (*Events of Default*) or Residual Certificates Condition 10 (*Events of Default*), the Note Trustee at its absolute discretion may, and if so directed in writing by (a) the holders of at least 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or (b) by the holders of at least 25 per cent. of the Residual Certificates in number or if so directed by an Extraordinary Resolution of the Certificateholders, shall, (subject to being indemnified and/or prefunded and/or secured to its satisfaction as more particularly described in the Trust Deed) serve an Enforcement Notice on the Issuer if an Event of Default has occurred.

After the Note Trustee has served an Enforcement Notice on the Issuer, the Security Trustee (or the Cash Manager on its behalf) or any Receiver appointed by it shall apply the monies standing to the credit of the Transaction Deposit Account in accordance with the Post-Enforcement Priority of Payments defined in "*Cashflows – Distributions following the service of an Enforcement Notice on the Issuer*".

If an Enforcement Notice has been served on the Issuer pursuant to Condition 11 (*Events of Default*) or Residual Certificates Condition 10 (*Events of Default*) otherwise than by reason of a default in payment of any amount due on the Notes, the Security Trustee will not be entitled to dispose of the assets comprised in the Security or any part thereof unless either (a) a sufficient amount would be realised to

allow discharge in full on a *pro rata* and *pari passu* basis of all amounts owing to the Noteholders (and all persons ranking in priority to the Noteholders as set out in the Post-Enforcement Priority of Payments) or (b) the Security Trustee is of the opinion that the cash flow expected to be received by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing to the Noteholders (and all persons ranking in priority to the Noteholders in the order of priority set out in the Post-Enforcement Priority of Payments), which opinion shall be binding on the Secured Creditors and reached after considering at any time and from time to time the advice of any financial adviser (or such other professional adviser selected by the Security Trustee for the purpose of giving such advice).

The fees and expenses of the aforementioned financial adviser or other professional adviser selected by the Security Trustee shall be paid by the Issuer in accordance with the applicable Priority of Payments. The Security Trustee shall be entitled to rely upon any financial or other professional advice referred to above without enquiry and shall incur no liability to any person for so doing.

Governing Law

The Deed of Charge and any non-contractual obligations arising out of or in connection with it will be governed by English law (save that aspects relating to Scottish Loans and their Related Security and Northern Irish Loans and their Related Security and Isle of Man Loans and their Related Security will be construed in accordance with Scots law and the laws of Northern Ireland and Isle of Man law respectively, and any Scottish Declaration of Trust and the Scottish Trust Security will be governed by Scots law).

Trust Deed

On or about the Closing Date, the Issuer, the Security Trustee and the Note Trustee will enter into the Trust Deed pursuant to which the Issuer and the Note Trustee will agree that the Notes and the Residual Certificates are subject to the provisions in the Trust Deed. The Conditions and the Residual Certificates Conditions and the forms of each Class of Notes and the Residual Certificates are each constituted by, and set out in, the Trust Deed.

The Note Trustee will agree to hold the benefit of the Issuer's covenant to pay amounts due in respect of the Notes and the Residual Certificates on trust for the Noteholders and the Certificateholders.

In accordance with the terms of the Trust Deed, the Issuer will pay a fee to the Note Trustee for its services under the Trust Deed at the rate and times agreed between the Issuer and the Note Trustee (exclusive of VAT) together with payment of any liabilities incurred by the Note Trustee in relation to the Note Trustee's performance of its obligations under or in connection with the Trust Deed and the other Transaction Documents.

Retirement of Note Trustee

The Note Trustee may retire at any time upon giving not less than 60 days' notice in writing to the Issuer without giving any reason therefor and without being responsible for any liabilities occasioned by such retirement. The holders of the Most Senior Class of Notes then outstanding (or, if no Notes remain outstanding, the Certificateholders) may, by Extraordinary Resolution, remove all trustees (but not some only) for the time being who are acting pursuant to the Trust Deed and the Deed of Charge. The retirement of the Note Trustee shall not become effective unless there remains a trust corporation entitled by rules made under the Public Trustee Act 1906 to carry out the functions of a custodian trustee (a "**Trust Corporation**") in office after such retirement or removal by Extraordinary Resolution. The Issuer will agree in the Trust Deed that, in the event of the sole trustee or the only trustee under the Trust Deed giving notice of its retirement, it shall use its best endeavours to procure a new trustee to be

appointed as soon as practicable thereafter and if, after 60 days from the date the Note Trustee gives its notice of retirement or the applicable Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding, the Issuer is not able to find such replacement, the Note Trustee will be entitled to procure that a new trustee be appointed but no such appointment shall take effect unless previously approved by Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding.

Governing Law

The Trust Deed and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Agency Agreement

Pursuant to an agency agreement (the "**Agency Agreement**") dated on or prior to the Closing Date and made between the Issuer, the Note Trustee, the Security Trustee, the Principal Paying Agent, the Registrar and the Agent Bank, provision is made for, *inter alia*, the payment of principal and interest in respect of the Notes.

Governing Law

The Agency Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Cash Management Agreement

On the Closing Date, the Cash Manager, the Issuer and the Security Trustee will enter into a cash management agreement (the "**Cash Management Agreement**").

Cash Management Services to be provided to the Issuer

Pursuant to the Cash Management Agreement, the Cash Manager will agree to provide certain cash management and other services to the Issuer or, upon the Security Trustee notifying the Cash Manager that an Enforcement Notice has been served on the Issuer, the Security Trustee. The Cash Manager's principal function will be to (i) calculate the amount of Available Revenue Receipts and Available Redemption Receipts available for application on the immediately following Interest Payment Date, together with (on or prior to the Class D Note Redemption Date and without double counting) any amounts standing to the credit of the Liquidity Reserve Fund to be applied in relation to a Revenue Deficit on such Interest Payment Date; and (ii) effecting payments to and from the Transaction Deposit Account. In addition, the Cash Manager will, among other things, perform the following:

- (a) on each Calculation Date, determine if there would be a Revenue Deficit following the application of Available Revenue Receipts on the immediately following Interest Payment Date;
- (b) on each Calculation Date, determine if each or any of the Liquidity Availability Conditions are satisfied;
- (c) on each Calculation Date, in respect of each Interest Payment Date falling prior to the Class D Note Redemption Date or the Optional Redemption Date, whichever is earlier, determine the Liquidity Reserve Fund Required Amount;
- (d) on each Calculation Date, determine if the immediately following Interest Payment Date shall be the Class D Note Redemption Date or the Final Redemption Date;

- (e) calculate on each Calculation Date (prior to service of an Enforcement Notice) the amount of Available Revenue Receipts, Available Redemption Receipts and (subject to the satisfaction of the relevant Liquidity Availability Conditions) any Principal Addition Amounts to be applied on the immediately following Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments or the Pre-Enforcement Redemption Priority of Payments (as applicable);
- (f) calculate on each Calculation Date (prior to the Class D Note Redemption Date, the Optional Redemption Date or the service of an Enforcement Notice) the amount of any Liquidity Reserve Fund Drawings to be applied on the immediately following Interest Payment Date;
- (g) calculate on each Interest Payment Date on and after the Optional Redemption Date, the amount of Available Revenue Receipts to be applied as Available Redemption Receipts in accordance with item (p) of the Pre-Enforcement Revenue Priority of Payments;
- (h) on each Interest Payment Date, prior to the delivery of an Enforcement Notice, apply, or cause to be applied, Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments, Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments (including, for the avoidance of doubt, Principal Addition Amounts) and, prior to the Class D Note Redemption Date or the Optional Redemption Date, whichever is earlier, (subject to the satisfaction of the relevant Liquidity Availability Conditions) any Liquidity Reserve Fund Drawings to be applied in meeting any Revenue Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments;
- (i) record credits and debits on the Ledgers, as and when required;
- (j) if required (i) during a Determination Period, calculate the Interest Determination Ratio; and (ii) following any Determination Period, upon receipt by the Cash Manager of the Servicer Reports in respect of such Determination Period, reconcile the calculations to the actual collections set out in the Servicer Reports by allocating the Reconciliation Amounts in accordance with the Cash Management Agreement;
- (k) on each Business Day, prior to delivery of an Enforcement Notice, apply or cause to be applied Available Revenue Receipts in accordance with the Cash Management Agreement;
- (l) on each Calculation Date, review the balances of the Deposit Accounts pursuant to the Cash Management Agreement;
- (m) operate the Deposit Accounts and any additional accounts; and
- (n) transfer all Optional Purchase Collections, Risk Retention Regulatory Change Option Collections or Market Sale Collections to or for the account of the Beneficial Title Transferee or Winning Bidder, as applicable, as soon as reasonably practicable following the Optional Purchase Completion Date, the Risk Retention Regulatory Change Option Date or the Market Sale Date, as applicable.

In addition, the Cash Manager will also:

- (a) maintain the following ledgers (the "**Ledgers**") on behalf of the Issuer:
 - (i) the "**Redemption Ledger**", which will record all Redemption Receipts received by the Issuer and the distribution of the Redemption Receipts in accordance with the Pre-

Enforcement Redemption Priority of Payments or the Post-Enforcement Priority of Payments (as applicable);

- (ii) the "**Revenue Ledger**", which will record all Revenue Receipts, amounts retained in the Transaction Deposit Account in accordance with item (q) of the Pre-Enforcement Revenue Priority of Payments and the distribution of the Revenue Receipts recorded on the Revenue Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable) or by way of Third Party Amounts;
- (iii) the "**Liquidity Reserve Fund Ledger**", which will record amounts credited to, and debited from, the Liquidity Reserve Fund. The Liquidity Reserve Fund will be credited with part of the proceeds of the issuance of the Class Z2 Notes on the Closing Date up to the Liquidity Reserve Fund Required Amount. Thereafter, on each Interest Payment Date (prior to the Class D Note Redemption Date, the Optional Redemption Date, or the service of an Enforcement Notice, whichever is earlier), Available Redemption Receipts shall be applied at item (b) of the Pre-Enforcement Redemption Priority of Payments to replenish the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount to the extent that funds are available for such purpose in accordance with the Pre-Enforcement Redemption Priority of Payments. Prior to the Class D Note Redemption Date or the Optional Redemption Date or the Final Redemption Date, whichever is earlier, any amount standing to the Liquidity Reserve Fund, subject to the Liquidity Availability Conditions, shall be available to be applied directly as Liquidity Reserve Fund Drawings toward any Revenue Deficit determined by the Cash Manager on the immediately preceding Calculation Date (for the avoidance of doubt, after having applied Available Revenue Receipts pursuant to the provisions of the Pre-Enforcement Revenue Priority of Payments). Any such Liquidity Reserve Fund Drawings shall be debited by the Cash Manager on the Liquidity Reserve Fund Ledger. On the Class D Note Redemption Date, the Optional Redemption Date and the Final Redemption Date, whichever is earlier, all amounts standing to the credit of the Liquidity Reserve Fund Ledger will be applied as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments (see "*Credit Structure – Liquidity Reserve Fund and Liquidity Reserve Fund Ledger*");
- (iv) the "**Principal Deficiency Ledger**" means a ledger maintained by the Cash Manager on behalf of the Issuer, which will comprise the following sub-ledgers:
 - (A) the principal deficiency sub-ledger relating to the Class A Notes (the "**Class A Principal Deficiency Sub-Ledger**");
 - (B) the principal deficiency sub-ledger relating to the Class B Notes (the "**Class B Principal Deficiency Sub-Ledger**");
 - (C) the principal deficiency sub-ledger relating to the Class C Notes (the "**Class C Principal Deficiency Sub-Ledger**");
 - (D) the principal deficiency sub-ledger relating to the Class D Notes (the "**Class D Principal Deficiency Sub-Ledger**");
 - (E) the principal deficiency sub-ledger relating to the Class E Notes (the "**Class E Principal Deficiency Sub-Ledger**"); and
 - (F) the principal deficiency sub-ledger relating to the Class Z Notes (the "**Junior Principal Deficiency Sub-Ledger**"),

each a "**Principal Deficiency Sub-Ledger**", which will record on the appropriate sub-ledger as a debit entry deficiencies arising from (i) Losses on the Portfolio (on the date the Cash Manager is informed of such Losses by the relevant Servicer), (ii) Principal Addition Amounts (on the Calculation Date on which such Principal Addition Amounts are determined by the Cash Manager) and (iii) amounts credited to the Liquidity Reserve Fund in accordance with item (b) of the Pre-Enforcement Redemption Priority of Payments (on the Calculation Date on which such Principal Addition Amounts are determined by the Cash Manager) and record as a credit entry all PDL Cure Amounts (if any) on each Interest Payment Date and deemed to be Available Redemption Receipts (see "*Credit Structure – Principal Deficiency Ledger*"); and

- (v) the "**Issuer Profit Ledger**", which shall record (A) as a credit any amounts retained by the Issuer as profit in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable) and (B) as a debit any amount used to discharge any tax liability of the Issuer (up to the credit balance standing of the Issuer Profit Ledger);
- (b) provide the Issuer, the Sellers, the relevant Servicer(s), the Security Trustee, the Rating Agencies, Bloomberg and EuroABS with the Investor Report by 5 p.m. on each Reporting Date, provided that each Servicer shall have delivered Servicer Reports in respect of the immediately preceding Collection Period by no later than 10 a.m. on each Monthly Reporting Date in each month in which an Interest Payment Date falls (the "**Servicer Reporting Date**"), and provided further that EuroABS shall have provided a loan level data file on the Portfolio (the "**EuroABS Report**") and such obligation to provide the Investor Report shall be deemed to be discharged if the Cash Manager: (i) publishes the Investor Report on <http://sf.citidirect.com>; and (ii) sends the Investor Report by email to EuroABS for publication on www.euroabs.com, by 5 p.m. on the day falling three Business Days prior to each Interest Payment Date the "**Reporting Date**";
- (c) on behalf of the EU Reporting Entity, prepare and deliver to EuroABS by email a quarterly investor report as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation and in accordance with the EU Disclosure RTS and in the form required under the EU Disclosure ITS (the "**EU Investor Report**") on 10 a.m. on the 10th Business Day following each Interest Payment Date;
- (d) on behalf of the UK Reporting Entity, prepare and deliver to EuroABS by email a quarterly investor report as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation in accordance with the EU Disclosure RTS and in the form required under the EU Disclosure ITS in each case as amended by the UK Technical Standards (the "**UK Investor Report**") on 10 a.m. on the 10th Business Day following each Interest Payment Date, provided that, until 31 March 2022, the Cash Manager may satisfy its obligations under this paragraph (d) by preparing and delivering the information referred to in paragraph (c) and further provided that prior to 31 March 2022, the Issuer, EuroABS and the Servicers will consult with the Cash Manager if any material changes are required, from time to time, to the information provided by the Cash Manager pursuant to paragraph (c) and this paragraph (d);
- (e) as soon as reasonably practicable upon receiving a request from the Issuer and/or the Security Trustee and provided that it has all information necessary to enable it to do so, calculate and provide to the Issuer and the Security Trustee:
 - (i) the Optional Purchase Price (or where such calculation is made prior to the Calculation Date immediately preceding the Optional Purchase Completion Date, an estimate of the Optional Purchase Price); and/or

- (ii) (where the initial calculation is made prior to the Calculation Date immediately preceding the Optional Purchase Completion Date) the definitive Optional Purchase Price; and/or
- (iii) the Minimum Portfolio Liquidation Price;
- (f) keep such records for all Taxation purposes (including those relating to VAT) as it is required to keep under applicable laws;
- (g) subject to any applicable law, assist the auditors of the Issuer and provide such information to them as they may reasonably request for the purpose of carrying out their duties as auditors of the Issuer;
- (h) arrange for all payments due to be made by the Issuer under any of the Transaction Documents, provided that such monies as are necessary to meet such payments are at the relevant time available to the Issuer and that the Cash Manager is aware of the requirement to make such payment of a specific amount at the relevant time; provided that nothing herein shall constitute a guarantee by the Cash Manager of all or any of the obligations of the Issuer under any of the Transaction Documents;
- (i) on behalf of the Issuer, provided that monies are at the relevant time available to the Issuer, pay all out of pocket expenses of the Issuer as advised in writing to the Cash Manager or incurred by the Cash Manager on behalf of the Issuer in the performance of the Cash Management Services hereunder including:
 - (i) all Taxes which may be due or payable by the Issuer;
 - (ii) all necessary filing and other fees in compliance with regulatory requirements;
 - (iii) all legal and audit fees and other professional advisory fees; and
 - (iv) all communication expenses including postage, courier and telephone charges;
- (j) arrange payment of all fees due to Euronext Dublin or, as applicable, the Central Bank, as advised by the Issuer in writing to the Cash Manager, pursuant to the applicable Priority of Payments;
- (k) by 5 p.m. on the relevant Reporting Date, provide notification in writing (which may be satisfied by delivery of the Investor Report) to the Issuer and the Servicers that all necessary determinations and calculations have been made in order for all necessary payments to be made in accordance with the Priorities of Payments on the forthcoming Interest Payment Date; and
- (l) to the extent that there are any amounts held by the Issuer (whether in the Transaction Deposit Account or otherwise) after paying or providing for all items in the relevant Priority of Payments ranking in priority to the amounts payable on the Residual Certificates and available for such purpose distribute such amounts by or on behalf of the Issuer to the Certificateholders.

Cash Manager and Directions from the Security Trustee

The Cash Manager will act upon the direction of the Security Trustee (given in accordance with the terms and provisions of the Deed of Charge) upon the Security Trustee notifying the Cash Manager that an Enforcement Notice has been served on the Issuer.

Investor Reports and information

The Issuer will procure that the Cash Manager will publish quarterly Investor Reports which will be published on <http://sf.citidirect.com> and www.euroabs.com.

Remuneration of Cash Manager

The Cash Manager will be paid a cash management fee for its cash management services under the Cash Management Agreement. Such fees will be determined under a separate fee letter between the Issuer and the Cash Manager. Any sum (or other consideration) payable (or provided) by the Issuer to the Cash Manager in respect of that fee shall be deemed to be exclusive of VAT, if any, chargeable on any supply for which the cash management fee is the consideration (in whole or in part) for VAT purposes. The cash management fee is payable quarterly in arrear on each Interest Payment Date in the manner contemplated by and in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments or, as the case may be, the Post-Enforcement Priority of Payments. If a successor replacement cash manager is appointed in accordance with the terms of the Cash Management Agreement, the Issuer shall pay the replacement cash manager, for its services thereunder, a fee to be determined at the time of such appointment in accordance with the terms of the Cash Management Agreement.

Termination of Appointment and Replacement of Cash Manager

If any of the following events ("**Cash Manager Termination Events**") shall occur:

- (a) default is made by the Cash Manager in the payment, on the due date, of any payment due and payable by it under the Cash Management Agreement and such default continues unremedied for a period of three Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following the service of an Enforcement Notice) the Security Trustee, as the case may be, requiring the same to be remedied;
- (b) default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement or any of the Cash Manager warranties in the Cash Management Agreement proves to be untrue, incomplete, or inaccurate, or any certification or statement made by the Cash Manager in any certificate or other document delivered pursuant to the Cash Management Agreement proves to be untrue, and such default continues unremedied for a period of 30 Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following the service of an Enforcement Notice) the Security Trustee, as the case may be, requiring the same to be remedied;
- (c) an Insolvency Event occurs in respect of the Cash Manager; or
- (d) it becomes unlawful for the Cash Manager to perform its obligations under the Cash Management Agreement or under any other Transaction Document,

then prior to the delivery of an Enforcement Notice, the Issuer (with the written consent of the Security Trustee), or following the delivery of an Enforcement Notice, the Security Trustee, may, at once or at any time thereafter while such default continues, by notice in writing to the Cash Manager (with a copy to the Security Trustee if such notice is delivered by the Issuer and with a copy to the Issuer if such notice is delivered by the Security Trustee), terminate its appointment as Cash Manager under the Cash Management Agreement with effect from a date (not earlier than the date of the notice) specified in such notice. In determining whether to give or withhold consent to the termination of the Cash Manager by the Issuer, the Security Trustee will have regard to factors including, *inter alia*, the availability of a

substitute cash manager. Upon termination of the appointment of the Cash Manager, the Issuer shall use reasonable endeavours to appoint a substitute cash manager that satisfies the conditions set out below.

Any substitute cash manager:

- (a) must have the requisite cash management experience to perform the functions to be given to it under the Cash Management Agreement and is approved by the Issuer and the Security Trustee;
- (b) must agree to enter into a cash management agreement with the Issuer and the Security Trustee substantially on the terms of the Cash Management Agreement, and at fees which are consistent with those payable generally at the relevant time for the provision of cash management services for transactions similar to this transaction;
- (c) must be resident for tax purposes solely in the United Kingdom; and
- (d) (if the Rated Notes remain outstanding) each Rating Agency must provide a Rating Agency Confirmation in respect of its appointment or the Issuer must have certified to the Security Trustee that certain provisions of the Deed of Charge are satisfied in relation to the request for such Rating Agency Confirmation.

For the avoidance of doubt, upon termination of the appointment of the Cash Manager, if the Issuer is unable to find a suitable third party willing to act as a substitute cash manager, this shall not constitute any breach of the provisions of the Cash Management Agreement.

Resignation of the Cash Manager

The Cash Manager may resign on giving not less than 60 days' written notice (or such shorter time as may be agreed between the Cash Manager, the Issuer, the relevant Servicer and the Security Trustee) of its resignation to the Issuer, the relevant Servicer, the Note Trustee and the Security Trustee without providing any reason therefor and without being responsible for any liability incurred by reason thereof, provided that:

- (a) a substitute cash manager shall be appointed, such appointment to be effective not later than the date of such termination;
- (b) such substitute cash manager has the requisite cash management experience to perform the functions to be given to it under the Cash Management Agreement and is approved by the Issuer and the Security Trustee;
- (c) such substitute cash manager enters into a cash management agreement with the Issuer substantially on the terms of the Cash Management Agreement, and at fees which are consistent with those payable generally at the relevant time for the provision of cash management services for transactions similar to this transaction;
- (d) such substitute cash manager must be resident for tax purposes solely in the United Kingdom; and
- (e) (if the Rated Notes remain outstanding) each Rating Agency must provide a Rating Agency Confirmation in respect of its appointment or the Issuer must have certified to the Security Trustee that certain provisions of the Deed of Charge are satisfied in relation to the request for such Rating Agency Confirmation.

Governing Law

The Cash Management Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

As used in this Prospectus:

"EU Disclosure RTS" means Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019, including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission.

"EU Disclosure ITS" means Commission Delegated Regulation (EU) 2020/1225 of 29 October 2019, including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission.

"UK Technical Standards" means the Technical Standards (Specifying the Information and Details of a Securitisation to be made Available by the Originator, Sponsor and SSPR) (EU Exit) Instrument 2020, including any relevant legislation, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the FCA, the Bank of England, the PRA, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto.

The Bank Account Agreement

Pursuant to the terms of a bank account agreement entered into on or about the Closing Date between the Issuer, the Issuer Account Bank, the Cash Manager and the Security Trustee (the **"Bank Account Agreement"**), the Issuer will maintain with the Issuer Account Bank, the Sunbury Deposit Account, the Moonraker Deposit Account and the Transaction Deposit Account, which will be operated in accordance with the Cash Management Agreement and the Deed of Charge. The Issuer Account Bank is required to have all of the Account Bank Ratings.

Governing Law

The Bank Account Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

The Corporate Services Agreement

On or prior to the Closing Date, the Issuer, the Corporate Services Provider, the Share Trustee, Holdings and the Security Trustee will enter into a corporate services agreement (the **"Corporate Services Agreement"**) pursuant to which the Corporate Services Provider will provide the Issuer and Holdings with certain corporate and administrative functions against the payment of a fee. Such services include, *inter alia*, the performance of all general book-keeping, secretarial, registrar and company administration services for the Issuer and Holdings (including the provision of directors), providing the directors with information in connection with the Issuer and Holdings, and the arrangement for the convening of shareholders' and directors' meetings.

Governing Law

The Corporate Services Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

The Sunbury Collection Account Agreements

On the Closing Date, Stratton Resolutions Limited and others will enter into a collection accounts declaration of trust (the "**Sunbury SRL Collection Accounts Declaration of Trust**") over the account held with NatWest Bank plc.

Link ASI Limited and others will enter into a collection account agreement with Barclays Bank plc (the "**Sunbury LASI Collection Account Agreement**") (the Sunbury SRL Collection Account Agreement and the Sunbury LASI Collection Account Agreement, together the "**Sunbury Collection Accounts Documents**").

The Sunbury SRL Collection Account Declaration of Trust and the Sunbury LASI Collection Account Agreement shall include, *inter alia*, a declaration of trust over the relevant Sunbury Collection Accounts in favour of the Issuer over all of their rights, title, interest and benefit (both present and future) in the accounts held pursuant to such Sunbury Collection Account Agreement (as applicable), including all amounts standing to the credit of the Sunbury collection accounts, absolutely for the beneficiaries in the manner specified in the relevant Sunbury Collection Account Document.

Governing Law

Each Sunbury Collection Account Document and any non-contractual obligations arising out of or in connection with them will be governed by English law.

As used in this Prospectus:

"Sunbury Collection Accounts" means:

- (a) (i) the account entitled "Stratton Resolutions Limited" with account number 40478718 and sort code 01-05-02 and held with NatWest Bank plc; (ii) the account entitled "Stratton Resolutions Limited" with account number 40478726 and sort code 01-05-02 and held with NatWest Bank plc; and (iii) the account entitled "Stratton Resolutions Limited" with account number 40478734 and sort code 01-05-02 and held with NatWest Bank plc, and any other replacement or additional collection account in respect of which amounts are received in respect of the Sunbury Loans and their Related Security in the Sunbury Portfolio (the "**Sunbury SRL Collection Accounts**"); and
- (b) the account entitled "Link ASI Limited on trust for Stratton Finance II Limited" with account number 73609774 and sort code 20-67-59 and held with Barclays Bank PLC and any other replacement or additional collection account in respect of which amounts are received in respect of the Sunbury Loans and their Related Security in the Sunbury Portfolio (the "**Sunbury LASI Collection Account**").

The Moonraker Collection Account Agreement

On the Closing Date, the Moonraker Legal Title Holders and others will enter into a collection accounts declaration of trust (the "**Moonraker Collection Accounts Declaration of Trust**") which shall include, *inter alia*, a declaration of trust over the Moonraker collection accounts in favour of the Issuer over all of their rights, title, interest and benefit (both present and future) in the accounts held in the name of the Moonraker Legal Title Holders with the Moonraker Collection Account Bank, including all amounts standing to the credit of the Moonraker Collection Accounts, absolutely for the beneficiaries in the manner specified in the Moonraker Collection Accounts Declarations of Trust.

Governing Law

The Moonraker Collection Accounts Declarations of Trust and any non-contractual obligations arising out of or in connection with it will be governed by English law.

As used in this Prospectus:

"Moonraker Collection Accounts" means:

- (a) the account entitled "Mortgage Agency Services No 2 Ltd Stratton 21-1" with account number 23504889 and sort code 01-05-02 and held with NatWest Bank plc;
- (b) the account entitled "Mortgage Agency Services No 2 Ltd (Verso) Stratton 21-1" with account number 23510463 and sort code 01-05-02 and held with NatWest Bank plc;
- (c) the account entitled "Mortgage Agency Services No. 4 Limited Stratton 21.1" with account number 36085146 and sort code 01-05-02 and held with NatWest Bank plc;
- (d) the account entitled "Mortgage Agency Services No 5 Ltd Stratton 21-1" with account number 36045586 and sort code 01-05-02 and held with NatWest Bank plc;
- (e) the account entitled "Mortgage Agency Services No 6 Ltd Stratton 21-1" with account number 36030228 and sort code 01-05-02 and held with NatWest Bank plc
- (f) the account entitled "Platform Funding Ltd Stratton 21-1" with account number 36059153 and sort code 01-05-02 and held with NatWest Bank plc; and
- (g) the account entitled "Platform Funding Ltd Stratton 21-1" with account number 36059110 and sort code 01-05-02 and held with NatWest Bank plc,

and any other replacement or additional collection account in respect of which amounts are received in respect of the Moonraker Loans and their Related Security in the Moonraker Portfolio.

CREDIT STRUCTURE

The Notes are obligations of the Issuer only. The Notes are not obligations of, or the responsibility of, or guaranteed by, any person other than the Issuer. In particular, the Notes are not obligations of, or the responsibility of, or guaranteed by, any of the Relevant Parties. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes shall be accepted by any of the Relevant Parties or by any other person other than the Issuer.

The structure of the credit support arrangements may be summarised as follows:

1. **Liquidity and Credit Support for the Notes provided by Available Revenue Receipts**

It is anticipated that, during the life of the Notes, the interest payable by Borrowers on the Loans will, assuming that all of the Loans are fully performing, be sufficient so that the Available Revenue Receipts will be sufficient to pay the amounts payable under items (a) to (u) (inclusive) of the Pre-Enforcement Revenue Priority of Payments. The actual amount of any excess payable to the Certificateholders at item (v) of the Pre-Enforcement Revenue Priority of Payments will vary during the life of the Notes. Two of the key factors determining such variation are the interest rates applicable to the Loans in the Portfolio relative to the interest rates on the Notes (as to which, see "*Risk Factors – Risks Relating to the Structure – Interest Rate Risk*") and the performance of the Portfolio.

Available Revenue Receipts will be applied (after making payments ranking higher in the Pre-Enforcement Revenue Priority of Payments) on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments, towards reducing any Principal Deficiency Ledger debit entries which may arise from (i) Losses on the Portfolio, (ii) the application of Available Redemption Receipts as Principal Addition Amounts to cover Revenue Deficits in accordance with item (a) of the Pre-Enforcement Redemption Priority of Payments (subject to the satisfaction of the Liquidity Availability Conditions) and (iii) amounts credited to the Liquidity Reserve Fund in accordance with item (b) of the Pre-Enforcement Redemption Priority of Payments (and subject to the conditions set out therein).

Further, Principal Addition Amounts and, prior to the earlier of the Class D Note Redemption Date, the Optional Redemption Date and the Final Redemption Date, amounts standing to the credit of the Liquidity Reserve Fund will be available to cover any Revenue Deficits subject to the application of the Liquidity Availability Conditions.

On each Interest Payment Date, to the extent that the amount of Available Revenue Receipts exceeds the aggregate of the payments required to be met under items (a) to (s) (inclusive) of the Pre-Enforcement Revenue Priority of Payments, such excess is available to repay Principal Amounts Outstanding on the Class X1 Notes until the Principal Amount Outstanding on the Class X1 Notes has been reduced to zero.

On each Interest Payment Date, to the extent that the amount of Available Revenue Receipts exceeds the aggregate of the payments required to be met under items (a) to (t) (inclusive) of the Pre-Enforcement Revenue Priority of Payments, such excess is available to repay Principal Amounts Outstanding on the Class X2 Notes until the Principal Amount Outstanding on the Class X2 Notes has been reduced to zero.

2. **Liquidity Reserve Fund and Liquidity Reserve Fund Ledger**

On the Closing Date, the Issuer will establish a liquidity reserve fund (the "**Liquidity Reserve Fund**") which will, under certain circumstances and subject to certain conditions, be available for credit enhancement and liquidity support for the Notes.

Prior to the earlier of the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, the amount (if any) by which the balance to the Liquidity Reserve Fund exceeds the Liquidity Reserve Fund Required Amount on the immediately preceding Interest Payment Date (the Liquidity Reserve Fund Excess Amount, as defined below) shall provide credit enhancement to all outstanding Classes of the Notes (other than the Class X Notes).

Notwithstanding the provisions of the foregoing paragraphs, following delivery of an Enforcement Notice, the Liquidity Reserve Fund shall provide credit enhancement to all Classes of Notes.

The Liquidity Reserve Fund will provide liquidity support to the Class A Notes at all times.

Prior to the Class A Note Redemption Date, the Liquidity Reserve Fund will provide conditional liquidity support to the Class B Notes, the Class C Notes and the Class D Notes.

Following the Class A Note Redemption Date, the entire balance of the Liquidity Reserve Fund will unconditionally provide liquidity support to the Class B Notes.

Prior to the Class B Note Redemption Date, the Liquidity Reserve Fund will provide conditional liquidity support to the Class C Notes and the Class D Notes.

Following the Class B Note Redemption Date, the entire balance of the Liquidity Reserve Fund will unconditionally provide liquidity support to the Class C Notes.

Prior to the Class C Note Redemption Date, the Liquidity Reserve Fund will provide conditional liquidity support to the Class D Notes.

Following the Class C Note Redemption Date, the entire balance of the Liquidity Reserve Fund will unconditionally provide liquidity support to the Class D Notes.

On the earlier of the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, all amounts standing to the Liquidity Reserve Fund shall provide credit enhancement to all Classes of Notes (other than the Class X Notes) as Available Redemption Receipts.

The Liquidity Reserve Fund will be deposited in the Transaction Deposit Account (with a corresponding credit being made to the Liquidity Reserve Fund Ledger). The Cash Manager will maintain the Liquidity Reserve Fund Ledger pursuant to the Cash Management Agreement to record the balance from time to time of the Liquidity Reserve Fund.

On the Closing Date the Cash Manager will credit the Liquidity Reserve Fund with an amount equal to the Liquidity Reserve Fund Required Amount from the proceeds of the issuance of the Class Z2 Notes. Thereafter, the Liquidity Reserve Fund shall be credited on each Interest Payment Date (prior to the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, whichever is earlier, or the service of an Enforcement Notice) up to the Liquidity Reserve Fund Required Amount at item (b) of the Pre-Enforcement Redemption Priority of Payments and to the extent that funds are available for such purpose in accordance with the Pre-Enforcement Redemption Priority of Payments.

Prior to the Class D Note Redemption Date, following the application of Available Revenue Receipts pursuant to the Pre-Enforcement Revenue Priority of Payments, all amounts then standing to the Liquidity Reserve Fund shall be available for Liquidity Reserve Fund Drawings subject to the Liquidity Availability Conditions as outlined below. For the avoidance of doubt

on and following the Class D Note Redemption Date, the Liquidity Reserve Fund Drawings will no longer be applicable.

Prior to the Class D Note Redemption Date, the Cash Manager will, subject to the Liquidity Availability Conditions and to the extent applicable, following a determination made by it on the immediately preceding Calculation Date, (for the avoidance of doubt following the application of Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments) apply Liquidity Reserve Fund Drawings in an amount equal to the lesser of (i) the balance standing to the Liquidity Reserve Fund, and (ii) the aggregate amount of any Revenue Deficits. On each Interest Payment Date falling prior to the Class D Note Redemption Date, the Cash Manager shall apply the Liquidity Reserve Fund Drawings to cover Revenue Deficits in the order of priority in which the item corresponding to the relevant Revenue Deficit appears in the Pre-Enforcement Revenue Priority of Payments.

"Revenue Deficit" means the amount required on an Interest Payment Date to meet any deficit in Available Revenue Receipts available to pay amounts due (or that would be due but for any deferral provision relating thereto pursuant to Condition 18 (*Subordination by Deferral*)) in respect of any of items (a) to (e), (g), (i), (k) and (m) of the Pre-Enforcement Revenue Priority of Payments determined in respect of such Interest Payment Date in accordance with the Liquidity Availability Conditions on such Interest Payment Date.

The **"Liquidity Availability Conditions"** are:

- (a) Principal Addition Amounts and Liquidity Reserve Fund Drawings and amounts standing to the credit of the Liquidity Reserve Fund shall be available at all times to provide for Revenue Deficits under items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments;
- (b) **provided that** either (i) the Class B Notes are the Most Senior Class of Notes or (ii) if the Class A Notes are the Most Senior Class of Notes, there is no debit entry on the Class B Principal Deficiency Sub-Ledger as at the day immediately prior to the relevant Calculation Date, Liquidity Reserve Fund Drawings shall be available in relation to Revenue Deficits corresponding to item (g) of the Pre-Enforcement Revenue Priority of Payments prior to the Class B Note Redemption Date;
- (c) **provided that** either (i) the Class C Notes are the Most Senior Class of Notes or (ii) if the Class A Notes or the Class B Notes are the Most Senior Class of Notes, there is no debit entry on the Class C Principal Deficiency Sub-Ledger as at the day immediately prior to the relevant Calculation Date, Liquidity Reserve Fund Drawings shall be available in relation to Revenue Deficits corresponding to item (i) of the Pre-Enforcement Revenue Priority of Payments prior to the Class C Note Redemption Date;
- (d) **provided that** either (i) the Class D Notes are the Most Senior Class of Notes or (ii) if the Class A Notes, the Class B Notes or the Class C Notes are the Most Senior Class of Notes, there is no debit entry on the Class D Principal Deficiency Sub-Ledger as at the day immediately prior to the relevant Calculation Date, Liquidity Reserve Fund Drawings shall be available in relation to Revenue Deficits corresponding to item (k) of the Pre-Enforcement Revenue Priority of Payments prior to the Class D Note Redemption Date; and
- (e) **provided that** the corresponding Class of Notes are the Most Senior Class of Notes outstanding at such time, Principal Addition Amounts shall be available in relation to Revenue Deficits corresponding to items (e), (g), (i), (k) and (m) of the Pre-Enforcement Revenue Priority of Payments in respect of such Most Senior Class of

Notes at such time after application of any applicable Liquidity Reserve Fund Drawings.

On any Calculation Date, if the Cash Manager determines that following application of any amounts standing to the Liquidity Reserve Fund to provide for any Revenue Deficits on the immediately following Interest Payment Date in the manner outlined above, the amount so applied would be insufficient to provide for such Revenue Deficit in full then, subject to the application of the Liquidity Availability Conditions, the Cash Manager shall in accordance with and pursuant to the Pre-Enforcement Redemption Priority of Payments, retain an amount of Available Redemption Receipts and apply the same in or toward satisfaction of such continuing Revenue Deficit (the "**Principal Addition Amounts**").

On the Class D Note Redemption Date all amounts standing to the credit of the Liquidity Reserve Fund will be applied as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments.

The "**Liquidity Reserve Fund Required Amount**" means on the Closing Date £8,310,000; and thereafter, in respect of an Interest Payment Date, an amount equal to 2.00 per cent. of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on the preceding Calculation Date (for the avoidance of doubt, prior to the application of Available Revenue Receipts and Available Redemption Receipts on the immediately following Interest Payment Date).

The "**Liquidity Reserve Fund Excess Amount**" means, in respect of an Interest Payment Date, the credit balance of the Liquidity Reserve Fund Ledger less the Liquidity Reserve Fund Required Amount on the immediately preceding Interest Payment Date, provided that the Liquidity Reserve Fund Excess Amount on the Interest Payment Date falling in June 2021 shall be deemed to be zero.

For more information about the application of the amounts standing to the credit of the Liquidity Reserve Fund, see the section entitled "*Cashflows – Application of Monies released from the Liquidity Reserve Fund*".

3. Principal Deficiency Ledger

The Principal Deficiency Ledger will be established on the Closing Date to record any Losses affecting the Loans in the Portfolio and/or any Principal Addition Amounts (determined in accordance with the Liquidity Availability Conditions) and/or amounts credited to the Liquidity Reserve Fund in accordance with item (b) of the Pre-Enforcement Redemption Priority of Payments. At or about the same time, the Cash Manager shall establish eight Principal Deficiency Sub-Ledgers, being the Class A Principal Deficiency Sub-Ledger, Class B Principal Deficiency Sub-Ledger, Class C Principal Deficiency Sub-Ledger, Class D Principal Deficiency Sub-Ledger, Class E Principal Deficiency Sub-Ledger and Junior Principal Deficiency Sub-Ledger.

Any Losses on the Portfolio and/or any Principal Addition Amounts and/or any amounts credited to the Liquidity Reserve Fund in accordance with item (b) of the Pre-Enforcement Redemption Priority of Payments will be recorded as a debit on the Principal Deficiency Ledger (on the date that the Cash Manager is informed of such Losses by the relevant Servicer or on the Interest Payment Date that such Principal Addition Amounts are applied or on the Interest Payment Date such amounts are credited to the Liquidity Reserve Fund pursuant to item (b) of the Pre-Enforcement Redemption Priority of Payments by the Cash Manager) and shall be allocated to the relevant Principal Deficiency Sub-Ledger in the following order of priority:

- (a) *first*, to the Junior Principal Deficiency Sub-Ledger up to a maximum amount equal to the Junior PDL Notional Capacity;
- (b) *second*, to the Class E Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class E Notes;
- (c) *third*, to the Class D Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class D Notes;
- (d) *fourth*, to the Class C Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class C Notes;
- (e) *fifth*, to the Class B Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class B Notes; and
- (f) *sixth*, to the Class A Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class A Notes.

Investors should note that realised Losses in any period will be calculated after applying any recoveries from the sale of a property which is secured in respect of any Loan following enforcement of a Loan to pay all outstanding fees and interest amounts due and payable in respect of such Loan.

The Cash Manager will record as a credit, PDL Cure Amounts expressed to be credited to the relevant Principal Deficiency Sub-Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments (in the case of Available Revenue Receipts).

"Junior PDL Notional Capacity" means on any Calculation Date the Principal Amount Outstanding of the Class Z Notes.

4. Available Revenue Receipts and Available Redemption Receipts

Prior to the service of an Enforcement Notice on the Issuer, Available Revenue Receipts and Available Redemption Receipts shall be applied on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Redemption Priority of Payments, respectively. It is not intended that any surplus will be accumulated in the Issuer other than amounts which the Issuer expects to generate in each accounting period as its profit in respect of the business of the Issuer and, prior to the Class D Note Redemption Date, amounts standing to the credit of the Liquidity Reserve Fund.

If, on any Interest Payment Date while there are Rated Notes outstanding, the Available Revenue Receipts, Liquidity Reserve Fund Drawings (to the extent applicable) and Principal Addition Amounts are insufficient to pay the interest that would otherwise be payable absent the deferral provisions in respect of the Notes other than in respect of the Most Senior Class of Notes, then the Issuer will be entitled under Condition 18 (*Subordination by Deferral*) to defer payment of that amount (to the extent of the insufficiency) until the following Interest Payment Date. Any such deferral in accordance with the deferral provisions contained in the Conditions will not constitute a Default until the Final Maturity Date. However, failure to pay interest on the Most Senior Class of Notes (as defined in Condition 13.2(ii) to include only the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) within any applicable grace period in accordance with the Conditions shall constitute an Event of Default under the Notes which may result in the Security Trustee enforcing the Security.

CASHFLOWS

Definition of Revenue Receipts

"Revenue Receipts" means (without double-counting) the aggregate of:

- (a) payments of interest and other fees due from time to time under the Loans (including any Early Repayment Charges) and other amounts received by the Issuer in respect of the Loans and their Related Security, other than payments of interest, fees and other amounts comprising Optional Purchase Collections, Risk Retention Regulatory Change Option Collections or Market Sale Collections;
- (b) recoveries of interest from defaulting Borrowers under Loans being enforced;
- (c) recoveries of all amounts from defaulting Borrowers under Loans following enforcement and sale of the relevant property or any amounts recovered from third parties, other than any recoveries comprising Redemption Receipts;
- (d) the proceeds of repurchase (or payment made by the relevant Seller in lieu of the obligation to repurchase) attributable to Accrued Interest and Arrears of Interest only of any Loan repurchased by a Seller from the Issuer pursuant to the Mortgage Sale Agreement (including amounts which have been capitalised subsequent to the Portfolio Cut-Off Date which, had such amounts not been capitalised, would have been Revenue Receipts); and
- (e) any other amounts of a revenue nature received in respect of a Loan including, without limitation, amounts under the Mortgage Sale Agreement attributable to fees, interest, insurance proceeds and any proceeds from any claims made by or on behalf of the Issuer, in each case which do not relate to the payment of principal.

Definition of Available Revenue Receipts

"Available Revenue Receipts" means, in relation to each Interest Payment Date, an amount equal to the aggregate of (without double counting):

- (a) Revenue Receipts or, if in a Determination Period, Calculated Revenue Receipts (in each case, excluding any Reconciliation Amounts to be applied as Available Redemption Receipts on that Interest Payment Date) received by the Issuer during the immediately preceding Collection Period;
- (b) interest payable to the Issuer on the Issuer Accounts and received in the immediately preceding Collection Period;
- (c) on each Interest Payment Date following a Determination Period, any Reconciliation Amounts deemed to be Available Revenue Receipts in accordance with the Cash Management Agreement;
- (d) amounts determined to be credited to the Transaction Deposit Account on the immediately preceding Interest Payment Date in accordance with item (q) of the Pre-Enforcement Revenue Priority of Payments; and
- (e) other net income of the Issuer corresponding to the immediately preceding Collection Period, excluding any Redemption Receipts;

less:

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(f) any Third Party Amounts.

"Third Party Amounts" means the amounts applied from time to time during the immediately preceding Collection Period in accordance with the Cash Management Agreement, the Sunbury Collection Accounts Documents, or the Moonraker Collection Accounts Declarations of Trust in making payment of certain monies which properly belong to third parties (including the Sellers) such as (but not limited to):

- (a) certain costs and expenses charged by the relevant Servicer in respect of its servicing of the Loans in accordance with the Sunbury Servicing Agreement or the Moonraker Servicing Agreement (as applicable), other than any Servicing Fee and not otherwise covered by the items below;
- (b) payments of certain insurance premiums in respect of the Insurance Policies (to the extent referable to the Loans);
- (c) amounts under a Direct Debit which are repaid to the bank making the payment if such bank is unable to recoup or recall such amount itself from its customer's account or is required to refund an amount previously debited in excess of the amount required to be paid by a Borrower or in error;
- (d) any amount received from a Borrower for the express purpose of payment being made to a third party for the provision of a service to that Borrower;
- (e) any tax payments paid or payable by the Issuer during the immediately preceding Collection Period to the extent not funded from amounts standing to the credit of the Issuer Profit Ledger;
- (f) amounts to remedy any overdraft in relation to the Sunbury Collection Accounts or the Moonraker Collection Accounts or to pay any amounts due to the Sunbury Collection Account Banks or the Moonraker Collection Account Bank; and
- (g) amounts for the purposes of funding any recalled payments under a direct debiting scheme.

Application of Monies released from the Liquidity Reserve Fund

On each Interest Payment Date prior to the Class D Note Redemption Date, the Liquidity Reserve Fund shall not be applied as Available Revenue Receipts but, subject to the Liquidity Availability Conditions, shall be available for the purpose of Liquidity Reserve Fund Drawings.

On each Interest Payment Date falling prior to the Class D Note Redemption Date, and subject to the Liquidity Availability Conditions, to the extent that there would be one or more Revenue Deficits on such Interest Payment Date, an amount equal to the lower of (a) the amount required to cover such Revenue Deficit or Revenue Deficits and (b) the amount standing to the credit of the Liquidity Reserve Fund on such Interest Payment Date (such amounts being "**Liquidity Reserve Fund Drawings**") shall be debited from the Liquidity Reserve Fund immediately following the application of Available Revenue Receipts and will be applied to meet such Revenue Deficit or Revenue Deficits, provided that if there is more than one Revenue Deficit such amounts shall be applied in the order of priority as such items appear in the Pre-Enforcement Revenue Priority of Payments.

On the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, whichever is earlier, all amounts standing to the credit of the Liquidity Reserve Fund will be applied as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments.

Application of Available Redemption Receipts to cover a Revenue Deficit

If the Cash Manager calculates that, on any Interest Payment Date, there would be a Revenue Deficit (after application of the Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments and (prior to the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, whichever is earlier) the use of any Liquidity Reserve Fund Drawings to meet any Revenue Deficits against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments), the Issuer shall apply Principal Addition Amounts to cover such Revenue Deficit, provided that amounts will only be released to cover a Revenue Deficit corresponding to item (a) to (e), (g), (i), (k) and (m) of the Pre-Enforcement Revenue Priority of Payments in respect of the Most Senior Class of Notes at such time if the relevant Liquidity Availability Conditions are satisfied.

If any Principal Addition Amounts are applied on any Interest Payment Date in accordance with item (a) of the Pre-Enforcement Redemption Priority of Payments, the Issuer (or the Cash Manager on its behalf) will make a corresponding debit entry in the Principal Deficiency Ledger. On any Calculation Date, if the Cash Manager determines that the then Most Senior Class of Notes will be redeemed on the immediately succeeding Interest Payment Date, the Principal Addition Amounts will be available in relation to Revenue Deficits corresponding to items (e), (g), (i), (k) and (m) of the Pre-Enforcement Revenue Priority of Payments in respect of the new Most Senior Class of Notes at such time.

Application of Available Revenue Receipts prior to the service of an Enforcement Notice on the Issuer

The Cash Manager, on behalf of the Issuer, is required pursuant to the terms of the Cash Management Agreement to apply or provide for the application of Available Revenue Receipts on each relevant Interest Payment Date prior to the service of an Enforcement Notice by the Note Trustee on the Issuer (other than an Interest Payment Date falling on or immediately following the Optional Purchase Completion Date, the Risk Retention Regulatory Change Option Date, the Market Sale Date or the Optional Refinancing Date), and in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the "**Pre-Enforcement Revenue Priority of Payments**") and, together with the Pre-Enforcement Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the "**Priorities of Payments**" and each a "**Priority of Payments**"):

- (a) *first*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) any fees, costs, charges, liabilities, expenses and all other amounts then due to the Note Trustee and any Appointee under the provisions of the Trust Deed and the other Transaction Documents together with (if payable) VAT thereon as provided therein; and
 - (ii) any fees, costs, charges, liabilities, expenses and all other amounts then due to the Security Trustee and any Appointee under the provisions of the Deed of Charge and the other Transaction Documents together with (if payable) VAT thereon as provided therein;
- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof (in each case without double counting) of:
 - (i) any remuneration then due and payable to the Agent Bank, the Registrar and the Principal Paying Agent and any fees, costs, charges, liabilities, expenses and all other

- amounts then due to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;
- (ii) any amounts then due and payable to the Cash Manager and any fees, costs, charges, liabilities, expenses and all other amounts then due under the provisions of the Cash Management Agreement, together with (if payable) VAT thereon as provided therein;
 - (iii) any amounts then due and payable to the Sunbury Servicers and the Sunbury Legal Title Holders and any fees, costs, charges, liabilities and expenses then due under the provisions of the Sunbury Servicing Agreement and any fee letter related thereto, together with (if payable) VAT thereon as provided therein;
 - (iv) any amounts then due and payable to the Moonraker Servicer and the Moonraker Legal Title Holders and any fees, costs, charges, liabilities and expenses then due under the provisions of the Moonraker Servicing Agreement and the Moonraker Legal Title Holder Deed and any fee letter related thereto, together with (if payable) VAT thereon as provided therein;
 - (v) any amounts then due and payable to the Back-Up Servicer Facilitator including fees, costs, charges, liabilities and expenses then due to the Back-Up Servicer Facilitator under the provisions of the Sunbury Servicing Agreement and the Moonraker Servicing Agreement, together with (if payable) VAT thereon as provided therein;
 - (vi) any amounts then due and payable to the Corporate Services Provider and any fees, costs, charges, liabilities and expenses then due under the provisions of the Corporate Services Agreement, together with (if payable) VAT thereon as provided therein; and
 - (vii) any amounts then due and payable to the Issuer Account Bank and any fees, costs, charges, liabilities, expenses and all other amounts then due under the provisions of the Bank Account Agreement, together with (if applicable) VAT thereon as provided therein;
- (c) *third*, to pay, *pro rata* and *pari passu* according to the respective amounts thereof (in each case without double counting) of:
- (i) Third Party Expenses (if any) and any amounts required to pay or discharge (to the extent not discharged from the Issuer Profit Amount or otherwise)) any liability of the Issuer for corporation tax of the Issuer;
 - (ii) any Transfer Costs which the relevant Servicer has failed to pay pursuant to the Sunbury Servicing Agreement or the Moonraker Servicing Agreement (as applicable); and
 - (iii) any amounts required to pay or discharge any fine, penalty or sanction imposed on the Issuer by a regulator or competent authority payable to a regulator or competent authority in connection with any breach or alleged breach by the Issuer of the EU Securitisation Regulation and the UK Securitisation Regulation, including all fees, costs, liabilities and expenses;
- (d) *fourth*, to pay the Issuer an amount equal to £300 to be retained by the Issuer as profit in respect of the business of the Issuer (the "**Issuer Profit Amount**");
- (e) *fifth*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class A Notes;

- (f) *sixth*, to credit the Class A Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);
- (g) *seventh*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class B Notes;
- (h) *eighth*, to credit the Class B Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);
- (i) *ninth*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class C Notes;
- (j) *tenth* to credit the Class C Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);
- (k) *eleventh*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class D Notes;
- (l) *twelfth*, to credit the Class D Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);
- (m) *thirteenth*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class E Notes;
- (n) *fourteenth*, to credit the Class E Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);
- (o) *fifteenth*, to credit the Junior Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);
- (p) *sixteenth*, on any Interest Payment Date falling on or after the Optional Redemption Date, all amounts to be applied as Available Redemption Receipts;
- (q) *seventeenth*, on any Interest Payment Date falling within a Determination Period, all remaining amounts to be retained in the Transaction Deposit Account to be applied on the next Interest Payment Date as Available Revenue Receipts;
- (r) *eighteenth*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class X1 Notes;
- (s) *nineteenth*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class X2 Notes;
- (t) *twentieth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class X1 Notes until the Principal Amount Outstanding on the Class X1 Notes has been reduced to zero;

- (u) *twenty first*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class X2 Notes until the Principal Amount Outstanding on the Class X2 Notes has been reduced to zero; and
- (v) *twenty second*, any excess amounts *pro rata* and *pari passu* to the Certificateholders.

As used in this Prospectus:

"Appointee" means any attorney, manager, agent, delegate, nominee, custodian, financial adviser or other professional adviser or other person properly appointed by the Note Trustee under the Trust Deed or the Security Trustee under the Deed of Charge (as applicable) to discharge any of its functions.

"Final Discharge Date" means the date on which the Security Trustee notifies the Issuer and the Secured Creditors that it is satisfied that all the Secured Obligations and/or all other monies and their liabilities due or owing by the Issuer have been paid or discharged in full.

"Final Redemption Date" means the Interest Payment Date in respect of which the Cash Manager determines on the immediately preceding Calculation Date (or on any other date falling after such Calculation Date but prior to the relevant Interest Payment Date) that the sum of the Available Redemption Receipts (excluding paragraph (d) of the definition thereof) would be sufficient to redeem in full the Rated Notes on the Interest Payment Date immediately succeeding the relevant Calculation Date and **provided that** such Interest Payment Date does not fall on or immediately following the Optional Purchase Completion Date, the Risk Retention Regulatory Change Option Date, Market Sale Date or the Optional Refinancing Date (whereupon, for the avoidance of doubt, amounts standing to the Liquidity Reserve Fund shall be applied pursuant to the Post-Enforcement Priority of Payments together with other amounts expressed to be available to the Issuer to effect the redemption in full of the Notes).

"Optional Redemption Date" means the Interest Payment Date falling in March 2024.

"Third Party Expenses" means any amounts due and payable by the Issuer to third parties and incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere).

"Transfer Costs" means the Issuer's costs and expenses associated with the transfer of servicing to a substitute servicer.

Definition of Redemption Receipts

"Redemption Receipts" means (without double-counting) the aggregate of:

- (a) principal repayments under the Loans (including payments of arrears of principal and amounts capitalised prior to the Portfolio Cut-Off Date) (other than amounts (i) comprising Optional Purchase Collections, Risk Retention Regulatory Change Option Collections or Market Sale Collections and (ii) in respect of any Loans and their Related Security following payment by the relevant Seller in lieu of repurchase pursuant to the Mortgage Sale Agreement);
- (b) the proceeds of the repurchase of any Loan (or indemnity payment in lieu of repurchase) by the relevant Seller from the Issuer pursuant to the Mortgage Sale Agreement (excluding amounts attributable to Accrued Interest and Arrears of Interest thereon as at the relevant repurchase date) (less any amounts which have been capitalised which, had they not been capitalised, would have been a Revenue Receipt);

- (c) recoveries of principal from defaulting Borrowers under Loans upon enforcement and sale of the relevant property or any amounts recovered from third parties to the extent that such proceeds or receipts constitute principal; and
- (d) any other amounts of a principal nature received in respect of a Loan or its Related Security including without limitation any payment pursuant to any insurance policy in respect of a Property in connection with a Loan, to the extent it is attributable to principal.

Definition of Available Redemption Receipts

"Available Redemption Receipts" means for any Interest Payment Date an amount equal to the aggregate of (without double counting):

- (a) all Redemption Receipts or, if in a Determination Period, any Calculated Redemption Receipts (in each case, excluding an amount equal to any Reconciliation Amounts to be applied as Available Revenue Receipts on that Interest Payment Date) received by the Issuer during the immediately preceding Collection Period;
- (b) any PDL Cure Amounts;
- (c) any amount to be applied at item (p) of the Pre-Enforcement Revenue Priority of Payments and deemed to be Available Redemption Receipts;
- (d) in respect of the first Interest Payment Date only, the amount paid into the Transaction Deposit Account on the Closing Date from the excess of the proceeds of the Notes (excluding the proceeds of the Class Z2 Notes used to establish the Liquidity Reserve Fund) over the Initial Consideration;
- (e) prior to the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, any Liquidity Reserve Fund Excess Amount;
- (f) on the earlier of the Class D Note Redemption Date, the Optional Redemption Date or the Final Redemption Date, all amounts standing to the credit of the Liquidity Reserve Fund Ledger;
- (g) following the service of an Enforcement Notice, all amounts standing to the credit of the Liquidity Reserve Fund Ledger; and
- (h) on each Interest Payment Date following a Determination Period, any Reconciliation Amounts deemed to be Available Redemption Receipts in accordance with the Cash Management Agreement;

to the extent that such amount is of a principal nature, less
- (i) Redemption Receipts being used by the Issuer (or the Cash Manager on its behalf) to purchase Flexible Drawings from the Moonraker Seller.

Application of Available Redemption Receipts prior to the service of an Enforcement Notice on the Issuer

On each relevant Interest Payment Date prior to the service of an Enforcement Notice on the Issuer (other than an Interest Payment Date falling on or immediately following the Optional Purchase Completion Date, the Risk Retention Regulatory Change Option Date, the Market Sale Date or the Optional Refinancing Date), and in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full), the Cash Manager on behalf

of the Issuer is required pursuant to the terms of the Cash Management Agreement to apply Available Redemption Receipts in the following order of priority (the "**Pre-Enforcement Redemption Priority of Payments**") (in each case only if and to the extent that payments or provisions of a higher priority have been paid in full):

- (a) *first*, any Principal Addition Amounts (subject to the satisfaction of the Liquidity Availability Condition) to be applied to meet any Revenue Deficit in the order in which the item to which such Revenue Deficit relates appears in the Pre-Enforcement Revenue Priority of Payments;
- (b) *second*, prior to the Class D Note Redemption Date or the Optional Redemption Date, whichever is earlier, to credit the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount, provided that no amount shall be applied pursuant to this provision on the Final Redemption Date;
- (c) *third*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero;
- (d) *fourth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class B Notes until the Principal Amount Outstanding on the Class B Notes has been reduced to zero;
- (e) *fifth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero;
- (f) *sixth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero;
- (g) *seventh*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero;
- (h) *eighth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class Z1 Notes until the Principal Amount Outstanding of the Class Z1 Notes has been reduced to zero;
- (i) *ninth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class Z2 Notes until the Principal Amount Outstanding of the Class Z2 Notes has been reduced to zero; and
- (j) *tenth*, any excess amounts *pro rata* and *pari passu* to the Certificateholders.

Distributions following the service of an Enforcement Notice on the Issuer

(I) after an Enforcement Notice has been served on the Issuer, the Security Trustee (or the Cash Manager on its behalf) or any Receiver appointed by the Security Trustee in connection with the enforcement of the Security will apply all Available Revenue Receipts, all Available Redemption Receipts and all other amounts received or recovered by the Issuer, the Security Trustee or any Receiver and (II) on the Interest Payment Date immediately following the Optional Purchase Completion Date, Risk Retention Regulatory Change Option Date, the Market Sale Date or Optional Refinancing Date, the Issuer (or the Cash Manager on its behalf), will apply all amounts expressed to be available to be applied on such Interest Payment Date, in each case other than any amount standing to the credit of the Issuer Profit

Ledger, which shall be applied by the Issuer in or towards satisfaction of any liability of the Issuer for corporation tax of the Issuer, in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the "**Post-Enforcement Priority of Payments**"):

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

- (b) *second*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof of:
 - (i) any remuneration then due and payable to the Agent Bank, the Registrar and the Principal Paying Agent and any costs, charges, liabilities, expenses and all other amounts then due and payable to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;
 - (ii) any amounts then due and payable to the Cash Manager and any fees, costs, charges, liabilities, expenses and all other amounts then due under the provisions of the Cash Management Agreement, together with (if payable) VAT thereon as provided therein;
 - (iii) any amounts then due and payable to the Sunbury Servicers and the Sunbury Legal Title Holders and any fees, costs, charges, liabilities and expenses then due under the provisions of the Sunbury Servicing Agreement and any fee letter related thereto, together with (if payable) VAT thereon as provided therein;
 - (iv) any amounts then due and payable to the Moonraker Servicer and the Moonraker Legal Title Holders and any fees, costs, charges, liabilities and expenses then due under the provisions of the Moonraker Servicing Agreement and the Moonraker Legal Title Holder Deed and any fee letter related thereto, together with (if payable) VAT thereon as provided therein;
 - (v) any amounts then due and payable to the Back-Up Servicer Facilitator including any fees, costs, charges, liabilities and expenses then due to the Back-Up Servicer Facilitator under the provisions of the Sunbury Servicing Agreement and the Moonraker Servicing Agreement, together with (if payable) VAT thereon as provided therein;
 - (vi) any amounts then due and payable to the Corporate Services Provider and any fees, costs, charges, liabilities and expenses then due and payable to the Corporate Services Provider under the provisions of the Corporate Services Agreement together with (if payable) VAT thereon as provided therein; and
 - (vii) any amounts then due and payable to the Issuer Account Bank and any fees, costs, charges, liabilities, expenses and all other amounts then due and payable to the Issuer

Account Bank under the provisions of the Bank Account Agreement, together with (if payable) VAT thereon as provided therein; and

- (viii) any amounts then due and payable to the Sunbury LASI Collection Account Bank and any fees, costs, charges, liabilities and expenses then due under the provisions of the Sunbury LASI Collection Account Agreement together with (if applicable) VAT thereon as provided therein, in each case to the extent not already paid;
- (c) *third* in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof of:
 - (a) any Transfer Costs which the relevant Servicer has failed to pay pursuant to the Sunbury Servicing Agreement or Moonraker Servicing Agreement (as applicable);
 - (b) any amounts required to pay or discharge any fine, penalty or sanction imposed on the Issuer by a regulator or competent authority payable to a regulator or competent authority in connection with any breach or alleged breach by the Issuer of the EU Securitisation Regulation and the UK Securitisation Regulation, including all fees, costs, liabilities and expenses;
- (d) *fourth*, to pay, *pro rata* and *pari passu*, interest due and payable on the Class A Notes;
- (e) *fifth*, to pay, *pro rata* and *pari passu*, according to the respective outstanding amount thereof, principal due and payable on the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero;
- (f) *sixth*, to pay, *pro rata* and *pari passu*, interest due and payable on the Class B Notes;
- (g) *seventh*, to pay, *pro rata* and *pari passu*, principal due and payable on the Class B Notes until the Principal Amount Outstanding on the Class B Notes has been reduced to zero;
- (h) *eighth*, to pay, *pro rata* and *pari passu*, interest due and payable on the Class C Notes;
- (i) *ninth*, to pay, *pro rata* and *pari passu*, principal due and payable on the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero;
- (j) *tenth*, to pay, *pro rata* and *pari passu*, interest due and payable on the Class D Notes;
- (k) *eleventh*, to pay, *pro rata* and *pari passu*, principal due and payable on the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero;
- (l) *twelfth*, to pay, *pro rata* and *pari passu*, interest due and payable on the Class E Notes;
- (m) *thirteenth*, to pay, *pro rata* and *pari passu*, principal due and payable on the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero;
- (n) *fourteenth*, to pay, *pro rata* and *pari passu*, interest due and payable on the Class X1 Notes;
- (o) *fifteenth*, in or towards repayment, *pro rata* and *pari passu*, principal due and payable on the Class X1 Notes until the Principal Amount Outstanding on the Class X1 Notes has been reduced to zero;
- (p) *sixteenth*, to pay, *pro rata* and *pari passu*, interest due and payable on the Class X2 Notes;

- (q) *seventeenth*, in or towards repayment, *pro rata* and *pari passu*, principal due and payable on the Class X2 Notes until the Principal Amount Outstanding on the Class X2 Notes has been reduced to zero;
- (r) *eighteenth*, to pay, *pro rata* and *pari passu*, according to the respective outstanding amounts thereof, principal due and payable on the Class Z1 Notes until the Principal Amount Outstanding on the Class Z1 Notes has been reduced to zero;
- (s) *nineteenth*, to pay, *pro rata* and *pari passu*, according to the respective outstanding amounts thereof, principal due and payable on the Class Z2 Notes until the Principal Amount Outstanding on the Class Z2 Notes has been reduced to zero;
- (t) *twentieth*, any Third Party Expenses (if any) and any amounts in excess of amounts already credited to the Issuer Profit Ledger prior to such Interest Payment Date and required to discharge any liability of the Issuer for corporation tax of the Issuer;
- (u) *twenty first*, to pay the Issuer Profit Amount; and
- (v) *twenty second*, any excess amounts *pro rata* and *pari passu* to the Certificateholders.

DESCRIPTION OF THE GLOBAL NOTES

General

Each Class of Notes as at the Closing Date will each be represented by a Global Note. All capitalised terms not defined in this paragraph shall be as defined in the Conditions of the Notes.

The Global Notes will be registered in the name of a nominee of the Common Safekeeper as nominee for both Euroclear and Clearstream, Luxembourg. The Registrar will maintain a register in which it will register the nominee for the Common Safekeeper as the owner of the Global Note.

Upon confirmation by the Common Safekeeper that it has custody of the Global Notes, Euroclear or Clearstream, Luxembourg, as the case may be, will record in book-entry form interests representing beneficial interests in the Global Note attributable thereto ("**Book-Entry Interests**").

Book-Entry Interests in respect of each Global Note will be recorded in denominations of £100,000 and higher integral multiples of £1,000 (an "**Authorised Denomination**"). Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("**Participants**") or persons that hold interests in the Book-Entry Interests or the Residual Certificate Book-Entry Interests through Participants or through other Indirect Participants ("**Indirect Participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Arranger. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

So long as a nominee for the Common Safekeeper is the registered holder of the Global Note underlying the Book-Entry Interests, the nominee for the Common Safekeeper will be considered the sole Noteholder of the Global Note for all purposes under the Trust Deed. Except as set out under the section entitled "*Issuance of Registered Definitive Notes*", below, Participants or Indirect Participants will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Notes under the Trust Deed. See the section entitled "*Action in respect of the Global Notes and the Book-Entry Interests*", below.

Unlike legal owners or holders of the Notes, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg, as the case may be, and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an

Event of Default under the Global Note, holders of Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg unless and until Registered Definitive Notes are issued in accordance with the Conditions. There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

In the case of a Global Note, unless and until Book-Entry Interests are exchanged for Registered Definitive Notes, the Global Note held by the Common Safekeeper may not be transferred except as a whole by the Common Safekeeper to a successor of the Common Safekeeper.

Purchasers of Book-Entry Interests in a Global Note will hold Book-Entry Interests in the Global Note relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Note directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set out under the section entitled "*Transfers and Transfer Restrictions*", below), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in the Global Note on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee or any of their respective agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective Participants or account holders of their respective obligations under the rules and procedures governing their operations.

Payments on the Global Notes

Payment of principal and interest on, and any other amount due in respect of, the Global Notes will be made in Sterling by or to the order of Citibank, N.A., London Branch (the "**Principal Paying Agent**"), on behalf of the Issuer to the order of the Common Safekeeper or its nominee as the registered holder thereof with respect to the Global Notes. Each holder of Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the order of the Common Safekeeper or their nominees in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for or on account of any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Paying Agents nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the order of the Common Safekeeper, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date (the "**Record Date**") Euroclear and Clearstream, Luxembourg will determine the identity of the Noteholders for the purposes of making payments to the Noteholders. The Record Date in respect of the Notes (i) where the Notes are in global registered form, shall be at the close of the Business Day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) prior to the relevant Interest Payment Date and (ii) where the Notes are in definitive registered form, shall be the date falling 15 days prior to the relevant Interest Payment Date. The Issuer expects that payments by Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the

securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Arranger, the Lead Manager, the Note Trustee or the Security Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

- Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.
- Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.
- Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.
- An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer, the Note Trustee or the Security Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Deed of Charge, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Redemption

In the event that a Global Note (or portion thereof) is redeemed, the Principal Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to the order of the Common Safekeeper and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Principal Paying Agent for cancellation. Appropriate entries will be made in the Register. The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Principal Paying Agent in connection with the redemption of the Global Note (or portion thereof) relating thereto. For any redemptions of the Global Note in part, selection of

the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear or Clearstream, Luxembourg, as the case may be, on a *pro rata* basis (or on such basis as Euroclear or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Upon any redemption in part, the Principal Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

Cancellation

Cancellation of any Note represented by a Global Note and required by the Conditions to be cancelled following its redemption will be effected by endorsement by or on behalf of the Principal Paying Agent of the reduction in the principal amount of the relevant Global Note on the relevant schedule thereto and the corresponding entry on the Register.

Transfers and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants. See "*General*" above.

Issuance of Registered Definitive Notes

Holders of Book-Entry Interests in the Global Note will be entitled to receive Notes in definitive registered form (such exchanged Global Notes in definitive registered form, "**Registered Definitive Notes**") in exchange for their respective holdings of Book-Entry Interests if (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or to cease to make book-entry systems available for settlement of beneficial interests in such Global Notes and do in fact do either of those things and no alternative clearing system satisfactory to the Note Trustee is available or (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration by a revenue authority or a court or in the administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the Notes in definitive registered form. Any Registered Definitive Notes issued in exchange for Book-Entry Interests in the Global Note will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg, as the case may be. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Book-Entry Interests. Holders of Registered Definitive Notes issued in exchange for Book-Entry Interests in the Global Note will not be entitled to exchange such Registered Definitive Notes for Book-Entry Interests in such Global Note. Any Notes issued in definitive form will be issued in registered form only and will be subject to the provisions set out under "*Transfers and Transfer Restrictions*" above and provided that no transfer shall be registered for a period of 15 days immediately preceding any due date for payment in respect of the Note or, as the case may be, the due date for redemption. Registered Definitive Notes will be issued in a denomination that is an integral multiple of the minimum Authorised Denomination. See "*Risk Factors – Counterparty Risks*".

Action in respect of the Global Notes and the Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notices in respect of a Global Note or any notice of solicitation of consents or requests for a waiver or other action by the holder of such Global Note, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified

record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Global Note and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear or Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Global Note in accordance with any instructions set out in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under "General" above with respect to soliciting instructions from their respective Participants. The Registrar will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Global Notes.

Eurosystem eligibility

The Notes are intended to be held in the new safekeeping structure which will allow Eurosystem eligibility. This simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Please note that as at the date of this Prospectus that the Notes are not eligible collateral, see risk factor "*Risks Relating To The Characteristics Of The Notes – Eligibility of the Notes for central bank schemes is subject to the applicable collateral framework criteria and could have an impact on the liquidity of the Notes in general*".

Notices

Whilst the Notes are represented by Global Notes the Issuer may, at its option, send to Euroclear and Clearstream, Luxembourg a copy of any notices addressed to Noteholders for communication by Euroclear and Clearstream, Luxembourg to the Noteholders. Alternatively, such notices regarding the Notes may instead be published in the *Financial Times* or, if such newspaper shall cease to be published or if timely publication therein is not practicable, in such other English newspaper or newspapers as the Note Trustee shall approve in advance having a general circulation in the United Kingdom; provided that if, at any time, the Issuer procures that the information contained in such notice shall appear on a page of the Reuters screen, the Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Note Trustee and notified to Noteholders, publication in such newspaper shall not be required with respect to such information so long as the rules of Euronext Dublin allow. The Issuer may elect not to publish any notice in a newspaper for so long as the Notes are held in global form and notice is given to Euroclear and Clearstream, Luxembourg. The Note Trustee may, in accordance with Condition 16.2 (*Note Trustee's Discretion to Select Alternative Method*) sanction other methods of giving notice to all or some of the Noteholders if such method is reasonable having regard to, among other things, the market practice then prevailing and the requirements of the relevant stock exchange. See also Condition 16 (*Notice to Noteholders*) of the Notes.

DESCRIPTION OF THE GLOBAL RESIDUAL CERTIFICATE

General

The Residual Certificates, as at the Closing Date, will be represented by a Global Residual Certificate. The Global Residual Certificate will be registered on issue on or around the Closing Date in the name of a nominee of the Common Safekeeper as nominee for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"). The Registrar will maintain a register in which it will register the nominee for the Common Safekeeper as the holder of the Global Residual Certificate.

Upon confirmation by the Common Safekeeper that it has been issued with the Global Residual Certificate, Euroclear or Clearstream, Luxembourg, as the case may be, will record the beneficial interests in the Global Residual Certificate ("**Residual Certificate Book-Entry Interests**") representing beneficial interests in the Residual Certificates attributable thereto.

Ownership of Residual Certificate Book-Entry Interests will be limited to Participants or Indirect Participants, including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants will also include persons that hold beneficial interests through such Indirect Participants. Residual Certificate Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Residual Certificate Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Sellers. Ownership of Residual Certificate Book-Entry Interests will be shown on, and transfers of Residual Certificate Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Residual Certificate Book-Entry Interests.

So long as the nominee of the Common Safekeeper is the registered holder of the Global Residual Certificate underlying the Residual Certificate Book-Entry Interests, it will be considered the sole Certificateholder of the Residual Certificate represented by that Global Residual Certificate for all purposes under the Trust Deed. Except as set out under the section below entitled "*Issuance of Definitive Residual Certificates*", Participants or Indirect Participants will not receive or be entitled to receive physical delivery of Residual Certificates in definitive form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Residual Certificate Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Residual Certificate Book-Entry Interests, to exercise any rights and obligations of a holder of Residual Certificates under the Trust Deed. See the section below entitled "*Action in respect of the Global Residual Certificate and the Residual Certificate Book-Entry Interests*".

Unlike legal owners or holders of the Residual Certificates, holders of the Residual Certificate Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or consents or requests by the Issuer for waivers or other actions from Certificateholders. Instead, a holder of Residual Certificate Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg, as the case may be, and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Residual Certificate Book-Entry Interests to vote

on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default, holders of Residual Certificate Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg unless and until Definitive Residual Certificates are issued in accordance with the Residual Certificates Conditions. There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Unless and until Residual Certificate Book-Entry Interests are exchanged for Definitive Residual Certificates, the Global Residual Certificate held by the nominee for the Common Safekeeper may not be transferred except as a whole by that nominee for the Common Safekeeper to a successor nominee for that Common Safekeeper or a nominee of a successor of the Common Safekeeper.

Purchasers of Residual Certificate Book-Entry Interests in a Global Residual Certificate will hold Residual Certificate Book-Entry Interests in the Global Residual Certificate relating thereto. Investors may hold their Residual Certificate Book-Entry Interests in respect of a Global Residual Certificate directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set out in the section below entitled "*Transfers and Transfer Restrictions*"), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Residual Certificate Book-Entry Interests in the Global Residual Certificate on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Residual Certificate Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Arranger, the Lead Manager, the Note Trustee, the Security Trustee or any of their respective agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective Participants or account holders of their respective obligations under the rules and procedures governing their operations.

Issuance of Definitive Residual Certificates

The Global Residual Certificate will become exchangeable in whole, but not in part, for Definitive Residual Certificates at the request of the holder of the relevant Global Residual Certificate if Euroclear or Clearstream, Luxembourg closes for business on a permanent basis without a successor to act as a clearing system with respect to the Global Residual Certificate (the "**Exchange Event**").

Any Definitive Residual Certificate issued in exchange for Residual Certificate Book-Entry Interests in the Global Residual Certificate will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg, as the case may be. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Residual Certificate Book-Entry Interests. Whenever a Global Residual Certificate is to be exchanged for Definitive Residual Certificates, the Issuer shall procure the prompt delivery (free of charge to the holders of the Residual Certificate Book-Entry Interests) of such Definitive Residual Certificates, duly authenticated, in an aggregate principal amount equal to the principal amount of the relevant Global Residual Certificate within 30 days of the occurrence of the Exchange Event.

Payments on Global Residual Certificate

Payment of amounts due in respect of the Global Residual Certificate will be made in Sterling by or to the order of the Principal Paying Agent on behalf of the Issuer to the order of the Common Safekeeper or its nominee as the registered holder thereof with respect to the Global Residual Certificate.

Each holder of Residual Certificate Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the order of the Common Safekeeper or its nominee in respect of those Residual Certificate Book-Entry Interests. All such payments will be distributed without deduction or withholding for any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then none of the Issuer, the Principal Paying Agent or any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the Common Safekeeper, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Residual Certificate Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date (the "**Record Date**"), Euroclear and Clearstream, Luxembourg will determine the identity of the Participants for the purposes of making payments under the Global Residual Certificate. The Record Date in respect of the Global Residual Certificate shall be as at the close of business on the Business Day prior to the relevant Interest Payment Date. The Issuer expects that payments by Participants to owners of interests in Residual Certificate Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Arranger, the Lead Manager, the Note Trustee or the Security Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Residual Certificate Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Residual Certificate Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

- Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of Residual Certificates and any risk from lack of simultaneous transfers of securities.
- Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing.
- Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established safekeeper and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

- Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.
- An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer, the Note Trustee or the Security Trustee requests any action of owners of Residual Certificate Book-Entry Interests or if an owner of a Residual Certificate Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Deed of Charge, Euroclear or Clearstream, Luxembourg, as the case may be, would authorise the Participants owning the relevant Residual Certificate Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Transfers and Transfer Restrictions

All transfers of Residual Certificate Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants (see the section above entitled "*General*").

Beneficial interests in the Global Residual Certificate may be held only through Euroclear or Clearstream, Luxembourg. The Global Residual Certificate will bear a legend similar to that appearing under the section of this Prospectus entitled "*Transfer Restrictions and Investor Representations*", and neither the Global Residual Certificate nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set out in the legend appearing in the relevant Global Residual Certificate.

Action in respect of the Global Residual Certificate and the Residual Certificate Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notice in respect of the Global Residual Certificate or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Residual Certificate, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Residual Certificate Book-Entry Interests or the Global Residual Certificate and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear or Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Residual Certificate Book-Entry Interests or the Global Residual Certificate in accordance with any instructions set out in such request. Euroclear and Clearstream, Luxembourg are expected to follow the procedures described under the section above entitled "*General*", with respect to soliciting instructions from their respective Participants.

Notices

The Issuer will send to Euroclear and Clearstream, Luxembourg a copy of any notices addressed to Certificateholders for communication by Euroclear and Clearstream, Luxembourg to the Certificateholders and shall procure that the information contained in such notice shall appear on a Relevant Screen (see also Residual Certificates Condition 15 (*Notice to Certificateholders*)). The Note Trustee may in accordance with the Residual Certificates Condition 15.2 (*Note Trustee's Discretion to Select Alternative Method*) sanction other methods of giving notice to all or some of the Certificateholders, if such method is reasonable having regard to the then prevailing market practice.

Eurosystem eligibility

The Residual Certificates are intended to be held in the new safekeeping structure which will allow Eurosystem eligibility. This simply means that the Residual Certificates are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Residual Certificates will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form (subject to amendment) in which they will be set out in the Trust Deed (as defined below).

1. GENERAL

The £340,650,000 Class A mortgage backed floating rate notes due September 2051 (the "**Class A Notes**"), the £28,500,000 Class B mortgage backed notes due September 2051 (the "**Class B Notes**"), the £24,200,000 Class C mortgage backed notes due September 2051 (the "**Class C Notes**"), the £22,000,000 Class D mortgage backed notes due September 2051 (the "**Class D Notes**"), the £8,800,000 Class E mortgage backed notes due September 2051 (the "**Class E Notes**") and together with the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes the "**Rated Notes**"), the £6,600,000 Class X1 notes due September 2051 (the "**Class X1 Notes**"), the £2,200,000 Class X2 notes due September 2051 (the "**Class X2 Notes**") and together with the Class X1 Notes, the "**Class X Notes**"), the £15,400,000 Class Z1 notes due September 2051 (the "**Class Z1 Notes**") and the £8,310,000 Class Z2 notes due September 2051 (the "**Class Z2 Notes**" together with the Class Z1 Notes, the "**Class Z Notes**") and together with the Rated Notes and the Class X Notes, the "**Notes**", in each case of Stratton Mortgage Funding 2021-1 plc (the "**Issuer**") are constituted by a trust deed (the "**Trust Deed**") dated on 12 February 2021 (the "**Closing Date**") and made between, among others, the Issuer and Citicorp Trustee Company Limited as trustee for the Noteholders (in such capacity, the "**Note Trustee**" which term shall, where the context so permits, include all other persons or companies for the time being acting as trustee or trustees under the Trust Deed). Any reference in these terms and conditions (the "**Conditions**") to a "**Class**" of Notes or of Noteholders shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes or the Class Z Notes, as the case may be, or to the respective holders thereof. Any reference in these Conditions to the Noteholders means the registered holders for the time being of the Notes, or if preceded by a particular Class designation of Notes, the registered holders for the time being of such Class of Notes. The security for the Notes is constituted by a deed of charge and assignment (the "**Deed of Charge**") dated on the Closing Date and made between, among others, the Issuer and Citicorp Trustee Company Limited as trustee for the Secured Creditors (in such capacity, the "**Security Trustee**" which term shall, where the context so permits, include all other persons or companies for the time being acting as trustee or trustees under the Deed of Charge).

Pursuant to an agency agreement (the "**Agency Agreement**") dated on or prior to the Closing Date and made between the Issuer, the Note Trustee, the Security Trustee, Citibank, N.A., London Branch as principal paying agent (in such capacity, the "**Principal Paying Agent**" and, together with any further or other paying agent appointed under the Agency Agreement, the "**Paying Agent**"), Citibank, N.A., London Branch as registrar (in such capacity, the "**Registrar**") and Citibank, N.A., London Branch as agent bank (in such capacity, the "**Agent Bank**"), provision is made for, *inter alia*, the payment of principal and interest in respect of the Notes. References to the "**Principal Paying Agent**", the "**Registrar**", the "**Agent Bank**" and the "**Paying Agents**" below are references to the principal paying agent, the registrar, the agent bank and the paying agents for the time being for the Notes.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge, the Agency Agreement and a master definitions and construction schedule (the "**Master Definitions and Construction Schedule**") entered into by, among others, the Issuer, the Note Trustee and the Security Trustee on the Closing Date and the other Transaction Documents (as defined therein).

Physical copies of the Trust Deed, the Deed of Charge, the Agency Agreement, the Master Definitions and Construction Schedule and the other Transaction Documents (in case of any Scottish Declaration of Trust, with the schedule thereto duly redacted) are available for inspection during normal business hours at the specified office for the time being of each of the Paying Agents. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them.

2. INTERPRETATION

2.1 Definitions

Capitalised terms not otherwise defined in these Conditions shall bear the meanings given to them in the Master Definitions and Construction Schedule available as described above.

2.2 Interpretation

These Conditions shall be construed in accordance with the principles of construction set out in the Master Definitions and Construction Schedule.

3. FORM, DENOMINATION AND TITLE

3.1 Form and Denomination

Each Class of Notes will initially be represented by a global note certificate in registered form (a "**Global Note**").

For so long as any of the Notes are represented by a Global Note, transfers and exchanges of beneficial interests in such Global Note and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), as appropriate. Each Global Note will be deposited with and registered in the name of a nominee of a common safekeeper for Euroclear and Clearstream, Luxembourg.

For so long as the Notes are represented by a Global Note, and for so long as Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable only in the minimum nominal amount of £100,000 and higher integral multiples of £1,000, notwithstanding that no Registered Definitive Notes (as defined below) will be issued with a denomination above £199,000. A Global Note will be exchanged for the relevant Note in definitive registered form (such exchanged Global Notes in definitive registered form, the "**Registered Definitive Notes**") only if either of the following applies:

- (a) both Euroclear and Clearstream, Luxembourg:
 - (i) are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or
 - (ii) announce an intention permanently to cease business or to cease to make book-entry systems available for settlement of beneficial interests in such Global Notes and do in fact do either of those things,

and in either case no alternative clearing system satisfactory to the Note Trustee is available; or

- (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration by a revenue authority or a court or in the application of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the relevant Notes in definitive registered form.

If Registered Definitive Notes are issued in respect of Notes originally represented by a Global Note, the beneficial interests represented by such Global Note shall be exchanged by the Issuer for the relevant Notes in registered definitive form. The aggregate principal amount of the Registered Definitive Notes shall be equal to the Principal Amount Outstanding of the Notes at the date on which notice of exchange is given of the Global Note, subject to and in accordance with the detailed provisions of these Conditions, the Agency Agreement, the Trust Deed and the relevant Global Note.

Registered Definitive Notes (which, if issued, will be in the denomination set out below) will be serially numbered and will be issued in registered form only.

The minimum denomination of the Notes in global and (if issued and printed) definitive form will be £100,000.

References to "**Notes**" in these Conditions shall include the Global Notes and the Registered Definitive Notes.

3.2 Title

Title to the Global Notes shall pass by and upon registration in the register (the "**Register**") which the Issuer shall procure to be kept by the Registrar. The registered holder of a Global Note may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Global Note regardless of any notice of ownership, theft or loss or any trust or other interest therein or of any writing thereon (other than the endorsed form of transfer).

Title to a Registered Definitive Note shall only pass by and upon registration of the transfer in the Register.

Registered Definitive Notes may be transferred upon the surrender of the relevant Registered Definitive Note, with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. Such transfers shall be subject to the minimum denominations specified in Condition 3.1 (*Form and Denomination*). All transfers of Registered Definitive Notes are subject to any restrictions on transfer set out on the Registered Definitive Notes and the detailed regulations concerning transfers in the Agency Agreement.

Each new Registered Definitive Note to be issued upon transfer of such Registered Definitive Note will, within five Business Days of receipt and surrender of such Registered Definitive Note (duly completed and executed) for transfer, be available for delivery at the specified office of the Registrar or be mailed at the risk of the transferee entitled to such Registered Definitive Note to such address as may be specified in the relevant form of transfer.

Registration of a Registered Definitive Note on transfer will be effected without charge by the Registrar, but subject to payment of (or the giving of such indemnity as the Registrar may

require for) any tax, stamp duty or other government charges which may be imposed in relation to it.

4. STATUS AND RELATIONSHIP BETWEEN THE NOTES AND SECURITY

4.1 Status and relationship between the Notes

- (a) The Class A Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*)) unconditional obligations of the Issuer. The Class A Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, as provided in these Conditions and the Transaction Documents.
- (b) The Class B Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*) and Condition 18 (*Subordination by Deferral*)) unconditional obligations of the Issuer. The Class B Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of Class B Notes (the "**Class B Noteholders**") will be subordinated to the interests of the persons who for the time being are registered in the Register as holders of Class A Notes (the "**Class A Noteholders**") (so long as any Class A Notes remain outstanding).
- (c) The Class C Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*) and Condition 18 (*Subordination by Deferral*)) unconditional obligations of the Issuer. The Class C Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes and the Class B Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class C Notes (the "**Class C Noteholders**") will be subordinated to the interests of each of the Class A Noteholders and the Class B Noteholders (so long as any Class A Notes and/or any Class B Notes remain outstanding).
- (d) The Class D Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*) and Condition 18 (*Subordination by Deferral*)) unconditional obligations of the Issuer. The Class D Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes and the Class C Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class D Notes (the "**Class D Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders (so long as any Class A Notes and/or any Class B Notes and/or any Class C Notes remain outstanding).
- (e) The Class E Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*) and Condition 18 (*Subordination by Deferral*)) unconditional obligations of the Issuer. The Class E Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class E Notes (the "**Class E Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders

(so long as any Class A Notes and/or any Class B Notes and/or any Class C Notes and/or any Class D Notes remain outstanding).

- (f) The Class X1 Notes constitute direct and secured (subject as provided in the limited recourse provisions in Condition 12 (*Enforcement*)) unconditional obligations of the Issuer. The Class X1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest at all times, but subordinate to (prior to enforcement) all payment of interest due in respect of the Rated Notes and (following enforcement) all payments due in respect of the Rated Notes, as provided in these Conditions and the Transaction Documents. The Class X1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate to (prior to enforcement) all payment of interest due in respect of the Rated Notes, the Class X1 Notes and the Class X2 Notes and (following enforcement) all payments due in respect of the Rated Notes and the payment of interest due on the Class X1 Notes, as provided in these Conditions and the Transaction Documents. The interests of the persons who for the time being are registered in the Register as holders of the Class X1 Notes (the "**Class X1 Noteholders**") will be subordinated to the interests of the holders of the Rated Notes (so long as any Rated Notes remain outstanding).
- (g) The Class X2 Notes constitute direct and secured (subject as provided in the limited recourse provisions in Condition 12 (*Enforcement*)) unconditional obligations of the Issuer. The Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest at all times, but subordinate to (prior to enforcement) all payment of interest due in respect of the Rated Notes and the Class X1 Notes and (following enforcement) all payments due in respect of the Rated Notes and the Class X1 Notes, as provided in these Conditions and the Transaction Documents. The Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate to (prior to enforcement) all payment of interest due in respect of the Rated Notes and interest and principal due in respect of the Class X1 Notes and the payment of interest due on the Class X2 Notes, and (following enforcement) all payments due in respect of the Rated Notes and the Class X1 Notes and payment of interest on the Class X2 Notes, as provided in these Conditions and the Transaction Documents. The interests of the persons who for the time being are registered in the Register as holders of the Class X2 Notes (the "**Class X2 Noteholders**") will be subordinated to the interests of the holders of the Rated Notes and the Class X1 Notes (so long as any Rated Notes and/or Class X Notes remain outstanding).
- (h) The Class Z1 Notes constitute direct, secured and (subject as provided in the limited recourse provisions in Condition 12 (*Enforcement*)) unconditional obligations of the Issuer. The Class Z1 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payments due in respect of the Rated Notes and (following enforcement), the Rated Notes and the Class X Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class Z1 Notes (the "**Class Z1 Noteholders**") will be subordinated to the interests of the holders of the Rated Notes and the Class X Notes (so long as any Rated Notes and/or Class X Notes remain outstanding).
- (i) The Class Z2 Notes constitute direct, secured and (subject as provided in the limited recourse provisions in Condition 12 (*Enforcement*)) unconditional obligations of the Issuer. The Class Z2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times, but subordinate (prior to enforcement) to all payments due in respect of the Rated Notes and Class Z1 Notes and following enforcement, the

Rated Notes, the Class X Notes and Class Z1 Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class Z2 Notes (the "**Class Z2 Noteholders**") will be subordinated to the interests of the holders of the Rated Notes, the Class X Notes and the Class Z1 Notes (so long as any Rated Notes and/or Class X Notes and/or Class Z1 Notes remain outstanding). The Class Z1 Noteholders together with the Class Z2 Noteholders are the "**Class Z Noteholders**".

- (j) The Trust Deed and the Deed of Charge contain provisions requiring the Note Trustee and the Security Trustee, respectively,⁷ to have regard to the interests of holders of each Class of the Notes as regards all rights, powers, trusts, authorities, duties and discretions of the Note Trustee and the Security Trustee (except where expressly provided otherwise) but requiring the Note Trustee and the Security Trustee where there is a conflict of interests between one or more classes of Notes and/or the Residual Certificates in any such case to have regard (except as expressly provided otherwise) to the interests of the holders of the Class of Notes ranking in priority to the other relevant Classes of Notes or if there are no Notes then outstanding to the Certificateholders.
- (k) The Trust Deed also contains provisions limiting the powers of any Class of Noteholders to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution according to the effect thereof on the interests of the holders of the Most Senior Class of Notes then outstanding. Except in certain circumstances described in Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class of Notes then outstanding, the exercise of which will be binding (save in respect of a Basic Terms Modification) on the holders of all other Classes of Notes and the Certificateholders in each case irrespective of the effect thereof on their respective interests.

As long as any Notes are outstanding but subject to Condition 13.5, the Security Trustee shall act on the instructions of the Note Trustee and not have regard to the interests of the other Secured Creditors.

4.2 Security

- (a) The security constituted by or pursuant to the Deed of Charge is granted to the Security Trustee for it to hold on trust for the Noteholders and the other Secured Creditors, upon and subject to the terms and conditions of the Deed of Charge.
- (b) The Noteholders and the other Secured Creditors will share in the benefit of the security constituted by or pursuant to the Deed of Charge, upon and subject to the terms and conditions of the Deed of Charge.

5. COVENANTS

Save with the prior written consent of the Note Trustee or unless otherwise permitted under these Conditions or any of the Transaction Documents, the Issuer shall not, so long as any Note remains outstanding:

- (a) **Negative pledge:** create or permit to subsist any encumbrance (unless arising by operation of law) or other security interest whatsoever over any of its assets or undertakings;
- (b) **Restrictions on activities:** (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction

Documents provide or envisage that the Issuer will engage or (ii) have any subsidiaries, any subsidiary undertaking (as defined in the Companies Act 1985 and the Companies Act 2006 (as applicable)) or any employees (but shall procure that, at all times, it shall retain at least one independent director) or premises;

- (c) **Disposal of assets:** assign, transfer, sell, lend, lease, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire all or any of its assets or undertakings or any interest, estate, right, title or benefit therein or attempt or purport to do any of the foregoing;
- (d) **Equitable and Beneficial Interest:** permit any person, other than itself and the Security Trustee, to have any equitable or beneficial interest in any of its assets or undertakings or any interest, estate, right, title or benefit therein;
- (e) **Dividends or distributions:** pay any dividend or make any other distribution to its shareholders except out of amounts of profit retained by the Issuer in accordance with the applicable Priority of Payments which are available for distribution in accordance with the Issuer's memorandum and articles of association and with applicable laws or issue any further shares;
- (f) **Indebtedness:** incur any financial indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or of any other obligation of any person;
- (g) **Merger:** consolidate or merge with any other person or convey or transfer substantially all of its properties or assets to any other person;
- (h) **No modification or waiver:** permit any of the Transaction Documents to which it is a party to become invalid or ineffective or permit the priority of the security interests created or evidenced thereby or pursuant thereto to be varied, modified, terminated, postponed, waived or agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;
- (i) **Bank accounts:** have an interest in any bank account other than the Deposit Accounts, unless such account or interest therein is charged to the Security Trustee on terms acceptable to the Security Trustee;
- (j) **Purchase Notes:** purchase or otherwise acquire any Notes;
- (k) **Corporation tax:** prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the Taxation of Securitisation Companies Regulations 2006;
- (l) **VAT:** apply to become part of any group for the purposes of sections 43 to 43D of the Value Added Tax Act 1994 and the VAT (Groups: eligibility) Order (S.I. 2004/1931) with any other company or group of companies, or such act, regulation, order, statutory instrument or directive which may from time to time re-enact, replace, amend, vary, codify, consolidate or repeal any of the same; or
- (m) **U.S. activities:** engage in any activities in the United States (directly or through agents), or derive any income from United States sources as determined under United

States income tax principles, or hold any property if doing so would cause it to be engaged in a trade or business within the United States as determined under United States income tax principles.

6. INTEREST

6.1 Accrual of interest

(a) *Interest Accrual*

Each Note (other than the Class Z Notes) bears interest on its Principal Amount Outstanding from (and including) the Closing Date. The Class X Notes will not bear interest on and from the Optional Redemption Date. Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest from and including the due date for redemption unless, upon due presentation in accordance with Condition 7 (*Payments*), payment of the principal in respect of the Note is improperly withheld or refused or default is otherwise made in respect of the payment, in which event interest shall continue to accrue as provided in the Trust Deed.

6.2 Interest Payment Dates

Interest will be payable in arrear on each Interest Payment Date for all classes of Notes other than the Class Z Notes.

"Interest Payment Date" means the 25th day of March, June, September and December or, if such day is not a Business Day, the immediately following Business Day with the first Interest Payment Date falling in June 2021.

Interest shall accrue in the case of a Class of the Rated Notes or the Class X Notes from (and including) an Interest Payment Date (except in the case of the first Interest Period, which shall commence on (and include) the Closing Date) to (but excluding) the next following Interest Payment Date, (each such period above, an **"Interest Period"**).

No interest will be payable for the Class Z Notes. No interest will be payable for the Class X Notes on or after the Optional Redemption Date.

6.3 Rate of Interest

Rate of Interest

(a) The rate of interest payable from time to time in respect of each class or sub-class of the Notes (each a **"Rate of Interest"** and together the **"Rates of Interest"**) will be:

(i) subject to paragraph (b) below, in respect of the Rated Notes and the Class X Notes and any Interest Period, determined on the basis of the following provisions:

(A) the Agent Bank will determine the Compounded Daily SONIA as at the Interest Determination Date (as defined below) in question. The Rates of Interest for the relevant Interest Period shall be the aggregate of:

I. in respect of the Rated Notes:

- (i) from (and including) the Closing Date to (but excluding) the Optional Redemption Date, Compounded Daily SONIA plus the Relevant Margin; and
 - (ii) from (and including) the Optional Redemption Date, Compounded Daily SONIA plus the Step-Up Margin;
- II. in respect of the Class X Notes:
 - (i) from (and including) the Closing Date to (but excluding) the Optional Redemption Date, Compounded Daily SONIA plus the Relevant Margin; and
 - (ii) from (and including) the Optional Redemption Date, zero per cent.;
- (B) Notwithstanding the provisions of these Conditions, in the event the Bank of England publishes guidance as to (i) how the SONIA Reference Rate is to be determined or (ii) any rate that is to replace the SONIA Reference Rate, the Agent Bank shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA for the purpose of the Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.
- (C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Relevant Margin relating to the relevant Interest Period in place of the Relevant Margin relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the relevant Class of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) that first Interest Payment Date (but applying the Relevant Margin applicable to the first Interest Period).
- (b) In the event that the Rate of Interest is less than zero per cent., the Rate of Interest shall be deemed to be zero per cent.
- (c) There will be no maximum Rate of Interest on the Rated Notes or the Class X Notes.
- (d) In these Conditions (except where otherwise defined), the expression:
 - (i) "**Business Day**" means a day (other than a Saturday or Sunday or a public holiday) on which banks are open for business in London;
 - (ii) "**Compounded Daily SONIA**" means the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Agent Bank as at the Interest Determination Date, as follows, and the resulting

percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

Where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**d₀**" is the number of Business Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to d₀, each representing the relevant Business Day in chronological order from, and including, the first Business Day in the relevant Interest Period;

"**LBD**" means a Business Day;

"**n_i**", for any day "**i**", means the number of calendar days from and including such day "**i**" up to but excluding the following Business Day;

"**p**" means for any Interest Period, 5; and

"**SONIA_{i-pLBD}**" means in respect of any Business Day falling in the relevant Interest Period, the SONIA Reference Rate for the Business Day falling "**p**" Business Days prior to that Business Day "**i**";

- (iii) "**Interest Determination Date**" means the fifth Business Day before the Interest Payment Date in respect of the Interest Period for which the rate will apply;
- (iv) "**Interest Determination Ratio**" means, on any Interest Payment Date, (A) the aggregate Revenue Receipts calculated in the three preceding Collection Periods in respect of which all relevant Servicer Reports are available (or, where there are not at least three such previous Collection Periods, any such previous Collection Periods) divided by (B) the aggregate of all Revenue Receipts and all Redemption Receipts calculated in such Servicer Reports;
- (v) "**Observation Period**" means the period from and including the date falling "**p**" Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Closing Date) and ending on, but excluding, the date falling "**p**" Business Days prior to the Interest Payment Date for such Interest Period (or, if applicable, the date falling "**p**" Business Days prior to any other date on which a payment of interest is to be made in respect of the Notes);
- (vi) "**Reconciliation Amount**" means in respect of any Collection Period (A) the actual Redemption Receipts as determined in accordance with the available Servicer Reports, less (B) the Calculated Redemption Receipts in respect of such Collection Period, plus (C) any Reconciliation Amount not applied in previous Collection Periods;
- (vii) "**Relevant Margin**" means:

- (A) in respect of the Class A Notes, 0.85 per cent. per annum;
 - (B) in respect of the Class B Notes, 1.40 per cent. per annum;
 - (C) in respect of the Class C Notes, 1.70 per cent. per annum;
 - (D) in respect of the Class D Notes, 2.10 per cent. per annum;
 - (E) in respect of the Class E Notes, 2.75 per cent. per annum;
 - (F) in respect of the Class X1 Notes, 4.00 per cent. per annum; and
 - (G) in respect of the Class X2 Notes, 4.00 per cent. per annum.
- (viii) **"Reporting Date"** means the day falling three Business Days prior to the 25th day of each of March, June, September and December, provided that where the 25th day of a relevant calendar month is not a Business Day, the Reporting Date for that month shall be the day falling three Business Days prior to the Business Day immediately following the 25th day of that calendar month;
- (ix) **"Screen"** means Reuters Screen SONIA Page or such other page as may replace Reuters Screen SONIA on that service for the purpose of displaying such information or if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Note Trustee) as may replace such screen;
- (x) **"Servicer Report"** means a report to be provided by each Servicer no later than 10 a.m. on each Monthly Reporting Date in accordance with the terms of the Sunbury Servicing Agreement or Moonraker Servicing Agreement (as applicable) and detailing, *inter alia*, the information relating to the Portfolio necessary to produce the Investor Report and the Securitisation Regulations Reports;
- (xi) **"SONIA Reference Rate"** means in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Screen or, if the Screen is unavailable, as otherwise published by such authorised distributors (on the Business Day immediately following such Business Day). If, in respect of any Business Day in the relevant Observation Period, the Agent Bank determines that the SONIA Reference Rate is not available on the Screen or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant Business Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate;
- (xii) **"Step-Up Margin"** means,
- (A) in respect of the Class A Notes, 1.700 per cent. per annum;

- (B) in respect of the Class B Notes, 2.100 per cent. per annum;
- (C) in respect of the Class C Notes, 2.550 per cent. per annum;
- (D) in respect of the Class D Notes, 3.150 per cent. per annum; and
- (E) in respect of the Class E Notes, 4.125 per cent. per annum.

6.4 Determination of Rates of Interest and Interest Amounts

The Agent Bank shall, as soon as practicable on the Interest Determination Date falling in such Interest Period, but in no event later than the third Business Day thereafter, determine the Sterling amount (the "**Interest Amounts**") payable in respect of interest on the Principal Amount Outstanding of each Class of the Notes for the relevant Interest Period.

The Interest Amounts shall, in respect of a Class of Rated Notes and the Class X Notes be determined by applying the relevant Rate of Interest to the Principal Amount Outstanding of such Class of Rated Notes or Class X Notes (as applicable) and multiplying the sum by the actual number of days in the Interest Period concerned divided by 365 and rounding the figure downwards to the nearest penny.

6.5 Publication of Rates of Interest and Interest Amounts

The Agent Bank shall cause the Rate of Interest and the Interest Amounts for each Class of Notes (other than the Class Z Notes) in respect of each Interest Period and each Interest Payment Date to be notified to the Issuer, the Cash Manager, the Note Trustee, the Registrar and the Paying Agents (as applicable) and to any stock exchange or other relevant authority on which the Notes are at the relevant time listed and to be published in accordance with Condition 16 (*Notice to Noteholders*) as soon as possible after their determination and in no event later than three Business Days prior to the immediately succeeding Interest Payment Date. The Interest Amounts and Interest Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

6.6 Notifications to be Final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6, whether by the Agent Bank, the Cash Manager or the Note Trustee, will (in the absence of manifest error) be binding on the Issuer, the Cash Manager, the Note Trustee, the Agent Bank, the Registrar, the Paying Agents and all Noteholders and (in the absence of wilful default, gross negligence or fraud) no liability to the Issuer or the Noteholders shall attach to the Cash Manager, the Agent Bank in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 6.

6.7 Agent Bank

The Issuer shall procure that, so long as any of the Notes remain outstanding, there is at all times an agent bank for the purposes of the Notes. The Issuer may, subject to the prior written approval of the Note Trustee, terminate the appointment of the Agent Bank and shall, in the event of the appointed office of any bank being unable or unwilling to continue to act as the agent bank or failing duly to determine the Rate of Interest or the Interest Amounts in respect of any Class of Notes for any Interest Period, subject to the prior written approval of the Note Trustee, appoint another major bank engaged in the relevant interbank market to act in its place.

The Agent Bank may not resign its duties or be removed without a successor having been appointed pursuant to the terms of the Agency Agreement.

6.8 Determinations and Reconciliation

- (a) In the event that the Cash Manager does not receive any Servicer Report with respect to a Collection Period (each such period, a "**Determination Period**"), then the Cash Manager shall use the Servicer Reports in respect of the three most recent Collection Periods in respect of which all relevant Servicer Reports are available (or, where there are not at least three such previous Collection Periods, any such previous Collection Periods) for the purposes of calculating the amounts available to the Issuer to make payments, as set out in Condition 6.8(b). When the Cash Manager receives all Servicer Reports relating to the Determination Period, it will make the reconciliation calculations and reconciliation payments as set out in Condition 6.8(c). Any (i) calculations properly made on the basis of such estimates in accordance with Conditions 6.8(b) and/or 6.8(c); (ii) payments made under any of the Notes, Certificates and Transaction Documents in accordance with such calculations; and (iii) reconciliation calculations and reconciliation payments made as a result of such reconciliation calculations, each in accordance with Condition 6.8(b) and/or 6.8(c), shall be deemed to be made in accordance with the provisions of the Transaction Documents and will in themselves not lead to an Event of Default and no liability will attach to the Cash Manager in connection with the exercise by it of its powers, duties and discretion for such purposes.
- (b) In respect of any Determination Period the Cash Manager shall on the Calculation Date immediately following the Determination Period:
- (i) determine the Interest Determination Ratio (as defined in Condition 6.3(d)) by reference to the three most recent Collection Periods in respect of which all relevant Servicer Reports are available (or, where there are not at least three such previous Collection Periods, any such previous Collection Periods) received in the preceding Collection Periods;
 - (ii) calculate the Revenue Receipts for such Determination Period as the product of (A) the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period (the "**Calculated Revenue Receipts**"); and
 - (iii) calculate the Redemption Receipts for such Determination Period as the product of (A) 1 minus the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period (the "**Calculated Redemption Receipts**").
- (c) Following the end of any Determination Period, upon receipt by the Cash Manager of the relevant Servicer Report in respect of such Determination Period, the Cash Manager shall reconcile the calculations made in accordance with Condition 6.8(b) to the actual collections set out in the Servicer Reports by allocating the Reconciliation Amount (as defined above) as follows:
- (i) if the Reconciliation Amount is a positive number, the Cash Manager shall apply an amount equal to the lesser of (A) the absolute value of the Reconciliation Amount and (B) the amount standing to the credit of the Revenue Ledger, as Available Redemption Receipts (with a corresponding debit of the Revenue Ledger); and
 - (ii) if the Reconciliation Amount is a negative number, the Cash Manager shall apply an amount equal to the lesser of (A) the absolute value of the Reconciliation Amount and (B) the amount standing to the credit of the Redemption Ledger, as Available Revenue Receipts (with a corresponding debit of the Redemption Ledger),

provided that the Cash Manager shall apply such Reconciliation Amount in determining Available Revenue Receipts and Available Redemption Receipts for such Collection Period in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Security Trustee of such Reconciliation Amount.

7. PAYMENTS

7.1 Payment of Interest and Principal

Subject to Condition 3.1 (*Form and Denomination*), payments of any amount in respect of a Note, including principal and interest, shall be made by credit or transfer to an account in sterling maintained by the payee.

7.2 Laws and Regulations

Payments of any amount in respect of a Note including principal and interest in respect of the Notes are subject, in all cases, to (a) any fiscal or other laws and regulations applicable thereto and (b) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental approach thereto. Noteholders will not be charged commissions or expenses on payments.

7.3 Payment of Interest following a Failure to pay Principal

If payment of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note in accordance with Condition 6.1 (*Accrual of interest*) and Condition 6.3 (*Rate of Interest*) will be paid in accordance with this Condition 7.

7.4 Change of Paying Agents

The Issuer reserves the right, subject to the prior written approval of the Note Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent or the Registrar and to appoint additional or other agents provided that there will at all times be a person appointed to perform the obligations of the Principal Paying Agent with a specified office in London, and a person appointed to perform the obligations of the Registrar with a specified office in Ireland or in London.

Except where otherwise provided in the Trust Deed or the Agency Agreement, the Issuer will cause notice of no more than 30 days and no less than 15 days of any change in or addition to the Paying Agents or the Registrar or their specified offices to be given to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and will notify the Rating Agencies of such change or addition.

7.5 No Payment on non-Business Day

If the date for payment of any amount in respect of a Note is not a Presentation Date, Noteholders shall not be entitled to payment until the next following Presentation Date and shall not be entitled to further interest or other payment in respect of such delay. In this Condition 7.5, the expression "**Presentation Date**" means a day which is (a) a Business Day and (b) a day on which banks are generally open for business in the relevant place.

7.6 Partial Payment

If a Paying Agent makes a partial payment in respect of any Note, the Registrar will, in respect of the relevant Note, annotate the Register indicating the amount and date of such payment.

7.7 Payment of Interest

If interest is not paid in respect of a Note of any Class (other than a Class Z Note) on the date when due and payable (other than because the due date is not a Presentation Date (as defined in Condition 7.5 (*No Payment on non-Business Day*)) or by reason of non-compliance by the Noteholder with Condition 7.1 (*Payment of Interest and Principal*)), then such unpaid interest shall itself bear interest at the Rate of Interest applicable from time to time to such Note until such interest and interest thereon are available for payment and notice thereof has been duly given in accordance with Condition 16 (*Notice to Noteholders*).

8. REDEMPTION

8.1 Redemption at Maturity

Unless previously redeemed in full or purchased and cancelled as provided below, the Issuer will redeem the Notes at their respective Principal Amount Outstanding on the Interest Payment Date falling in September 2051 (the "**Final Maturity Date**").

8.2 Mandatory Redemption prior to the service of an Enforcement Notice

- (a) Prior to the service of an Enforcement Notice, each Class of Notes shall be redeemed on each Interest Payment Date in an amount equal to the Available Redemption Receipts available for such purpose in accordance with the Pre-Enforcement Redemption Priority of Payments which shall be applied in the following order of priority:
- (i) to repay the Class A Notes until they are each repaid in full; and thereafter
 - (ii) to repay the Class B Notes until they are each repaid in full; and thereafter
 - (iii) to repay the Class C Notes until they are each repaid in full; and thereafter
 - (iv) to repay the Class D Notes until they are each repaid in full; and thereafter
 - (v) to repay the Class E Notes until they are repaid in full; and thereafter
 - (vi) to repay the Class Z1 Notes until they are each repaid in full; and thereafter
 - (vii) to repay the Class Z2 Notes until they are each repaid in full.
- (b) Prior to the Optional Redemption Date, the Class X Notes shall be redeemed on each Interest Payment Date in an amount equal to the Available Revenue Receipts available for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments.
- (c) The Principal Amount Outstanding of each Class of Notes shall be redeemed on each Interest Payment Date in accordance with the relevant Priority of Payments. The principal amount to be redeemed in respect of a Class of Notes (the "**Note Principal Payment**") on any Interest Payment Date prior to the service of an Enforcement Notice shall be the Available Redemption Receipts and/or Available Revenue Receipts (as applicable) available for such purpose on such Interest Payment Date in accordance with the relevant Priority of Payments, as calculated on

the Calculation Date immediately preceding such Interest Payment Date, multiplied by the relevant Note Factor. With respect to each Note on (or as soon as practicable after) each Calculation Date, the Issuer shall determine (or cause the Cash Manager to determine) (i) the amount of any Note Principal Payment due on the Interest Payment Date next following such Calculation Date, (ii) the Principal Amount Outstanding of each such Note and (iii) the fraction expressed as a decimal to the sixth decimal point (the "**Note Factor**"), of which the numerator is the Principal Amount Outstanding of that Note (as referred to in sub-paragraph (ii) above) and the denominator, is the Principal Amount Outstanding of the relevant Class of Notes. Each determination by or on behalf of the Issuer of any principal repayment, the Principal Amount Outstanding of a Note and the Pool Factor shall in each case (in the absence of wilful default or manifest error) be final and binding on all persons.

- (d) The Issuer will cause each determination of a principal repayment, Principal Amount Outstanding and Note Factor to be notified not less than two Business Days prior to the relevant Interest Payment Date to the Note Trustee, the Paying Agents, the Agent Bank and (for so long as the Notes are listed on the Official List of Euronext Dublin and admitted to trading on its Regulated Market) Euronext Dublin, and will immediately cause notice of each such determination to be given in accordance with Condition 16 (*Notice to Noteholders*) not later than two Business Days prior to the relevant Interest Payment Date. If no principal repayment is due to be made on the Notes on any Interest Payment Date a notice to this effect will be given to the holders of the Notes.

8.3 Mandatory Redemption of the Notes in full

- (a) On or after the Optional Redemption Date

On giving not more than 30 days' nor fewer than five Business Days' notice by the Issuer to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and the Note Trustee, on any Interest Payment Date on or after the Optional Redemption Date and following the sale of the Loans and their Related Security comprising the Portfolio in accordance with the provisions of the Deed Poll, the Optional Purchase Price together with all amounts standing to the credit of the Liquidity Reserve Fund Ledger and any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date will be applied in accordance with the Post-Enforcement Priority of Payments with the result that the Notes will be redeemed in full in accordance with Condition 8.2 (*Mandatory Redemption prior to the service of an Enforcement Notice*).

- (b) Ten per cent. clean-up call

On giving not more than 60 days' nor fewer than 14 Business Days' notice by the Issuer to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and the Note Trustee, on any Interest Payment Date following the sale of the Loans and their Related Security comprising the Portfolio in accordance with the provisions of the Deed Poll where the aggregate Outstanding Principal Balance of the Loans (excluding any Enforced Loans) was equal to or less than 10 per cent. of the aggregate Outstanding Principal Balance of the Loans comprising the Portfolio on the Portfolio Reference Date, the Optional Purchase Price together with all amounts standing to the credit of the Liquidity Reserve Fund Ledger and any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date will be applied in accordance with the Post-Enforcement Priority of Payments with the result that the Notes will be redeemed in full on such Interest Payment Date in accordance with Condition 8.2 (*Mandatory Redemption prior to the service of an Enforcement Notice*).

- (c) Following a market sale

On giving not more than 30 days' nor fewer than five Business Days' notice to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and the Note Trustee, on any Interest Payment Date on or after the sale of the Loans and their Related Security comprising the Portfolio to the Winning Bidder in accordance with the provisions of the Deed Poll, a portion of the proceeds of the sale shall be paid directly by the Winning Bidder (on behalf of the Issuer) to the Liquidation Agent for its fees, and expenses and the remaining proceeds of the sale, together with all amounts standing to the credit of the Liquidity Reserve Fund Ledger and any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on such Interest Payment Date, will be applied in accordance with the Post-Enforcement Priority of Payments with the result that the Rated Notes and the Class X Notes will be redeemed in full in accordance with Condition 8.2 (*Mandatory Redemption prior to the service of an Enforcement Notice*).

8.4 Mandatory Redemption in full pursuant to a Risk Retention Regulatory Change Option

- (a) On the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Option Date following the sale of the Loans pursuant to the Risk Retention Regulatory Change Option, the full amount of the Risk Retention Regulatory Change Option Purchase Price, together with all amounts standing to the credit of the Liquidity Reserve Fund Ledger and all Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Option Date will be applied in accordance with the Post-Enforcement Priority of Payments with the result that the Notes will be redeemed in full in accordance with this Condition 8.4.
- (b) Any Note redeemed pursuant to Condition 8.4(a) will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to and including the Interest Payment Date immediately following the Risk Retention Regulatory Change Option Date.

8.5 Mandatory Redemption for Taxation or Other Reasons

If:

- (a) by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on or before the next Interest Payment Date the Issuer or the Paying Agents would be required to deduct or withhold from any payment of principal or interest on any Notes (other than because the relevant holder has some connection with the United Kingdom other than the holding of such Notes) any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any political sub-division thereof or any authority thereof or therein having power to tax; or
- (b) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, it has become or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or any of the Notes,

then the Issuer shall, if the same would avoid the effect of such relevant event described in paragraph (a), or (b) above, appoint a Paying Agent in another jurisdiction or use its reasonable

endeavours to arrange for the substitution of a company incorporated and/or tax resident in another jurisdiction approved in writing by the Note Trustee as principal debtor under the Notes and the Trust Deed, **provided that**:

- (i) the Note Trustee is satisfied that such substitution will not be materially prejudicial to the interests of the holders of the Rated Notes and the Class X Notes (and in making such determination, the Note Trustee may rely, without investigation or inquiry, on (A) any confirmation made orally to the Issuer (in which case the Issuer shall confirm the same in writing to the Note Trustee) or in writing from each of the Rating Agencies that the then current ratings of the Rated Notes would not be adversely affected by such substitution or (B) if no such confirmation from the Rating Agencies is forthcoming and the Issuer has certified to the Cash Manager, the Note Trustee and the Security Trustee that such proposed action (I) (while any Rated Notes remain outstanding) has been notified to the Rating Agencies, (II) would not have an adverse impact on the Issuer's ability to make payment when due in respect of the Notes, (III) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security and (IV) (while any of the Rated Notes remain outstanding) would not have an adverse effect on the rating of the Rated Notes) (upon which confirmation or certificate the Note Trustee, the Cash Manager and Security Trustee shall be entitled to rely absolutely without liability to any person for so doing); and
- (ii) such substitution would not require registration of any new security under U.S. securities laws or materially increase the disclosure requirements under U.S. law.

A "**Redemption Event**" shall occur if the Issuer satisfies the Note Trustee immediately before giving the notice referred to below that one or more of the events described in paragraph (a), or (b) above is continuing and that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution.

On any Interest Payment Date following the date on which the Loans and their Related Security comprising the Portfolio are sold pursuant to the Deed Poll following the occurrence of a Redemption Event, the Optional Purchase Price together with all amounts standing to the credit of the Liquidity Reserve Fund Ledger and any Available Revenue Receipts and Available Redemption Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Optional Purchase Completion Date will be applied in accordance with the Post-Enforcement Priority of Payments with the result that the Notes will be redeemed in full in accordance with Condition 8.2 (*Mandatory Redemption prior to the service of an Enforcement Notice*). The Issuer shall give not more than 60 days' nor fewer than 30 Business Days' notice of any such redemption of the Notes to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and the Note Trustee.

8.6 Refinancing Call Option

The Issuer may, in consultation with the Option Holder and the Retention Holder, issue further notes (the "**Refinancing Notes**") on or after the Optional Redemption Date (any such date of refinancing being an "**Optional Refinancing Date**") provided that the proceeds of any such Refinancing Notes must be of an amount equal to or greater than the Refinancing Notes Minimum Issuance Amount.

On giving not more than 30 days' nor less than five Business Days' notice to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and the Note Trustee, following the exercise of the Refinancing Call Option, some or all of the proceeds of the issuance of Refinancing Notes and other amounts available to the Issuer for application will be applied in

accordance with the Post-Enforcement Priority of Payments on the Interest Payment Date falling on or immediately following the Optional Refinancing Date in an amount sufficient to redeem the Notes in full in accordance with Condition 8.2 (*Mandatory Redemption prior to the service of an Enforcement Notice*).

"Refinancing Call Option" means the option of the Issuer, on giving not more than 30 nor less than five Business Days' notice to the holders of the Notes and the Note Trustee in accordance with this Condition 8.6, to redeem (in full and not in part) any Notes outstanding on any Interest Payment Date falling on and from the Optional Redemption Date using some or all of the proceeds of the issuance of Refinancing Notes together with other amounts available to the Issuer and deemed to be expressly available for such purposes;

8.7 Principal Amount Outstanding

The **"Principal Amount Outstanding"** of each Class of Notes on any date shall be, in each case, their original principal amount, in respect of the Class A Notes of £340,650,000, in respect of the Class B Notes of £28,500,000, in respect of the Class C Notes of £24,200,000, in respect of the Class D Notes of £22,000,000, in respect of the Class E Notes of £8,800,000, in respect of the Class Z1 Notes of £15,400,000, in respect of the Class Z2 Notes of £8,310,000, in respect of the Class X1 Notes of £6,600,000, in each case less the aggregate amount of all principal payments in respect of such Class of Notes and in respect of the Class X2 Notes of £2,200,000 which have been made since the Closing Date.

8.8 Notice of Redemption

Any such notice as is referred to in Condition 8.3 (*Mandatory Redemption of the Notes in full*), Condition 8.5 (*Mandatory Redemption for Taxation or Other Reasons*) or Condition 8.6 (*Refinancing Call Option*) shall be irrevocable and, upon the expiry of such notice, the Issuer shall be bound to redeem the relevant Notes at the applicable amounts specified above. Any certificate or legal opinion given by or on behalf of the Issuer pursuant to the Deed Poll may be relied on by the Note Trustee absolutely without any liability to any person for so doing and without investigation and, if so relied on, shall be conclusive and binding on the Noteholders.

8.9 No Purchase by the Issuer

The Issuer will not be permitted to purchase any of the Notes.

8.10 Cancellation on redemption in full

All Notes redeemed in full will be cancelled upon redemption. Notes cancelled upon redemption in full may not be resold or re-issued.

9. TAXATION

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, all present and future taxes, levies, imposts, duties, fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed, including income tax, corporation tax, value added tax or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency together with any penalties, fines or interest thereon ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, subject to Condition 8.5 (*Mandatory Redemption for Taxation or Other Reasons*), the Issuer or, as the case may be, the Paying Agent shall make such payment after the

withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent nor any other person shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

10. PRESCRIPTION

Claims in respect of principal and interest on the Notes will be prescribed after ten years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the relevant payment.

In this Condition 10, the "**Relevant Date**", in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the monies payable on that date has not been duly received by the Principal Paying Agent or the Note Trustee on or prior to such date) the date on which, the full amount of such monies has been received, and notice to that effect is duly given to the relevant Noteholders in accordance with Condition 16 (*Notice to Noteholders*).

11. EVENTS OF DEFAULT

11.1 Notes

The Note Trustee at its absolute discretion may, and if so directed in writing by the holders of at least 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding shall, (subject to being indemnified and/or prefunded and/or secured to its satisfaction as more particularly described in the Trust Deed) give a notice (an "**Enforcement Notice**") to the Issuer that all Classes of the Notes are immediately due and repayable at their respective Principal Amount Outstanding, together with accrued (but unpaid) interest as provided in the Trust Deed (with a copy of such Enforcement Notice being sent simultaneously to the Security Trustee, the relevant Legal Title Holder(s), the relevant Servicer(s), the Issuer Account Bank, the Collection Account Banks and the Cash Manager), if any of the following events (each, an "**Event of Default**") occur:

- (a) subject to Condition 18 (*Subordination by Deferral*), if default is made in the payment of any principal or interest due in respect of the Most Senior Class of Notes and the default continues for: (i) a period of ten Business Days in the case of principal, or (ii) five Business Days in the case of interest; or
- (b) if the Issuer fails to perform or observe any of its other obligations under these Conditions or any Transaction Document to which it is a party and the failure continues for a period of 15 Business Days (or such longer period as the Note Trustee may permit) (except that in any case where the Note Trustee considers the failure to be incapable of remedy, then no continuation or notice as is aforementioned will be required) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) if any representation or warranty made by the Issuer under any Transaction Document is incorrect when made and the matters giving rise to such misrepresentation are not remedied within a period of 15 Business Days (or such longer period as the Note Trustee may permit) (except that in any case where the Note Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the

service by the Note Trustee on the Issuer of notice requiring the same to be remedied;
or

- (d) if any order is made by any competent court or any resolution is passed for the winding up or dissolution of the Issuer, save for the purposes of reorganisation on terms approved in writing by the Note Trustee or by Extraordinary Resolution of the Noteholders; or
- (e) if (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms approved in writing by the Note Trustee or by Extraordinary Resolution of the Noteholders, or (ii) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account its contingent and prospective liabilities) or (iii) the Issuer is deemed unable to pay its debts pursuant to or for the purposes of any applicable law or is adjudicated or found bankrupt or insolvent; or
- (f) if proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with the court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order), unless initiated by the Issuer, is not discharged within 30 Business Days; or
- (g) if the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or takes steps with a view to obtaining a moratorium in respect of any of its indebtedness or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors).

"Default" means any condition or event which constitutes an Event of Default or which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

11.2 General

Upon the service of an Enforcement Notice by the Note Trustee in accordance with Condition 11.1 (*Notes*), all the Notes then outstanding shall thereby immediately become due and repayable at their respective Principal Amount Outstanding, together with accrued interest as provided in the Trust Deed.

12. ENFORCEMENT

12.1 General

The Note Trustee may, at any time, at its discretion and without notice and in such manner as it thinks fit, take such proceedings, actions and/or steps, or direct the Security Trustee to take

such proceedings, actions and/or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of (in the case of the Note Trustee) the Notes, the Residual Certificates or the Trust Deed (including these Conditions or the Residual Certificates Conditions) or (in the case of the Security Trustee) the Deed of Charge or (in either case) any of the other Transaction Documents to which it is a party and, at any time after the service of an Enforcement Notice, the Note Trustee may, at its discretion and without notice, direct the Security Trustee to take such steps as it may think fit to enforce the Security, but neither of them shall be bound to take any such proceedings, action or steps unless:

- (a) the Note Trustee shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or directed in writing by the holders of at least 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding; and
- (b) in all cases, the Note Trustee and the Security Trustee shall have been indemnified and/or prefunded and/or secured to its satisfaction.

12.2 Preservation of Assets

If the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes or the Residual Certificates, the Security Trustee will not be entitled to dispose of any of the Charged Assets or any part thereof unless either (a) a sufficient amount would be realised to allow discharge in full on a *pro rata* and *pari passu* basis of all amounts owing to the holders of the Notes (and all persons ranking in priority to the holders of the Notes), or (b) the Security Trustee is of the opinion, which shall be binding on the Secured Creditors, reached after considering at any time and from time to time the advice of any financial adviser (or such other professional advisers selected by the Security Trustee for the purpose of giving such advice), that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing to the Noteholders (and all persons ranking in priority to the Noteholders as set out in the order of priority set out in the Post-Enforcement Priority of Payments). The fees and expenses of the aforementioned financial adviser or other professional adviser selected by the Security Trustee shall be paid by the Issuer. The Security Trustee shall be entitled to rely upon any financial or other professional advice referred to in this Condition 12.2 without enquiry and shall incur no liability to any person for so doing.

12.3 Limitations on Enforcement

No Noteholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the Conditions or any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Note Trustee or, as the case may be, the Security Trustee, having become bound so to do, fails to do so within a 30 day period and such failure shall be continuing, provided that no Noteholder shall be entitled to take any steps or proceedings to procure the winding up, administration or liquidation of the Issuer.

12.4 Limited Recourse

Notwithstanding any other Condition or any provision of any Transaction Document, all obligations of the Issuer to the Noteholders are limited in recourse to the property, assets and undertakings of the Issuer the subject of any security created under and pursuant to the Deed of Charge (the "**Charged Assets**"). If:

- (a) there are no Charged Assets remaining which are capable of being realised or otherwise converted into cash;
- (b) all amounts available from the Charged Assets have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Deed of Charge; and
- (c) there are insufficient amounts available from the Charged Assets to pay in full, in accordance with the provisions of the Deed of Charge, amounts outstanding under the Notes,

then the Noteholders shall have no further claim against the Issuer in respect of any amounts owing to them which remain due or to be paid in respect of the Notes (including, for the avoidance of doubt, payments of principal, premium (if any) or interest in respect of the Notes) and the Issuer shall be deemed to be discharged from making any further payments in respect of the Notes and any further payment rights shall be extinguished.

13. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

13.1 The Trust Deed contains provisions for convening meetings of the Noteholders of each Class and, in certain cases, more than one Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of these Conditions or the provisions of any of the Transaction Documents.

13.2 For the purposes of these Conditions, "**Most Senior Class of Notes**" means (i) other than in respect of Condition 11.1(a) and Condition 18, the Class A Notes or, if there are no Class A Notes then outstanding, the Class B Notes or, if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes or, if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes or, if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes or, if there are no Rated Notes then outstanding, the Class X1 Notes then outstanding, or, if there are no Rated Notes or Class X1 Notes, the Class X2 Notes then outstanding or, if there are no Rated Notes or Class X Notes then outstanding, the Class Z1 Notes, or if there are no Rated Notes, Class X Notes or Class Z1 Notes then outstanding, the Class Z2 Notes; or (ii) in respect of Condition 11.1(a) and Condition 18 only, the Class A Notes or, if there are no Class A Notes then outstanding, the Class B Notes or, if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes or, if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes.

13.3 Limitations on Noteholders

- (a) Subject as provided in Conditions 13.3(b) and 13.3(c):
 - (i) subject to Conditions 13.3(a)(ii) and (iii), a resolution passed at any meeting of the holders of the Most Senior Class of Notes then outstanding shall be binding on such Noteholders and all other Classes of Noteholders and the Residual Certificates irrespective of the effect upon them;
 - (ii) subject to Condition 13.3(a)(iii), a resolution passed at any meeting of a relevant Class of Noteholders shall be binding on (A) such Noteholders and all other Classes of Noteholders ranking junior to such Class of Noteholders in each case and (B) the Residual Certificates, in each case irrespective of the effect it has upon them; and

- (iii) no resolution of any Class of Noteholders shall take effect for any purpose while any of the Most Senior Class of Notes then outstanding remain outstanding unless it shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding and in the case of the Residual Certificates all Notes ranking in priority thereto or the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding and in the case of the Residual Certificates all Notes ranking in priority thereto.
- (b) Subject as provided in Condition 13.3(c), a resolution which, in the opinion of the Note Trustee, affects the interests of the holders of Notes of only one Class or the Residual Certificates only shall be deemed to have been duly passed if passed at a separate meeting (or by a separate resolution in writing or by a separate resolution passed by way of consents received through the relevant Clearing System(s)) of the holders of that Class of Notes so affected or the Residual Certificates.
- (c) No Extraordinary Resolution of the holders of a Class or Classes of Notes or the Residual Certificates which would have the effect of sanctioning a Basic Terms Modification in respect of any Class of Notes or Residual Certificates shall take effect unless it has been sanctioned by an Extraordinary Resolution of the holders of each affected Class of Notes then outstanding and/or the holders of the Residual Certificates then in issue which are affected by such Basic Terms Modification, or the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the holders of those affected Class or Classes of Notes then outstanding and/or the holders of the Residual Certificates (if applicable).

13.4 **Quorum**

- (a) Subject as provided below, the quorum at any meeting of Noteholders of any Class or Classes for passing an Ordinary Resolution will be one or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes then outstanding.
- (b) Subject as provided below, the quorum at any meeting of Noteholders of any Class or Classes for passing an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes then outstanding.
- (c) Subject to the more detailed provisions set out in the Trust Deed, the quorum at any meeting of any holders of any Class or Classes of Notes or holders of any Residual Certificates passing an Extraordinary Resolution to (i) sanction a modification of the date of maturity of Notes, (ii) sanction a modification of the date of payment of principal or interest in respect of the Notes, or, where applicable, of the method of calculating the date of payment of principal or interest in respect of the Notes, or of the method of calculating the date of payment in respect of the Residual Certificates, except in accordance with Condition 13.6(f) in relation to any Base Rate Modification, (iii) sanction a modification of the amount of principal or the rate of interest payable in respect of the Notes, or, where applicable, of the method of calculating the amount payable of any principal or interest in respect of the Notes, or of the method of calculating the amounts payable in respect of the Residual Certificates (including, in relation to any Class of Notes or Residual Certificates, if any such modification is proposed for any Class of Notes ranking senior to such Class or the Residual Certificates in the Priorities of Payments), except in accordance with Condition 13.6(f) in relation to any Base Rate Modification, (iv) alter the currency in which payments under the Notes or Residual Certificates are to be made, (v) alter the quorum or majority required in relation to this exception, (vi) sanction any scheme or proposal for the sale, conversion or cancellation of the Notes or the Residual Certificates, (vii)

make any change to the definition of a Basic Terms Modification, or (viii) alter any of the provisions contained in this exception (each a "**Basic Terms Modification**") shall be one or more persons holding or representing in the aggregate not less than (A) 75 per cent. of the aggregate Principal Amount Outstanding of such Class of Notes then outstanding or (B) 75 per cent. of the Residual Certificates then in issue. Any Extraordinary Resolution in respect of a Basic Terms Modification shall only be effective if duly passed at separate meetings (or by separate resolutions in writing or by separate resolutions passed by way of consents received through the relevant Clearing System(s)) of each relevant Class of Noteholders and (if affected) the Certificateholders in accordance with the Residual Certificates Conditions.

- (d) The quorum at any adjourned meeting shall be:
- (i) for an Ordinary Resolution, one or more persons present and holding or representing not less than ten per cent. of the Principal Amount Outstanding of the Notes of such Class then outstanding;
 - (ii) (other than in relation to a Basic Terms Modification) for an Extraordinary Resolution shall be one or more persons present and holding or representing not less than 25 per cent. of the Principal Amount Outstanding of the Notes of such Class then outstanding; and
 - (iii) (in respect of a Basic Terms Modification) one or more persons present and holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of the Notes of such Class then outstanding or of the Residual Certificates then in issue.

The terms of the Trust Deed and the Deed of Charge provide for the Noteholders to give directions in writing to the Note Trustee upon which the Note Trustee is bound to act.

13.5 The Note Trustee may at any time and from time to time, with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders, the Certificateholders or any other Secured Creditors agree with the Issuer and any other parties and may direct the Security Trustee to agree with the Issuer and any other parties in making or sanctioning any modification (other than a Basic Terms Modification):

- (a) to these Conditions, the Residual Certificates Conditions, the Trust Deed or any other Transaction Document, which in the opinion of the Note Trustee, will not be materially prejudicial to the interests of the Noteholders (or, if there are no Notes outstanding, the interests of the Certificateholders); or
- (b) to these Conditions, the Residual Certificates Conditions, the Trust Deed or any other Transaction Document if in the opinion of the Note Trustee, such modification is of a formal, minor or technical nature or to correct a manifest error.

13.6 Notwithstanding the provisions of Condition 13.5, the Note Trustee shall be obliged and shall direct the Security Trustee, without any consent or sanction of the Noteholders or the other Secured Creditors, but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification

(other than in respect of a Basic Terms Modification) to these Conditions and/or any Transaction Document that the Issuer considers necessary:

- (a) for the purposes of enabling the Issuer or any Transaction Party to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer or the relevant Transaction Party, as applicable, certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and
- (b) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, **provided that:**
 - (i) the Issuer certifies in writing (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and
 - (ii) in the case of any modification to a Transaction Document proposed by any of the Sellers, the relevant Servicer(s), the Cash Manager, the Collection Account Banks, the Agent Bank, the Principal Paying Agent or the Issuer Account Bank (for the purpose of this Condition 13.6 only, each a "**Relevant Party**", in order (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds)):
 - (A) the Relevant Party certifies in writing to the Issuer, the Note Trustee and the Security Trustee (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) that such modification is necessary for the purposes described in sub-paragraphs (ii)(x) and/or (y) above; and
 - (B) the Issuer, the Relevant Party or the relevant Servicer (on behalf of the Issuer) obtains from each of the Rating Agencies, a Rating Agency Confirmation or, in the case of a Non-Responsive Rating Agency only, certifies in writing to the Issuer (in the case of the Relevant Party or the relevant Servicer) and the Note Trustee and the Security Trustee (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) that the provisions of Condition 19 (*Non-Responsive Rating Agency*) have been satisfied in relation to the request for such Rating Agency Confirmation with respect to the Non-Responsive Rating Agency;
- (c) for the purpose of (i) complying with any changes in the requirements of, or (ii) enabling the Issuer to comply with an obligation in respect of, any of the Securitisation Regulations, together with any implementing regulation, technical standards and official guidance related thereto, in each case as amended, varied or substituted from time to time after the Closing Date, including as a result of any changes to any secondary legislation or official guidance in relation thereto (including but not limited to: (a) the appointment of a third party to assist with the Issuer's reporting obligations

pursuant to the Securitisation Regulations; and (b) a modification required in relation to a change in the securitisation repository), provided that the Issuer certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

- (d) for the purpose of enabling the Notes to be (or to remain) listed on Euronext Dublin, provided that the Issuer certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (e) for the purpose of complying with any changes in the requirements of the EU CRR Amendment Regulation after the Closing Date, provided that the Issuer certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect,

(the certificate to be provided by the Issuer or the relevant Transaction Party, as the case may be, pursuant to Conditions 13.6(a) to 13.6(e) being a "**Modification Certificate**"), or

- (f) for the purpose of changing the reference rate or the base rate that then applies in respect of the Notes to an alternative base rate (any such rate, which may include an alternative screen rate, an "**Alternative Base Rate**") and making such other amendments as are necessary or advisable in the commercially reasonable judgement of the Issuer (or the relevant Servicer on its behalf) to facilitate such change (a "**Base Rate Modification**"), provided that the Issuer (or the relevant Servicer on its behalf), certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee in writing (such certificate, a "**Base Rate Modification Certificate**") that:
 - (i) such Base Rate Modification is being undertaken due to:
 - (A) an alternative manner of calculating a SONIA-based rate being introduced and becoming a standard means of calculating interest for similar transactions;
 - (B) a material disruption to SONIA, an adverse change in the methodology of calculating SONIA or SONIA ceasing to exist or be published;
 - (C) the insolvency or cessation of business of the SONIA administrator (in circumstances where no successor SONIA administrator has been appointed);
 - (D) a public statement by the SONIA administrator that it will cease publishing SONIA permanently or indefinitely (in circumstances where no successor SONIA administrator has been appointed that will continue publication of SONIA);

- (E) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;
 - (F) a public statement by the supervisor of the SONIA administrator that means SONIA may no longer be used or that its use is subject to restrictions or adverse consequences; or
 - (G) the reasonable expectation of the Issuer (or the relevant Servicer on its behalf) that any of the events specified in sub-paragraphs (A) to (F) above will occur or exist within six months of the proposed effective date of such Base Rate Modification; and
- (ii) such Alternative Base Rate is any one or more of the following:
- (A) a base rate published, endorsed, approved or recognised by the Federal Reserve or the Bank of England, any regulator in the United States, the United Kingdom or the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing); or
 - (B) a base rate utilised in a material number of publicly-listed new issues of Sterling-denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification; or
 - (C) such other base rate as the Issuer (or the relevant Servicer on its behalf) reasonably determines, provided that this option may only be used if the Issuer (or the relevant Servicer on its behalf) certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee that, in the reasonable opinion of the Issuer (or the relevant Servicer on its behalf) none of the sub-paragraphs (A) and (B) above are applicable and/or practicable in the context of the transaction, and sets out the rationale in the Base Rate Modification Certificate for choosing the proposed Alternative Base Rate,

and in each case, the change to the Alternative Base Rate will not, in its opinion, be materially prejudicial to the interest of the Noteholders (or, if no Notes are outstanding, the Certificateholders).

For the avoidance of doubt, the Issuer (or the relevant Servicer on its behalf) may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this Condition 13.6(f) are satisfied.

- (g) The Note Trustee is only obliged to concur and direct the Security Trustee to concur with the Issuer in making any modification referred to in Conditions 13.6(a) to 13.6(f) (other than in respect of a Basic Terms Modification) to these Conditions and/or any Transaction Document **provided that:**
- (i) in respect of an amendment under Condition 13.6(f), the same Alternative Base Rate will be applied to all Classes of Notes (where such Notes bear interest);
 - (ii) at least 30 days' prior written notice of any such proposed modification has been given to the Note Trustee and the Security Trustee;

- (iii) the Modification Certificate and Base Rate Modification Certificate in relation to such modification shall be provided to the Note Trustee and the Security Trustee both at the time the Note Trustee and the Security Trustee are notified of the proposed modification and on the date that such modification takes effect;
- (iv) the written consent of each Secured Creditor which is party to the relevant Transaction Document has been obtained (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document);
- (v) the Note Trustee and the Security Trustee is satisfied that it has been or will be reimbursed all costs, fees and expenses (including reasonable and properly incurred legal fees) incurred by it in connection with such modification;
- (vi) other than in the case of a modification pursuant to Condition 13.6(b)(ii), the Issuer, the Relevant Party or the relevant Servicer (on behalf of the Issuer) obtains from each of the Rating Agencies, a Rating Agency Confirmation or, in the case of a Non-Responsive Rating Agency only, certifies in writing to the Issuer (in the case of the Relevant Party or the relevant Servicer) and the Note Trustee that the provisions of Condition 19 (*Non-Responsive Rating Agency*) have been satisfied in relation to the request for such Rating Agency Confirmation with respect to the Non-Responsive Rating Agency; and
- (vii) the Issuer certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) in writing to the Note Trustee and the Security Trustee (which certification may be in the Modification Certificate) that in relation to such modification (A) the Issuer has provided at least 30 days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 16 (*Notice to Noteholders*) and by publication on Bloomberg on the "Company News" screen relating to the Issuer, in each case specifying the date and time by which Noteholders must respond, and it has made available at such time the modification documents for inspection at the registered office of the Note Trustee for the time being during normal business hours, and (B) Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which such Notes may be held within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding is passed in favour of such modification in accordance with this Condition 13.

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Note Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

- 13.7 When implementing any modification pursuant to Condition 13.6:
- (a) (save to the extent the Note Trustee considers that the proposed modification would constitute a Basic Terms Modification) the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and without investigation on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to Condition 13.6 and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
 - (b) neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification which, in the sole opinion of the Note Trustee or the Security Trustee, as applicable, would have the effect of (i) exposing the Note Trustee or the Security Trustee, as applicable, to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee or the Security Trustee, as applicable, in the Transaction Documents and/or these Conditions.
- 13.8 The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors and without prejudice to its rights in respect of any further or other breach, from time to time and at any time, but only if and in so far as in the sole opinion of the Note Trustee (acting in accordance with the Trust Deed) the interests of the Noteholders (or, if there are no Notes outstanding, the Certificateholders) will not be materially prejudiced thereby, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Conditions, the Residual Certificates Conditions or any of the Transaction Documents by any party thereto, provided that the Note Trustee shall not exercise any powers conferred on it by this Condition 13.8 in contravention of any express direction given by Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or by a direction under Condition 11 (*Events of Default*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made.
- 13.9 Any such modification, waiver, authorisation or determination by the Note Trustee, in accordance with these Conditions, Residual Certificates Conditions or Transaction Documents shall be binding on the Noteholders and, unless the Note Trustee or, as the case may be, the Security Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 16 (*Notice to Noteholders*).
- 13.10 Any modification to the Transaction Documents and the Conditions shall be notified by the Issuer in writing to the Rating Agencies.
- 13.11 In connection with any such substitution of principal debtor referred to in Condition 8.5 (*Mandatory Redemption for Taxation or Other Reasons*), the Note Trustee may also agree, and may direct the Security Trustee to agree, without the consent of the Noteholders or the other Secured Creditors, to a change of the laws governing the Notes, these Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders.
- 13.12 In determining whether a proposed action will not be materially prejudicial to the Noteholders or any Class thereof, the Note Trustee may, among other things, have regard to whether the Rating Agencies have confirmed orally to the Issuer or any other party to the Transaction

Documents that any proposed action will not result in the withdrawal or reduction of, or entail any other adverse action with respect to, the then current ratings of the Rated Notes.

- 13.13 Where, in connection with the exercise or performance by each of them of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents (including in relation to any modification, waiver, authorisation, determination, substitution or change of laws as referred to above), the Note Trustee or the Security Trustee is required to have regard to the interests of the Noteholders of any Class or Classes, it shall (a) have regard to the general interests of the Noteholders of such Class or Classes but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof, and the Note Trustee or, as the case may be, the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Note Trustee or the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders and (b) subject to the more detailed provisions of the Trust Deed and the Deed of Charge, as applicable, have regard to the interests of holders of each Class of Notes (except where expressly provided otherwise) but requiring the Note Trustee and the Security Trustee where there is a conflict of interests between one or more Classes of Notes and/or the Residual Certificates in any such case to have regard (except as expressly provided otherwise) to the interests of the holders of the Class or Classes of Notes ranking in priority to the other relevant Classes of Notes.
- 13.14 Other than in respect of any matter requiring an Extraordinary Resolution, Noteholders are required to vote by way of an Ordinary Resolution.
- 13.15 **"Ordinary Resolution"** means, in respect of the holders of any of the Classes of Notes:
- (a) a resolution passed at a meeting of Noteholders duly convened and held in accordance with the Trust Deed and these Conditions by not less than a clear majority of the Eligible Persons voting thereat on a show of hands or, if a poll is duly demanded, by a clear majority of the votes cast on such poll;
 - (b) a resolution in writing signed by or on behalf of the Noteholders of not less than a clear majority in aggregate Principal Amount Outstanding of the relevant Class of Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders of the relevant Class; or
 - (c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the Noteholders of not less than a clear majority in aggregate Principal Amount Outstanding of the relevant Class of Notes.
- 13.16 **"Extraordinary Resolution"** means, in respect of the holders of any of the Classes of Notes:
- (a) a resolution passed at a meeting of Noteholders duly convened and held in accordance with the Trust Deed and these Conditions by a majority consisting of not less than 75 per cent. of Eligible Persons voting at such meeting upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than 75 per cent. of the votes cast on such poll;

- (b) a resolution in writing signed by or on behalf of the Noteholders of not less than 75 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders of the relevant Class; or
- (c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the Noteholders of not less than 75 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Notes.

13.17 **"Eligible Person"** means any one of the following persons who shall be entitled to attend and vote at a meeting:

- (a) a bearer of any Voting Certificate; and
- (b) a proxy specified in any Block Voting Instruction.

13.18 **"Voting Certificate"** means an English language certificate issued by a Paying Agent in which it is stated:

- (a) that on the date thereof the Notes and/or Residual Certificates (not being the Notes and/or Residual Certificates (as applicable) in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) are blocked in an account with a clearing system and that no such Notes and/or Residual Certificates will cease to be so blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such Voting Certificate; and
 - (ii) the surrender of the Voting Certificate to the Paying Agent who issued the same; and
- (b) that the bearer thereof is entitled to attend and vote at such meeting in respect of the Notes and/or Residual Certificates represented by such Voting Certificate.

13.19 **"Block Voting Instruction"** means an English language document issued by a Paying Agent in which:

- (a) it is certified that on the date thereof Notes and/or Residual Certificates (not being Notes and/or Residual Certificates (as applicable) in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) are blocked in an account with a clearing system and that no such Notes and/or such Residual Certificates will cease to be so blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such Block Voting Instruction; and
 - (ii) the Notes and/or the Residual Certificates ceasing with the agreement of the Paying Agent to be so blocked and the giving of notice by the Paying Agent to the Issuer of the necessary amendment to the Block Voting Instruction;
- (b) it is certified that each holder of such Notes and/or such Residual Certificates has instructed such Paying Agent that the vote(s) attributable to the Notes and/or the Residual Certificates so blocked should be cast in a particular way in relation to the

resolution(s) to be put to such meeting and that all such instructions are, during the period commencing 48 hours prior to the time for which such meeting is convened and ending at the conclusion or adjournment thereof, neither revocable nor capable of amendment;

- (c) the aggregate principal amount or aggregate total amount of the Notes and/or the number of Residual Certificates so blocked is listed distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution;
- (d) one or more persons named in such Block Voting Instruction (each hereinafter called a "**proxy**") is or are authorised and instructed by such Paying Agent to cast the votes attributable to the Notes and/or the Residual Certificates so listed in accordance with the instructions referred to in Condition 13.19(c) as set out in such Block Voting Instruction, provided that no such person shall be named as a proxy:
- (e) whose appointment has been revoked and in relation to whom the relevant Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such meeting; and
- (f) who was originally appointed to vote at a meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the meeting when it is resumed.

13.20 Details of any Extraordinary Resolution and any Ordinary Resolution passed in accordance with the provisions of the Trust Deed shall be notified to each of the Rating Agencies by the Issuer.

13.21 **Issuer Substitution Condition**

The Note Trustee may agree, subject to such amendment of these Conditions and of any of the Transaction Documents, and to such other conditions as the Note Trustee may require and subject to the terms of the Trust Deed, but without the consent of the Noteholders, to the substitution of another body corporate in place of the Issuer as principal debtor under the Trust Deed, the Notes and the Residual Certificates and in respect of the other Secured Obligations, provided that the conditions set out in the Trust Deed are satisfied including, *inter alia*, that the Notes are unconditionally and irrevocably guaranteed by the Issuer (unless all of the assets of the Issuer are transferred to such body corporate) and that such body corporate is a single purpose vehicle and undertakes itself to be bound by provisions corresponding to those set out in Condition 5 (*Covenants*) (the "**Issuer Substitution Condition**"). In the case of a substitution pursuant to this Condition 13.21, the Note Trustee may in its absolute discretion agree, and may direct the Security Trustee to agree, without the consent of the Noteholders, to a change in law governing the Notes and/or any of the Transaction Documents unless such change would, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders.

14. **INDEMNIFICATION AND EXONERATION OF THE NOTE TRUSTEE AND THE SECURITY TRUSTEE**

The Trust Deed and the Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Security Trustee respectively and providing for their indemnification in certain circumstances, including provisions relieving

them from taking action or, in the case of the Security Trustee, enforcing the Security, unless indemnified and/or prefunded and/or secured to their satisfaction.

The Trust Deed and the Deed of Charge also contain provisions pursuant to which the Note Trustee and the Security Trustee are entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce their rights, comply with its obligations and perform their duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, individual Noteholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

15. REPLACEMENT OF NOTES

If any Note is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Registrar subject to all applicable laws and stock exchange requirements. Replacement of any mutilated, defaced, lost, stolen or destroyed Note will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Note must be surrendered before a new one will be issued.

16. NOTICE TO NOTEHOLDERS

16.1 Publication of Notice

- (a) Subject to Condition 16.1(d), any notice to Noteholders shall be validly given if published in the *Financial Times* or, if such newspaper shall cease to be published or if timely publication therein is not practicable, in such other English newspaper or newspapers as the Note Trustee shall approve in advance having a general circulation in the United Kingdom, provided that if, at any time, (i) the Issuer procures that the information concerned in such notice shall appear on a page of the Reuters screen, the Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Note Trustee and notified to Noteholders (in each case a "**Relevant Screen**"), or (ii) Condition 16.1(c) applies and the Issuer has so elected, publication in the newspaper set out above or such other newspaper or newspapers shall not be required with respect to such notice. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which (or on the Relevant Screen) publication is required.
- (b) In respect of Notes in definitive form, notices to Noteholders will be sent to them by (i) email or (ii) first class post (or its equivalent) or (if posted to an address outside the United Kingdom) by airmail, at the respective email addresses or addresses (as the case may be) on the Register. Any such notice sent by post will be deemed to have been given on the fourth day after the date of posting and any notice sent by email shall be deemed to have been given at the time of dispatch provided that in the case of a notice given by email a confirmation of receipt is received by the sending party.
- (c) While the Notes are represented by Global Note, notices to Noteholders will be valid if published as described above or, at the option of the Issuer, if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Noteholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg, as aforesaid shall be deemed to have been given on the day of such delivery.

- (d) So long as the relevant Notes are admitted to trading on, and listed on the official list of, Euronext Dublin all notices to the Noteholders will be valid if published in a manner which complies with the rules and regulations of Euronext Dublin (which includes delivering a copy of such notice to Euronext Dublin) and any such notice will be deemed to have been given on the date sent to Euronext Dublin.

16.2 Note Trustee's Discretion to Select Alternative Method

The Note Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or category of them if, in its sole opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchanges, competent listing authorities and/or quotation systems on or by which the Notes are then listed, quoted and/or traded and provided that notice of such other method is given to the Noteholders in such manner as the Note Trustee shall require.

17. REPLACEMENT NOTES

If the Issuer Substitution Condition is satisfied in accordance with these Terms and Conditions and the Trust Deed, the Issuer may, without the consent of the Noteholders, issue one or more classes of replacement notes ("**Replacement Notes**") to replace one or more Classes of Notes, each class of which shall have terms and conditions which may differ from the terms and conditions of the Class of Notes which it replaces.

18. SUBORDINATION BY DEFERRAL

18.1 Interest Amounts

If, on any Interest Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of interest (which shall, for the purposes of this Condition 18, include any interest previously deferred under this Condition 18.1 and accrued interest thereon) payable in respect of the Notes other than the Most Senior Class of Notes after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer shall be entitled to defer to the next Interest Payment Date the payment of interest (such interest, the "**Deferred Interest**") in respect of the Notes other than the Most Senior Class of Notes to the extent only of any insufficiency of funds.

18.2 General

Any amounts of Deferred Interest in respect of a Class of the Rated Notes shall accrue interest ("**Additional Interest**") at the same rate and on the same basis as scheduled interest in respect of the corresponding Class of Notes, but shall not be capitalised. Such Deferred Interest and Additional Interest shall, in any event, become payable on the next Interest Payment Date (unless and to the extent that Condition 18.1 (*Interest Amounts*) applies) or on such earlier date as the relevant Class of Notes becomes due and repayable in full in accordance with these Conditions.

18.3 Notification

As soon as practicable after becoming aware that any part of a payment of interest on a Class of Notes (other than the Most Senior Class of Notes) will be deferred or that a payment previously deferred will be made in accordance with this Condition 18, the Issuer will give notice thereof to the relevant Class of Noteholders, as appropriate, in accordance with Condition 16 (*Notice to Noteholders*). Any deferral of interest in accordance with this Condition 18 will not constitute an Event of Default. The provisions of this Condition 18 shall cease to apply on

the Final Maturity Date, or any earlier date on which the Notes are redeemed in full or, are required to be redeemed in full, at which time all deferred interest and accrued interest thereon shall become due and payable.

19. NON-RESPONSIVE RATING AGENCY

- (a) In respect of the exercise of any power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Rated Notes and any of the Transaction Documents, the Note Trustee and the Security Trustee shall be entitled but not obliged to take into account any written confirmation or affirmation (in any form acceptable to the Note Trustee and the Security Trustee) from the Rating Agencies that the then current ratings of the Rated Notes will not be reduced, qualified, adversely affected or withdrawn thereby (a "**Rating Agency Confirmation**").
- (b) If a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Note Trustee and the Security Trustee, as applicable) and:
- (i) (A) one or more Rating Agency (such Rating Agency, a "**Non-Responsive Rating Agency**") indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given; and (if there is only one Non-Responsive Rating Agency); or
 - (ii) one Rating Agency gives such Rating Agency Confirmation or response based on the same facts,

then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive Rating Agency if the Issuer provides to the Note Trustee and the Security Trustee a certificate signed by two directors certifying and confirming that, if there is only one Non-Responsive Rating Agency, each of the events in sub-paragraph (i)(A) or (B) and (ii) above has occurred or if there is more than one Non-Responsive Rating Agency that the events in sub-paragraph (i)(A) or (i)(B) above are satisfied. Each of the Note Trustee and the Security Trustee may rely on such certificate absolutely without enquiry and without liability.

20. JURISDICTION AND GOVERNING LAW

- (a) The Courts of England (the "**Courts**") are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes, the Residual Certificates and the Transaction Documents (including a dispute relating to non-contractual obligations or a dispute regarding the existence, validity or termination of any of the Notes, the Residual Certificates or the Transaction Documents or the consequences of their nullity) and accordingly any legal action or proceedings arising out of or in connection with the Notes and/or the Residual Certificates and/or the Transaction Documents may be brought in such Courts.
- (b) The Transaction Documents, the Notes, the Residual Certificates and these Conditions (and any non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with, English law except that, to the extent that the provisions

of the Mortgage Sale Agreement, the Deed of Charge and any documents supplemental thereto relate to the Scottish Loans or the Northern Irish Loans or the Isle of Man Loans, such provisions and documents shall be construed in accordance and/or governed by Scots law or the laws of Northern Ireland or the laws of the Isle of Man, as applicable.

21. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes or these Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

TERMS AND CONDITIONS OF THE RESIDUAL CERTIFICATES

The following are the terms and conditions of the Residual Certificates in the form (subject to amendment) in which they will be set out in the Trust Deed (as defined below).

1. GENERAL

The 100 residual certificates (the "**Residual Certificates**") of Stratton Mortgage Funding 2021-1 plc (the "**Issuer**") are constituted by a trust deed (the "**Trust Deed**") dated on 12 February 2021 (the "**Closing Date**") and made between, among others, the Issuer and Citicorp Trustee Company Limited as trustee for the registered holders for the time being of the Residual Certificates (the "**Certificateholders**") (the "**Note Trustee**" which term shall, where the context so permits, include all other persons or companies for the time being acting as trustee or trustees under the Trust Deed). Any reference in these residual certificates terms and conditions (the "**Residual Certificates Conditions**") to a "**Class**" of Notes or of Noteholders shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class Z1 Notes or the Class Z2 Notes as the case may be, or to the respective holders thereof. The security for the Residual Certificates is constituted by a deed of charge and assignment (the "**Deed of Charge**") dated on the Closing Date and made between, among others, the Issuer and Citicorp Trustee Company Limited as trustee for the Secured Creditors (in such capacity, the "**Security Trustee**" which term shall, where the context so permits, include all other persons or companies for the time being acting as trustee or trustees under the Deed of Charge).

Pursuant to an agency agreement (the "**Agency Agreement**") dated on or prior to the Closing Date and made between the Issuer, the Note Trustee, Citibank, N.A., London Branch as principal paying agent (in such capacity, the "**Principal Paying Agent**" and, together with any further or other paying agent appointed under the Agency Agreement, the "**Paying Agent**") Citibank, N.A., London Branch as registrar (in such capacity, the "**Registrar**") and Citibank, N.A., London Branch as agent bank (in such capacity, the "**Agent Bank**"), provision is made for, *inter alia*, the payment of amounts in respect of the Residual Certificates. References to the "**Principal Paying Agent**", the "**Registrar**", the "**Agent Bank**" and the "**Paying Agents**" below are references to the principal paying agent, the registrar, the agent bank and the paying agents for the time being for the Residual Certificates.

The statements in these Residual Certificates Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge, the Agency Agreement and a master definitions and construction schedule (the "**Master Definitions and Construction Schedule**") entered into by, among others, the Issuer, the Note Trustee and the Security Trustee on the Closing Date and the other Transaction Documents (as defined therein).

Physical copies of the Trust Deed, the Deed of Charge, the Agency Agreement, the Master Definitions and Construction Schedule and the other Transaction Documents (in case of any Scottish Declaration of Trust, with the schedule thereto duly redacted) are available for inspection during normal business hours at the specified office for the time being of each of the Paying Agents. The Certificateholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them.

2. INTERPRETATION

2.1 Definitions

Capitalised terms not otherwise defined in these Residual Certificates Conditions shall bear the meanings given to them in the Master Definitions and Construction Schedule available as described above.

2.2 Interpretation

These Residual Certificates Conditions shall be construed in accordance with the principles of construction set out in the Master Definitions and Construction Schedule.

3. FORM AND TITLE

3.1 Form and Denomination

Each Residual Certificate will initially be represented by a global residual certificate in registered form (a "**Global Residual Certificate**").

For so long as any of the Residual Certificates are represented by a Global Residual Certificate, transfers and exchanges of beneficial interests in such Global Residual Certificate and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), as appropriate. The Global Residual Certificate will be deposited with and registered in the name of a nominee of a common safekeeper for Euroclear and Clearstream, Luxembourg.

A Global Residual Certificate will be exchanged for the relevant Residual Certificate in definitive registered form (such exchanged Global Residual Certificate in definitive registered form, the "**Definitive Residual Certificates**") only if either of the following applies:

- (a) both Euroclear and Clearstream, Luxembourg:
 - (i) are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or
 - (ii) announce an intention permanently to cease business or to cease to make their book-entry systems available for settlement of beneficial interests in the Global Residual Certificate and do in fact do either of those things,and in either case no alternative clearing system satisfactory to the Note Trustee is available; or
- (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration by a revenue authority or a court or in the application of such laws or regulations which become effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Residual Certificates which would not be required were the relevant Residual Certificates in definitive registered form.

If Definitive Residual Certificates are issued in respect of Residual Certificates originally represented by a Global Residual Certificate, the beneficial interests represented by such Global Residual Certificate shall be exchanged by the Issuer for the relevant Residual Certificates in registered definitive form.

Definitive Residual Certificates will be serially numbered and will be issued in registered form only.

References to "**Residual Certificates**" in these Residual Certificates Conditions shall include the Global Residual Certificate and the Definitive Residual Certificates.

3.2 Title

Title to the Global Residual Certificate shall pass by and upon registration in the register (the "**Register**") which the Issuer shall procure to be kept by the Registrar. The registered holder of a Global Residual Certificate may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Global Residual Certificate regardless of any notice of ownership, theft or loss or any trust or other interest therein or of any writing thereon (other than the endorsed form of transfer).

Title to Definitive Residual Certificates shall only pass by and upon registration of the transfer in the Register.

Definitive Residual Certificates may be transferred upon the surrender of the relevant Definitive Residual Certificate, with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. All transfers of Definitive Residual Certificates are subject to any restrictions on transfer set out on the Definitive Residual Certificates and the detailed regulations concerning transfers in the Agency Agreement.

Each new Definitive Residual Certificate to be issued upon transfer of such Definitive Residual Certificate will, within five Business Days of receipt and surrender of such Definitive Residual Certificate (duly completed and executed) for transfer, be available for delivery at the specified office of the Registrar or be mailed at the risk of the transferee entitled to such Definitive Residual Certificate to such address as may be specified in the relevant form of transfer.

Registration of a Definitive Residual Certificate on transfer will be effected without charge by the Registrar, but subject to payment of (or the giving of such indemnity as the Registrar may require for) any tax, stamp duty or other government charges which may be imposed in relation to it.

4. STATUS AND SECURITY

4.1 Status of the Residual Certificates

The Residual Certificates constitute direct, secured and (subject to the limited recourse provision in Residual Certificates Condition 11.3 (*Limited Recourse*)) unconditional obligations of the Issuer, and represent the Issuer's obligation to pay deferred consideration for its purchase of the Portfolio, consisting of the Residual Payments. The Residual Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payments on the Residual Certificates. Residual Payments will be made subject to and in accordance with the Pre-Enforcement Revenue Priority of Payments, Pre-Enforcement Redemption Priority of Payments and Post-Enforcement Priority of Payments.

The Trust Deed and the Deed of Charge contain provisions requiring the Note Trustee and the Security Trustee, respectively, to have regard to the interests of the Certificateholders equally as regards all rights, powers, trusts, authorities, duties and discretions of the Note Trustee and the Security Trustee (except where expressly provided otherwise) but requiring the Note Trustee in any such case to have regard (except as expressly provided otherwise) to the interests of the Noteholders for so long as there are any Notes outstanding.

4.2 Security

The security constituted by or pursuant to the Deed of Charge is granted to the Security Trustee for it to hold on trust for the Certificateholders and the other Secured Creditors, upon and subject to the terms and conditions of the Deed of Charge.

The Certificateholders and the other Secured Creditors will share in the benefit of the security constituted by or pursuant to the Deed of Charge, upon and subject to the terms and conditions of the Deed of Charge.

5. ISSUER COVENANTS

Save with the prior written consent of the Note Trustee or unless otherwise permitted under any of these Residual Certificates Conditions or any of the Transaction Documents, the Issuer shall not, so long as any Residual Certificate remains outstanding:

- (a) **Negative pledge:** create or permit to subsist any encumbrance (unless arising by operation of law) or other security interest whatsoever over any of its assets or undertaking;
- (b) **Restrictions on activities:** (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage or (ii) have any subsidiaries, any subsidiary undertaking (as defined in the Companies Act 1985 and the Companies Act 2006 (as applicable)) or any employees (but shall procure that, at all times, it shall retain at least one independent director) or premises;
- (c) **Disposal of assets:** assign, transfer, sell, lend, lease, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire all or any of, its assets or undertakings or any interest, estate, right, title or benefit therein or attempt or purport to do any of the foregoing;
- (d) **Equitable and Beneficial Interest:** permit any person, other than itself and the Security Trustee, to have any equitable or beneficial interest in any of its assets or undertakings or any interest, estate, right, title or benefit therein;
- (e) **Dividends or distributions:** pay any dividend or make any other distribution to its shareholders except out of amounts of profit retained by the Issuer in accordance with the applicable Priority of Payments which are available for distribution in accordance with the Issuer's memorandum and articles of association and with applicable laws or issue any further shares;
- (f) **Indebtedness:** incur any financial indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or of any other obligation of any person;

- (g) **Merger:** consolidate or merge with any other person or convey or transfer substantially all of its properties or assets to any other person;
- (h) **No modification or waiver:** permit any of the Transaction Documents to which it is a party to become invalid or ineffective or permit the priority of the security interests created or evidenced thereby or pursuant thereto to be varied, modified, terminated, postponed, waived or agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;
- (i) **Bank accounts:** have an interest in any bank account other than the Deposit Accounts, unless such account or interest therein is charged to the Security Trustee on terms acceptable to the Security Trustee;
- (j) **Purchase Residual Certificates:** purchase or otherwise acquire any Residual Certificates;
- (k) **Corporation tax:** prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the Taxation of Securitisation Companies Regulations 2006;
- (l) **VAT:** apply to become part of any group for the purposes of sections 43 to 43D of the Value Added Tax Act 1994 and the VAT (Groups: eligibility) Order (S.I. 2004/1931) with any other company or group of companies, or such act, regulation, order, statutory instrument or directive which may from time to time re-enact, replace, amend, vary, codify, consolidate or repeal any of the same; or
- (m) **U.S. activities:** engage in any activities in the United States (directly or through agents), or derive any income from United States sources as determined under United States income tax principles, or hold any property if doing so would cause it to be engaged in a trade or business within the United States as determined under United States income tax principles.

6. RESIDUAL PAYMENTS

6.1 Right to Residual Payments

Each Residual Certificate represents a *pro rata* entitlement to receive Residual Payments by way of deferred consideration for the purchase by the Issuer of the Portfolio.

6.2 Payment

A Residual Payment may be payable in respect of the Residual Certificates on each Interest Payment Date and each date on which amounts are to be applied in accordance with the Post-Enforcement Priority of Payments.

- (a) **"Determination Period"** has the meaning set out in Residual Certificate Condition 6.8 (*Determinations and Reconciliation*).
- (b) **"Interest Payment Date"** means each date determined as an Interest Payment Date in accordance with the Conditions of the Notes.

- (c) **"Residual Payment"** means:
- (i) prior to the delivery of an Enforcement Notice, in respect of each Interest Payment Date, the amount (if any) by which Available Revenue Receipts exceeds the amounts required to satisfy items (a) to (u) of the Pre-Enforcement Revenue Priority of Payments on that Interest Payment Date; and
 - (ii) following the delivery of an Enforcement Notice, in respect of each date on which amounts are to be applied in accordance with the Post-Enforcement Priority of Payments, the amount by which amounts available for payment in accordance with the Post-Enforcement Priority of Payments exceeds the amounts required to satisfy items (a) to (u) of the Post-Enforcement Priority of Payments on that date.
- (d) **"Residual Payment Amount"** means, for a Residual Certificate on any date on which amounts are to be applied in accordance with the applicable Priority of Payments, the Residual Payment for that date, divided by the number of Residual Certificates then in issue.

6.3 Determination of Residual Payment

The Cash Manager shall on each Calculation Date determine the Residual Payment payable on the immediately following Interest Payment Date and the Residual Payment Amount payable in respect of each Residual Certificate on such Interest Payment Date.

6.4 Publication of Residual Payment and Residual Payment Amount

The Cash Manager shall cause the Residual Payment and Residual Payment Amount (if any) for each Interest Payment Date to be notified to the Issuer, the Cash Manager, the Note Trustee, the Registrar and the Paying Agents (as applicable) and to be published in accordance with Residual Certificates Condition 15 (*Notice to Certificateholders*) as soon as possible after their determination and in no event later than two Business Days prior to the immediately succeeding Interest Payment Date.

6.5 Notifications to be Final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Residual Certificates Condition 6.5, whether by the Cash Manager or the Note Trustee, will (in the absence of manifest error) be binding on the Issuer, the Cash Manager, the Note Trustee, the Registrar, the Paying Agents and all Certificateholders and (in the absence of wilful default, gross negligence or fraud) no liability to the Issuer or the Certificateholders shall attach to the Cash Manager in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Residual Certificates Condition 6.5.

6.6 Termination of Payments

Other than where the Notes have been redeemed in full following the exercise of the Refinancing Call Option, following the redemption in full of the Notes, the realisation of the Charged Assets and payment of the proceeds of realisation in accordance with the applicable Priority of Payments, no more Residual Payments will be made by the Issuer and the Residual Certificates shall be redeemed and cancelled.

7. PAYMENTS

7.1 Payment of Residual Payment Amounts

Subject to of Residual Certificates Condition 3.1 (*Form and Denomination*), payments of Residual Payment Amounts shall be made by credit or transfer to an account in sterling maintained by the payee.

7.2 Laws and Regulations

Payments of any Residual Payment Amounts are subject, in all cases, to (a) any fiscal or other laws and regulations applicable thereto and (b) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental approach thereto. Certificateholders will not be charged commissions or expenses on payments.

7.3 Change of Paying Agents

The Issuer reserves the right, subject to the prior written approval of the Note Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent or the Registrar and to appoint additional or other agents, provided that there will at all times be a person appointed to perform the obligations of the Principal Paying Agent with a specified office in London, and a person appointed to perform the obligations of the Registrar with a specified office in Ireland or in London.

Except where otherwise provided in the Trust Deed or the Agency Agreement, the Issuer will cause notice of no more than 30 days and no less than 15 days of any change in or addition to the Paying Agents or the Registrar or their specified offices to be given to the Certificateholders in accordance with Residual Certificates Condition 15 (*Notice to Certificateholders*).

7.4 No Payment on non-Business Day

If the date for payment of any amount in respect of a Residual Certificate is not a Presentation Date, Certificateholders shall not be entitled to payment until the next following Presentation Date and shall not be entitled to interest or other payment in respect of such delay. In this Residual Certificates Condition 7.4, the expression "**Presentation Date**" means a day which is (a) a Business Day and (b) a day on which banks are generally open for business in the relevant place.

8. TAXATION

All payments of Residual Payment Amounts by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, all present and future taxes, levies, imports, duties, fees, deductions, withholding or charges of any nature whatsoever and wheresoever imposed, including income tax, corporation tax, value added tax or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency together with any penalties, fines or interest thereon ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, the Issuer or, as the case may be, the Paying Agent shall make payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent nor any

other person shall be obliged to make any additional payments to Certificateholders in respect of such withholding or deduction.

9. PRESCRIPTION

Claims in respect of Residual Payment Amounts will be prescribed after ten years from the Relevant Date in respect of the relevant payment.

In this Residual Certificates Condition 9, the "**Relevant Date**", in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the monies payable on that date has not been duly received by the Principal Paying Agent or the Note Trustee on or prior to such date) the date on which, the full amount of such monies having been received, and notice to that effect is duly given to the relevant Certificateholders in accordance with Residual Certificates Condition 15 (*Notice to Certificateholders*).

10. EVENTS OF DEFAULT

10.1 Residual Certificates

The Note Trustee at its absolute discretion may, and, provided all of the Notes have been redeemed in full, if so directed in writing by the holders of at least 25 per cent. of the Residual Certificates in number or if so directed by an Extraordinary Resolution of the Certificateholders shall (subject to being indemnified and/or prefunded and/or secured to its satisfaction as more particularly described in the Trust Deed), give a notice (an "**Enforcement Notice**") to the Issuer that any Residual Payments pursuant to the Residual Certificates are immediately due and payable in any of the following events (each, an "**Event of Default**") with a copy of such Enforcement Notice being sent simultaneously to the Security Trustee, the relevant Legal Title Holder, the relevant Servicer, the Issuer Account Bank and the Cash Manager:

- (a) if default is made in the payment of any amount due in respect of the Residual Certificates and the default continues for a period of five Business Days from the due date for payment; or
- (b) if the Issuer fails to perform or observe any of its other obligations under these Residual Certificates Conditions or any Transaction Document to which it is a party and the failure continues for a period of 30 Business Days (following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied (or such longer period as the Note Trustee may permit)), except in any case where the Note Trustee considers the failure to be incapable of remedy, in which case no continuation or notice as is aforementioned will be required; or
- (c) if any order is made by any competent court or any resolution is passed for the winding up or dissolution of the Issuer, save for the purposes of reorganisation on terms approved in writing by the Note Trustee or by Extraordinary Resolution of the Certificateholders; or
- (d) if (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms approved in writing by the Note Trustee or by Extraordinary Resolution of the Certificateholders, or (ii) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account its contingent and prospective liabilities) or (iii) the Issuer is deemed unable to pay its debts pursuant to or for the purposes of any applicable law or is adjudicated or found bankrupt or insolvent; or

- (e) if proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order) unless initiated by the Issuer, is not discharged or within 30 Business Days; or
- (f) if the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or takes steps with a view to obtaining a moratorium in respect of any of its indebtedness or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors).

10.2 General

Upon the service of an Enforcement Notice by the Note Trustee in accordance with Residual Certificates Condition 10.1 (*Residual Certificates*), any Residual Payments pursuant to the Residual Certificates shall thereby immediately become due and payable.

11. ENFORCEMENT

11.1 General

The Note Trustee may, at any time, at its discretion and without notice and in such manner as it thinks fit, take such proceedings, actions and/or steps or direct the Security Trustee to take such proceedings, actions and/or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of (in the case of the Note Trustee) the Residual Certificates or the Trust Deed (including these Residual Certificates Conditions) or (in the case of the Security Trustee) the Deed of Charge or (in either case) any of the other Transaction Documents to which it is a party and, at any time after the service of an Enforcement Notice, the Note Trustee may, at its discretion and without notice, direct the Security Trustee to take such steps as it may think fit to enforce the Security, but neither of them shall be bound to take any such proceedings, action or steps unless, following redemption of the Notes in full:

- (a) the Note Trustee shall have been so directed by an Extraordinary Resolution of the Certificateholders or directed in writing by the holders of at least 25 per cent. of the Residual Certificates in number; and
- (b) in all cases, the Note Trustee and the Security Trustee shall have been indemnified and/or prefunded and/or secured to its satisfaction.

No Certificateholder may proceed directly against the Issuer unless the Note Trustee, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.

11.2 Limitations on Enforcement

No Certificateholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the Residual Certificates Conditions or any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Note Trustee or, as the case may be, the Security Trustee, having become bound so to do, fails to do so within a 30 day period and such failure shall be continuing, provided that no Certificateholder shall be entitled to take any steps or proceedings to procure the winding up, administration or liquidation of the Issuer.

11.3 Limited Recourse

Notwithstanding any other Residual Certificates Condition or any provision of any Transaction Document, all obligations of the Issuer to the Certificateholders are limited in recourse to the property, assets and undertakings of the Issuer the subject of any security created under and pursuant to the Deed of Charge (the "**Charged Assets**"). If:

- (a) there are no Charged Assets remaining which are capable of being realised or otherwise converted into cash;
- (b) all amounts available from the Charged Assets have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Deed of Charge; and
- (c) there are insufficient amounts available from the Charged Assets to pay, in accordance with the provisions of the Deed of Charge, any further amounts under the Residual Certificates (including payments of Residual Payment Amounts),

then the Certificateholders shall have no further claim against the Issuer in respect of any further amounts due or to be paid in respect of the Residual Certificates (including, for the avoidance of doubt, payments of Residual Payment Amounts in respect of the Residual Certificates) and the Issuer shall be deemed to be discharged from making any further payments in respect of the Residual Certificates and any further payment rights shall be extinguished.

12. MEETINGS OF CERTIFICATEHOLDERS AND NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

12.1 The Trust Deed contains provisions for convening meetings of the Noteholders of each Class and, in certain cases, more than one Class, and the Certificateholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of these Residual Certificates Conditions, the Conditions or the provisions of any of the Transaction Documents.

12.2 For the purposes of these Residual Certificates Conditions, "**Most Senior Class of Notes**" means (i) other than in respect of Condition 11.1(a) and Condition 18, the Class A Notes or, if there are no Class A Notes then outstanding, the Class B Notes or, if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes or, if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes or, if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes or, if there are no Rated Notes then outstanding, the Class X1 Notes, or, if there are no Rated Notes or Class X1 Notes, the Class X2 Notes or, if there are no Rated Notes or Class X Notes then outstanding, the Class Z1 Notes or, if there are no Rated Notes, Class X Notes or Class Z1 Notes then outstanding, the Class Z2 Notes; or (ii) in respect of Condition 11.1(a) and Condition

18 only, the Class A Notes or, if there are no Class A Notes then outstanding, the Class B Notes or, if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes or, if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes.

12.3 Limitations on Noteholders and Certificateholders

- (a) Subject as provided in Residual Certificates Conditions 12.3(b) and 12.3(c):
 - (i) subject to Residual Certificates Conditions 12.3(a)(ii) and 12.3(a)(iii), a resolution passed at any meeting of the holders of the Most Senior Class of Notes then outstanding shall be binding on all other Classes of Noteholders and the Residual Certificates irrespective of the effect it has upon them;
 - (ii) subject to Residual Certificates Condition 12.3(a)(iii), a resolution passed at any meeting of a relevant Class of Noteholders shall be binding on (i) all other Classes of Noteholders ranking junior to such Class of Noteholders in each case and (ii) the Residual Certificates, in each case irrespective of the effect it has upon them; and
 - (iii) no resolution of any Class of Noteholders or the Certificateholders shall take effect for any purpose while any of the Most Senior Class of Notes then outstanding remain outstanding unless it shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding.
- (b) Subject as provided in Residual Certificates Conditions 12.3(c), a resolution which, in the opinion of the Note Trustee, affects the interests of the holders of Notes of only one Class or the Residual Certificates only, shall be deemed to have been duly passed if passed at a separate meeting (or by a separate resolution passed by way of consents received through the relevant Clearing System(s)) of the holders of that Class of Notes so affected or the Residual Certificates.
- (c) No Extraordinary Resolution of the holders of a Class or Classes of Notes or the Residual Certificates which would have the effect of sanctioning a Basic Terms Modification in respect of any Class of Notes or Residual Certificates shall take effect unless it has been sanctioned by an Extraordinary Resolution of the holders of each affected Class of Notes then outstanding and/or the holders of the Residual Certificates then in issue which are affected by such Basic Terms Modification, or the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the holders of those affected Class or Classes of Notes then outstanding and the holders of the Residual Certificates (if applicable).

12.4 Quorum

- (a) Subject as provided below, the quorum at any meeting of Certificateholders for passing an Ordinary Resolution will be one or more persons holding or representing not less than 25 per cent. of the Residual Certificates then in issue.
- (b) Subject as provided below, the quorum at any meeting of Certificateholders for passing an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. of the Residual Certificates then in issue.
- (c) Subject to the more detailed provisions set out in the Trust Deed, the quorum at any meeting of any holders of any Residual Certificates passing an Extraordinary Resolution to (i) sanction a modification of the date of maturity of the Notes, (ii) sanction a modification of the date of

payment of principal or interest in respect of the Notes, or where applicable, of the method of calculating the date of payment of principal or interest in respect of the Notes or of the method of calculating the date of payment in respect of the Residual Certificates, except in accordance with Residual Certificates Condition 12.6(e) in relation to any Base Rate Modification, (iii) sanction a modification of the amount of principal or the rate of interest payable in respect of the Notes, or where applicable, of the method of calculating the amount payable of any principal or interest in respect of the Notes or of the method of calculating the amounts payable in respect of the Residual Certificates (including, if any such modification is proposed for any Class of Notes), except in accordance with Residual Certificates Condition 12.6(e) in relation to any Base Rate Modification, (iv) alter the currency in which payments under the Notes or Residual Certificates are to be made, (v) alter the quorum or majority required in relation to this exception, (vi) sanction any scheme or proposal for the sale, conversion or cancellation of the Notes or the Residual Certificates, (vii) make any change to the definition of Basic Terms Modification, or (viii) alter any of the provisions contained in this exception (each a "**Basic Terms Modification**"), shall be one or more persons holding or representing in the aggregate not less than (A) 75 per cent. of the aggregate Principal Amount Outstanding of such Class of Notes then outstanding or (B) 75 per cent. of the Residual Certificates then in issue. Any Extraordinary Resolution in respect of a Basic Terms Modification shall only be effective if duly passed at separate meetings (or by separate resolutions in writing or by separate resolutions passed by way of consents received through the relevant Clearing System(s)) of each relevant Class of Noteholders and (if affected) by a meeting of the Certificateholders.

- (d) The quorum at any adjourned meeting shall be:
- (i) for an Ordinary Resolution, one or more persons present and holding or representing not less than ten per cent. of the Principal Amount Outstanding of the Notes of such Class then outstanding or Residual Certificates then in issue;
 - (ii) (other than in relation to a Basic Terms Modification) for an Extraordinary Resolution shall be one or more persons present and holding or representing not less than 25 per cent. of the Principal Amount Outstanding of the Notes of such Class then outstanding or any of the Residual Certificates then in issue; and
 - (iii) (in respect of a Basic Terms Modification) one or more persons present and holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of the Notes of such Class then outstanding or of the Residual Certificates then in issue.

12.5 The Note Trustee may at any time and from time to time, only with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders, the Certificateholders or any other Secured Creditors agree with the Issuer and any other parties and may direct the Security Trustee to agree with the Issuer and any other parties in making or sanctioning any modification (other than a Basic Terms Modification):

- (a) to these Residual Certificates Conditions, the Conditions, the Trust Deed or any other Transaction Document, which in the opinion of the Note Trustee will not be materially prejudicial to the interests of the Noteholders (or if there are no Notes outstanding, the interests of the Certificateholders); or
- (b) to these Residual Certificates Conditions, the Conditions, the Trust Deed or any other Transaction Document if in the opinion of the Note Trustee such modification is of a formal, minor or technical nature or to correct a manifest error.

- 12.6 Notwithstanding the provisions of Residual Certificates Condition 12.5, the Note Trustee shall be obliged and shall direct the Security Trustee, without any consent or sanction of the Certificateholders or the other Secured Creditors, but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification (other than in respect of a Basic Terms Modification) to these Residual Certificates Conditions and/or any Transaction Document that the Issuer considers necessary:
- (a) for the purposes of enabling the Issuer or any Transaction Party to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer or the relevant Transaction Party, as applicable, certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and
 - (b) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, **provided that:**
 - (i) the Issuer certifies in writing (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and
 - (ii) in the case of any modification to a Transaction Document proposed by any of the Sellers, the relevant Servicer, the Cash Manager, the Collection Account Banks, the Agent Bank, the Principal Paying Agent or the Issuer Account Bank (for the purpose of this Residual Certificate Condition 12.6 only, each a "**Relevant Party**", in order (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds)):
 - (A) the Relevant Party certifies in writing to the Issuer, the Note Trustee and the Security Trustee (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) that such modification is necessary for the purposes described in sub-paragraphs (ii)(x) and/or (y) above; and
 - (B) the Issuer, the Relevant Party or the relevant Servicer (on behalf of the Issuer) obtains from each of the Rating Agencies, a Rating Agency Confirmation or, in the case of Non-Responsive Rating Agency only, certifies in writing to the Issuer (in the case of the Relevant Party or the relevant Servicer) and the Note Trustee and the Security Trustee (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) that the provisions of Residual Certificates Condition 17 (*Replacement Notes*) have been satisfied in respect of the request for such Rating Agency Confirmation with respect to the Non-Responsive Rating Agency.

- (c) for the purpose of (i) complying with any changes in the requirements of, or (ii) enabling the Issuer to comply with an obligation in respect of, any of the Securitisation Regulations, together with any implementing regulation, technical standards and official guidance related thereto, in each case as amended, varied or substituted from time to time after the Closing Date, including as a result of any changes to any secondary legislation or official guidance in relation thereto (including the appointment of a third party to assist with the Issuer's reporting obligations pursuant to the UK Securitisation Regulation), provided that the Issuer certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (d) for the purpose of complying with any changes in the requirements of the CRR Amendment Regulation after the Closing Date, provided that the Issuer certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect,

(the certificate to be provided by the Issuer or the relevant Transaction Party, as the case may be, pursuant to Residual Certificates Conditions 12.6(a) to 12.6(d) being a "**Modification Certificate**"), or

- (e) The Note Trustee is only obliged to concur and direct the Security Trustee to concur with the Issuer in making any modification referred to in Residual Certificates Conditions 12.6(a) to 12.6(d) (other than in respect of a Basic Terms Modification) to these Residual Certificates Conditions and/or any Transaction Document **provided that**:
 - (i) at least 30 days' prior written notice of any such proposed modification has been given to the Note Trustee and the Security Trustee;
 - (ii) the Modification Certificate and Base Rate Modification Certificate in relation to such modification shall be provided to the Note Trustee and the Security Trustee both at the time the Note Trustee and the Security Trustee are notified of the proposed modification and on the date that such modification takes effect;
 - (iii) the written consent of each Secured Creditor which is party to the relevant Transaction Document has been obtained (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document);
 - (iv) the Note Trustee and the Security Trustee is satisfied that it has been or will be reimbursed all costs, fees and expenses (including reasonable and properly incurred legal fees) incurred by it in connection with such modification;
 - (v) other than in the case of a modification pursuant to Residual Certificates Condition 12.6(b)(ii), the Issuer, the Relevant Party or the relevant Servicer (on behalf of the Issuer) obtains from each of the Rating Agencies, a Rating Agency Confirmation or, in the case of a Non-Responsive Rating Agency only, certifies in writing to the Issuer (in the case of the Relevant Party or the relevant Servicer) and the Note Trustee that the provisions of Residual Certificates Condition 17 (*Replacement Notes*) have been satisfied in relation to the request

for such Rating Agency Confirmation with respect to the Non-Responsive Rating Agency; and

- (vi) the Issuer certifies (upon which certification the Note Trustee and the Security Trustee shall rely absolutely and without enquiry or liability) in writing to the Note Trustee and the Security Trustee (which certification may be in the Modification Certificate) that in relation to such modification (I) the Issuer has provided at least 30 days' notice to the Noteholders of the proposed modification in accordance with Residual Certificates Condition 15 (*Notice to Certificateholders*) and by publication on Bloomberg on the "Company News" screen relating to the Issuer, in each case specifying the date and time by which Noteholders must respond, and has made available at such time the modification documents for inspection at the registered office of the Note Trustee for the time being during normal business hours, and (II) Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which such Notes may be held within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding is passed in favour of such modification in accordance with Residual Certificates Condition 12 (*Meetings of Certificateholders and Noteholders, Modification, Waiver and Substitution*).

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Note Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

12.7 When implementing any modification pursuant to Residual Certificates Condition 12.6:

- (a) (save to the extent the Note Trustee considers that the proposed modification would constitute a Basic Terms Modification) the Note Trustee shall not consider the interests of the Certificateholders, any other Secured Creditor or any other person and shall act and rely solely and without investigation on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to Residual Certificates Condition 12.6 and shall not be liable to the Certificateholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
- (b) neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification which, in the sole opinion of the Note Trustee or the Security Trustee, as applicable, would have the effect of (i) exposing the Note Trustee or the Security Trustee, as applicable, to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee or the Security Trustee, as

applicable, in the Transaction Documents and/or these Residual Certificates Conditions.

- 12.8 The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors and without prejudice to its rights in respect of any further or other breach, from time to time and at any time, but only if and in so far as in the sole opinion of the Note Trustee (acting in accordance with the Trust Deed) the interests of the Noteholders (or, if there are no Notes outstanding, the Certificateholders) will not be materially prejudiced thereby, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Conditions, the Residual Certificates Conditions or any of the Transaction Documents by any party thereto, provided that the Note Trustee shall not exercise any powers conferred on it by this Residual Certificates Condition 12.8 in contravention of any express direction given by Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or by a direction under Residual Certificates Condition 10 (*Events of Default*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made.
- 12.9 Any such modification, waiver, authorisation or determination by the Note Trustee, in accordance with the Conditions, these Residual Certificates Conditions or the Transaction Documents shall be binding on the Certificateholders and, unless the Note Trustee or, as the case may be, the Security Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Certificateholders as soon as practicable thereafter in accordance with Residual Certificates Condition 15 (*Notice to Certificateholders*).
- 12.10 Any modification to the Transaction Documents shall be notified by the Issuer in writing to the Rating Agencies.
- 12.11 In connection with any such substitution of principal debtor referred to in Condition 8.5 (*Mandatory Redemption for Taxation or Other Reasons*), the Note Trustee and the Security Trustee may also agree, without the consent of the Certificateholders or the other Secured Creditors, to a change of the laws governing the Residual Certificates, these Residual Certificates Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Note Trustee or, as the case may be, the Security Trustee be materially prejudicial to the interests of the Certificateholders or the other Secured Creditors.
- 12.12 Where, in connection with the exercise or performance by each of them of any right, power, trust, authority, duty or discretion under or in relation to these Residual Certificates Conditions or any of the Transaction Documents (including in relation to any modification, waiver, authorisation, determination, substitution or change of laws as referred to above), the Note Trustee or the Security Trustee is required to have regard to the interests of the Certificateholders, it shall have regard to the general interests of the Certificateholders but shall not have regard to any interests arising from circumstances particular to individual Certificateholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof, and the Note Trustee or, as the case may be, the Security Trustee shall not be entitled to require, nor shall any Certificateholders be entitled to claim from the Issuer, the Note Trustee or the Security Trustee or any other person, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Certificateholders.

12.13 Other than in respect of any matter requiring an Extraordinary Resolution, Certificateholders are required to vote by way of an Ordinary Resolution.

12.14 **"Ordinary Resolution"** means:

- (a) a resolution passed at a meeting of Certificateholders duly convened and held in accordance with the Trust Deed and the Residual Certificates Conditions by not less than a clear majority of the Eligible Persons voting thereat on a show of hands or, if a poll is duly demanded, by a clear majority of the votes cast on such poll;
- (b) a resolution in writing signed by or on behalf of the Certificateholders of not less than a clear majority in number of the Residual Certificates then in issue, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Certificateholders; or
- (c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the Certificateholders of not less than a clear majority in number of the Residual Certificates then in issue.

12.15 **"Extraordinary Resolution"** means:

- (a) a resolution passed at a meeting of Certificateholders duly convened and held in accordance with the Trust Deed and the Residual Certificates Conditions by a majority consisting of not less than 75 per cent. of the Eligible Persons voting at such meeting upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than 75 per cent. of the votes cast on such poll;
- (b) a resolution in writing signed by or on behalf of the Certificateholders of not less than 75 per cent. in number of the holders of the Residual Certificates, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Certificateholders; or
- (c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the Certificateholders of not less than 75 per cent. in number of the holders of the Residual Certificates then in issue.

12.16 **"Eligible Person"** means any one of the following persons who shall be entitled to attend and vote at a meeting:

- (a) a bearer of any Voting Certificate; and
- (b) a proxy specified in any Block Voting Instruction.

12.17 **"Voting Certificate"** means an English language certificate issued by a Paying Agent in which it is stated:

- (a) that on the date thereof the Notes and/or Residual Certificates (not being the Notes and/or Residual Certificates (as applicable) in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) are blocked in an account with a clearing system and that no such Notes and/or Residual Certificates will cease to be so blocked until the first to occur of:

- (b) the conclusion of the meeting specified in such Voting Certificate; and
- (c) the surrender of the Voting Certificate to the Paying Agent who issued the same; and
- (d) that the bearer thereof is entitled to attend and vote at such meeting in respect of the Notes and/or Residual Certificates represented by such Voting Certificate.

12.18 "**Block Voting Instruction**" means an English language document issued by a Paying Agent in which:

- (a) it is certified that on the date thereof Notes and/or Residual Certificates (not being Notes and/or Residual Certificates (as applicable) in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) are blocked in an account with a clearing system and that no such Notes and/or such Residual Certificates will cease to be so blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such Block Voting Instruction; and
 - (ii) the Notes and/or the Residual Certificates ceasing with the agreement of the Paying Agent to be so blocked and the giving of notice by the Paying Agent to the Issuer of the necessary amendment to the Block Voting Instruction;
- (b) it is certified that each holder of such Notes and/or such Residual Certificates has instructed such Paying Agent that the vote(s) attributable to the Notes and/or the Residual Certificates so blocked should be cast in a particular way in relation to the resolution(s) to be put to such meeting and that all such instructions are, during the period commencing 48 hours prior to the time for which such meeting is convened and ending at the conclusion or adjournment thereof, neither revocable nor capable of amendment;
- (c) the aggregate principal amount or aggregate total amount of the Notes and/or the number of Residual Certificates so blocked is listed distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and
- (d) one or more persons named in such Block Voting Instruction (each hereinafter called a "**proxy**") is or are authorised and instructed by such Paying Agent to cast the votes attributable to the Notes and/or the Residual Certificates so listed in accordance with the instructions referred to in Condition 12.18(c) as set out in such Block Voting Instruction, provided that no such person shall be named as a proxy:
 - (i) whose appointment has been revoked and in relation to whom the relevant Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such meeting; and
 - (ii) who was originally appointed to vote at a meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the meeting when it is resumed.

12.19 Details of any Extraordinary Resolution and any Ordinary Resolution passed in accordance with the provisions of the Trust Deed shall be notified to each of the Rating Agencies by the Issuer.

12.20 Issuer Substitution Condition

The Note Trustee may agree, subject to such amendment of these Residual Certificates Conditions and of any of the Transaction Documents, and to such other conditions as the Note Trustee may require and subject to the terms of the Trust Deed, but without the consent of the Certificateholders, to the substitution of another body corporate in place of the Issuer as principal debtor under the Trust Deed, the Notes and the Residual Certificates and in respect of the other Secured Obligations, provided that the conditions set out in the Trust Deed are satisfied including, *inter alia*, that the Residual Certificates are unconditionally and irrevocably guaranteed by the Issuer (unless all of the assets of the Issuer are transferred to such body corporate) and that such body corporate is a single purpose vehicle and undertakes itself to be bound by provisions corresponding to those set out in Residual Certificates Condition 5 (*Issuer Covenants*) (the "**Issuer Substitution Condition**"). In the case of a substitution pursuant to this Residual Certificates Condition 12.20, the Note Trustee may in its absolute discretion agree, and may direct the Security Trustee to agree, without the consent of the Certificateholders, to a change in law governing the Residual Certificates and/or any of the Transaction Documents unless such change would, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Certificateholders.

13. INDEMNIFICATION AND EXONERATION OF THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

The Trust Deed and the Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Security Trustee respectively and providing for their indemnification in certain circumstances, including provisions relieving them from taking action or, in the case of the Security Trustee, enforcing the Security, unless indemnified and/or prefunded and/or secured to their satisfaction.

The Trust Deed and the Deed of Charge also contain provisions pursuant to which the Note Trustee and the Security Trustee are entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, individual Certificateholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

14. REPLACEMENT OF RESIDUAL CERTIFICATES

If any Residual Certificate is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Registrar subject to all applicable laws. Replacement of any mutilated, defaced, lost, stolen or destroyed Residual Certificate will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Residual Certificate must be surrendered before a new one will be issued.

15. NOTICE TO CERTIFICATEHOLDERS

15.1 Publication of Notice

While the Residual Certificates are represented by a Global Residual Certificate, notices to Certificateholders will be valid if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Certificateholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg, as aforesaid, shall be deemed to have been given on the day of such delivery.

While the Residual Certificates are represented by Definitive Residual Certificates, the Note Trustee shall be at liberty to sanction any method of giving notice to the Certificateholders if, in its opinion, such method is reasonable having regard to market practice then prevailing and provided that notice of such other method is given to the Certificateholders in such manner as the Note Trustee shall deem appropriate.

15.2 Note Trustee's Discretion to Select Alternative Method

The Note Trustee shall be at liberty to sanction some other method of giving notice to the Certificateholders or category of them if, in its sole opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the quotation systems on or by which the Residual Certificates are then quoted and/or traded and provided that notice of such other method is given to the Certificateholders in such manner as the Note Trustee shall require.

16. REPLACEMENT RESIDUAL CERTIFICATES

If the Issuer Substitution Condition is satisfied, the Issuer may, without the consent of the Certificateholders, issue replacement residual certificates to replace the Residual Certificates, which shall have terms and conditions which may differ from the terms and conditions of the Residual Certificates which it replaces.

17. NON-RESPONSIVE RATING AGENCY

- (a) In respect of the exercise of any power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Residual Certificates and any of the Transaction Documents, the Note Trustee and the Security Trustee shall be entitled but not obliged to take into account any written confirmation or affirmation (in any form acceptable to the Note Trustee and the Security Trustee) from the Rating Agencies that the then current ratings of the Rated Notes will not be reduced, qualified, adversely affected or withdrawn thereby (a "**Rating Agency Confirmation**").
- (b) If a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Note Trustee and the Security Trustee, as applicable) and:
 - (i) (A) one or more Rating Agency (such Rating Agency, a "**Non-Responsive Rating Agency**") indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Rating Agency

Confirmation or response could not be given; and (if there is only one Non-Responsive Rating Agency)

- (ii) one Rating Agency gives such Rating Agency Confirmation or response based on the same facts,

then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive Rating Agency if the Issuer provides to the Note Trustee and the Security Trustee a certificate signed by two directors certifying and confirming that, if there is only one Non-Responsive Rating Agency, each of the events in sub-paragraph (i)(A) or (i)(B) above and sub-paragraph (ii) above has occurred or if there is more than one Non-Responsive Rating Agency that the events in sub-paragraph (i)(A) or (i)(B) above are satisfied. Each of the Note Trustee and the Security Trustee may rely on such certificate absolutely without enquiry and without liability.

18. JURISDICTION AND GOVERNING LAW

- (a) The Courts of England (the "**Courts**") are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes, the Residual Certificates and the Transaction Documents (including a dispute relating to non-contractual obligations or a dispute regarding the existence, validity or termination of any of the Notes, the Residual Certificates or the Transaction Documents or the consequences of their nullity) and accordingly any legal action or proceedings arising out of or in connection with the Notes and/or the Residual Certificates and/or the Transaction Documents may be brought in such Courts.
- (b) The Transaction Documents, the Notes, the Residual Certificates and these Residual Certificates Conditions (and any non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with, English law except that, to the extent that the provisions of the Mortgage Sale Agreement, the Deed of Charge and any documents supplemental thereto relate to Scottish Loans or the Northern Irish Loans, such provisions and documents shall be construed in accordance and/or governed by Scots law or the laws of Northern Ireland, as applicable.

19. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Residual Certificates or these Residual Certificates Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

TAXATION

United Kingdom Taxation

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue & Customs ("HMRC") practice relating Only to the United Kingdom withholding tax treatment of payments of interest (as that term is understood for tax purposes) in respect of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. The United Kingdom tax treatment of prospective Noteholders and Certificateholders depends on their individual circumstances and may be subject to change in the future (possibly with retrospective effect). Prospective Noteholders and Certificateholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Payment of Interest on the Notes

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes carry a right to interest and are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. Euronext Dublin is a recognised stock exchange for such purposes. The Notes will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in Member States of the European Economic Area and are admitted to trading on the Regulated Market of Euronext Dublin. Provided, therefore, that the Notes carry a right to interest and are and remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom income tax.

In other cases, an amount must generally be withheld from payments of interest on the Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any available exemptions or reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes or Residual Certificates, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes and Residual Certificates, such withholding would not apply prior to the date that is two years after the date on which final U.S. Treasury regulations defining the term "foreign passthru payment" are filed with the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with

the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes or Residual Certificates. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes or Residual Certificates, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

The Lead Manager has pursuant to a subscription agreement dated 11 February 2021 between, amongst others, the Sellers (as "**Note Purchasers**"), Merrill Lynch International (as the "**Arranger**" and "**Lead Manager**") and the Issuer (the "**Subscription Agreement**"), agreed with the Issuer (subject to certain conditions) to subscribe and pay for:

- (i) £340,650,000 of the Class A Notes at the issue price of 99.9247 per cent. of the aggregate principal amount of the Class A Notes.
- (ii) £28,500,000 of the Class B Notes at the issue price of 99.6954 per cent. of the aggregate principal amount of the Class B Notes;
- (iii) £24,200,000 of the Class C Notes at the issue price of 99.8483 per cent. of the aggregate principal amount of the Class C Notes;
- (iv) £22,000,000 of the Class D Notes at the issue price of 100.0000 per cent. of the aggregate principal amount of the Class D Notes; and
- (v) £8,800,000 of the Class E Notes at the issue price of 99.7022 per cent. of the aggregate principal amount of the Class E Notes.

The Note Purchasers have agreed, pursuant to the Subscription Agreement, with the Issuer (subject to certain conditions) to subscribe and pay for:

- (vi) £6,600,000 of the Class X1 Notes at the issue price of 27.6172 per cent. of the aggregate principal amount of the Class X1 Notes;
- (vii) £2,200,000 of the Class X2 Notes at the issue price of 20.0000 per cent. of the aggregate principal amount of the Class X2 Notes;
- (viii) £15,400,000 of the Class Z1 Notes at the issue price of 100.0000 per cent. of the aggregate principal amount of the Class Z1 Notes; and
- (ix) £8,310,000 of the Class Z2 Notes at the issue price of 100.0000 per cent. of the aggregate principal amount of the Class Z2 Notes,

as at the Closing Date.

The Issuer has agreed to indemnify the Lead Manager against certain liabilities in connection with the issue of the Notes.

Other than admission of the Listed Notes to the Euronext Dublin, no action will be taken by the Issuer, the Arranger, Lead Manager or the Sellers which would or is intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

Except with the express written consent of the Sellers in the form of a U.S. Risk Retention Consent and where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules, the Notes or the Residual Certificates offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any person except for persons that are not Risk Retention U.S. Persons. Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. person" in Regulation S.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

United States

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from registration requirements of the Securities Act and applicable state securities laws. The Notes are not transferable except in accordance with the restrictions described herein. Accordingly, the Notes are being offered and sold by the Lead Manager solely to non-U.S. persons in offshore transactions in reliance on Regulation S. The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations promulgated thereunder.

The Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Notes as part of its distribution (if any) or at any time or otherwise until 40 days after the later of the commencement of the offering and the Closing Date (the "distribution compliance period") within the United States or to, or for the account or benefit of, U.S. persons and, it will have sent to each affiliate or other dealer (if any) to which it sells Notes during the distribution compliance period, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S. In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act. Offers and sales of the Notes within the United States or to U.S. persons is further restricted as specified in the section entitled "*Certain Regulatory Requirements*".

United Kingdom

The Lead Manager has represented to and agreed with the Issuer that:

- (a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Ireland

The Lead Manager has represented, warranted and agreed with the Issuer that:

- (a) it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the issue of any Notes otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (S.I. No. 375 of 2017) (as amended) and any codes of conduct issued in connection therewith, the provisions of the Investor Compensation Act 1998 (as amended) and the Investment Intermediaries Act 1995 (as amended) and it will conduct itself in accordance with any codes and rules of conduct, conditions, requirements and any other enactment, imposed or approved by the Central Bank of Ireland (the "**Central Bank**") with respect to anything done by it in relation to the Notes;

- (b) it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the issue of any Notes other than in conformity with the provisions of the Central Bank Acts 1942-2018 (as amended) including any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended), the Central Bank (Investment Market Conduct) Rules 2019 (S.I. No. 366 of 2019) and any regulations issued pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);
- (c) it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the issue of any Notes in Ireland otherwise than in conformity with the provisions of the European Union (Prospectus) Regulations 2019 (S.I. No. 380 of 2019), the EU Prospectus Regulation 2017/1129 and any rules issued under Section 1363 of the Companies Act 2014 (as amended) by the Central Bank;
- (d) it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the issue of any Notes in Ireland otherwise than in compliance with the provisions of (A) the Market Abuse Regulation (Regulation EU 596/2014); (B) the Market Abuse Directive on criminal sanctions for market abuse (Directive 2014/57/EU); (C) the European Union (Market Abuse) Regulations 2016 (S.I. No. 349 of 2016) (as amended); and (D) any rules issued by the Central Bank pursuant thereto and/or under Section 1370 of the Companies Act 2014 (as amended);
- (e) it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the issue of any Notes otherwise than in compliance with the provisions of Companies Act 2014 (as amended);

as each of the foregoing may be amended, restated, varied, supplemented and/or otherwise replaced from time to time.

Prohibition of Sales to EEA Retail Investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; and
- (b) the expression "**offer**" includes 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.

Prohibition of Sales to UK Retail Investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the EUWA; or

- (ii) a customer within the meaning of the UK Financial Services and Markets Act 2000 FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression "**offer**" includes 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.

General

Each of the Issuer, the Arranger, the Lead Manager and the Sellers have acknowledged that, save for having obtained the approval of the Prospectus as a prospectus in accordance with the EU Prospectus Regulation, applying for admission of the Notes to the Official List of Euronext Dublin and applying for the admission of the Notes to trading on its Regulated Market, no action has been taken by the Issuer, the Arranger, the Lead Manager or the Sellers that would, or is intended to, permit a public offer of the Notes in any country or jurisdiction where any such action for that purpose is required. Accordingly, each of the Issuer, Arranger and the Lead Manager, and the Sellers have undertaken that it will not, directly or indirectly, offer or sell any Notes or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Notes in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS

Offers and Sales

The Notes (including interests therein represented by a Global Note, a Registered Definitive Note or a Book-Entry Interest) have not been and will not be registered under the Securities Act or any state securities laws or "blue sky" laws of any state or any other relevant jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) at any time except pursuant to an exemption from registration requirements. Accordingly, the Notes are being offered and sold in offshore transactions pursuant to Regulation S.

Investor Representations

Each purchaser of the Notes or the Residual Certificates (which term for the purposes of this section will be deemed to include any interest in the Notes or Residual Certificates, including Book-Entry Interests) during the initial syndication will be deemed to have represented and agreed as follows: it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent, (2) is acquiring such Note, Residual Certificate or a beneficial interest therein for its own account and not with a view to distribute such Notes or Residual Certificates and (3) is not acquiring such Note, Residual Certificate or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules);

Investor Representations and Restrictions on Resale

Each purchaser of the Notes (which term for the purposes of this section will be deemed to include any interests in the Notes, including Book-Entry Interests) will be deemed to have represented and agreed as follows:

- (a) the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S) unless registered under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act, and, in each case, only in accordance with any applicable securities laws of any state or other jurisdiction of the United States. If the purchaser is purchasing the Notes within the period beginning on the later of the commencement of the offering of the Notes and the closing of the offering of the Notes and ending 40 days thereafter, such purchaser is not a U.S. person and is not acquiring the Notes for the account or benefit of a U.S. person;
- (b) unless the relevant legend set out below has been removed from the Notes such purchaser shall notify each transferee of Notes (as applicable) from it that (i) such Notes have not been registered under the Securities Act, (ii) the holder of such Notes is subject to the restrictions on the resale or other transfer thereof described in paragraph (a) above, and (iii) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing; and
- (c) the Issuer, the Registrar, the Note Purchaser and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

The Notes bear a legend to the following effect:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, AS A MATTER OF U.S. LAW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) (1) AS PART OF THEIR DISTRIBUTION AT ANY TIME OR (2) OTHERWISE PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE CLOSING OF THE OFFERING OF THE NOTES, EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES."

EACH PURCHASER OR HOLDER OF THIS NOTE SHALL BE DEEMED TO HAVE REPRESENTED BY SUCH PURCHASE AND/OR HOLDING THAT (I) IT IS NOT AND IS NOT USING THE ASSETS OF A BENEFIT PLAN INVESTOR, AND SHALL NOT AT ANY TIME HOLD THIS NOTE FOR OR ON BEHALF OF A BENEFIT PLAN INVESTOR AND (II) IT IS NOT AND IS NOT USING THE ASSETS OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO FEDERAL, STATE, LOCAL OR NON-U.S. LAWS WHICH ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED, ("**ERISA**") OR SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"). THE TERM "**BENEFIT PLAN INVESTOR**" SHALL MEAN (I) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA), WHICH IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN DESCRIBED IN AND SUBJECT TO SECTION 4975 OF THE CODE, OR (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY UNDER U.S. DEPARTMENT OF LABOR REGULATIONS § 2510.3-101 (29 C.F.R. § 2510-101) AS MODIFIED BY SECTION 3(42) OF ERISA.

Because of the foregoing restrictions, purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered and sold.

GENERAL INFORMATION

1. It is expected that the admission of the Notes to the Official List of Euronext Dublin and the admission of the Notes to trading on Euronext Dublin's Regulated Market will be granted on or around 12 February 2021.
2. The Issuer's LEI number is 213800IOSXVMHGXEEJ68 and its securitisation transaction unique identifier is 213800IOSXVMHGXEEJ68N20211.
3. None of the Issuer or Holdings is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Holdings respectively is aware) since 25 November 2020 and 20 November 2020 (being the respective date of incorporation of each of the Issuer and Holdings) which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer or Holdings (as the case may be).
4. No statutory or non-statutory accounts within the meaning of sections 434 and 435 of the Companies Act 2006 (as amended) in respect of any financial year of the Issuer have been prepared. The accounting reference date of the Issuer is 31 December and the first statutory accounts of the Issuer will be drawn up to 31 December 2021. So long as the Notes are admitted to trading on Euronext Dublin's Regulated Market, the most recently published audited annual accounts of the Issuer from time to time shall be available at the specified office of the Principal Paying Agent in London. The Issuer does not publish interim accounts.
5. For so long as the Notes are admitted to the Official List of Euronext Dublin and to trading on Euronext Dublin's Regulated Market, the Issuer shall maintain a Paying Agent in the United Kingdom.
6. Since the date of its incorporation, the Issuer has not entered into any contracts or arrangements not being in the ordinary course of business.
7. Since 25 November 2020 and 20 November 2020 (being the respective date of incorporation of each of the Issuer and Holdings), there has been (a) no material adverse change in the financial position or prospects of the Issuer or Holdings and (b) no significant change in the financial or trading position of the Issuer or Holdings.
8. The issue of the Notes and the Residual Certificates was authorised pursuant to a resolution of the board of directors of the Issuer passed on or around 5 February 2021.
9. The Notes and the Residual Certificates have been accepted for clearance through Euroclear and Clearstream, Luxembourg under the following ISINs and Common Codes:

Class of Notes/Residual Certificates	ISIN	Common Code
Class A Notes	XS2295993724	229599372
Class B Notes	XS2295994292	229599429
Class C Notes	XS2295994532	229599453
Class D Notes	XS2295995000	229599500
Class E Notes	XS2295995695	229599569
Class X1 Notes	XS2295997121	229599712
Class X2 Notes	XS2295997394	229599739
Class Z1 Notes	XS2295996743	229599674
Class Z2 Notes	XS2295997048	229599704
Residual Certificates	XS2296181055	229618105

10. From the date of this Prospectus and for so long as the Notes are listed on Euronext Dublin and admitted to trading on its Regulated Market, copies of the following documents (and any amendments thereto from time to time) will be available electronically at the website of Euro ABS at www.euroabs.com:
- (a) the memorandum and articles of association of each of the Issuer and Holdings;
 - (b) the most recently published audited annual accounts of the Issuer;
 - (c) the following documents:
 - (i) the Agency Agreement;
 - (ii) the Bank Account Agreement;
 - (iii) the Cash Management Agreement;
 - (iv) the Sunbury LASI Collection Account Agreement;
 - (v) the Sunbury SRL Collection Accounts Declarations of Trust;
 - (vi) the Moonraker Collection Accounts Declarations of Trust;
 - (vii) the Corporate Services Agreement;
 - (viii) the Deed of Charge;
 - (ix) the Deed Poll;
 - (x) the Master Definitions and Construction Schedule;
 - (xi) the Moonraker Legal Title Holder Deed;
 - (xii) the Sunbury LASI Declaration of Trust
 - (xiii) the Mortgage Sale Agreement;
 - (xiv) Risk Retention Letter
 - (xv) the Sunbury Servicing Agreement;
 - (xvi) the Moonraker Servicing Agreement;
 - (xvii) the Scottish Trust Security;
 - (xviii) any Scottish Declaration of Trust;
 - (xix) any Share Trust Deed; and
 - (xx) the Trust Deed.
11. From the Closing Date and for so long as the Notes remain outstanding (including the period while this Prospectus is valid and the Notes are listed on Euronext Dublin and admitted to trading on its Regulated Market), the Cash Manager on behalf of the Issuer will publish the Investor Report. The defined terms used in the Investor Reports shall, by reference, incorporate

the defined terms set out generally in the Prospectus and more specifically in the Master Definitions and Construction Schedule. Such Investor Reports will be published on the website at <http://sf.citidirect.com>. Investor Reports will also be made available to the Issuer, the relevant Servicer, the Security Trustee, the Rating Agencies, Bloomberg and EuroABS. It is also intended that Investor Reports and information on the Loans in the Portfolio will be published on the website at www.euroabs.com provided that neither the Issuer nor any other Relevant Party assumes any liability for any failure to publish any such information thereon. Other than as outlined above, the Issuer does not intend to provide post-issuance transaction information regarding the Notes or the Loans.

12. The Issuer confirms that the Loans and other assets of the Issuer backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes. Investors are advised that this confirmation is based on the information available to the Issuer at the date of this Prospectus and may be affected by the future performance of such assets backing the issue of the Notes. Investors are advised to review carefully any disclosure in the Prospectus together with any amendments or supplements thereto.
13. Walkers Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the Regulated Market of Euronext Dublin.
14. Any website referred to in this document does not form part of the Prospectus.
15. Each of the Issuer as UK Reporting Entity, for the purposes of complying with its obligations under Article 7 of the UK Securitisation Regulation, and the Retention Holder as EU Reporting Entity, as "originator", for the purposes of complying with its obligations under Article 7 of the EU Securitisation Regulation, will procure that EuroABS will, from the Closing Date:
 - (a) publish a quarterly UK Investor Report and a quarterly EU Investor Report, respectively, in respect of each Collection Period, as then required by and in accordance with Article 7(1)(e) of each of the Securitisation Regulations; and
 - (b) publish on a quarterly basis certain aggregated loan-by-loan information in relation to the Portfolio in respect of each Collection Period in the form of the UK Loan Report and the EU Loan Report, respectively, as then required by and in accordance with Article 7(1)(a) of each of the Securitisation Regulations,

in each case, in the form prescribed as at such time under the applicable Securitisation Regulation Rules; and
 - (c) on behalf of the Issuer only, publish on a quarterly basis certain aggregated loan-by-loan information in relation to the Portfolio in respect of each Collection Period in the form required by the Bank of England for the purpose of the Bank of England's sterling monetary framework.
16. Each of the Issuer and the Retention Holder as "originator" will procure that EuroABS will publish without delay, any inside information relating to the Issuer which the Issuer determines it is obliged to make in accordance with Article 17 of Regulation (EU) No 596/2014 in accordance with Article 7(1)(f) and 7(1)(g) of each of the Securitisation Regulations and will be disclosed to the public by the Issuer in the manner prescribed under the UK Securitisation Regulation.

17. Each of the Issuer and the Retention Holder as "originator" will procure that EuroABS will make available, within 5 Business Days of the issuance of the Notes, copies of the relevant Transaction Documents and this Prospectus via <https://euroabs.com/> (or such other website as may be notified by EuroABS to the Issuer, the Retention Holder, the Security Trustee, each Rating Agency, the Noteholders from time to time).
18. In addition, the Issuer confirms that it (or EuroABS on its behalf) has made available the documents required by Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation prior to the pricing date of the Notes.
19. The reports set out in Paragraphs 15(a) and 15(b) above and the documentation and information set out in Paragraphs 15(c) and 16 to 18 above as at the date of the Risk Retention letter have been or, as applicable, shall be published on the website at <https://euroabs.com/> (or such other website as may be notified by EuroABS to the Issuer, the Retention Holder, the Security Trustee, each Rating Agency and the Noteholders from time to time, being a website that conforms to the requirements set out in Article 7(2) of the UK Securitisation Regulation and set out in Article 7(2) of the EU Securitisation Regulation). The Issuer intends to appoint EuroABS or an affiliate as an SR Repository. Such reports and information will be made available through the SR Repository, once appointed.
20. The Issuer agrees that it will make or procure the making of a notification to the Financial Conduct Authority (the "FCA") in the form and manner prescribed in the Direction of the FCA and the Prudential Regulatory Authority of 31 January 2019 in relation to regulation 25 of the Securitisation Regulation 2018 (SI2018/1288).

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ISSUER

Stratton Mortgage Funding 2021-1 plc
1 Bartholomew Lane,
London EC2N 2AX

SUNBURY SELLER

Ertow Holdings V Designated Activity Company
5th Floor, The Exchange,
George's Dock,
IFSC, Dublin 1, D01 W3P9, Ireland

MOONRAKER SELLER

Ertow Holdings VII Designated Activity Company
5th Floor, The Exchange,
George's Dock,
IFSC, Dublin 1, D01 W3P9, Ireland

RETENTION HOLDER

Burlington Loan Management Designated Activity Company
5th Floor, The Exchange,
George's Dock,
IFSC, Dublin 1, D01 W3P9, Ireland

SUNBURY SERVICERS

Link Mortgage Services Limited
6th Floor 65 Gresham Street,
London, United Kingdom,
EC2V 7NQ

Link ASI Limited
Block C, Maynooth Business
Campus, Maynooth, Co.
Kildare, W23F854

MOONRAKER SERVICER

Western Mortgage Services Limited
65 Gresham Street,
London,
EC2V 7NQ

**CASH MANAGER, ISSUER ACCOUNT BANK, AGENT BANK
AND PRINCIPAL PAYING AGENT**

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

ARRANGER

BofA Securities
2 King Edward Street
London EC1A 1HQ

**NOTE TRUSTEE AND SECURITY
TRUSTEE**

Citicorp Trustee Company Limited
Citigroup Centre, Canada Square, Canary
Wharf,
London E14 5LB

REGISTRAR

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

LEGAL ADVISERS TO THE SELLERS

(as to English law)

Mayer Brown International LLP
201 Bishopsgate, Spitalfields,
London EC2M 3AF

(as to Scots law)

Shepherd and Wedderburn LLP
1 Exchange Crescent, Conference Square
Edinburgh EH3 8UL

(as to Isle of Man law)

Cains Advocates Limited
Fort Anne, Douglas, Isle of Man IM1 5PD

(as to Northern Ireland law)

A&L Goodbody
42-46 Fountain Street,
Belfast, BT1 5EF

(as to Irish law)

Walkers Ireland LLP
5th Floor, The Exchange,
George's Dock, IFSC, Dublin 1, D01 W3P9, Ireland

LEGAL ADVISERS TO THE MOONRAKER SERVICER

(as to English law)

Reed Smith
Broadgate Tower,
20 Primrose St,
London EC2A 2RS

LEGAL ADVISERS TO THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

(as to English law)

Allen & Overy LLP
One Bishops Square, E1 6AD

LEGAL ADVISERS TO THE ARRANGER

(as to English law)

Allen & Overy LLP
One Bishops Square, E1 6AD

LISTING AGENT

Walkers Listing Services Limited
5th Floor, The Exchange, George's Dock, IFSC
Dublin 1, D01 W3P9, Ireland