

23 APRIL 2002

TENBY CASTLE FUNDING GROUP LIMITED
as Loan Note Issuer (Term)

CASTLE RECEIVABLES TRUST LIMITED
as Receivables Trustee

THE BANK OF NEW YORK
as Security Trustee

BEDELL CRISTIN TRUST COMPANY LIMITED
as Registrar

CAPITAL ONE BANK (EUROPE) PLC
as Transferor Beneficiary

SECURITY TRUST DEED

CONTENTS

| Clause | Page |
|---|------|
| 1. Definitions And Interpretation | 2 |
| 2. Series Of Loan Notes | 8 |
| 3. Payments On The Loan Notes | 10 |
| 4. The Loan Note Register | 13 |
| 5. Security | 18 |
| 6. Form And Issue Of Loan Notes | 20 |
| 7. Loan Note Issuer (Term) Bank Accounts And Application Of Monies | 23 |
| 8. Enforcement Of Security | 24 |
| 9. Provisions Upon Enforcement | 27 |
| 10. The Security Trustee | 32 |
| 11. Resignation Or Removal Of The Security Trustee | 42 |
| 12. Costs And Expenses Of The Loan Note Issuer (Term)..... | 45 |
| 13. Remuneration Of Security Trustee | 46 |
| 14. Covenants By The Loan Note Issuer (Term) And The Transferor Beneficiary | 47 |
| 15. Acknowledgement Regarding Payments | 50 |
| 16. Delegation By Security Trustee | 50 |
| 17. Employment Of Agent By Security Trustee | 51 |
| 18. Security Trustee Contracting With The Loan Note Issuer (Term)..... | 52 |
| 19. Waiver, Authorisation And Determination..... | 53 |
| 20. Modification..... | 53 |
| 21. Loan Note Holder Deemed To Be Absolute Owner | 54 |
| 22. Substitution | 54 |
| 23. Currency Indemnity | 55 |
| 24. Notices | 56 |
| 25. Rights Of Third Parties | 58 |
| 26. Severability Of Provisions | 58 |
| 27. Further Assurances And Undertaking Of Non-Petition | 58 |
| 28. No Waiver; Cumulative Remedies | 59 |
| 29. Release Of Collateral | 59 |
| 30. Counterparts..... | 60 |
| 31. Third Party Beneficiaries | 60 |
| 32. Actions By Loan Note Holders..... | 60 |

| | | |
|-------------------|--|-----------|
| 33. | Merger And Integration | 61 |
| 34. | Governing Law And Jurisdiction | 61 |
| <i>SCHEDULE 1</i> | <i>FORM OF LOAN NOTE CERTIFICATE.....</i> | <i>62</i> |
| <i>SCHEDULE 2</i> | <i>TERMS AND CONDITIONS OF THE LOAN NOTES.....</i> | <i>67</i> |
| <i>SCHEDULE 3</i> | <i>PROVISIONS FOR MEETINGS OF LOAN NOTE HOLDERS.....</i> | <i>82</i> |
| <i>SCHEDULE 4</i> | <i>FORM OF NOTICE OF ASSIGNMENT – LOAN NOTE ISSUER (TERM) JERSEY SECURED PROPERTY.....</i> | <i>90</i> |

THIS SECURITY TRUST DEED is made as a deed on the 23rd day of April 2002 in Jersey

BETWEEN:

- (1) **TENBY CASTLE FUNDING GROUP LIMITED**, (registered number 80463, whose registered office is at 26 New Street, St. Helier, Jersey JE2 3RA, Channel Islands (the "**Loan Note Issuer (Term)**");
- (2) **CASTLE RECEIVABLES TRUST LIMITED**, a company incorporated in Jersey, Channel Islands with registered number 80450, whose registered office is at 26 New Street, St. Helier, Jersey JE2 3RA, Channel Islands (the "**Receivables Trustee**", which expression shall include such company and all other persons or companies for the time being acting as the receivables trustee or receivables trustees under the Receivables Trust Deed and Servicing Agreement);
- (3) **THE BANK OF NEW YORK**, acting through its London Branch at and having its United Kingdom registered office at One Canada Square, London, E14 5AL (in its capacity as trustee for and on behalf of the Secured Creditors, the "**Security Trustee**" which expression shall include such company and all other persons or companies for the time being acting as the trustee or trustees under this Security Trust Deed);
- (4) **BEDELL CRISTIN TRUST COMPANY LIMITED**, whose registered office is at 26 New Street, St Helier, Jersey JE2 3RA, Channel Islands (in its capacity as registrar of the Loan Notes, the "**Registrar**" which expression shall include such company and all other persons or companies for the time being acting as the registrar under this Security Trust Deed); and
- (5) **CAPITAL ONE BANK (EUROPE) PLC**, a company incorporated in England and Wales with registered number 3879023, whose registered office is at 18 Hanover Square, London W1S 1HX (the "**Transferor Beneficiary**");

WHEREAS

- (A) The Loan Note Issuer (Term) has established a loan note issuance programme under which it may authorise the issue of a series of one or more Loan Notes, as designated in the relevant Supplemental Trust Deed, to finance, initially, a contribution to (for the purposes of increasing its beneficial interest in) the Receivables Trust (which terms and other capitalised terms used in these recitals bear the meaning given to them in Clause 1.1 below) by the Receivables Trustee to Loan Note Issuer (Term), and thereafter to finance increases in such interest.
- (B) Each Series of Loan Notes will be constituted and secured by, be subject to and have the benefit of, *inter alia*, this Deed and the relevant Supplemental Trust Deed to this Deed made between Loan Note Issuer (Term), the Security Trustee and others. Following the grant to Loan Note Issuer (Term) of an initial interest in the Receivables Trust, Supplemental Trust Deeds will be entered into when a further Loan Note is, or Loan Notes are, issued to finance increases in Loan Note Issuer (Term)'s aggregate interest in the Receivables in the Securitised Portfolio.

- (C) The Security Trustee has agreed to act as Security Trustee for each Series in relation to which Loan Note Issuer (Term) appoints it to act as set out in the relevant Supplemental Trust Deed on the terms and subject to the conditions contained in this Deed and the conditions of any relevant Supplemental Trust Deed.

NOW IT IS HEREBY AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

Unless defined herein or the context requires otherwise, the words and phrases defined in the Master Definitions Schedule dated 8 August 2001 (as amended and restated from time to time), the Terms and Conditions set out in Schedule 2 hereto and in each Supplemental Trust Deed shall have the same meanings in this Deed (including the recitals) unless the context otherwise requires. In the case of any inconsistency between the defined terms in each of the said documents, the definitions in the relevant Supplemental Trust Deed shall take precedence with reference to the relevant Series, then those in the said Terms and Conditions, then those in this Deed, and then those in the Master Definitions Schedule.

1.2 **Additional Defined Terms**

In addition to the terms defined in accordance with Clause 1.1, the following expressions have the following meanings when used in this Deed:

"**Additional Interest**" has the meaning specified in Condition 5.2;

"**Additional Loan Note Issuer Account**" shall have the meaning specified in Clause 7.1.1;

"**Authorised Signatory**" means any director of Loan Note Issuer (Term) or any other person or persons notified to the Security Trustee by any director of Loan Note Issuer (Term) as being an Authorised Signatory pursuant to Clause 14.1.16 of this Deed;

"**Conditions**" means the Terms and Conditions for a Series of Loan Notes, as set out in Schedule 2 (subject, in relation to any Series, to any variation or supplement thereof provided for in the Supplemental Trust Deed for such Series) and "**Condition**" shall mean a relevant clause or paragraph thereof;

"**Contractual Currency**" has the meaning specified in Clause 23.1;

"**Costs**" has the meaning specified in Clause 2.4;

"**Counterparty**" has the meaning specified in Condition 3.1.1;

"**Deferred Interest**" has the meaning specified in Condition 5.2;

"**Event of Default**" in respect of any Note shall have the meaning specified in the relevant terms and conditions applicable to such Note, as set out in the relevant Note Trust Deed;

"**Final Maturity Date**" in respect of each Series has the meaning specified in the relevant Supplemental Trust Deed for such Series;

"Guarantor" has the meaning specified in Condition 3.1.1;

"Indemnified Party" has the meaning specified in Clause 3.3;

"Interest Amount" in respect of each Series has the meaning specified in the relevant Supplemental Trust Deed for such Series;

"Interest Payment Date" in respect of each Series has the meaning specified in the relevant Supplemental Trust Deed for such Series;

"Interest Period" shall mean the period in respect of which interest and other payments in relation to a Series are calculated, as specified in the relevant Supplemental Trust Deed;

"Issue Date" means the date of issue of the relevant Loan Notes;

"Jersey Assets" means in relation to Loan Note Issuer (Term) all or any of its undertaking, property, assets, rights and revenues whatsoever, present and future, situated in Jersey (including, without limitation, the Loan Note Issuer (Term) Jersey Secured Property);

"Jersey Security Interests Law" means the Security Interests (Jersey) Law 1983;

"Loan Note Certificate" shall mean a certificate substantially in the form of Schedule 1 (and, where applicable, as more particularly set out in the relevant Supplemental Trust Deed) issued by the Loan Note Issuer (Term) evidencing the obligation of the Loan Note Issuer (Term) in respect of the Loan Note(s) of any Class or Series;

"Loan Note Conditions" means, in respect of any Series, the Conditions as supplemented and/or varied pursuant to the Supplemental Trust Deed for such Series;

"Loan Note Enforcement Notice" shall have the meaning specified in Condition 9.3;

"Loan Note Event of Default" has the meaning specified in Condition 9.1;

"Loan Note Issuer Account" shall have, in respect of any Series, the meaning (if any) specified in the relevant Supplemental Trust Deed;

"Loan Note Issuer (Term) Jersey Secured Property" shall mean all of the Loan Note Issuer (Term)'s rights, title, interest and benefit present and future in, to and under the Loan Note Issuer (Term)'s Jersey Corporate Services Agreement, including without limitation all rights to receive payment of any amount which may become payable to the Loan Note Issuer (Term) thereunder or payments received by the Loan Note Issuer (Term) thereunder or rights to serve notice and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof.

"Loan Note Issuer (Term) Jersey Security Interest" shall mean the security interest of the Security Trustee in accordance with the Jersey Security Interests Law (and as secured

party for the purposes of the Jersey Security Interests Law) in the Loan Note Issuer (Term) Jersey Secured Property;

"Loan Note Issuer (Term)'s Jersey Corporate Services Agreement" means the agreement dated 8 August 2001, between the Loan Note Issuer (Term), Bedell Cristin Trust Company Limited and Capital One Bank (Europe) plc as the same shall be amended, supplemented or novated from time to time;

"Loan Note Register" has the meaning specified in Clause 4.1;

"Note Trust Deed" means the trust deed for any particular issue of Notes pursuant to a particular Series;

"Permitted Activities" means the primary activities of Loan Note Issuer (Term) for the purposes of US GAAP, which are:

- (a) holding its Aggregate Investor Interest in the Receivables Trust, such Trust Property to be allocated under the terms of the Receivables Trust Deed and Servicing Agreement and any Supplement thereto and in compliance with the status of Loan Note Issuer (Term) as a qualified special purpose entity under US GAAP as stated in existing accounting literature in respect thereof, including passive derivative financial instruments that pertain to beneficial interests in the Receivables Trust;
- (b) holding any Trust Certificates evidencing its beneficial interests in the Trust Property;
- (c) making Contributions, from time to time, pursuant to the Receivables Trust Deed and Servicing Agreement and any Supplement thereto and receiving distributions in accordance with the terms of the Receivables Trust Deed and Servicing Agreement and any Supplement thereto;
- (d) under Loan Note Issuer (Term)'s Loan Note issuance programme established pursuant to the terms of this Deed, authorising, from time to time, the issue of a series of one or more Loan Notes, as designated in the relevant Supplemental Trust Deed, to finance, the relevant Contribution to the Receivables Trust in order to finance increases in Loan Note Issuer (Term)'s Aggregate Investor Interest, and making payments of interest and principal on such Loan Notes;
- (e) granting the Loan Note Issuer (Term) Jersey Security Interest and, from time to time, further security interests in respect of a Series pursuant to the relevant Supplemental Trust Deed, in each case in accordance with the Jersey Security Interests Law;
- (f) granting, from time to time, in accordance with this Deed and pursuant to the relevant Supplemental Trust Deed, the security or additional security in favour of the relevant Secured Creditors;
- (g) in relation to each Series, if specified in the relevant Supplemental Trust Deed, entering into one or more Swap Agreements or other related agreements with a

Counterparty and/or Guarantor, under which Loan Note Issuer (Term) will make payments to such Counterparty and the Counterparty will make payments to Loan Note Issuer (Term) as specified in such Swap Agreement or other related agreement; and

- (h) engaging in other activities pursuant to the terms of this Deed and any Supplemental Trust Deed that are necessary or incidental to accomplish these purposes, which activities cannot be contrary to the status of Loan Note Issuer (Term) as a qualified special purpose entity under US GAAP as stated in existing accounting literature in respect thereof;

"Potential Loan Note Event of Default" means any event which may become (with the passage of time, the giving of notice, the making of any determination under this Deed or any Supplemental Trust Deed, or any combination thereof) a Loan Note Event of Default;

"Principal Amount Outstanding" means in relation to a Loan Note or Series, the original face value thereof less any repayment of principal made to the holder(s) thereof in respect of such Loan Note or Series;

"Principal Terms" shall have the meaning specified in Clause 6.4.1(v);

"Priority Secured Creditor" has the meaning specified in the relevant Supplemental Trust Deed;

"Receiver" means a Person or Persons appointed in writing by the Security Trustee in accordance with Clause 8.1 of this Deed who is to be a receiver, a receiver and manager or an administrative receiver of the Loan Note Issuer (Term) (and who shall not be the Security Trustee or an Affiliate of the Security Trustee);

"Registered Holder" has the meaning specified in Clause 4.1;

"Related Agreement" has the meaning specified in Condition 3.1.1;

"Scheduled Redemption Date" in respect of a Loan Note has the meaning specified in the relevant Supplemental Trust Deed.

"Secured Creditors" means the Security Trustee and any Receiver appointed by it, in respect of amounts owing to each of them under this Deed and any Supplemental Trust Deed and, in respect of a particular Series, shall have the meaning attributed thereto in the relevant Supplemental Trust Deed;

"Secured Obligations" shall have the meaning specified in Clause 3.2 hereof;

"Secured Property" means that property, rights and assets of whatever nature over which security is given hereunder for all Series and pursuant to the Supplemental Trust Deed pertaining to a particular Series and where specified as such means the Secured Property for a particular Series;

"Security" has the meaning specified in Condition 3.1.3;

"**Security Beneficiaries**" means any Person who may benefit from the Secured Property other than the Secured Creditors and, in respect of a Series, shall mean those Persons specified in the relevant Supplemental Trust Deed;

"**Series Documents**" means in relation to a Series of Loan Notes, this Deed, the relevant Supplemental Trust Deed, the Loan Notes of such Series, any Supplemental Trust Deed, any rights of Loan Note Issuer (Term) specific to such Series under the other Transaction Documents and any other documents entered into or produced in connection with such Series;

"**Supplemental Trust Deed**" means each further security document as may be required by the Security Trustee in respect of any Series and as specified in the relevant Supplemental Trust Deed (but, for the avoidance of doubt, not including any Supplemental Trust Deed);

"**Swap Agreement**" means any swap agreement entered into in connection with a Series as specified in the relevant Supplemental Trust Deed for such Series; and

"**Written Resolution**" has the meaning specified in Schedule 3;

1.3 **Principles of Interpretation**

1.3.1 The agreements, representations and warranties of Capital One Bank (Europe) plc in this Deed and any Supplemental Trust Deed in its respective capacity as Transferor Beneficiary shall be deemed to be the agreements, representations and warranties of Capital One Bank (Europe) plc solely in such capacity for so long as they act in such capacity under this Deed.

1.3.2 The following apply in respect of payments under this Deed:

- (a) All sums payable by the Loan Note Issuer (Term) or the Receivables Trustee to any party hereto (except where such party is the Security Trustee or a Receiver appointed by it or the Registrar) are inclusive of any VAT which is chargeable on the supply or supplies for which such sums (or any part thereof) are the whole or part of the consideration for VAT purposes and section 89 of the VATA shall not apply to affect the amount of such sums.
- (b) All sums payable by the Loan Note Issuer (Term) or the Receivables Trustee (for the purposes of this sub-clause, the "**Payer**") to the Security Trustee or the Registrar (for the purposes of this sub-clause, the "**Payee**") are exclusive of any VAT which is chargeable on the supply or supplies for which such sums (or any part thereof) are the whole part of the consideration for VAT purposes. Where the Payee makes a supply to any Payer for VAT purposes pursuant hereto and VAT is or becomes chargeable on such supply (being VAT for which the Payee is accountable to HM Customs & Excise), the relevant Payer shall pay to the Payee (in addition to any other consideration for such supply) a sum equal to the amount of such VAT, such payment to be made no later than 2 Business Days before the last day (as notified to the Payer in writing by the Payee)

on which the Payee can account to H M Customs & Excise for such VAT without incurring any interest or penalties.

- (c) All sums payable by the Security Trustee, the Transferor Beneficiary or the Registrar (for the purposes of this sub-clause, the "**Payer**") to any party hereto (for the purposes of this sub-clause, the "**Payee**") are exclusive of any VAT which is chargeable on the supply or supplies for which such sums (or any part thereof) are the whole or part of the consideration for VAT purposes. Where the Payee makes a supply to any Payers for VAT purposes pursuant hereto and VAT is or becomes chargeable on such supply, the relevant Payer shall pay to the Payee (in addition to any other consideration for such supply) a sum equal to the amount of such VAT, such payment to be made no later than 2 Business Days before the last day (as notified to the Payer in writing by the Payee) on which the Payee can account to H. M. Customs & Excise for such VAT without incurring any interest or penalties.
- (d) Any reference herein to any fee, cost, disbursement, expense or liability incurred by any party and in respect of which such party is to be reimbursed (or indemnified) by any other person or the amount of which is to be taken into account in any calculation or computation shall, save where the context otherwise requires, include:
 - (i) where such party is the Loan Note Issuer (Term) or the Receivables Trustee, a reference to such part of such fee, cost, disbursement, expense or liability as represents VAT, and any VAT for which such party is required to account to HM Customs & Excise under Section 8 of the VATA in relation to such fee, cost, disbursement, expense or liability; and
 - (ii) where such party is the Transferor Beneficiary or the Registrar, a reference to such part of such fee, cost, disbursement, expense or liability as represents VAT, and any VAT for which such party is required to account to HM Customs & Excise under Section 8 of the VATA in relation to such fee, cost, disbursement, expense or liability, save to the extent that such party is entitled to obtain credit or repayment in respect of such VAT from H M Customs & Excise.
- (e) Any reference herein to a party shall (where appropriate) be deemed, at any time when such party is treated as a member of a group for the purposes of section 43-43C of the VATA, to include a reference to the representative member of such group.

1.3.3 Unless otherwise defined herein, in the Master Definitions Schedule, in the Terms and Conditions or in each Supplemental Trust Deed or unless the context otherwise requires words or expressions contained in this Deed shall bear the same meanings as in the Companies Act 1985.

- 1.3.4 References in this Deed to any action, remedy or method of judicial proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of judicial proceeding described or referred to in this Deed.
- 1.3.5 Any reference to and the definition of any document (including this Deed) shall be deemed to be a reference to such document as from time to time amended, supplemented, modified or replaced (in whole or in part), but disregarding any amendment, supplement, variation or replacement taking place in breach of the terms of this Deed.
- 1.3.6 Words denoting one gender only shall include the other genders.

2. **SERIES OF LOAN NOTES**

2.1 **Issue of Loan Notes**

The Loan Note Issuer (Term) shall from time to time, if it makes a Contribution to the Receivables Trust (but subject always to the provisions of this Deed), create and issue new Series consisting of one or more Loan Notes upon such terms as to ranking, interest, conversion, redemption and otherwise as the Loan Note Issuer (Term) may determine at the time of issue of such Series, provided that a Loan Note shall not be issued to more than one Person. Where there is more than one Loan Note in a Series, such Loan Notes may differ as to interest rates and maturity and each such type of Loan Note will comprise an individual Class. A Series may therefore comprise a number of Classes, which Classes may be subordinated to one or more other Classes of Loan Notes of that Series. Each Series of Loan Notes shall be secured on, and only on, such Secured Property as may be specified in this Deed and the relevant Supplemental Trust Deed, with recourse limited to such Secured Property.

2.2 **Conditions Precedent**

Any Loan Notes which are to be created and issued pursuant to the provisions of Clause 2.1 shall be constituted on the execution of the relevant Supplemental Trust Deed in respect of such Loan Notes by the Loan Note Issuer (Term), the Security Trustee and the other parties named therein. The Security Trustee's consent is required to permit the creation and issuance of any such Loan Notes, which consent shall be evidenced by the Security Trustee's execution of the relevant Supplemental Trust Deed. The Loan Note Issuer (Term) shall deliver such Supplemental Trust Deed to the Security Trustee (duly stamped or denoted with any applicable stamp duties or other documentation taxes) containing such provisions (whether or not corresponding to any of the provisions contained in this Deed) as the Security Trustee may require.

Each Supplemental Trust Deed shall be accompanied by:

- 2.2.1 a certificate signed by any one director of the Loan Note Issuer (Term) certifying that no Loan Note Event of Default has occurred;

- 2.2.2 legal opinions (in form and substance satisfactory to the Security Trustee) from legal advisers of recognised standing in such jurisdictions as may be required by the Security Trustee; and
- 2.2.3 such other documents as the Security Trustee may require including (without limitation) any Rating Agency's consents.

2.3 **Each Series to be separate**

The Loan Notes of each Series shall form a separate Series and accordingly, save where specifically provided in this Deed, each covenant and representation provided by the Loan Note Issuer (Term) in favour of the Security Trustee and all other rights, Liabilities and obligations of the Loan Note Issuer (Term) under this Deed shall apply separately to the Loan Notes of each Series issued by the Loan Note Issuer (Term). Accordingly, the provisions hereof shall, in relation to any Series, be read independently unless the context otherwise requires and accordingly the expression "**Security Trustee**" shall be construed as a reference to the Security Trustee of such Series, the expression "**Loan Notes**" shall be construed as a reference to the Loan Notes of such Series, the expression "**Loan Note Holders**" shall be construed as a reference to the Loan Note Holders of such Series, the expression "**Secured Creditors**" shall be construed as a reference to the secured creditors of such Series so that each Series shall be constituted as a separate security trust and, unless otherwise expressly provided, events affecting one Series shall not affect another Series.

2.4 **Allocation of costs**

2.4.1 The provisions in this Deed concerning costs, expenses, fees, remuneration and other financial obligations (whether arising under indemnities or otherwise) shall apply separately to each Series in respect of the costs, expenses, fees, remuneration and financial obligations which arise in respect of such Series (and, for the avoidance of doubt, the Secured Property in respect thereof). All such amounts whether referable to one, some, or all Series are hereafter referred to as the "**Costs**". No Costs incurred in respect of any Series will, save as specifically provided herein, be deducted from any amount payable to the Secured Creditors or Security Beneficiaries in respect of any other Series, nor will any such Costs specifically referable to one Series be in any way charged to any Secured Creditors or Security Beneficiaries of another Series. The provisions of this Deed shall be read accordingly.

2.4.2 If the Security Trustee determines in its sole discretion that any Costs cannot be considered to be solely referable to a particular Series, it shall be entitled in its sole discretion to allocate such Costs between such Series as it shall consider those Costs to be referable *pro rata* in the proportion which the aggregate Principal Amount Outstanding in respect of each such Series bears to the aggregate Principal Amount Outstanding of all such Series (as at the date such Costs were incurred) in respect of which such Costs were incurred as a whole.

2.5 **Related Agreements**

In relation to each Series, if specified in the relevant Supplemental Trust Deed, the Loan Note Issuer (Term) may enter into one or more Swap Agreements or other related

agreements with a Counterparty and/or Guarantor, under which Loan Note Issuer (Term) will make payments to such Counterparty and the Counterparty will make payments to Loan Note Issuer (Term) as specified in such Swap Agreement or other related agreement. Each swap transaction or other form of hedging transaction evidenced by a Swap Agreement and other related agreement will terminate on the date specified in the relevant Supplemental Trust Deed, unless terminated earlier in accordance with its terms.

3. **PAYMENTS ON THE LOAN NOTES**

3.1 **Covenant to Pay**

The Loan Note Issuer (Term) hereby covenants with the Security Trustee that it will, in accordance with the relevant Loan Note Conditions, on any date when the Loan Notes of any Series, or any of them, become due to be redeemed or repaid in whole or in part in accordance with the relevant Loan Note Conditions, unconditionally pay or procure to be paid to or to the order of or for the account of the Security Trustee, in immediately available funds in the same currency as that in which such Loan Note is denominated, the amount then becoming due on that date in respect of the Loan Notes of the Series or, if applicable, each Class of such Series and shall (subject to the terms of such Loan Note or, if applicable, each Class of such Series, until such payment (after as well as before any judgment or other order of a competent court)) unconditionally pay to or to the order of or for the account of the Security Trustee as aforesaid, interest on the Principal Amount Outstanding of such Loan Notes, including Deferred Interest and Additional Interest, if any, at the rate or rates set out in, or calculated from time to time in accordance with, the terms of the relevant Supplemental Trust Deed and Loan Note Conditions and on the dates provided for in such terms, provided that:

- 3.1.1 the Loan Note Issuer (Term) shall only be obliged to pay such Principal Amount Outstanding and interest, Deferred Interest and Additional Interest, if any, to the extent set out in this Deed and the related Loan Note Conditions and Supplemental Trust Deed, in respect of such Series or, if applicable, Class; and
- 3.1.2 in the case of any payment in respect of Loan Notes of such Series made after the due date or subsequent to a Loan Note Event of Default in respect of such Series, payment shall not be deemed to have been made until the full amount due in accordance with the terms thereof has been received by the Security Trustee in respect of such Series and notice to that effect has been duly given to the relevant Loan Note Holder of such Series in accordance with such terms.

Subject to Clause 4.6.5, payments made to the Registered Holder of any Loan Notes in accordance with the relevant Loan Note Conditions shall to that extent satisfy this obligation and shall, save as specified herein, be a good discharge to the Loan Note Issuer (Term) and the Security Trustee. This covenant shall have effect for so long as Loan Notes of any Series are issued to Loan Note Holders and the Security Trustee will hold the benefit of this covenant in relation to each Series on trust for itself and the Loan Note Holders of that Series according to their respective interests.

3.2 **Payments to Secured Creditors**

The Loan Note Issuer (Term) hereby covenants to pay to the Security Trustee all amounts due to the Secured Creditors of a Series in accordance with the terms and

conditions of the relevant Series Documents and any other amounts payable by the Loan Note Issuer (Term) hereunder which the Security Trustee determines in its sole discretion are referable or allocable to a Series (the "**Secured Obligations**") **Provided, however**, that payment of any sum due to a Secured Creditor of such Series made to such Secured Creditor shall, to that extent, satisfy such obligation. This covenant shall only have effect each time obligations are owed to Secured Creditors when the Security Trustee shall hold the benefit of this covenant in relation to each Series on trust for itself and each Secured Creditor of such Series according to their respective interests. For the avoidance of doubt, nothing in this Deed shall prevent the Loan Note Issuer (Term) from creating security pursuant to a Supplemental Trust Deed over specific assets in relation to a Series in favour of a specific sub-group of secured creditors or secured obligations in relation to such Series. Subject as provided in the relevant Supplemental Trust Deed, the provisions of this Deed shall, where the context permits, apply to any such security *mutatis mutandis* as if it were Secured Property created in respect of Secured Obligations owed to Secured Creditors hereunder.

3.3 Duties and Taxes

The Loan Note Issuer (Term) shall pay all stamp, registration and other similar taxes and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution and delivery of this Deed and any Supplemental Trust Deed, and the Loan Note Issuer (Term) will indemnify (with recourse limited to the proceeds of the Secured Property relating to the applicable Series) the Security Trustee and the Secured Creditors relating to such Series (each an "**Indemnified Party**") on demand from and against all stamp duty, issue, registration, documentary and other similar taxes paid by any such Indemnified Party in any jurisdiction or jurisdictions in connection with any action taken by such Indemnified Party to enforce the obligations of the Loan Note Issuer (Term) under this Deed or any Supplemental Trust Deed in respect of such Series.

3.4 Covenant of Compliance

The Loan Note Issuer (Term) covenants with the Security Trustee separately in respect of each Series that it will comply with, perform and observe all the provisions of this Deed relating to such Series which are expressed to be binding on it in respect of such Series. The Loan Note Conditions in respect of each Series shall be binding on the Loan Note Issuer (Term) and each Secured Creditor of each Series. The Security Trustee shall be entitled to enforce the obligations of the Loan Note Issuer (Term) under the Series Documents in respect of a Series as if the same were set out and contained in this Deed.

3.5 Only Security Trustee to act

For any Series, only the Security Trustee, at its discretion and without further notice, may pursue the remedies available under the general law or under this Deed to enforce the rights under this Deed or any relevant Supplemental Trust Deed of the Secured Creditors relating to such Series. No Secured Creditor relating to such Series shall be entitled to proceed directly against the Loan Note Issuer (Term) or the assets of the Loan Note Issuer (Term) to enforce the performance of any of the provisions of this Deed and any relevant Supplemental Trust Deed or the other Series Documents (if any) relating to such Series unless the Security Trustee having become bound as aforesaid to take

proceedings fails or neglects to do so within a reasonable period of time and such failure or neglect is continuing.

3.6 Non-Petition and Limited Recourse

The Security Trustee and the Secured Creditors of any Series shall have recourse only to the Secured Property in respect of such Series and, once such Secured Property has been realised, shall not be entitled to take any further steps against the Loan Note Issuer (Term) to recover any sum still unpaid, and all claims and all rights to claim against the Loan Note Issuer (Term) in respect of each such sum unpaid shall be extinguished. In particular, no Secured Creditor in respect of any Series nor the Security Trustee on their behalf may (at any time, whether prior to or after the realisation of the Secured Property):

- 3.6.1 institute against, or join any person in instituting against the Loan Note Issuer (Term) any bankruptcy, winding up, re-organisation, arrangement, administration, insolvency, liquidation proceeding or other proceeding under any similar law (but, for the avoidance of doubt, without prejudice to its ability to appoint a Receiver pursuant to the terms of this Deed as supplemented by the relevant Supplemental Trust Deed in relation to such Series) nor shall any of them have any claim in respect of any such sums over or in respect of any assets of the Loan Note Issuer (Term) which comprise Secured Property secured only for any other Series; or
- 3.6.2 have any recourse, in respect of any obligation, covenant or agreement of the Loan Note Issuer (Term), against any shareholder, officer, agent, or director of the Loan Note Issuer (Term).

3.7 Application of monies

- 3.7.1 For each Series, all monies received by the Security Trustee pursuant to this Deed and the relevant Supplemental Trust Deed relating only to such Series shall, despite any appropriation of all or part of them by the Loan Note Issuer (Term), be held by the Security Trustee upon trust to apply in the manner and order of priority set out in such Supplemental Trust Deed.
- 3.7.2 If the Security Trustee determines in its sole discretion that any such monies as are described in Clause 3.7.1 cannot be considered to be solely referable to a particular Series, it shall be entitled in its sole discretion to allocate such monies between such Series as it shall consider those monies to be referable *pro rata* in the proportion which the aggregate Principal Amount Outstanding in respect of each such Series bears to the aggregate Principal Amount Outstanding of all such Series (as at the date such monies were received) in respect of which such monies were received.

3.8 Application of funds in respect of void Series

Without prejudice to the other provisions of this Clause, if the Security Trustee holds any monies which represent principal, premium or interest in respect of the Loan Notes in relation to any Series which have become void under their terms, the Security Trustee shall (subject to payment or provision for the payment or satisfaction of all amounts (howsoever arising) payable under Clause 13 to the Security Trustee and/or any attorney, manager, agent, delegate, receiver or other person appointed by it under this Deed or any

Supplemental Trust Deed in respect of such Series and subject to any claims of any Secured Creditors of such Series or of any Security Beneficiaries) pay the same to the Loan Note Issuer (Term) (without prejudice to, or liability in respect of, any question as to how such payment to the Loan Note Issuer (Term) shall be dealt with as between the Loan Note Issuer (Term) and any other person).

3.9 **Apportionment of Liabilities between Series**

In the event that the Security Trustee takes any action to enforce the Security in respect of more than one Series and is unable to apportion to a particular Series any Liabilities incurred by it, the Security Trustee shall be entitled in its sole discretion to apportion such Liabilities to each of the Series in respect of which such Liabilities were incurred in the proportion which the aggregate Principal Amount Outstanding in respect of each such Series bears to the aggregate Principal Amount Outstanding of all such Series (as at the date such Liabilities were incurred) in respect of which such Liabilities were incurred as a whole.

3.10 **Payments**

Any payment to be made in respect of any Series by the Loan Note Issuer (Term) or the Security Trustee may be made in accordance with the terms of such Series, and any payments so made shall be a good discharge *pro tanto* to the Loan Note Issuer (Term) or, as the case may be, the Security Trustee.

3.11 **No impairment without Loan Note Holder consent**

Notwithstanding any other provision of this Deed but without prejudice to Condition 10, the right of any Loan Note Holder to receive payment of principal and interest on the relevant Loan Note, on or after the respective due dates expressed in such Loan Note, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Loan Note Holder.

3.12 **Additional Expenses**

The Loan Note Issuer (Term) shall on demand reimburse the Registrar and the Security Trustee respectively for all expenses incurred by each of them in the negotiation, preparation and execution of this Deed and any relevant Supplemental Trust Deed and for all out of pocket expenses (including, without limitation, legal fees and any publication, advertising, communication, courier, postage and other out of pocket expenses) properly incurred in connection with their respective services hereunder.

4. **THE LOAN NOTE REGISTER**

4.1 **Establishment of Loan Note Register**

The Loan Note Issuer (Term) shall at all times cause to be kept and maintained at the registered office of the Registrar a register (the "**Loan Note Register**") which shall, without limitation, (i) record the identity of the persons being the registered holders of each Loan Note of each Series (for each such Loan Note, the "**Registered Holder**") from time to time, the Class (if applicable) of the Loan Notes to which they are entitled, their respective addresses, the applicable Issue Date, their respective Principal Amounts Outstanding and any other relevant information in respect thereof, and may also contain an annotation indicating that such Registered Holder holds on behalf of the relevant Loan Note Holder and (ii) register transfers of the Loan Notes.

4.2 **Entries in Loan Note Register conclusive**

The entries in the Loan Note Register shall be conclusive evidence of title to and, where noted therein, beneficial interest in the Loan Notes in the absence of manifest error, and the Secured Creditors, the Loan Note Issuer (Term), the Security Trustee and the Registrar shall be entitled to treat the Registered Holder whose identity is recorded in the Loan Note Register (or, if more than one name is recorded, the first name) as the holder of the related Loan Note, notwithstanding notice to the contrary or anything to the contrary contained herein, (but subject to any annotation of the Register in respect of the beneficial interest of a Loan Note Holder) unless such person is designated a nominee for another person when at its election such other person may be treated as the said holder.

4.3 **Inspection of Loan Note Register**

The Loan Note Issuer (Term) shall procure that the Loan Note Register shall be available for inspection by the Transferor Beneficiary, the Security Trustee, any Secured Creditor or any Loan Note Holder, or any third party on behalf of any of them, at any reasonable time upon reasonable prior notice to Loan Note Issuer (Term). No transfer or assignment of a Loan Note otherwise permitted hereunder shall be effective unless and until it has been duly recorded in the Loan Note Register as provided in this Clause 4.

4.4 **Transfers of Loan Notes**

4.4.1 Save for the initial transfer of any Loan Note from any Loan Note Holder under a Series to the Note Trustee or its nominee for such Series, no transfer of any Loan Note of a Series shall be effective and no Loan Note of a Series shall be subjected to any Encumbrance except in accordance with this Clause 4.4 (unless specified otherwise in any Supplemental Trust Deed). Any Loan Note Holder may make a transfer of the whole (but not any part) of its Loan Note or create or grant any Encumbrance in respect of such Loan Note only with the prior written consent of the Security Trustee and the Transferor Beneficiary (such consent not to be withheld unreasonably) **Provided however**, that no such transfer or Encumbrance will be permitted unless (i) the Loan Note Issuer (Term) shall have received, prior to such transfer or Encumbrance taking effect, written confirmation from the Person to which such transfer is to be made or in whose favour such Encumbrance is to be granted or created that such transfer or Encumbrance will not cause the holder of the relevant Loan Note to be a person other than a company resident for United Kingdom tax purposes in the United Kingdom, (ii) the Loan Note Holder making such transfer or subjecting the Loan Note to such Encumbrance shall be solely responsible for any costs, expenses or taxes which are incurred by Loan Note Issuer (Term), the Loan Note Holder or any other Person in relation to such transfer or Encumbrance, and (iii) such transfer is not made to any person resident in Jersey for Jersey tax purposes other than a financial institution acting in the ordinary course of its business.

4.4.2 It is a condition of the issue of the relevant Loan Notes and the Security granted in respect of each Series that each Loan Note Holder will not make any transfer or create or grant any Encumbrance in respect of its Loan Note except in accordance with this Clause 4.4 and that, by its execution of the relevant

Supplemental Trust Deed, each Loan Note Holder acknowledges that any attempt to do so shall be void.

4.5 Appointment of Registrar

4.5.1 Each of the Loan Note Issuer (Term) and, for the purposes of the provisions of any relevant Supplemental Trust Deed under the terms of which the Registrar acts as agent of the Security Trustee at any time, the Security Trustee hereby appoints the Registrar as its agent in relation to the registration and transfer of Loan Notes.

4.5.2 The Registrar accepts its appointment as agent of the Loan Note Issuer (Term) pursuant to Clause 4.5.1 in relation to the registration and transfer of the Loan Notes for each Series and agrees to maintain the Loan Note Register and comply with the provisions of the Loan Note Conditions for each relevant Series and this Deed.

4.6 Terms of appointment of Registrar

4.6.1 The Registrar may, in connection with its services hereunder:

- (a) rely upon the terms of any notice, communication or other document believed by it to be genuine; and
- (b) engage and pay for the advice or services of any lawyers or other experts whose advice or services it considers necessary and rely upon any advice so obtained (and the Registrar shall be protected and shall incur no liability as against the Loan Note Issuer (Term) or any holder of Loan Notes in respect of any action taken, or permitted to be taken, in accordance with such advice and in good faith).

4.6.2 The Registrar shall comply with the terms and conditions set out in this Deed and in the Loan Note Conditions for each Series with respect to the transfer and registration of the Loan Notes for the relevant Series and such other duties as are necessarily incidental thereto. The Registrar shall not be under any fiduciary duty towards any person other than the Loan Note Issuer (Term) and the Security Trustee, and shall not be responsible for or liable in respect of any act or omission of any other person or be under any obligation towards any person other than the Loan Note Issuer (Term) and the Security Trustee.

4.6.3 The Registrar shall maintain at its registered office in Jersey, or at such other place outside the United Kingdom as the Loan Note Issuer (Term) may agree, the Loan Note Register showing the amount of the Loan Notes for each Series from time to time outstanding and the face value, the Issue Date and the Redemption Date applicable to each Loan Note for each Series outstanding and all subsequent transfers and changes of ownership thereof and the names and addresses of the relevant Loan Note Holders. The Loan Note Register may be closed by the Loan Note Issuer (Term) for such periods as are specified in the Loan Note Conditions for the relevant Series.

- 4.6.4 The Loan Notes for each Series shall have the identifying series number which the Registrar shall enter in the Loan Note Register.
- 4.6.5 Prior to the occurrence of an Event of Default, or following the occurrence of an Event of Default which has either ceased to be continuing or has been waived by the Note Trustee, a Loan Note Holder shall be treated as the owner of the relevant Loan Note in accordance with the Loan Note Conditions for the relevant Series and payments made pursuant to the Loan Note Conditions and this Deed to such Loan Note Holder shall to that extent be a good discharge to the Loan Note Issuer (Term) and the Security Trustee.
- 4.7 **Provision of information**
The Loan Note Issuer (Term) shall give to the Registrar such further information with regard to the Registrar's activities hereunder as may reasonably be required by the Registrar for the proper carrying out of its duties.
- 4.8 **Notification of the Principal Amount Outstanding**
The Registrar shall, if it so receives such a request in writing from the Security Trustee, on the third Business Day prior to each due date for payment in respect of the Loan Notes, notify the Security Trustee of the aggregate Principal Amount Outstanding of all Loan Notes issued from time to time by the Loan Note Issuer (Term) and the Principal Amount Outstanding of the Loan Notes of each Series.
- 4.9 **Copy documents available for inspection**
The Registrar shall make copies of this Deed and any relevant Supplemental Trust Deed available for inspection by the Loan Note Holders and the Secured Creditors at its specified office at all reasonable times.
- 4.10 **Freedom to Transact**
The Registrar may purchase, hold and dispose of any Loan Notes, and may enter into any transaction (including any depository, trust or agency transaction) with any holders of Loan Notes or with any other person in the same manner as if it had not been appointed as the agent of the Loan Note Issuer (Term) in relation to the Loan Notes.
- 4.11 **Indemnity**
The Loan Note Issuer (Term) shall indemnify the Registrar against any liabilities which it incurs otherwise than by reason of its own negligence, fraud, default, or breach of duty as a result or arising out of or in relation to its acting as the agent of the Loan Note Issuer (Term) in relation to the Loan Notes.
- 4.12 **Termination of Appointment of Registrar**
- 4.12.1 The Registrar may resign its appointment upon not less than 90 days' notice in writing to the Loan Note Issuer (Term) (with a copy to the Security Trustee), provided that such resignation shall not take effect until a successor has been duly appointed and notice of such appointment has been given to all Loan Note Holders, the Loan Note Issuer (Term) and the Security Trustee.
- 4.12.2 The Loan Note Issuer (Term) may revoke its appointment of the Registrar by not less than 2 Business Days' notice in writing to the Registrar (with a copy to the Security Trustee), provided that such revocation shall not take effect until a

successor has been duly appointed on substantially similar terms and notice of such appointment has been given to all Loan Note Holders and the Security Trustee by the Loan Note Issuer (Term).

4.12.3 The appointment of the Registrar shall terminate forthwith if (a) an encumbrancer takes possession of, or a receiver, manager or other similar officer is appointed, over the whole or any part of the undertaking, assets and revenues of the Registrar, (b) the Registrar admits in writing its insolvency or inability to pay its debts as they fall due, (c) an administrator or liquidator of the Registrar or the whole or any part of the undertaking, assets and revenues of the Registrar is appointed (or application for any such appointment is made), (d) the Registrar takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its indebtedness, (e) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Registrar or (f) any event occurs which has an analogous effect to any of the foregoing.

4.13 Successor registrar

The Loan Note Issuer (Term) may with the prior written approval of the Security Trustee and on the termination of appointment of the Registrar in accordance with Clause 4.12 appoint a successor registrar and shall forthwith give notice of any such appointment to the Security Trustee and all Loan Note Holders, whereupon the Loan Note Issuer (Term) and the successor registrar shall acquire and become subject to the same rights and obligations between themselves as if they had entered into an agreement on the terms specified in this Deed.

4.14 Registrar may appoint Successor

If the Registrar gives notice of its resignation in accordance with Clause 4.12.1 or its appointment has been revoked in accordance with Clause 4.12.2 and by the tenth day before the expiry of such notice given in accordance with Clause 4.12.1, or immediately on receipt of such notice given in accordance with Clause 4.12.2, a successor has not been duly appointed, the Registrar may itself, following such consultation with Security Trustee as is practicable in the circumstances and with the prior written approval of the Security Trustee, appoint as its successor any reputable and experienced financial institution acting through an office outside the United Kingdom and give notice of such appointment to the Loan Note Issuer (Term), the Security Trustee and all Loan Note Holders, whereupon the Loan Note Issuer (Term) and such successor registrar shall acquire and become subject to the same rights and obligations between themselves as if they had entered into an agreement on the terms specified in this Deed.

4.15 Release

Upon any resignation or revocation taking effect under Clause 4.12.1 or 4.12.2 or any termination under Clause 4.12.3, the Registrar shall:

- (a) be released and discharged from its obligations under this Deed (save that it shall remain entitled to the benefit of and be subject to Clauses 4.10 and 4.11);

- (b) deliver the Loan Note Register to the Loan Note Issuer (Term) or to the successor registrar; and
- (c) upon appropriate notice, provide reasonable assistance to its successor for the discharge of its duties and responsibilities hereunder.

4.16 **Fees and Expenses**

The Loan Note Issuer (Term) shall, in respect of the relevant Series of Loan Notes, pay to the Registrar for its own account, such fees as shall be agreed from time to time between the Loan Note Issuer (Term) and the Registrar in respect of the services of the Registrar hereunder. The provisions of Clause 3.6 shall apply to the Registrar *mutatis mutandis* in respect of any amounts owed to it by the Loan Note Issuer (Term) under this Deed or any Series Document.

5. **SECURITY**

5.1 **Assignment and Floating Charge**

The Loan Note Issuer (Term) with full title guarantee and as continuing security for all the monies and other Liabilities payable or owing by the Loan Note Issuer (Term) under this Deed and in respect of the Secured Obligations of all the Series from time to time hereby:

- 5.1.1 assigns absolutely by way of first fixed security to the Security Trustee all of Loan Note Issuer (Term)'s right, title and interest in and to, and the entire benefit of, the Loan Note Issuer (Term)'s Jersey Corporate Services Agreement, save to the extent that it constitutes Jersey Assets, and;
- 5.1.2 charges to the Security Trustee, by way of first floating charge, the whole of its undertaking and assets to the extent that such undertaking and assets (a) are not effectively encumbered by the security created by or pursuant to this Deed or any Supplemental Trust Deed relating to any Series or (b) are Jersey Assets,

and the Security Trustee shall hold the benefit of the security created by the assignment and charge pursuant to this Clause 5.1 on trust for itself and the Secured Creditors of all Series, provided that such security may only be enforced and the floating charge shall only crystallise in accordance with the provisions of Clause 8.

5.2 **Additional Security**

Additional security as may be required in respect of each Series or (provided that the Security Trustee consents to the same) in respect of any transaction entered into by Loan Note Issuer (Term) relating to or connected with any arrangement for the issue of any Series of Loan Notes shall be created by Loan Note Issuer (Term) in accordance with this Deed and by the Supplemental Trust Deed relating to such Series.

5.3 **Application of Clause 5 to Supplemental Trust Deeds**

The following provisions of this Clause 5 shall apply to the security created in Clause 5.1 and to the Security in relation to each Series, except as may be otherwise specified in the relevant Supplemental Trust Deed relating to each Series.

5.4 **Rights of Secured Creditors**

Each Secured Creditor (other than the Security Trustee and any Receiver appointed by it) will belong to one of the categories of Secured Creditor set out below for the purposes of this Deed. The entitlement of any Secured Creditor to the relevant Secured Property for a given Series of Loan Notes, unless otherwise specified herein, shall be specified in the relevant Supplemental Trust Deed. The categories of Secured Creditor (other than the Security Trustee and any Receiver appointed by it) are as follows:

- 5.4.1 **Loan Note Holder:** the beneficial entitlement of each Loan Note Holder (and where there are Classes, any Loan Note Holder holding one of the Classes in that Series) to a security interest in the Secured Property in relation to that Series shall be specified in the relevant Supplemental Trust Deed and shall be expressed to constitute or form part of that Series;
- 5.4.2 **Enhancement Provider:** if the relevant Supplemental Trust Deed specifies that an Enhancement Provider is to be a Secured Creditor of the Secured Property in relation to that Series or any Class thereof, the beneficial entitlement of such Enhancement Provider to a security interest in the relevant Secured Property shall be specified in the relevant Supplemental Trust Deed and shall be expressed to constitute or form part of that related Series;
- 5.4.3 **Other Secured Creditors:** if the relevant Supplemental Trust Deed specifies that any other party is to be a Secured Creditor of the Secured Property in relation to such Series or any Class thereof, the beneficial entitlement of such additional Secured Creditor to a security interest in the relevant Secured Property shall be specified in the relevant Supplemental Trust Deed.

5.5 **Assignment of Loan Note Issuer (Term) Jersey Secured Property**

To the intent that the Security Trustee (for itself and on trust for the other Secured Creditors of all Series) shall have the Loan Note Issuer (Term) Jersey Security Interest in accordance with the Jersey Security Interests Law as a continuing security for the payment or discharge of the Secured Obligations of all Series, and subject to Clause 8, the Loan Note Issuer (Term) assigns the Loan Note Issuer (Term) Jersey Secured Property to the Security Trustee (or to such other person acting on its behalf as it shall nominate) in order to create a security interest therein pursuant to Article 2(6) of the Jersey Security Interests Law. For the purposes of perfection of such assignment and in connection with the creation of the Loan Note Issuer (Term) Jersey Security Interest pursuant hereto, the Loan Note Issuer (Term) covenants to join with the Security Trustee in giving notice of assignment in the form set out in Schedule 4 forthwith upon demand to each person from whom the Loan Note Issuer (Term) (as assignor) is entitled to claim the Loan Note Issuer (Term) Jersey Secured Property and to procure the acknowledgement of such parties thereto.

5.6 **Particulars of Loan Note Issuer (Term) Jersey Security Interest**

For the purposes of Article 3 of the Jersey Security Interests Law and for the avoidance of doubt, it is hereby agreed as follows:

- 5.6.1 the debtor in respect of the creation of the Loan Note Issuer (Term) Jersey Security Interest is the Loan Note Issuer (Term);

- 5.6.2 the secured parties in respect of the creation of the Loan Note Issuer (Term) Jersey Security Interest are the Security Trustee and the Secured Creditors, **Provided however** that all rights in connection therewith are to be exercised on their behalf by the Security Trustee in accordance with the terms of this Deed, the relevant Supplemental Trust Deed (if applicable) and the Jersey Security Interests Law;
- 5.6.3 the collateral in respect of which the Loan Note Issuer (Term) Jersey Security Interest is created comprises the Loan Note Issuer (Term) Jersey Secured Property;
- 5.6.4 the events of default in respect of the Loan Note Issuer (Term) Jersey Security Interest are the events set out in Condition 9; and
- 5.6.5 the obligations in respect of which the Loan Note Issuer (Term) Security Interest is created comprise the Secured Obligations.
- 5.7 **Reassignment of Loan Note Issuer (Term) Jersey Secured Property**
Following discharge in full of the Secured Obligations of which the Security Trustee has notice, the Security Trustee shall reassign to the Loan Note Issuer (Term) the Loan Note Issuer (Term) Jersey Secured Property.
6. **FORM AND ISSUE OF LOAN NOTES**
- 6.1 **Loan Notes**
The Loan Notes of each Series will be represented by one or more Loan Note Certificates in, or substantially in, the form set out in Schedule 1 (unless otherwise provided in the relevant Supplemental Trust Deed). For the avoidance of doubt, a Series may consist of a single Loan Note or any number of Loan Notes and the Loan Note Certificate may represent any number of such Loan Notes, **Provided however** that where a Series also consists of more than one Class of Note, only Loan Notes of a single Class may be represented by any one Loan Note Certificate.
- 6.2 **Signing of Loan Notes**
The Loan Note Certificates shall be signed manually or in facsimile by two Authorised Signatories of the Loan Note Issuer (Term) and shall be authenticated by manual signature by or on behalf of the Registrar. Each such Loan Note Certificate so executed and authenticated shall be a binding and valid obligation of the Loan Note Issuer (Term). The Loan Note Issuer (Term) may adopt and use the signature of any person who, at the date of signing a Loan Note Certificate, is an Authorised Signatory of the Loan Note Issuer (Term), notwithstanding that such person may for any reason (including death) have ceased to be an Authorised Signatory at the time of the creation and issue of the relevant Loan Note.
- 6.3 **Issue of Loan Notes**
- 6.3.1 An issue of Loan Notes may only be made by the Loan Note Issuer (Term) in accordance with this Deed and the terms of the relevant Supplemental Trust Deed and in any event with the consent of the Security Trustee and the Transferor Beneficiary (such consent to be evidenced by the execution of the

relevant Supplemental Trust Deed by the Security Trustee and the Transferor Beneficiary as set out in this Clause 6.3).

6.3.2 On any Closing Date, the Loan Note Issuer (Term) shall procure the registration of the relevant Loan Note(s) in the name of each relevant initial Loan Note Holder with a subsequent transfer to the Note Trustee for the applicable Series or its nominee and delivery of the appropriate Loan Notes to the Note Trustee under the relevant Deed of Charge. The Loan Note Issuer (Term) shall not so procure the authentication and delivery of the Loan Notes unless the following documents have been received by the Security Trustee in form and substance satisfactory to it:

- (i) a Supplemental Trust Deed in respect of the Series of Loan Notes to be issued satisfying the criteria set out in Clause 6.4 executed by each of the parties thereto (including the Transferor Beneficiary and the Loan Note Issuer (Term)) and specifying the Principal Terms of such Series and the supplements, amendments and variations to this Deed as a consequence thereof;
- (ii) any applicable Enhancement, as specified in such Supplemental Trust Deed;
- (iii) the agreement, if any, pursuant to which the Enhancement Provider agrees to provide its Enhancement, if any;
- (iv) a solvency certificate signed by a duly authorised signatory and dated the Closing Date, from each of the Transferor Beneficiary and the Loan Note Issuer (Term);
- (v) such legal opinions as the Security Trustee may reasonably require; and
- (vi) each other document set out in the relevant Signing and Closing Agenda.

6.4 Supplemental Trust Deeds

6.4.1 A Supplemental Trust Deed shall be executed in order to effect each issuance of a Series of Loan Notes and to create security over the relevant Secured Property relating to such Loan Notes, which shall:

- (i) be executed by the Transferor Beneficiary, the Receivables Trustee, the Registrar, the Security Trustee and the Loan Note Issuer (Term);
- (ii) set out the consent of the Security Trustee and the Transferor Beneficiary to such issue of Loan Notes which shall be deemed to be given by their execution of the Supplemental Trust Deed;
- (iii) constitute, after the issuance of the relevant Series of Loan Notes, a supplement by the Loan Note Issuer (Term) and the Security Trustee to this Deed which, in respect of such Series, shall thereafter be read and

construed as supplemented, amended and varied by such Supplemental Trust Deed;

- (iv) specify the name and category of each Loan Note Holder of the relevant Series (and Class of the relevant Series, if applicable) and, if there is more than one Class in a Series, the rights and priorities of each Class *vis-à-vis* the other Classes constituting the new Series;
- (v) set out the principal terms of such Series (all such terms the "**Principal Terms**") which shall include, without limitation, the following:
 - (1) the Principal Amount Outstanding of the Loan Notes upon issue for such Series;
 - (2) the Secured Property for such Series;
 - (3) the Closing Date;
 - (4) the names of any accounts or ledgers to be used by such Series and the terms governing the operation of any such accounts or ledgers and use of monies therein;
 - (5) any additional Secured Creditors;
 - (6) the terms of any Enhancement with respect to such Series, and the Enhancement Provider, if applicable;
 - (7) the terms governing any deposit into any account provided for such Series; and
 - (8) any other relevant terms of such Series.

6.4.2 The Loan Note Issuer (Term) shall, without any requirement to obtain the consent of the Secured Creditors of any other Series, arrange for a Supplemental Trust Deed to be executed in accordance with Clause 6.4.1 **Provided however** that such Supplemental Trust Deed shall not be executed unless the Security Trustee is of the opinion that the execution of such Supplemental Trust Deed and the issue of the Loan Notes of the related Series will not be materially prejudicial to the rights, benefits and interests of the Secured Creditors of any other Series and for this purpose the Security Trustee shall be entitled to determine that it is not materially prejudicial to the rights, benefits and interests of such Secured Creditors if it receives written confirmation in accordance with Clause 6.4.3.

6.4.3 Each of the Loan Note Issuer (Term) and the Security Trustee shall be entitled to assume that the execution of the Supplemental Trust Deed and the issue of the Loan Notes of the related Series will not be materially prejudicial to the rights, benefits and interests of the Secured Creditors of any other Series and in particular will not be materially prejudicial to the timing and distribution of payments to such other Secured Creditors of such Series if it receives written confirmation from:

- (i) each relevant Rating Agency that the issue of Loan Notes of the relevant Series will not result in such Rating Agency reducing or withdrawing its then current rating on any outstanding Associated Debt for any other Series; or
- (ii) an investment banking firm or commercial bank recognised in the United Kingdom in the form of a Director's Certificate to that effect **Provided, however,** that such confirmation shall be required only if on the relevant Closing Date there is one or more Series then in issue and any of the outstanding Associated Debt of the Loan Note Holders within such Series is not currently rated by a Rating Agency.

Such written confirmation shall be conclusive evidence for the purposes of Clause 6.4.2 that the rights, benefits and interests of the Secured Creditors of any other Series have not been materially prejudiced.

6.4.4 Each Secured Creditor, by its execution of a Supplemental Trust Deed, or in the case of a Loan Note Holder, by the purchase of the relevant Loan Notes subject to the relevant Loan Note Conditions, consents and confirms that the security trust constituted for the benefit of the relevant Secured Creditor under this Deed and any Supplemental Trust Deed may be supplemented, amended and varied from time to time in accordance with the terms of this Deed and any such additional Supplemental Trust Deed.

7. LOAN NOTE ISSUER (TERM) BANK ACCOUNTS AND APPLICATION OF MONIES

7.1 Additional Loan Note Issuer Accounts

7.1.1 In addition to the accounts opened in respect of each Series pursuant to the terms of the relevant Supplemental Trust Deed, the Loan Note Issuer (Term) may, with the consent of the Security Trustee, from time to time open further bank accounts (each an "**Additional Loan Note Issuer Account**") (in its name or to be designated as opened on trust for the Loan Note Issuer (Term) if opened for the benefit of the Loan Note Issuer (Term) by the Security Trustee) at the Operating Bank or at any other Qualified Institution as specified in any Supplemental Trust Deed, **Provided, that** each such Additional Loan Note Issuer Account shall be charged to the Security Trustee on trust for itself and the other Secured Creditors of the Series to which such Additional Loan Note Issuer Account relates.

7.1.2 The Loan Note Issuer (Term) at all times shall maintain accurate records reflecting each transaction in any Additional Loan Note Issuer Account and in any ledger relating thereto.

7.2 Powers of Investment

Subject to the terms of the relevant Supplemental Trust Deed, the Loan Note Issuer (Term) shall have no power of investment.

7.3 Application of monies in Additional Loan Note Issuer Accounts

Amounts deposited in Additional Loan Note Issuer Accounts shall be applied in accordance with the provisions of any relevant Supplemental Trust Deed and Clause 7.4.

7.4 **Payments - Currency of Account and Payment Method**

7.4.1 Unless otherwise specified in any relevant Supplemental Trust Deed, Sterling is the currency of account and payment for each and every sum at any time due from any Person hereunder, **Provided, however** that:

- (i) each payment in respect of costs shall be made in the currency in which the same were incurred; and
- (ii) each payment which is expressed herein to be payable in another currency shall be made in that other currency.

7.4.2 On each date upon which this Deed or any Supplemental Trust Deed requires an amount to be paid by or on behalf of any party to the Loan Note Issuer (Term), such party shall, save as expressly provided otherwise herein or in such Supplemental Trust Deed, make the same available to Loan Note Issuer (Term) by payment in Sterling and in immediately available funds to such account and bank in Jersey as the Loan Note Issuer (Term) shall have specified in writing for this purpose no later than midday on the day that such amount becomes payable.

8. **ENFORCEMENT OF SECURITY**

8.1 **Appointment of Receiver**

8.1.1 Subject to Clause 8.1.2 below, at any time after all or part of the Security in relation to any one or more Series of Loan Notes issued by the Loan Note Issuer (Term) has become enforceable in accordance with the Loan Note Conditions, the Security Trustee may by writing appoint any person or persons to be a Receiver of the Secured Property (save to the extent it comprises Jersey Assets) of any such Series, and may remove any Receiver so appointed and appoint another in its place. Section 109(1) of the Law of Property Act 1925 shall not apply in respect of any such appointment.

8.1.2 Upon receipt of notice of a petition to a court of competent jurisdiction for an administration order to be made on application by a creditor or creditors of the Loan Note Issuer (Term), the Security Trustee shall use reasonable endeavours, subject to its being practicable so to do, and provided it has been indemnified and/or secured to its satisfaction, forthwith to appoint a Receiver or Receivers (being, for the avoidance of doubt, an administrative receiver or similar officer falling within the definition of "**administrative receiver**" under Section 29(2) of the Insolvency Act 1986) of the whole of the Secured Property (save to the extent it comprises Jersey Assets) in relation to all Series of Loan Notes outstanding and issued by Loan Note Issuer (Term) and in relation to the floating charge created pursuant to Clause 5 subject to the immediately following sentence. The Security Trustee shall only give a notice of crystallisation in respect of the floating charge and/or appoint an administrative receiver thereunder or enforce its rights under the Loan Note Issuer (Term) Jersey Security Interest if it has been instructed so to do by the Note Trustee for each outstanding Series and has been indemnified and/or secured to its satisfaction for its costs of so doing. Subject in the case of the Loan Note Issuer (Term) Jersey Security Interest to Article 8(6)(b) of the Jersey Security Interests

Law, any proceeds of enforcement of the Loan Note Issuer (Term) Jersey Security Interest or the floating charge shall be distributed amongst the Secured Creditors of the relevant Series *pro rata* in the proportion which the aggregate Principal Amount Outstanding in respect of each such Series bears to the Aggregate Principal Amount Outstanding of all such Series (as at the date such monies were received) in respect of which such monies were received (unless, in relation to any Series, the relevant Supplemental Trust Deed specifies that any such Series shall be subordinated to any other Series).

- 8.1.3 For the purposes of the Loan Note Issuer (Term) Jersey Security Interest, service by the Security Trustee of a notice upon the Loan Note Issuer (Term) specifying the Loan Note Event of Default in respect of any one or more Series and, if the default is capable of remedy, requiring the Loan Note Issuer (Term) to remedy it, shall constitute notice for the purposes of the Jersey Security Interests Law of an event of default in respect of the Loan Note Issuer (Term) Jersey Security Interest and, subject to the provisions of Articles 6(5) and 8(3) of the Jersey Security Interests Law, the Security Trustee shall have an immediate power of sale over the Loan Note Issuer (Term) Jersey Secured Property, without having to apply to the Royal Court of Jersey for authority to exercise the same.
- 8.1.4 The power of sale in respect of the Loan Note Issuer (Term) Jersey Security Interest shall be exercisable by the Security Trustee in such manner as the Security Trustee may in its discretion deem appropriate and with all powers of a beneficial owner notwithstanding that no such beneficial ownership shall have vested in it as such. Without limitation the Security Trustee may, without liability and subject to the Security Trustee having been indemnified in full and/or provided with security to its satisfaction, sell or dispose of the whole or part of the Loan Note Issuer (Term) Jersey Secured Property at such times and in such manner and generally on such terms and conditions and for such consideration as the Security Trustee may think fit. Any such sale or disposal may be for cash, debentures or other obligations, shares, stocks, securities or other valuable consideration and may be payable immediately or by instalment spread over such a period as the Security Trustee may think fit. The Security Trustee shall have right of recourse to any monies forming part of the Loan Note Issuer (Term) Secured Property and may, without liability and subject to the Security Trustee having been indemnified in full to its satisfaction, apply such monies in the payment or discharge of the Secured Obligations as if such moneys were proceeds of sale.
- 8.1.5 The appointment of any Receiver shall include a direction to the Receiver in relation to those Series in respect of which the specific Security relating to such service has not become enforceable to continue all the existing contracts in relation to such Series and carry on the existing business of the Loan Note Issuer (Term) in relation to such Series.

8.2 Enforcement of Trust by the Security Trustee

At any time after any, some or all of the Loan Notes pertaining to a particular Series shall have become due and repayable in accordance with the relevant Loan Note Conditions and shall not have been repaid (including, without limitation, following a default in payment of principal or interest thereunder), but subject to the provisions of Condition 13, the Security Trustee may at its discretion (but without being under any obligation to do so) and without further notice, recover judgment in its own name and as trustee of an express trust against the Loan Note Issuer (Term) for the whole amount of principal and interest remaining unpaid and take such other steps and/or institute such proceedings as it may think fit against, or in relation to, the Loan Note Issuer (Term) and/or such steps as it may think fit to enforce the security created in favour of the Security Trustee by, and contained in, this Deed and any relevant Supplemental Trust Deed and to enforce the Loan Note Issuer (Term)'s obligations under this Deed and any relevant Supplemental Trust Deed including, without limitation, to enforce repayment of the Loan Notes together with accrued interest and any other monies payable pursuant to this Deed and any relevant Supplemental Trust Deed, provided that the Security Trustee shall be bound by the terms of this Deed and the relevant Supplemental Trust Deed in determining the priority in which any monies received by it shall be applied.

8.3 Standard of proof

Should the Security Trustee take legal or other proceedings against the Loan Note Issuer (Term) to enforce any of the provisions of the Loan Notes, or any of them or any of the provisions of this Deed and any relevant Supplemental Trust Deed, proof therein that, as regards any Loan Note of any Series, the Loan Note Issuer (Term) has made default in paying any principal or interest due in respect of such Loan Note shall (unless the contrary be proved) be sufficient evidence that the Loan Note Issuer (Term) has made the like default as regards all other Loan Notes of such Series in respect of which the relevant payment is then due and payable. The Security Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Security Trustee, the Secured Creditors and the Loan Note Holders allowed in any judicial proceedings relating to the Loan Note Issuer (Term), its auditors or its property.

8.4 Loan Note Enforcement Notice

8.4.1 The Security Trustee shall not be bound to take any such proceedings or steps as are contemplated by any provision of this Clause 8 or any other proceedings pursuant to or in connection with this Deed or any relevant Supplemental Trust Deed, the Loan Notes or any of them or to give any notice pursuant to Condition 9 unless directed or requested to do so by the Note Trustee of a particular Series and then only if it shall have been indemnified and/or secured to its satisfaction.

8.4.2 Subject to the Security Trustee being requested and/or directed by the Note Trustee of a particular Series and subject also it having been indemnified and/or secured to its satisfaction following the occurrence of a Loan Note Event of Default, the Security Trustee shall be required to issue a Loan Note Enforcement Notice and to take such steps as it shall think fit to enforce any

security it holds in relation to a particular Series, save to the extent restricted in accordance with Clause 8.1.2.

9. PROVISIONS UPON ENFORCEMENT

9.1 Powers of a Receiver

If the Security Trustee appoints a Receiver or administrative receiver pursuant to Clause 8, the following provisions (subject, in the case of the Loan Note Issuer (Term) Jersey Secured Property, to the Jersey Security Interests Law) shall have effect in relation thereto:

- 9.1.1 such appointment may be made either before or after the Security Trustee has taken possession of any Secured Property relating to any Series;
- 9.1.2 such Receiver may be vested by the Security Trustee with such powers and discretions as the Security Trustee has and may think expedient and such Receiver may, subject as provided in Clause 8.1, (i) sell or concur in the sale of all or any of the Secured Property, or assign or release all or any of the Secured Property, to any Person save for Capital One Bank (Europe) plc or any of its Affiliates, or (ii) continue the business of the Loan Note Issuer (Term) as a going concern with respect to the Secured Property, in each case without restriction and on such terms and for such consideration (if any) as he may think fit and may carry any such transaction into effect by conveying, transferring and delivering in the name or on behalf of the Loan Note Issuer (Term) or otherwise;
- 9.1.3 such Receiver shall in the exercise of his powers, authorities and discretions conform to regulations from time to time made by the Security Trustee;
- 9.1.4 the exclusion of any part of the Secured Property of any Series from the appointment of the Receiver shall not preclude the Security Trustee from subsequently extending his appointment (or that of the Receiver replacing him) to that part;
- 9.1.5 the remuneration of the Receiver may be fixed by the Security Trustee (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise), but such remuneration shall be payable by the Loan Note Issuer (Term) alone and shall only be payable from such sums as are realised in respect of those Series the Secured Property in respect of which are the subject of the appointment of such Receiver;
- 9.1.6 the Security Trustee may from time to time and at any time require any such Receiver to give security for the due performance of his duties as Receiver and may fix the nature and amount of the security to be so given but the Security Trustee shall not be bound in any case to require any such security;
- 9.1.7 save insofar as otherwise directed by the Security Trustee, all monies in respect of any Series from time to time received by such Receiver shall be paid over forthwith to the Security Trustee to be held by it in accordance with the

provisions of Clause 7 as supplemented by the relevant Supplemental Trust Deed;

- 9.1.8 every such Receiver shall be the agent of the Loan Note Issuer (Term) for all purposes and the Loan Note Issuer (Term) alone shall be responsible for his acts, defaults and misconduct, and the Security Trustee and the Secured Creditors of any Series shall not incur any liability therefor or by reason of its or their making or consenting to the appointment of a person as a Receiver under this Deed and any relevant Supplemental Trust Deed;
- 9.1.9 neither the Security Trustee nor any of the Secured Creditors of any Series shall be in any way responsible for any misconduct or negligence on the part of any such Receiver;
- 9.1.10 the Security Trustee may (subject to Section 45 of the Insolvency Act 1986) remove the Receiver whether or not appointing another in his place and the Security Trustee may also appoint another receiver if the Receiver resigns;
- 9.1.11 the Receiver shall have, *mutatis mutandis*, the powers, authorities and discretions conferred upon the Security Trustee under this Deed and any relevant Supplemental Trust Deed, subject to such restrictions as the Security Trustee may think fit and subject in the case of the Loan Note Issuer (Term) Jersey Secured Property to the Jersey Security Interests Law. Without prejudice to the generality of the foregoing, any Receiver appointed to the whole or substantially the whole of the Secured Property shall have the powers referred to in Schedule 1 of the Insolvency Act 1986;
- 9.1.12 save so far as otherwise directed by the Security Trustee and as otherwise required by law all monies from time to time received by such Receiver shall be paid over to the Security Trustee to be applied by it in the manner set out in the relevant Supplemental Trust Deed;
- 9.1.13 the Security Trustee may pay over to such Receiver any monies constituting part of the Security to the intent that the same may be applied for the purposes of this Deed by such Receiver and the Security Trustee may from time to time determine what funds the Receiver shall be at liberty to keep in hand with a view to the performance of his duties as such Receiver;
- 9.1.14 Sections 109(6) and (8) of the Law of Property Act 1925 (relating to application of monies received by a receiver) shall not apply in relation to a Receiver appointed under Clause 8; and
- 9.1.15 none of the restrictions imposed by the Law of Property Act 1925 in relation to the appointment of receivers or as to the giving of notice or otherwise shall apply in relation to a Receiver appointed under Clause 8.

9.2 **Power of Sale**

Sections 93 and 103 of the Law of Property Act 1925 shall not apply in relation to any Security created under this Deed or any relevant Supplemental Trust Deed, nor in relation to a Receiver appointed under Clause 8. Notwithstanding any other provision of

this Deed, the Loan Notes of any Series shall be deemed for the purposes of Section 101 of the Law of Property Act 1925 to have become due within the meaning of that Section and the power of sale and other powers conferred on mortgagees by the Law of Property Act 1925 as varied or extended by this Deed and any relevant Supplemental Trust Deed including the power to appoint a Receiver shall arise immediately on execution of the relevant Supplemental Trust Deed.

9.3 Proceeds of enforcement held on trust

Subject in the case of the Loan Note Issuer (Term) Jersey Secured Property to the Jersey Security Interests Law, for each Series, all monies received by the Security Trustee in respect of the Security or the Secured Property relating to such Series shall be held by the Security Trustee upon trust to apply the same as provided in this Deed and the relevant Supplemental Trust Deed.

9.4 Further assurance

For each Series, the Loan Note Issuer (Term) shall execute and do all such assurances, acts and things as the Security Trustee or any Receiver may require (including, without limitation, the giving of notices of assignment and the effecting of filings or registrations in any jurisdiction) for perfecting or protecting the Security and from time to time and at any time after the Security or any part thereof has become enforceable shall execute and do all such assurances, acts and things as the Security Trustee or any Receiver may require for facilitating the realisation of, or enforcement of rights in respect of, all or any of the Secured Property relating to such Series and the exercise of all powers, authorities and discretions vested in the Security Trustee or in any Receiver of all or any of the Secured Property relating to such Series.

9.5 Security Trustee's power to borrow

For each Series, subject in the case of the Loan Note Issuer (Term) Jersey Secured Property to the Jersey Security Interests Law, the Security Trustee may raise and borrow money on the security of all or any of the Secured Property relating to such Series for the purpose of defraying any Liabilities paid or incurred by it in relation to this Deed and any relevant Supplemental Trust Deed relating to such Series or in the exercise of any of the powers contained in this Deed and any relevant Supplemental Trust Deed relating to such Series. The Security Trustee may raise and borrow such money at such rate of interest and generally on such terms and conditions as it shall think fit and may secure the repayment of the money so raised or borrowed with interest on the same by mortgaging or otherwise charging all or any of the Secured Property relating to such Series in such manner and form as the Security Trustee may think fit (which mortgage or other charge may rank in priority to, *pari passu* with or after the Security) and for such purposes may execute and do all such assurances and things as it may think fit and no person lending any such money shall be concerned to enquire as to the propriety or purpose of the exercise of any power of the Security Trustee or to see to the application of any money so raised or borrowed.

9.6 Extent of Security Trustee's liability

For each Series, the Security Trustee shall not, nor shall any Receiver appointed as aforesaid nor any attorney, agent or delegate of the Security Trustee by reason of taking possession of or having assigned to it all or any of the Secured Property relating to such

Series or any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever be liable to account for anything except actual receipts or be liable for any loss or damage arising from realisation of, or enforcement of rights in respect of, all or any of the Secured Property relating to such Series or any other property, assets, rights or undertakings of whatsoever nature (including but not limited to any other Secured Property) whether or not owned by the Loan Note Issuer (Term) or any other person or in which the Loan Note Issuer (Term) or such other person has an interest, from any act, default or omission in relation to all or any of the Secured Property relating to such Series or any other property, assets, rights or undertakings of whatsoever nature (including but not limited to any other Secured Property) whether or not owned by the Loan Note Issuer (Term) or any other person or in which the Loan Note Issuer (Term) or such other person has an interest, or from any exercise or non-exercise by it of any power, authority or discretion conferred upon it in relation to all or any of the Secured Property relating to such Series or any other property, assets, rights or undertakings of whatsoever nature (including but not limited to any other Secured Property) whether or not owned by the Loan Note Issuer (Term) or any other person or in which the Loan Note Issuer (Term) or such other person has an interest, by or pursuant to this Deed as supplemented by the relevant Supplemental Trust Deed relating to such Series or otherwise.

9.7 **Powers in addition to statute**

For each Series, the powers conferred by this Deed in relation to all or any of the Secured Property in respect of such Series on the Security Trustee or on any Receiver of all or any of the Secured Property shall (save to the extent they relate to Jersey Assets) be in addition to and not in substitution for the powers conferred on mortgagees or receivers under the Law of Property Act 1925 and the Insolvency Act 1986 and where there is any ambiguity or conflict between the powers contained in such Act and those conferred by this Deed and any relevant Supplemental Trust Deed the terms of this Deed and any relevant Supplemental Trust Deed shall prevail. The powers conferred by this Deed on the Security Trustee in relation to all or any of the Loan Note Issuer (Term) Jersey Secured Property shall be subject to the Jersey Security Interests Law.

9.8 **Duty of enquiry**

For each Series, no person dealing with the Security Trustee or with any Receiver of all or any of the Secured Property in respect of such Series appointed by the Security Trustee shall be concerned to enquire whether any event has happened upon which any of the powers, authorities and discretions conferred by or pursuant to this Deed and any relevant Supplemental Trust Deed in relation to such Secured Property in respect of such Series or any other Secured Property or any other property, assets or undertaking are or may be exercisable by the Security Trustee or by any such Receiver or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers, authorities or discretions and all the protections to purchasers contained in Sections 104 and 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with the Security Trustee or any such Receiver in like manner as if the statutory powers of sale and of appointing a Receiver in relation to such Secured Property in respect of such Series or any other Secured Property or any other

property, assets or undertaking had not been varied or extended by this Deed and any relevant Supplemental Trust Deed.

9.9 Release of Security

Upon proof being given to the satisfaction of the Security Trustee that the Loan Note Issuer (Term) is under no further actual or contingent liability, present or future, under this Deed and any relevant Supplemental Trust Deed in respect of any Series, the Security Trustee shall at the written request and cost of the Loan Note Issuer (Term) execute and do all such deeds, acts and things as may be necessary to reassign or, as the case may be, redeliver and release the Secured Property in respect of such Series from the Security and the trust contained in this Deed as supplemented by the relevant Supplemental Trust Deed.

9.10 Continuing security

The Security constituted by this Deed as supplemented by the relevant Supplemental Trust Deed is continuing security for the performance of the Secured Obligations notwithstanding any intermediate payment in respect of the Secured Obligations and shall be in addition to any other security, rights or remedies which the Security Trustee may have.

9.11 Power of Attorney

For the purpose of securing the interests of the Security Trustee and the other Secured Creditors whether under or pursuant to this Deed or any Series Document or in relation to the Secured Property and the performance of its obligations to the Security Trustee and the other Secured Creditors, whether under or pursuant to this Deed or any Series Document or in relation to the Secured Property, the Loan Note Issuer (Term) irrevocably for value and by way of security hereby severally appoints the Security Trustee and every Receiver of the Secured Property or any part thereof to be its attorney (with full power to appoint substitutes or to sub-delegate, including power to authorise the person so appointed to make further appointments) on behalf of the Loan Note Issuer (Term) and in its name or otherwise, to execute any document or do any assurance, act or thing which the Loan Note Issuer (Term) ought to execute or do pursuant to this Deed and generally on its behalf and in its name or otherwise, to execute any document or do any assurance, act or thing which the Security Trustee or such Receiver (or such substitute or delegate) may, in its or his absolute discretion, properly consider appropriate in connection with the exercise or enforcement of any of the rights, powers, authorities or discretions conferred on the Security Trustee or the Receiver under or pursuant to this Deed or any Series Document. The Loan Note Issuer (Term) hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 9.11. For the avoidance of doubt, this power of attorney is granted, *inter alia*, pursuant to Article 5 of the Powers of Attorney (Jersey) Law 1995 for the purposes of facilitating the Security Trustee's powers hereunder and under the Jersey Security Interests Law in respect of the Loan Note Issuer (Term) Jersey Security Interest.

10. **THE SECURITY TRUSTEE**

10.1 **Duties of the Security Trustee**

- 10.1.1 The Security Trustee agrees to perform such duties and only such duties as are specifically set forth in this Deed as supplemented by the relevant Supplemental Trust Deeds to the extent required or permitted under and in compliance with applicable law and regulations.
- 10.1.2 The Security Trustee shall consent to the operation of the Loan Note Issuer Accounts for each Series by the Loan Note Issuer (Term) in accordance with the provisions of this Deed and any Supplemental Trust Deed.
- 10.1.3 Subject to Clause 8.1.4, after any Security has become enforceable, the Security Trustee shall (provided it is indemnified and/or secured to its satisfaction), if it has actual knowledge of the same, act promptly to exercise its rights under any bank mandate relating to any Loan Note Issuer Account and any Additional Loan Note Issuer Account in respect of which the Loan Note Issuer (Term) is a beneficiary of a trust declared over such account to prevent monies representing Secured Property being paid from such Loan Note Issuer Account or Additional Loan Note Issuer Account to a bank account which is not a Loan Note Issuer Account or an Additional Loan Note Issuer Account and which was overdrawn at the close of business on the preceding Business Day (unless the Security Trustee shall have received evidence satisfactory to it that such overdraft has been satisfied). The Security Trustee shall cease to exercise such rights at such time as the relevant bank account ceases to be overdrawn.
- 10.1.4 The Security Trustee shall maintain proper books of account in respect of its duties as Security Trustee of the Secured Property in respect of each Series and shall maintain records of all assets held by it and all payments made by it in such capacity.
- 10.1.5 The Security Trustee shall not be liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with the direction of any Secured Creditor in respect of a Series relating to the time, method and place of conducting any proceeding for any remedy available to the Security Trustee, or exercising any trust, discretion or power conferred upon the Security Trustee in relation to such Secured Creditor, under this Deed or any Series Document.
- 10.1.6 Notwithstanding any other provision of this Deed or of any relevant Supplemental Trust Deed, the Security Trustee shall not be required to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it believes that the repayment of such funds or adequate indemnity against such risk or liability is not assured to it to its satisfaction, and none of the provisions contained in this Deed or any Series Document shall in any event require the Security Trustee to perform, or be responsible for the manner of the performance of, any of the obligations of the Loan Note Issuer (Term) under

this Deed or any Supplemental Trust Deed, the Servicer under the Receivables Trust Deed and Servicing Agreement.

10.1.7 In relation to its obligations set forth in Clauses 8 and 9, the Security Trustee shall not be obliged to act accordingly unless it has actual knowledge of the occurrence of a Loan Note Event of Default provided that the Security Trustee shall not act in accordance with such obligations if to do so is in breach of any of its obligations in law or under the Series Documents.

10.2 **Supplemental to the Trustee Act 1925 and the Trustee Act 2000**

Subject, in the case of Loan Note Issuer (Term) Jersey Secured Property, to the Jersey Security Interests Law, the Security Trustee shall have all powers conferred upon trustees by the Trustee Act 1925 and the Trustee Act 2000 and by way of supplement to the Trustee Act 1925 and the Trustee Act 2000, it is expressly declared as follows:

10.2.1 **Advice:** The Security Trustee may in relation to this Deed and any relevant Supplemental Trust Deed act on the advice or opinion of or any information obtained from any lawyer, valuer, accountant, banker, broker, credit-rating agency or other expert whether obtained by the Loan Note Issuer (Term), the Security Trustee or otherwise and shall not in the absence of negligence or wilful misconduct or fraud on the part of the Security Trustee, be responsible for any loss occasioned by so acting.

10.2.2 **Transmission of Advice:** Any such advice, opinion or information may be sent or obtained by letter, facsimile transmission or electronic mail and in the absence of negligence or wilful misconduct or fraud on the part of the Security Trustee, the Security Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, facsimile transmission or electronic mail although the same shall contain some error or shall not be authentic.

10.2.3 **Certificate of Directors:** The Security Trustee may call for and shall be at liberty to accept a certificate signed by two directors of the Loan Note Issuer (Term) or other person duly authorised on its behalf as to any fact or matter *prima facie* within the knowledge of the Loan Note Issuer (Term) as sufficient evidence thereof and a like certificate to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, expedient as sufficient evidence of its expediency and the Security Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do.

10.2.4 **Deposit of Certain Documents:** The Security Trustee shall be at liberty to hold or to place this Deed and any relevant Supplemental Trust Deed, any other documents relating to this Deed and any relevant Supplemental Trust Deed in any part of the world with any banker or banking company or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Security Trustee to be of good repute and the Security Trustee shall not be responsible for or required to insure against any loss incurred in connection with any such deposit and may pay all sums

required to be paid on account of or in respect of any such deposit. In relation to any asset held by it under this Deed or any Supplemental Trust Deed, the Security Trustee may appoint any Person to act as its nominee and will not have any obligation to supervise such Person nor be responsible for any loss, liability, claim, action or expense incurred by reason of such nominee's misconduct or default unless the Security Trustee shall have failed to exercise due care in its selection.

- 10.2.5 ***Payment for and Delivery of the Loan Notes:*** The Security Trustee shall not be responsible for the application of the proceeds of the issue of any of the Loan Notes by the Loan Note Issuer (Term).
- 10.2.6 ***Loan Note Events of Default:*** The Security Trustee shall not be bound to give notice to any person of the execution of this Deed and any relevant Supplemental Trust Deed or any of the Relevant Documents or any transaction contemplated hereby or thereby or to take any steps to ascertain whether any Loan Note Event of Default or any Potential Loan Note Event of Default has happened and, until it shall have actual knowledge or express written notice to the contrary, the Security Trustee shall be entitled to assume that no Loan Note Event of Default or such condition, event or act has happened and that Loan Note Issuer (Term) and each other party to any Relevant Document is observing and performing all the obligations on its part contained in the Loan Notes and under this Deed and any relevant Supplemental Trust Deed and/or any Relevant Document to which it is a party.
- 10.2.7 ***Discretion of the Security Trustee:*** Save as expressly otherwise provided in this Deed and any relevant Supplemental Trust Deed and the Loan Note Conditions, the Security Trustee shall have absolute and uncontrolled discretion as to the exercise of the trusts, powers, authorities and discretions vested in the Security Trustee by this Deed and any relevant Supplemental Trust Deed, and the Loan Note Conditions (the exercise of which as between the Security Trustee and the Secured Creditors and other parties thereto shall be conclusive and binding on the Secured Creditors and other parties thereto) and the Security Trustee shall not be responsible for any Liability that may result from the exercise or failure to exercise any such trust, power, authority and discretion, but whenever the Security Trustee is under the provisions of this Deed and any relevant Supplemental Trust Deed, and/or the Loan Note Conditions bound to act at the request or direction of the Secured Creditors, or any of them, or any other relevant party, the Security Trustee shall nevertheless not be so bound unless first indemnified and/or secured to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing.
- 10.2.8 ***Resolution of the Loan Note Holders:*** The Security Trustee shall not be liable for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Loan Note Holders in respect whereof minutes have been made and signed, even though subsequent to its acting it may

be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Loan Note Holders or not, in the case of a Written Resolution, signed by a duly authorised signatory on their behalf.

- 10.2.9 **Security Trustee's Consent:** Any consent or approval given by the Security Trustee for the purpose of this Deed and any relevant Supplemental Trust Deed, may be given on such terms and subject to such conditions (if any) as the Security Trustee thinks fit and notwithstanding anything to the contrary contained in this Deed and any relevant Supplemental Trust Deed may be given retrospectively.
- 10.2.10 **Confidentiality:** The Security Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Secured Creditor or any other person any confidential financial, price sensitive or other information made available to the Security Trustee by the Loan Note Issuer (Term) or any other person in connection with the trusts created under this Deed and any relevant Supplemental Trust Deed and no Secured Creditor or other person shall be entitled to take any action to obtain from the Security Trustee any such information. The Security Trustee shall be entitled to disclose any information held by it to the Note Trustee.
- 10.2.11 **Currency Conversion:** Where it is necessary or desirable for any purpose in connection with this Deed and any relevant Supplemental Trust Deed to convert any sum from one currency to another it shall (unless otherwise provided by this Deed and any relevant Supplemental Trust Deed or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be specified by the Security Trustee in its absolute discretion and any rate, method and date so agreed shall be binding on the Loan Note Issuer (Term) and the Secured Creditors.
- 10.2.12 **Default in Performance:** The Security Trustee may certify in accordance with the provisions of Condition 9.1.2 whether or not a default by the Loan Note Issuer (Term) in the performance or observance of any of its obligations pursuant to that Condition is in its opinion materially prejudicial to the interests of the Loan Note Holders and any such certificate shall be conclusive and binding upon the Loan Note Issuer (Term) and the Loan Note Holders.
- 10.2.13 **Assumption of Due Performance:** The Security Trustee shall not be bound to take any steps to ascertain whether any event, condition or act, the happening of which would cause a right or remedy to become exercisable by the Security Trustee under this Deed and any relevant Supplemental Trust Deed has happened or to monitor or supervise the observance and performance by the Loan Note Issuer (Term) or any of the other parties to any of the Transaction Documents of their respective obligations thereunder and, until it shall have actual knowledge to the contrary, the Security Trustee shall be entitled to assume that no such event, condition or act has happened and that the Loan

Note Issuer (Term) and each of the other parties thereto are observing and performing all their respective obligations thereunder.

10.2.14 **Reliance on Documents:** Save as explicitly provided in this Deed and any relevant Supplemental Trust Deed or in the relevant Relevant Document, the Security Trustee shall not be responsible for any of the following, nor for investigating any matter which is the subject of the following:

- (i) recitals, statements, warranties or representations of any party contained in any Relevant Document or security created pursuant to the terms thereof or other document entered into in connection therewith and shall assume the accuracy and correctness thereof and the Security Trustee may accept without enquiry, requisition or objection such title as the Loan Note Issuer (Term) may have to the security constituted by this Deed or any relevant Supplemental Trust Deed or any part thereof; or
- (ii) the execution, legality, effectiveness, adequacy, genuineness, validity or enforceability or admissibility in evidence of any such agreement or other document or security thereby constituted.

Notwithstanding the generality of the foregoing, each Secured Creditor shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Loan Note Issuer (Term) and the Security Trustee shall not at any time have any responsibility for the same and each Secured Creditor shall not rely on the Security Trustee in respect thereof.

10.2.15 **No liability for Employees:** The Security Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Security Trustee assigned by the Security Trustee to administer its corporate trust matters unless it shall be proved that the Security Trustee was negligent in ascertaining the pertinent facts.

10.2.16 **Determinations of the Security Trustee conclusive:** The Security Trustee as between itself and the Secured Creditors shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Deed and any relevant Supplemental Trust Deed or any security constituted in connection therewith, and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Security Trustee, shall be conclusive and shall bind the Loan Note Issuer (Term) and the Secured Creditors.

10.2.17 **Determination of Default in Performance:** The Security Trustee may determine in its sole discretion whether or not a default in the performance by the Loan Note Issuer (Term) of any obligation under the provisions of this Deed and any relevant Supplemental Trust Deed or contained in the the Loan Notes or of Loan Note Issuer (Term) or any other party to any other party to any of the other Relevant Documents is capable of remedy and, if the Security Trustee shall certify that any such default is, in its opinion, not capable of remedy, such

certificate shall be conclusive and binding upon the Loan Note Issuer (Term) and the Secured Creditors.

10.2.18 **Responsibility:** The Security Trustee shall not be responsible for the execution, legality, adequacy, enforceability, genuineness, validity, effectiveness or suitability of any of the Relevant Documents or any security constituted in connection therewith or other documents entered into in connection therewith or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted thereby or pursuant thereto, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court and (without prejudice to the generality of the foregoing) the Security Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:

- (i) the nature, status, creditworthiness or solvency of the Loan Note Issuer (Term) or any other person or entity who has at any time provided any security or support whether by way of guarantee, charge or otherwise in respect of any advance made to the Loan Note Issuer (Term);
- (ii) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of any mortgage, charge or any other document entered into in connection therewith;
- (iii) the title, ownership, value, sufficiency or existence of the Loan Notes and any security given with respect thereto;
- (iv) the registration, filing, protection or perfection of any assignment or security interest relating to the trusts constituted hereby or the priority of the security created by this Deed or by any relevant Supplemental Trust Deed;
- (v) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection herewith;
- (vi) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances in relation to any of the assets the subject matter of any of the Relevant Documents and/or the security contemplated in connection therewith and/or any other document;
- (vii) any accounts, books, records or files maintained by the Loan Note Issuer (Term) or any other person in respect of the Loan Notes, the Relevant Documents or otherwise;

- (viii) obtaining insurance for any of the security constituted by this Deed and any relevant Supplemental Trust Deed or any deeds or documents of title or other evidence in respect thereof and shall not be responsible for any loss, expense or liability which may be suffered as a result of the lack of or inadequacy of any such insurance;
- (ix) any deficiency in amounts payable to Secured Creditors by virtue of the Security Trustee being liable to tax or obliged by law to deduct tax, both in respect of sums received, held or paid out by it under this Deed or any Supplemental Trust Deed (save that this shall not be taken as giving any authority or right to the Security Trustee to so deduct as a result of taxes for which it is liable in respect of its remuneration pursuant to Clause 13); or
- (x) investigating whether any statement made by any party to any of the Relevant Documents is correct at the time when such statement is made, or for ascertaining whether the effect of any such statement being incorrect would have a Material Adverse Effect on the interests of any party,

unless the same results solely from the Security Trustee's gross negligence, wilful misconduct or fraud under this Deed or any other Series Document.

- 10.2.19 ***Exclusion of liability:*** The Security Trustee shall not be liable or responsible for any loss, cost, damages, expenses or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of this Deed and any relevant Supplemental Trust Deed or any security constituted pursuant hereto or thereto or any other document or as a consequence of or in connection with it being held or treated as, or being deemed to be, a creditor, for the purposes of the Consumer Credit Act 1974, in respect of any of the Receivables.
- 10.2.20 ***Illegality:*** Notwithstanding anything else contained in this Deed and any relevant Supplemental Trust Deed or the other Relevant Documents, the Security Trustee may refrain from doing anything which would, or which in its opinion might, be contrary to any law of any jurisdiction or any directive or regulation of any agency of any state or which would or might otherwise render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.
- 10.2.21 ***Certificates of other Parties to the Documents:*** The Security Trustee shall be entitled to call for (and the Loan Note Issuer (Term) shall procure the delivery of), and to rely upon, a certificate or any letter of confirmation or explanation reasonably believed by it to be genuine, of the Note Trustee, the Rating Agencies or any other credit-rating agency or any party to any other Relevant Document in respect of every matter and circumstance for which a certificate is expressly provided for under this Deed and any relevant Supplemental Trust Deed or in respect of the rating of the Notes and to call for (and the Loan Note

Issuer (Term) shall procure the delivery of), and rely upon, a certificate of the Loan Note Issuer (Term), the Note Trustee or any party to any other Relevant Document reasonably believed by it to be genuine as to any other fact or matter *prima facie* within the knowledge of the Loan Note Issuer (Term) or the Note Trustee as sufficient evidence thereof and the Security Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be occasioned by its failing so to do.

- 10.2.22 ***Consequence of Modifications:*** In connection with any proposed modification, waiver, authorisation or determination permitted by the terms of this Deed and any relevant Supplemental Trust Deed, the Security Trustee shall not have regard to the consequences (including the tax consequences) thereof for individual Secured Creditors resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to, the jurisdiction of any particular territory.
- 10.2.23 ***Responsibility for Reports etc.:*** The Security Trustee shall have no responsibility to verify or monitor the contents of, or (if applicable) to check any calculations contained in, any reports, information, documents, Officer's Certificate and Opinions of Counsel delivered to the Security Trustee in accordance with Clauses 14.1.15, 14.1.16 and 14.2 and is under no obligation to inform Secured Creditors of the contents of any such reports, information, documents, Officer's Certificate and Opinions of Counsel, other than allowing Secured Creditors upon reasonable notice, to inspect such reports, information, documents, Officer's Certificate and Opinions of Counsel;
- 10.2.24 ***No liability as a result of the Delivery of a Certificate:*** The Security Trustee shall have no liability whatsoever for any loss, cost, damages or expenses directly or indirectly suffered or incurred by the Loan Note Issuer (Term), any Secured Creditor or any other person as a result of the delivery by the Security Trustee of a certificate, or the omission by it to deliver a certificate, to the Loan Note Issuer (Term) as to material prejudice pursuant to Condition 9.1.2, on the basis of an opinion formed by it in good faith.
- 10.2.25 ***Material Prejudice:*** The Security Trustee shall be entitled to assume, for the purposes of exercising any power, trust, authority, duty or discretion under or in relation to this Deed and any relevant Supplemental Trust Deed or any security constituted pursuant hereto or thereto that such exercise will not be materially prejudicial to the interests of the Secured Creditors if each Rating Agency has confirmed that the then current rating of the Notes constituting the Associated Debt in respect of the relevant Series or Class of Loan Notes concerned would not be adversely affected by such exercise.
- 10.2.26 ***Duties of the Security Trustee:*** Notwithstanding any additional duties imposed on the Security Trustee under the Trustee Act 1925 or the Trustee Act 2000 or otherwise, if a Loan Note Event of Default has occurred and is continuing, the Security Trustee shall exercise the rights and powers and use the same degree of

care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

- 10.2.27 **Acting in Good Faith:** The Security Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorised or within the discretion or rights or powers conferred upon it by this Deed or any Series Document;
- 10.2.28 **No Examination:** The Security Trustee shall not be required to make any initial or periodic examination of any documents or records related to the Designated Accounts in respect of the Securitised Portfolio or the Receivables in respect of such Designated Accounts for the purpose of establishing the presence or absence of defects, the compliance by the Transferor Beneficiary with its representations and warranties or for any other purpose;
- 10.2.29 **Written Communications:** The Security Trustee shall not be responsible for having acted in good faith on a written communication received by it from any Person and believed by it to be genuine whether or not the same is later proved not to have been issued with due authority or to be authentic;
- 10.2.30 **Fees, Commissions, Profits etc.:** The Security Trustee shall not be liable to account for any fees, commissions, profits or remuneration of any kind it may receive if it assumes any role in relation to the Transferor Beneficiary, the Loan Note Issuer (Term) and any related companies or any securities or debts issued by or outstanding of them and the Security Trustee may acquire and dispose of securities issued by any of them without being liable to account as aforesaid other than for the wilful misconduct or gross negligence of the Security Trustee, its employees or agents in connection with such acquisition or disposal;
- 10.2.31 **Loan Note Holders and other Secured Creditors:** Unless specified otherwise in a Supplemental Trust Deed, the Security Trustee shall have regard only to the interests of the Loan Note Holders (including when exercising any powers exercisable only in the interests of the Secured Creditors or only if the interests of the Secured Creditors are not materially prejudiced thereby) in respect of any Series and not to the interests of any other Secured Creditor or Security Beneficiary in respect of any Series and shall have no duties to any Secured Creditor or Security Beneficiary other than the Loan Note Holders other than to pay to them any monies it holds on trust for them in respect of any Series;
- 10.2.32 **Loan Note Holders as a Class:** The Security Trustee shall have regard to the interest of the Loan Note Holders in respect of any Series as a Class and not to their individual interests and save that if there is in the opinion of the Security Trustee a conflict between the interests of Loan Note Holders in respect of any Series it shall have regard only to the interests of the Class ranking most senior in such Series and shall not be liable to other Loan Note Holders in such Series for doing so; and
- 10.2.33 **Conflict between Loan Note Holders and Noteholders:** If in the opinion of the Security Trustee there is a conflict between the interests of the Loan Note

Holders (or any of them) of any Series and the holders of Notes forming part of the Associated Debt in relation to such Series, the Security Trustee shall have regard to the interests of the holders of Notes in place of those of the Loan Note Holders and shall not be liable to the Loan Note Holders for so doing.

10.3 **Miscellaneous Powers and Duties Relating to Security**

Subject, in the case of Loan Note Issuer (Term) Jersey Secured Property, to the Jersey Security Interests Law and without prejudice to the provisions of Clauses 10.1 and 10.2, the Security Trustee shall also have the following powers and duties in relation to the Security.

- 10.3.1 ***No responsibility for Security:*** The Security Trustee shall not be responsible for any Liability occasioned to the Security however caused, whether by an act or omission of the Loan Note Issuer (Term) or any other party to the Transaction Documents or any other person (including any bank, broker, depository or other intermediary or any clearing system or operator thereof) acting in accordance with or contrary to the provisions of any of the Transaction Documents or otherwise and irrespective of whether the Security is held by or to the order of any of such persons, unless such loss is caused by the fraud, wilful default or negligence of the Security Trustee;
- 10.3.2 ***Depreciation in value:*** Until such time as the Security becomes enforceable, the monies standing to the credit of any account comprised in the Security shall be dealt with in accordance with the provisions of the Transaction Documents and the Security Trustee shall not be responsible in such circumstances or at any other time for any Liability occasioned thereby whether by depreciation in value or by fluctuation in exchange rates or otherwise unless such Liability is occasioned by the negligence or wilful default of the Trustee;
- 10.3.3 ***No liability for loss:*** The Security Trustee will not be liable for any decline in the value nor any loss realised upon any sale or other disposition of any of the Security made pursuant to this Deed and any relevant Supplemental Trust Deed;
- 10.3.4 ***Trust Pay Out Events etc.:*** Without prejudice to the generality of any of the foregoing provisions, the Security Trustee shall be under no obligation to investigate whether a Trust Pay Out Event or Servicer Default or any breach or default has occurred under the terms of the Receivables Trust Deed and Servicing Agreement, nor obliged to make any investigation into any facts or matters stated in any of the items referred to in Clause 7.2(f) of the Receivables Trust Deed and Servicing Agreement; and
- 10.3.5 ***Replacement Servicer:*** For the avoidance of doubt, the Security Trustee shall not be under any obligation to take steps to appoint any replacement Servicer in the event that any such person shall resign or have their appointments terminated in accordance with the terms of any relevant Transaction Documents.

10.4 **Pre-enforcement application of funds**

Until such time as the Security in relation to any Series becomes enforceable the monies standing to the credit of any account comprised in the Secured Property in respect of such Series shall be dealt with in accordance with the provisions of the relevant Supplemental Trust Deed and the Security Trustee shall not be responsible in such circumstances or at any other time for any loss occasioned thereby by depreciation in value.

10.5 **No obligation of enquiry**

The Security Trustee shall not be responsible for investigating, monitoring or supervising the observance or performance by any person of their obligations in respect of the Secured Property in respect of any Series or otherwise.

10.6 **Standard of Care**

Section 1 of the Trustee Act 2000 shall not apply to any function of the Security Trustee, provided that, if the Security Trustee fails to show the degree of care and diligence required of it as a Security Trustee (due regard being given to the provisions hereof conferring on it duties, powers and discretions), nothing in this Deed shall relieve or indemnify it from or against any liability that would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty.

11. **RESIGNATION OR REMOVAL OF THE SECURITY TRUSTEE**

11.1 **Resignation**

The Security Trustee, subject to Clause 11.3 below, may at any time resign and be discharged from its obligations and duties hereby created by giving written notice thereof to the Loan Note Issuer (Term). Upon receiving such notice of resignation, the Loan Note Issuer (Term) shall be vested with the power to appoint a successor Security Trustee and shall promptly appoint such successor Security Trustee as detailed in Clause 11.4 by written instrument, in duplicate, one copy of which instrument shall be delivered to the resigning Security Trustee and one copy to the successor Security Trustee. If no successor Security Trustee shall have been so appointed and have accepted within 30 days after the giving of such notice of resignation, the resigning Security Trustee may petition any court of competent jurisdiction for the appointment of a successor Security Trustee.

11.2 **Removal of Security Trustee**

11.2.1 If at any time the Security Trustee shall be legally unable to act, or shall be adjudged insolvent, or a receiver of the Security Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Security Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Loan Note Issuer (Term) may, but shall not be required to, remove the Security Trustee and promptly appoint a successor Security Trustee as detailed in Clause 11.4 by written instrument, in duplicate, one copy of which instrument shall be delivered to the Security Trustee so removed and one copy to the successor Security Trustee.

11.2.2 The Secured Creditors of all Outstanding Series may at any time by direction signed by all the Secured Creditors in writing addressed to the Security Trustee

and the Loan Note Issuer (Term) remove the Security Trustee and shall do so by giving written notice thereof to the Security Trustee. Upon such notice of removal being given, the Loan Note Issuer (Term) shall be vested with the power to appoint a successor Security Trustee and shall promptly appoint such successor Security Trustee as detailed in Clause 11.4 by written instrument, in duplicate, one copy of which instrument shall be delivered to the Security Trustee being removed and one copy to the successor Security Trustee.

11.3 Appointment of Successor

Any resignation or removal of the Security Trustee and appointment of a successor Security Trustee pursuant to any of the provisions of this Clause 11 shall not become effective until:

- (i) acceptance of appointment by the successor Security Trustee as provided in Clause 11.4 hereof (and any liability of the Security Trustee arising hereunder shall survive such appointment of a successor Security Trustee); and
- (ii) confirmation has been received from each Rating Agency that the appointment of the successor Security Trustee will not result in such Rating Agency reducing or withdrawing its then current rating on any outstanding Associated Debt.

11.4 Successor Security Trustee

11.4.1 Any successor Security Trustee appointed as provided in this Clause 11 shall execute, acknowledge and deliver to the Loan Note Issuer (Term) and to its predecessor Security Trustee an instrument accepting such appointment hereunder and the transfer of the interests of the predecessor Security Trustee in the Secured Property in respect of each Series to such successor Security Trustee, and thereupon the resignation or removal of the predecessor Security Trustee shall become effective and such successor Security Trustee, without any further act, deed or conveyance, shall become fully vested with such interests in the Secured Property in respect of each Series and all the rights, powers, duties and obligations of its predecessor hereunder, with the like effect as if originally named as Security Trustee herein. The predecessor Security Trustee shall deliver to the successor Security Trustee all documents and statements held by it hereunder, and the parties to this Deed and the predecessor Security Trustee shall execute and deliver such instruments and do such other things as may reasonably be required by the successor Security Trustee for fully and certainly vesting and confirming in the successor Security Trustee all such interests in Secured Property in respect of all Series and such rights, powers, duties and obligations.

11.4.2 Upon acceptance of appointment by a successor Security Trustee as provided in this Clause 11.4, such successor Security Trustee shall give notice of such succession hereunder to all Secured Creditors of each Series.

11.4.3 Any successor Security Trustee will be a person in the United Kingdom.

11.4.4 For as long as the Note Trustee has not resigned or its appointment been terminated, any successor Security Trustee shall be the same entity as the Note Trustee unless the predecessor Security Trustee agrees otherwise.

11.5 Appointment of Co-Security Trustee or Separate Security Trustee

11.5.1 Notwithstanding any other provisions of this Deed, at any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Secured Property in respect of any Series may at the time be located, the Security Trustee shall have the power and may execute and deliver all instruments to appoint one or more Persons to act as a co-Security Trustee or co-Security Trustees, or separate Security Trustee or separate Security Trustees, with respect to all or any part of the Secured Property in respect of any Series, and to vest in such Person or Persons, in such capacity and for the benefit of the Secured Creditors of the relevant Series, such title to the Secured Property in respect of any Series or any part thereof, and, subject to the other provisions of this Clause 11.5, such powers, duties, obligations, rights and trusts as the Security Trustee may consider necessary or desirable. No notice to Secured Creditors of the relevant Series of the appointment of any co-Security Trustee or separate Security Trustee shall be required under Clause 11.4 hereof.

11.5.2 Every separate Security Trustee and co-Security Trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

- (i) all rights, powers, duties and obligations conferred or imposed upon the Security Trustee shall be conferred or imposed upon and exercised or performed by the Security Trustee and such separate Security Trustee or co-Security Trustee jointly (it being understood that such separate Security Trustee or co-Security Trustee is not authorised to act separately without the Security Trustee joining in such act), except to the extent that under any laws of any jurisdiction in which any particular act or acts are to be performed (whether as Security Trustee hereunder or as successor to the Security Trustee hereunder), the Security Trustee shall be incompetent or unqualified to perform such act or acts, in which circumstances such rights, powers, duties and obligations (including the holding of title to the Secured Property in respect of any Series or any portion thereof in any such jurisdiction) shall be exercised and performed singly by such separate Security Trustee or co-Security Trustee, but solely at the direction of the Security Trustee;
- (ii) no Security Trustee hereunder shall be personally liable by reason of any act or omission of any other Security Trustee hereunder; and
- (iii) the Security Trustee may at any time accept the resignation of or remove any separate Security Trustee or co-Security Trustee Provided that upon such resignation or removal, all title to any Secured Property, powers, duties, obligations, rights and trusts previously vested in such

separate Security Trustee shall immediately revert to the Security Trustee.

- 11.5.3 Any notice, request or other writing given to the Security Trustee shall be deemed to have been given to each of the then separate Security Trustees and co-Security Trustees, as effectively as if given to each of them. Every instrument appointing any separate Security Trustee or co-Security Trustee shall refer to this Deed and the conditions of this Clause 11. Each separate Security Trustee and co-Security Trustee, upon its acceptance of the trusts conferred, shall be vested with the rights, trusts, powers, duties and obligations specified in its instrument of appointment, either jointly with the Security Trustee or separately, as may be provided therein, subject to all the provisions of this Deed, specifically including every provision of this Deed relating to the conduct of, affecting the liability of, or affording protection to, the Security Trustee. Every such instrument shall be filed with the Security Trustee and a copy thereof given to the Loan Note Issuer (Term) and the Servicer.
- 11.5.4 Any separate Security Trustee or co-Security Trustee may at any time constitute the Security Trustee as its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect to this Deed or any Series Document on its behalf and in its name. If any separate Security Trustee or co-Security Trustee shall die, become incapable of acting, resign or be removed, all of its rights, trusts, powers, duties and obligations shall vest in and be exercised by the Security Trustee, to the extent permitted by law, without the appointment of a new or successor Security Trustee.

12. COSTS AND EXPENSES OF THE LOAN NOTE ISSUER (TERM)

As full reimbursement for any costs and expenses incurred by it in connection with its activities in respect of (i) a particular Series, the Loan Note Issuer (Term) prior to the service of a Loan Note Enforcement Notice, and the Security Trustee thereafter, shall be entitled to utilise Secured Property in respect of each Series allocated to the Secured Creditors for the relevant Series to meet such costs and expenses attributable solely to a particular Series with respect to each Interest Period, solely to the extent of Secured Property allocable with respect thereto as provided in this Deed, any Supplemental Trust Deed and the relevant Loan Note Conditions, on the related Distribution Date for such Series (which shall include all sums due to the Security Trustee under Clause 13) and, (ii) some or all Series, the Loan Note Issuer (Term) prior to the service of a Loan Note Enforcement Notice, and the Security Trustee thereafter, shall be entitled to use Secured Property in respect of those Series allocated to the Secured Creditors for each Series to meet such costs and expenses attributable to those Series with respect to each Interest Period, solely to the extent of Secured Property allocable with respect thereto as provided in this Deed, any Supplemental Trust Deed and the relevant Loan Note Conditions, on the related Distribution Date for each Series. The amount of any reimbursement for its activities as the Loan Note Issuer (Term) will be determined in accordance with the relevant Supplemental Trust Deed for each Series. For the avoidance of any doubt, the amounts due to the Security Trustee under Clause 13 shall be considered expenses of the

Loan Note Issuer (Term) and (1) will be allocated to the particular Series the Security Trustee is owed an amount in respect of (if this is capable of calculation), and (2) will be exclusive of VAT thereon, if applicable and any such VAT will be payable in addition thereto and at the time of payment of amounts due under Clause 13.

13. **REMUNERATION OF SECURITY TRUSTEE**

13.1 **Annual Fee**

The Loan Note Issuer (Term) shall pay to the Security Trustee remuneration for its services as trustee as from the date of this Deed, such remuneration to be at such annual rate as may from time to time be agreed between the Loan Note Issuer (Term) and the Security Trustee. Such remuneration shall be payable yearly in advance on the Interest Payment Date immediately following the anniversary of the initial Closing Date, provided that the first such payment will be made on the initial Closing Date. Remuneration shall accrue from day to day and be payable (in priority to payments to the Loan Note Holders) up to (and including) the date when, the Loan Notes having become due for redemption in full, the redemption monies and interest thereon to the date of redemption have been paid to the Loan Note Holders or, as the case may be, the relevant Registered Holder or the Security Trustee, provided that, if any payment of the monies due in respect thereof is improperly withheld or refused, remuneration will start to accrue again.

13.2 **Additional Fee for Exceptional Duties**

In the event of the occurrence of a Loan Note Event of Default or if the Security Trustee considers it expedient or necessary or is requested by the Loan Note Issuer (Term) to undertake duties which the Security Trustee and the Loan Note Issuer (Term) agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Security Trustee under this Deed the Loan Note Issuer (Term) shall pay to the Security Trustee such additional remuneration as shall be agreed between them.

13.3 **Failure to Agree**

In the event of the Security Trustee and the Loan Note Issuer (Term) failing to agree:

- (i) (in a case to which Clause 13.1 or Clause 13.2 applies) upon the amount of the remuneration; or
- (ii) (in a case to which Clause 13.2 above applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Security Trustee under this Deed or under any relevant Supplemental Trust Deed, or upon such additional remuneration,

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

13.4 **Indemnity of Security Trustee**

The Loan Note Issuer (Term) shall indemnify the Security Trustee to the extent of and from the Secured Property in respect of any Series, in respect of all Liabilities and expenses properly incurred by it or by anyone appointed by it or to whom any of its functions may be delegated by it in connection with its appointment or the performance of or in relation to, its functions and against any loss, liability, cost, claim, action, demand or expense (including, but not limited to, all costs, charges and expenses paid or incurred in disputing or defending any of the foregoing) that any of them may incur or that may be made against any of them arising out of or in relation to or in connection with, its appointment or the proper exercise of its functions. This Clause 13.4 shall continue in full force and effect as regards the Security Trustee even if it no longer is Security Trustee.

13.5 **Indemnity of Receiver etc.**

13.5.1 Without prejudice to the right of indemnity by law given to trustees and subject to the provisions of Section 192 of the Companies Act 1985, the Security Trustee and every receiver, attorney, manager, agent, or other person appointed by the Security Trustee hereunder in relation to each Series shall be entitled to be indemnified to the extent of and from the Secured Property (in respect of any Series) for all liabilities and expenses incurred by them in the execution or purported execution of the trusts hereof or of any powers, authorities or discretions properly vested in them pursuant to this Deed and any relevant Supplemental Trust Deed and against all actions, proceedings, cost, claims, and demands in respect of any matters or things done or omitted in any way related to the Secured Property, and the Security Trustee may retain from any part of any monies arising from the trusts hereof all sums necessary to effect such indemnity and also to pay the remuneration of the Security Trustee hereinbefore provided and the Security Trustee shall have a lien on such Secured Property to the extent of the sum thereof for all monies payable to it under this Clause or otherwise howsoever.

13.5.2 If the Security Trustee determines in its sole discretion that any such liabilities and expenses as are mentioned in Clause 13.5.1 cannot be considered to be solely referable to a particular Series, it shall be entitled in its sole discretion to allocate such liabilities and expenses between such Series as it shall consider those liabilities and expenses to be referable *pro rata* in the proportion which the aggregate Principal Amount Outstanding in respect of each such Series bears to the aggregate Principal Amount Outstanding of all such Series (as at the date such liabilities and expenses were incurred) in respect of which such liabilities and expenses were incurred as a whole.

14. **COVENANTS BY THE LOAN NOTE ISSUER (TERM) AND THE TRANSFEROR BENEFICIARY**

14.1 **Covenants**

The Loan Note Issuer (Term) and the Transferor Beneficiary, in respect of each Series, hereby covenants with the Security Trustee that, until (i) no further sums are outstanding in respect of any Secured Obligation of the Loan Note Issuer (Term); (ii) the Loan Note

Issuer (Term) has fulfilled and discharged all of the Secured Obligations in respect of each Series; and (iii) this Deed is terminated as between the Loan Note Issuer (Term) and all the other parties, it shall in relation to its respective obligations under any Series:

- 14.1.1 in the case of the Loan Note Issuer (Term), at all times carry on and conduct its affairs in a proper and efficient manner and for the purposes of US GAAP, and not engage in any activities other than Permitted Activities;
- 14.1.2 in the case of the Loan Note Issuer (Term) at all times keep proper books of account and allow the Security Trustee and any person appointed by it, to whom the Loan Note Issuer (Term) or the Transferor Beneficiary have no reasonable objection, access to the books of account of the Loan Note Issuer (Term) at all reasonable times during normal business hours and to discuss the same with a nominated officer of the Loan Note Issuer (Term) and in the event that audited financial accounts of the Loan Note Issuer (Term) are produced, to provide a copy thereof to the Security Trustee in relation to each Series;
- 14.1.3 give notice in writing to the Security Trustee and the Loan Note Holders in respect of such Series forthwith upon becoming aware of the occurrence of a Loan Note Event of Default or Potential Loan Note Event of Default in relation to such Series and without waiting for the Security Trustee to take any action;
- 14.1.4 in the case of the Loan Note Issuer (Term), so far as permitted by law, at all times give to the Security Trustee such information and afford the Security Trustee such facilities as it may require for the purpose of discharging the duties, powers, trusts, authorities and discretions vested in it by this Deed or by operation of law;
- 14.1.5 in the case of the Loan Note Issuer (Term), unless specified otherwise in the relevant Supplemental Trust Deed, not make or consent to any material amendment, variation or termination to any Series Document in respect of any Series or any Secured Property in respect of such Series without the prior written consent of the Security Trustee (in its capacity as trustee) and with due diligence use best efforts to pursue the performance of any party with which it has contracted of the obligations of such party under any Series Document;
- 14.1.6 in the case of the Loan Note Issuer (Term) not, without the prior written consent of the Security Trustee, give any guarantee or indemnity (other than as contemplated by the Series Documents and the Articles of Association of the Loan Note Issuer (Term));
- 14.1.7 in the case of the Loan Note Issuer (Term), not establish a branch or agency nor maintain an office or establishment in the United Kingdom;
- 14.1.8 ensure that each Series and all other transactions to be effected hereunder shall at the time when they are entered into comply with all applicable laws and regulations of any governmental or other regulatory authority of the United Kingdom and Jersey for the purposes of any relevant Series Documents and that all necessary consents and approvals of, and registrations and filings with, any

such authority in connection therewith are obtained and maintained in full force and effect and copies thereof are supplied promptly to the Security Trustee;

- 14.1.9 in the case of the Loan Note Issuer (Term), promptly after the date hereof join with the Security Trustee in giving notice to each relevant Person of the Security granted to the Security Trustee hereunder and procure that each such Person acknowledges the same. In addition to the foregoing, the Loan Note Issuer (Term) shall from time to time deliver, and assist the Security Trustee in delivering, any other notices in relation to any Security as the Security Trustee may reasonably request;
- 14.1.10 in the case of the Loan Note Issuer (Term), at all times maintain its residence in Jersey and outside the United Kingdom for the purposes of United Kingdom taxation;
- 14.1.11 in the case of the Loan Note Issuer (Term), use commercially reasonable efforts to maintain its status as an "exempt company" within the meaning of Article 123A of the Income Tax (Jersey) Law 1961, as amended;
- 14.1.12 in the case of the Loan Note Issuer (Term), at all times use its best efforts to minimise taxes and any other costs arising in connection with its activities;
- 14.1.13 in the case of the Loan Note Issuer (Term), forthwith upon execution of any further instruments or documents pursuant to any Supplemental Trust Deed creating or purporting to create or to perfect or to protect any security interest by the Loan Note Issuer (Term), register in any jurisdiction where such registration may be required, details of such instrument or document;
- 14.1.14 in the case of the Loan Note Issuer (Term), not take any steps in its capacity as Investor Beneficiary of the Receivables Trust (either on its own or in conjunction with any other Beneficiary of the Receivables Trust) to terminate the Receivables Trust or any sub-trust thereof;
- 14.1.15 in the case of the Loan Note Issuer (Term), furnish or cause to be furnished to the Registrar, at such times as the Registrar may request in writing, all information in the possession or control of the Loan Note Issuer (Term), as to the names and addresses of each Loan Note Holder, and requiring the Registrar to preserve, in as current a form as is reasonably practicable, all such information so furnished to it or received by it in the capacity as Registrar;
- 14.1.16 in the case of the Loan Note Issuer (Term), upon the execution of this Deed and thereafter forthwith upon any change of the same, deliver to the Security Trustee a list of the Authorised Signatories of the Loan Note Issuer (Term), together with certified specimen signatures of the same;
- 14.1.17 in the case of the Loan Note Issuer (Term), ensure that all contracts will be entered into by it outside the United Kingdom;
- 14.1.18 in the case of the Loan Note Issuer (Term), ensure that any agent who signs any contract on behalf of the Loan Note Issuer (Term) will do so outside the United

Kingdom, will be resident outside the United Kingdom for United Kingdom tax purposes and will not act though a United Kingdom branch or agency;

- 14.1.19 in the case of the Loan Note Issuer (Term), not hold a bank account in the United Kingdom;
- 14.1.20 in the case of the Loan Note Issuer (Term), not carry on a business or enter into any business transactions, in the United Kingdom for United Kingdom taxation purposes; and
- 14.1.21 in the case of the Loan Note Issuer (Term) send to the Security Trustee within 14 days of each anniversary of the initial Closing Date, and also within 14 days of any request by the Security Trustee, a certificate of the Loan Note Issuer (Term) signed by any two of its directors stating that, to the best of the knowledge and belief of the Loan Note Issuer (Term) as at a date not more than 5 days before the date of such certificate, no Loan Note Event of Default or Potential Loan Note Event of Default had occurred since the date of the last such certificate (or the initial Closing Date, if applicable) or that one has occurred and giving details thereof.

14.2 **Certificates, Opinions**

The Security Trustee shall not be responsible for ensuring that the Loan Note Issuer (Term) complies with its obligations to send the notices referred to in Clauses 14.1.3 and 14.1.12 above to each such Secured Creditor or Loan Note Holder (as the case may be).

15. **ACKNOWLEDGEMENT REGARDING PAYMENTS**

Each of the Loan Note Issuer (Term), the Security Trustee, the Receivables Trustee and the Transferor Beneficiary acknowledge and confirm that the Receivables Trustee shall apply any amounts due from the Loan Note Issuer (Term) to the Receivables Trustee in respect of a Series in or towards satisfaction of any amounts then due to the Loan Note Issuer (Term) from the Receivables Trustee in respect of any Trust Property of that Series.

16. **DELEGATION BY SECURITY TRUSTEE**

16.1 **Delegation**

The Security Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Deed and any relevant Supplemental Trust Deed, act by responsible officers or a responsible officer for the time being of the Security Trustee and the Security Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of this Deed and any relevant Supplemental Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by this Deed and any relevant Supplemental Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Security Trustee) as the Security Trustee may think fit in the interests of the Secured Creditors and the Loan Note Holders and the Security Trustee shall not be bound to supervise the proceedings or

acts of, and shall not in any way or to any extent be responsible for any Liability incurred by any misconduct or default on the part of, such delegate or sub-delegate.

16.2 Custodian

The Security Trustee may, in the conduct of the trusts of this Deed and any relevant Supplemental Trust Deed, employ and pay a custodian to hold any Investor Certificate and provided the Security Trustee has exercised due care in the appointment of any such Custodian, the Security Trustee shall not be responsible for any misconduct or omission on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of, and shall not in any way or to any extent be responsible for any Liability incurred by any misconduct or default on the part of, any such person.

16.3 Deductions and withholdings

Notwithstanding anything contained in this Deed and any relevant Supplemental Trust Deed, to the extent required by applicable law, if the Security Trustee is required to make any deduction or withholding from any distribution or payment made by it under this Deed and any relevant Supplemental Trust Deed or if the Security Trustee is otherwise charged to, or may become liable to, tax as a consequence of performing its duties under this Deed and any relevant Supplemental Trust Deed or the other Relevant Documents (other than, in any such case, in connection with its remuneration as provided for in Clause 13), whether as principal, agent or otherwise and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whenever made upon the Security Trustee and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Deed and any relevant Supplemental Trust Deed or the other Documents or any investments from time to time representing the same, including any income or gains arising therefrom or any action of the Security Trustee in or about the administration of the trusts of this Deed and any relevant Supplemental Trust Deed (other than the remuneration specified in Clause 13) or otherwise, then the Security Trustee shall be entitled to make such deduction or withholding or (as the case may be) to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Security Trustee to tax from the funds held by the Security Trustee on the trusts of this Deed and any relevant Supplemental Trust Deed.

17. EMPLOYMENT OF AGENT BY SECURITY TRUSTEE

17.1 Appointment of Agent

The Security Trustee may in the conduct of the trusts of this Deed and any relevant Supplemental Trust Deed instead of acting personally employ (after prior consultation by the Security Trustee with the Loan Note Issuer (Term) and after consideration in good faith by the Security Trustee of any representations made by the Loan Note Issuer (Term) concerning the proposed appointee except where, in the opinion of the Security Trustee, such consultation and consideration was not practicable) and pay an agent, whether being a lawyer or other professional person, to transact or concur in transacting any business and to do or concur in doing all acts required to be done in connection with the trusts of this Deed and any relevant Supplemental Trust Deed, the Transaction Documents and/or any security constituted pursuant thereto and its powers and provided that, the Security

Trustee shall have exercised reasonable care in the selection of such agent, the Security Trustee shall not in any way be responsible for any loss incurred by reason of any misconduct or default on the part of any such agent appointed by it under this Deed and any relevant Supplemental Trust Deed, the Relevant Documents and/or any security constituted pursuant thereto or to be bound to supervise the proceedings, or acts of any such agent.

17.2 Agent's Fees

Any trustee of this Deed and any relevant Supplemental Trust Deed being a banker, lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his firm in connection with the trusts of this Deed and any relevant Supplemental Trust Deed, and/or any security constituted pursuant thereto and also his reasonable charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with this Deed and any relevant Supplemental Trust Deed and/or any security constituted pursuant thereto including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, accountant, broker or other professional person.

18. SECURITY TRUSTEE CONTRACTING WITH THE LOAN NOTE ISSUER (TERM)

Neither the Security Trustee nor any body corporate which is a parent undertaking or a subsidiary undertaking, or a subsidiary undertaking of a parent undertaking nor any director or officer of a corporation acting as a trustee under this Deed and any relevant Supplemental Trust Deed, shall by reason of its or his fiduciary position, be in any way precluded from entering into or being interested in any contract or financial or other transaction or arrangement with the Loan Note Issuer (Term) or any other party to any of the Transaction Documents or any person or body corporate associated with the Loan Note Issuer (Term) including without prejudice to the generality of this provision any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the making of loans or the provision of financial facilities to or the purchase, placing or underwriting of or subscribing or procuring subscriptions for or otherwise acquiring, holding or dealing with the Notes or any of them, or any other bonds, stocks, shares, debenture stock, debentures, notes or other securities of the Loan Note Issuer (Term) or any other party to any of the Transaction Documents or any person or body corporate associated as aforesaid or from accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the Loan Note Issuer (Term) or any other party to any of the Transaction Documents or any such person or body corporate so associated or any other office or profit under the Loan Note Issuer (Term) or any other party to any of the Transaction Documents or any such person or body corporate so associated and shall be entitled to retain and shall not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other benefit received thereby or in connection therewith.

19. **WAIVER, AUTHORISATION AND DETERMINATION**

The Security Trustee may without prejudice to its rights in respect of any subsequent breach, condition, event or act, at any time, but only insofar as in its opinion the interests of the Secured Creditors (in relation to which it is Security Trustee) will not be materially prejudiced thereby, waive or authorise any breach or proposed breach by the Loan Note Issuer (Term) of any of the covenants or provisions contained in this Deed in relation to such Series or determine that any Loan Note Event of Default in relation to such Series shall not be treated as a Loan Note Event of Default in relation to such Series for the purposes of this Deed in relation to such Series, provided that the Security Trustee shall not exercise any powers conferred on it by this Clause in contravention of any express request given by the Priority Secured Creditor but so that no such request shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions as may seem fit and proper to the Security Trustee, shall be binding on the Secured Creditors of such Series and, if (but only if) the Security Trustee so requires, shall be notified by the Loan Note Issuer (Term) to the relevant Secured Creditors and any Security Beneficiary of such Series in accordance with the terms of the relevant Loan Notes as soon as practicable thereafter.

20. **MODIFICATION**

20.1 The Security Trustee may, without the consent of the Secured Creditors or any Security Beneficiary of any Series at any time and from time to time concur with the Loan Note Issuer (Term) in making any modification to this Deed (other than any amendment referred to in Schedule 3 which requires an Extraordinary Resolution) or any of the other Transaction Documents:

20.1.1 provided that the Security Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Secured Creditors of any Series (in relation to which it is Security Trustee); or

20.1.2 if in the opinion of the Security Trustee such modification is of a formal, minor or technical nature or to correct a manifest error.

Any such modification may be made on such terms and subject to such conditions as may seem fit and proper to the Security Trustee, shall be binding upon the Loan Note Holders of such Series and any other Secured Creditor or Security Beneficiary relating to such Series and, unless the Security Trustee agrees otherwise, shall be notified by the Loan Note Issuer (Term) to the relevant Loan Note Holders in accordance with the terms of the relevant Loan Notes as soon as practicable thereafter.

20.2 In determining whether the Loan Note Holders of the required principal amount of Loan Notes have concurred in any direction, waiver or consent, Loan Notes owned by the Loan Note Issuer (Term) or by any Affiliate of the Loan Note Issuer (Term) shall be disregarded, except that for the purposes of determining whether the Security Trustee shall be protected in relying on any such direction, waiver or consent, only Loan Notes which the Security Trustee knows are so owned shall be disregarded.

21. **LOAN NOTE HOLDER DEEMED TO BE ABSOLUTE OWNER**

21.1 The Loan Note Issuer (Term) and the Security Trustee may (to the fullest extent permitted by applicable laws and unless otherwise provided in the relevant Supplemental Trust Deed) deem and treat the person registered as the holder of any Loan Note as the absolute owner of the Loan Notes represented thereby for all purposes (whether or not such Loan Notes are overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof), and neither the Loan Note Issuer (Term) nor the Security Trustee shall be affected by any notice to the contrary.

21.2 All payments made to any such person shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the monies payable upon such Loan Note.

22. **SUBSTITUTION**

22.1 **Substitution**

The Security Trustee may, without the consent of the Loan Note Holders, agree with the Loan Note Issuer (Term) to the substitution in place of the Loan Note Issuer (Term) or any previous Substituted Loan Note Issuer (Term) (as defined below) as the principal debtor in respect of the Loan Notes of any other body corporate (the "**Substituted Loan Note Issuer (Term)**") provided that:

22.1.1 a trust deed or an indenture is executed or some other form of undertaking is given by the Substituted Loan Note Issuer (Term) to the Security Trustee in form and manner satisfactory to the Security Trustee to be bound by the terms of this Deed and by the relevant Loan Note Conditions (with any consequential amendments which the Security Trustee may reasonably consider or deem to be appropriate) as fully as if the Substituted Loan Note Issuer (Term) had been a party to this Deed and named herein and in the Loan Notes as the principal debtor in respect of the Loan Notes in place of the Loan Note Issuer (Term);

22.1.2 the Substituted Loan Note Issuer (Term) becomes a party to the relevant Series Documents or to equivalent documents acceptable to the Security Trustee;

22.1.3 if a director of the Substituted Loan Note Issuer (Term) certifies that the Substituted Loan Note Issuer (Term) will be solvent immediately after the time at which the said substitution is to be effected, the Security Trustee shall not have regard to the financial condition, profits or prospects of the Substituted Loan Note Issuer (Term) or compare the same with those of the Loan Note Issuer (Term) (or any other Substituted Loan Note Issuer (Term) substituted under this Clause);

- 22.1.4 the Security Trustee is satisfied that the relevant transaction is not materially prejudicial to the interest of the Loan Note Holders for which it shall be entitled conclusively to rely on the confirmation received pursuant to Clause 22.1.5;
- 22.1.5 confirmation is received from the Rating Agencies appointed in relation to any Associated Debt issued in respect of such Series that the ratings assigned to such Associated Debt will not be withdrawn or reduced as a result of the substitution;
- 22.1.6 the Security Trustee shall be satisfied (by means of legal opinions in form and substance satisfactory to it or otherwise) that (i) all necessary governmental and regulatory approvals and consents necessary for, or in connection with, the assumption by the Substituted Loan Note Issuer (Term) of liability as principal debtor in respect of, and of its obligations under, this Deed and (ii) such approvals and consents are at the time of substitution in full force and effect; and
- 22.1.7 The Loan Note Issuer (Term) or, as the case may be, the previous Substituted Loan Note Issuer (Term) and the Substituted Loan Note Issuer (Term) shall execute such other deeds, documents and instruments (if any) and make such representations and warranties and provide such other documentation (particularly, but not limited to, with regard to any applicable bankruptcy law) as the Security Trustee may require in order to be satisfied that such substitution is fully effective and comply with such other requirements in the interests of the Loan Note Holders as the Security Trustee may direct.

The Security Trustee shall not be required to give any consideration to the above matters unless and until it has been indemnified and/or secured to its satisfaction.

22.2 **Change of Law**

In connection with any proposed substitution of the Loan Note Issuer (Term) or, as the case may be, any previous Substituted Loan Note Issuer (Term), the Security Trustee, may, without the consent of the Loan Note Holders, agree to a change of the law from time to time governing the Loan Notes and/or this Deed and/or any Supplemental Trust Deed provided that such change of law, in the opinion of the Security Trustee, would not be materially prejudicial to the interests of the Loan Note Holders.

23. **CURRENCY INDEMNITY**

23.1 **Exchange rate indemnity**

23.1.1 *Currency of Account and Payment:* Unless otherwise specified in any relevant Supplemental Trust Deed, pounds sterling (the "**Contractual Currency**") is the sole currency of account and payment for all sums payable by the Loan Note Issuer (Term) under or in connection with this Deed and the Loan Notes, including damages;

23.1.2 *Extent of Discharge:* an amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Loan Note Issuer (Term) or otherwise), by the Security Trustee or any

Loan Note Holder in respect of any sum expressed to be due to it from the Loan Note Issuer (Term) will only discharge the Loan Note Issuer (Term) to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so); and

23.1.3 *Indemnity*: if that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Deed or the Loan Notes, the Loan Note Issuer (Term) will indemnify it against any loss sustained by it as a result. In any event, the Loan Note Issuer (Term) will indemnify the recipient against the cost of making any such purchase.

23.2 The above indemnities shall constitute obligations of the Loan Note Issuer (Term) separate and independent from its obligations under the Loan Notes and shall apply irrespective of any indulgence granted by the Security Trustee or the Loan Note Holders from time to time and shall continue in full force and effect notwithstanding the judgment or filing of any proof or proofs in any bankruptcy, insolvency or liquidation of the Loan Issuer for a liquidated sum or sums in respect of amounts due under this Deed (other than this Clause) or the Loan Notes. Any such discrepancy as aforesaid shall be deemed to constitute a loss suffered by the Security Trustee and the Loan Note Holders and no proof or evidence of any actual loss shall be required by the Loan Note Issuer (Term) or its liquidator.

24. NOTICES

24.1 Delivery of Notices

Any notice, demand, approval or certificate to the Loan Note Issuer (Term) or the Security Trustee required to be given, made or served for any purposes under the Loan Notes, or any of them, or this Deed or any Supplemental Trust Deed shall be given, made or served by sending the same by pre-paid post (first class if inland, first class airmail if overseas), or facsimile transmission or by delivering it by hand as follows:

to the Loan Note Issuer (Term):

Tenby Castle Funding Group Limited
26 New Street
St. Helier
Jersey JE2 3RA

Attention: Bedell Cristin Trust Company Limited - Institutional Client

Facsimile No: 01534 814815

Telephone: 01534 814814

to the Security Trustee:

The Bank of New York
One Canada Square, 48th Floor
London E14 5AL

Attention: Global Structured Finance, Corporate Trust
Facsimile No: 020 7964 6061/6399
Telephone: 020 7570 1785

to the Receivables Trustee:

Castle Receivables Trust Limited
26 New Street
St. Helier
Jersey JE2 3RA

Attention: Bedell Cristin Trust Company Limited - Institutional Client
Facsimile No: 01534 814815
Telephone: 01534 814814

to the Transferor Beneficiary:

Capital One Bank (Europe) plc
18 Hanover Square
London W1S 1HX

Attention: Director of Treasury, UK
Facsimile No: 020 7543 2975

with a copy to:

Capital One Bank

8000 James Branch Drive
McLean
Virginia, 22102
U.S.A.

Fax: 001 703 875 1389

Attention: General Counsel/Director of Securitisation

to the Registrar:

Bedell Cristin Trust Company Limited
26 New Street
St. Helier,
Jersey JE2 3RA,
Channel Islands

Attention: Institutional Client Team

Facsimile No: 01534 814815

Telephone: 01534 814814

or to such other address, facsimile number or marked for the attention of such other person or department as shall have been notified (in accordance with this Clause) to the other party hereto and any notice or demand sent by post as aforesaid shall be deemed to have been given, made or served three days in the case of inland post or seven days in the case of overseas post after despatch and any notice or demand sent by facsimile transmission as aforesaid shall be deemed to have been given, made or served 24 hours after the time of despatch, provided that in the case of a notice or demand given by facsimile transmission such notice or demand shall forthwith be confirmed by post. The failure of the addressee to receive such confirmation shall not invalidate the relevant notice or demand given, made or served by facsimile transmission.

24.2 Notices to Loan Note Holders

Any notice or communication mailed to Loan Note Holders hereunder shall be transmitted by mail to such other Loan Note Holders as have, pursuant to each relevant Supplemental Trust Deed, had their names and addresses provided to the Registrar for that purpose.

25. RIGHTS OF THIRD PARTIES

No person who is not a party to this Deed shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

26. SEVERABILITY OF PROVISIONS

If any one or more of the covenants, agreements, provisions or terms of this Deed shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Deed and shall in no way affect the validity or enforceability of the other provisions of this Deed or of the rights of the Secured Creditors of any Series.

27. FURTHER ASSURANCES AND UNDERTAKING OF NON-PETITION

27.1 Further Assurances

The Transferor Beneficiary and the Security Trustee (at the expense of the Loan Note Issuer (Term)) agree to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the Loan Note Issuer (Term) more fully to effect the purposes of this Deed and each Supplemental Trust Deed.

27.2 Undertaking of Non-Petition

The Transferor Beneficiary hereby undertakes to the Loan Note Issuer (Term) and the Security Trustee for itself and as Security Trustee for each Secured Creditor that it will not take any corporate action or other steps or legal proceedings for the winding up, dissolution or re-organisation of, or for the appointment of a receiver, administrator,

administrative receiver, trustee, liquidator, sequestrator or similar officer of any Secured Creditor (unless a Secured Creditor of a Series specifies otherwise in the Supplemental Trust Deed in respect of that Series), the Loan Note Issuer (Term) (or any of its shareholders or directors) or any or all of the revenues and assets of any of them nor participate in any *ex parte* proceedings nor seek to enforce any judgment against any such Persons.

28. **NO WAIVER; CUMULATIVE REMEDIES**

No failure to exercise and no delay in exercising, in respect of any Series, on the part of the Loan Note Issuer (Term), the Security Trustee, any Enhancement Provider or any Secured Creditor, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

29. **RELEASE OF COLLATERAL**

Except to the extent expressly provided in this Clause 29, the Security Trustee shall release property from the security constituted by this Deed as supplemented by the relevant Supplemental Trust Deed either in respect of all secured property or in respect of security created in respect of a particular Supplemental Trust Deed, only upon receipt of a notice from the Loan Note Issuer (Term) accompanied by an Officer's Certificate (as further described below), **Provided that** the Loan Note Issuer (Term) shall be obliged to issue such notice:

- (a) to release all secured property from the security constituted by this Deed and all relevant Supplemental Trust Deeds, where all outstanding Series of Loan Notes have been repaid in full and no Loan Note Holder has any further obligation to make any further subscription payment in respect of such Loan Notes; or
- (b) to release all secured property from the security constituted in respect of a particular Supplemental Trust Deed, where the relevant outstanding Series of Loan Notes issued pursuant to such Supplemental Trust Deed have been repaid in full and no Loan Note Holder under such Supplemental Trust Deed has any further obligation to make any further subscription payment in respect of such Loan Notes.

Whenever any property is to be released from the security constituted by this Deed as supplemented by the relevant Supplemental Trust Deed, the Loan Note Issuer (Term) shall also furnish to the Security Trustee an Officer's Certificate certifying that either (a) or (b) above is true, and that in the opinion of such person the proposed release will not impair the security under this Deed in contravention of the provisions hereof.

Notwithstanding anything to the contrary contained herein, the Receivables Trustee may collect, liquidate, sell or otherwise dispose of Receivables as and to the extent permitted or required by the Series Documents and the Loan Note Issuer (Term) may make cash

payments out of the Loan Note Issuer Accounts as and to the extent permitted or required by the Relevant Documents.

Following irrevocable discharge in full of the Secured Obligations of which the Security Trustee has notice, the Security Trustee shall reassign to the Loan Note Issuer (Term) the Loan Note Issuer (Term) Jersey Secured Property.

30. COUNTERPARTS

This Deed may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

31. THIRD PARTY BENEFICIARIES

31.1.1 This Deed will enure to the benefit of and be binding upon the parties hereto, and, in respect of any Series, the Secured Creditors named in the relevant Supplemental Trust Deed, and their respective successors and permitted assigns as Secured Creditors and beneficiaries of the Secured Property in respect of a relevant Series;

31.1.2 To the extent specified in any relevant Supplemental Trust Deed, any third party including any Enhancement Provider, that is not a Secured Creditor of the Secured Property of a Series, may by execution of such Supplemental Trust Deed, as a matter of contract only, be entitled to the benefit of the provisions of this Deed as if such third party were a Secured Creditor hereunder and the rights of such third parties so provided shall enure to the benefit of such third parties and be binding upon the parties hereto and the Secured Creditors of the Secured Property in respect of such Series; and

31.1.3 Except as otherwise provided in this Clause 31, no other Person will have any right or obligation hereunder.

32. ACTIONS BY LOAN NOTE HOLDERS

32.1.1 Wherever in this Deed a provision is made that an action may be taken or a notice, demand or instruction given by a Loan Note Holder of a Series, such action, notice or instruction may be taken or given by any Loan Note Holder of such Series, unless such provision requires a specific aggregate percentage of the Principal Amount Outstanding of a Series or any Class within a Series. Where a provision requires a specific aggregate percentage of the Principal Amount Outstanding of a Series or any Class within a Series any Loan Note Holder so voting shall have one vote per pound sterling of such Principal Amount Outstanding which is held by it and shall be entitled to cast each vote in a different manner.

32.1.2 Any request, demand, authorisation, direction, notice, consent, waiver or other act by a Loan Note Holder of a Series shall bind each and every successor of such Loan Note Holder.

33. **MERGER AND INTEGRATION**

Except as specifically stated otherwise herein, this Deed sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Deed. This Deed may not be modified, amended, waived or supplemented except as provided herein.

34. **GOVERNING LAW AND JURISDICTION**

34.1 **Governing Law**

This Deed (and the Security Trust constituted hereby) shall be governed by and construed in accordance with the laws of England save that those parts of this Deed concerned with the creation, subsistence or enforcement of the Loan Note Issuer (Term) Jersey Security Interest shall be governed by and construed in accordance with Jersey law.

34.2 **Jurisdiction**

34.2.1 Each of the parties hereto irrevocably agrees for the benefit of each other party that the Royal Courts of Jersey shall have exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with this Deed, and for such purposes, irrevocably submits to the exclusive jurisdiction of such courts.

34.2.2 Each of the parties hereto irrevocably waives any objection which it might now or hereafter have to the Royal Courts of Jersey being nominated as the forum to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with this Deed and agrees not to claim that any such court is not a convenient or appropriate forum.

34.2.3 Each party hereto (if it is not incorporated in Jersey) irrevocably appoints the person specified against its name on the execution pages hereto to accept service of any process on its behalf and further undertakes to the other parties hereto that it will at all times during the continuance of this Deed maintain the appointment of some person in Jersey as its agent for the service of process and irrevocably agrees that service of any writ, notice or other document for the purposes of any suit, action or proceeding in the Royal Courts of Jersey shall be duly served upon it if delivered or sent by registered post to the address of such appointee (or to such other address in Jersey as that party may notify to the other parties hereto).

IN WITNESS WHEREOF, this Security Trust Deed has been executed as a deed in Jersey by the parties hereto and is intended to be and is hereby delivered on the day and year first above written.

SCHEDULE 1
FORM OF LOAN NOTE CERTIFICATE

TENBY CASTLE FUNDING GROUP LIMITED
(incorporated in Jersey with registered number 80463)

CLASS [●] [£] [●] SERIES [●] LOAN NOTE

Constituted by trust constituted by the Security Trust Deed dated 23 April 2002 between, among others, Tenby Castle Funding Group Limited and Capital One Bank (Europe) plc (the "**Security Trust Deed**").

Not an interest in or recourse obligation of Capital One Bank (Europe) plc

This certifies that upon execution and authentication of this Class [●] [£][●] Series [●] Loan Note (the "**Class [●] Loan Note**") in accordance with the Security Trust Deed, Tenby Castle Funding Group Limited, for value received and subject to and in accordance with the Series [●] Supplemental Trust Deed to the Security Trust Deed (the "**Supplemental Trust Deed**") and the Loan Note Conditions (as defined in the Supplemental Trust Deed), promises to pay to the Registered Holder (as defined below), as holder of this Class [●] Loan Note the Principal Amount Outstanding of this Class [●] Loan Note plus interest thereon, in the amount and in the manner set out in the Security Trust Deed as supplemented by the Supplemental Trust Deed and the Loan Note Conditions.

Tenby Castle Funding Group Limited hereby covenants with the Registered Holder that it will, in accordance with the Loan Note Conditions in relation to Series [●], on any date when this Loan Note becomes due to be redeemed or repaid in whole or in part in accordance with such Loan Note Conditions, unconditionally pay or procure to be paid to or to the order of or for the Registered Holder, in immediately available funds in [*currency*], the amount then becoming due on that date in respect of this Loan Note and shall (subject to the terms of this Loan Note and Series [●], until such payment (after as well as before any judgment or other order of a competent court)) unconditionally pay to or to the order of or for the account of the Registered Holder, interest on the Principal Amount Outstanding of this Loan Note, calculated in accordance with the relevant Loan Note Conditions and Supplemental Trust Deed in relation to Series [●] and on the dates provided for in such terms, provided that:

- (a) Tenby Castle Funding Group Limited shall only be obliged to pay such Principal Amount Outstanding and interest to the extent set out in the Security Trust Deed, the Loan Note Conditions and Supplemental Trust Deed in respect of Series [●]; and
- (b) in the case of any payment in respect of this Class [●] Loan Note made after the due date or subsequent to a Loan Note Event of Default in respect of Series [●], payment shall not be deemed to have been made until the full amount due in accordance with the terms thereof has been received by the Registered Holder and notice to that effect has been duly given to the Registered Holder in accordance with such terms.

Terms defined in the Security Trust Deed, the Supplemental Trust Deed and the Loan Note Conditions shall have the same meaning in this Class [●] Loan Note.

PLEASE NOTE THE FOLLOWING:

1. No transfer of this Class [●] Loan Note shall be permitted except in accordance with Clause 4.4 of the Security Trust Deed and the Loan Note Conditions.
2. The entries in the Loan Note Register shall be conclusive in the absence of manifest error and, as at the date of issue of this Class [●] Loan Note, the Security Trustee and the Loan Note Issuer (Term) shall be entitled to treat the Person in whose name this Class [●] Loan Note is registered on any relevant date (together with its successors and permitted transferees, the "**Registered Holder**") as the owner hereof and the Person entitled to be repaid as a consequence thereof. The Registered Holder is entitled to payments in respect of this Class [●] Loan Note and title to this Class [●] Loan Note passes only on due registration in the Loan Note Register, **Provided that** if the Loan Note Register specifies that any third party has a relevant beneficial interest in this Class [●] Loan Note or any payments hereunder, then the rights of the Registered Holder hereunder shall be subject to such entitlement, subject always to the express terms and conditions of the relevant Supplemental Trust Deed.
3. Unless the Authentication hereon has been executed by or on behalf of the Registrar by manual signature, the Registered Holder shall not become entitled to be repaid as the holder of this Class [●] Loan Note and shall not be registered in the Loan Note Register as holder of this Class [●] Loan Note.
4. Except as specified herein, the Registered Holder is entitled to the benefit of the Security Trust Deed, the Supplemental Trust Deed and the Loan Note Conditions and of the obligations on the part of the Loan Note Issuer (Term) thereunder and to the benefit of such provisions therein (and the obligations on the part of the Loan Note Issuer (Term) contained therein) applicable specifically to this Class [●] Loan Note, and all payments under and to the Registered Holder shall be valid and effective to satisfy and discharge the corresponding liabilities of the Loan Note Issuer (Term) in respect of this Class [●] Loan Note.
5. This Class [●] Loan Note is evidence of entitlement only.
6. On any occasion on which a payment of interest is made in respect of this Class [●] Loan Note, the Loan Note Issuer (Term) shall procure that the same is noted on the Schedule hereto.
7. On any occasion on which a payment of principal is made in respect of this Class [●] Loan Note or on which any part of the principal amount of this Class [●] Loan Note is to be cancelled the Loan Note Issuer (Term) shall procure that (i) the aggregate principal amount of this Class [●] Loan Note in respect of which such payment is made (or, in the case of a partial payment, the corresponding part thereof) or which is to be cancelled and (ii) the remaining Principal Amount Outstanding of this Class [●] Loan Note (which shall be the previous Principal Amount Outstanding hereof less the amount referred to at (i)

above) are noted on the Schedule hereto, whereupon the principal amount of this Class [•] Loan Note shall for all purposes be as most recently so noted.

8. The obligations of the Loan Note Issuer (Term) in respect of this Class [•] Loan Note are limited recourse in nature, as more particularly set out in the Loan Note Conditions, the Security Trust Deed and the Supplemental Trust Deed. All claims in respect of this Class [•] Loan Note are limited to the Secured Property and once such Secured Property is realised no further steps against the Loan Note Issuer (Term) to recover amounts unpaid may be taken and all claims and all rights to claim against the Loan Note Issuer (Term) to recover such sums will be extinguished. In addition, the Registered Holder and, *inter alios*, the Security Trustee are restricted in the proceedings which they may take against the Loan Note Issuer (Term) to enforce their rights hereunder and under the Security Trust Deed, the Supplemental Trust Deed and the Loan Note Conditions, as more particularly described therein.
9. The Scheduled Redemption Date in respect of this Class [•] Loan Note is [•].
10. This Class [•] Loan Note is governed by, and shall be construed in accordance with, English law.
11. The Loan Note Issuer (Term) irrevocably agrees for the benefit of the Registered Holder that the Royal Court of Jersey is to have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Class [•] Loan Note (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such Court. The Loan Note Issuer (Term) irrevocably waives any objection which it might now or hereafter have to the Royal Court of Jersey being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum.

IN WITNESS WHEREOF, the manual or facsimile signature of a director, duly authorised officer, or duly authorised attorney on behalf of the Loan Note Issuer (Term).

TENBY CASTLE FUNDING GROUP LIMITED

By:

Name:

Title:

Date: [•]

AUTHENTICATION

This is the Class [•] Loan Note referred to in the above mentioned Security Trust Deed, Supplemental Trust Deed and Loan Note Conditions.

BEDELL CRISTIN TRUST COMPANY LIMITED as Registrar

without recourse, warranty or liability

By:

Name:

Title:

Date: [•]

THE SCHEDULE

Payments in respect of Class [•] Loan Note

| Initial Principal Amount Outstanding | Date of payment or cancellation | Amount of interest then paid (if any) | Amount of principal then paid (if any) | Current principal amount of this Class [•] Loan Note | Authorised signature by or on behalf of the Registrar |
|--------------------------------------|---------------------------------|---------------------------------------|--|--|---|
| | | | | | |

SCHEDULE 2
TERMS AND CONDITIONS OF THE LOAN NOTES

The following is the text of the terms and conditions which (save for the italicised text) will be endorsed on the Loan Notes in definitive form. References in the terms and conditions to "Loan Notes" are to the Loan Notes of one Series only, not to all Loan Notes which may be issued under another Series and references to a "Class" are to a Class of Loan Notes.

The Loan Notes (as defined in the Supplemental Trust Deed (which term is defined below)) are constituted and secured by a security trust deed dated 23 April 2002 (the "**Trust Deed**") between, *inter alios*, the Loan Note Issuer (Term) and The Bank of New York (the "**Security Trustee**") which expression shall include all persons for the time being the Security Trustee or Security Trustees under the Security Trust Deed referred to below) as supplemented by a Supplemental Trust Deed for the relevant series (the "**Supplemental Trust Deed**") dated the Issue Date between the Loan Note Issuer (Term), the Security Trustee and the other parties named therein (the Trust Deed and the relevant Supplemental Trust Deed being referred to herein as the "**Security Trust Deed**").

Certain statements in these Conditions may be summaries of the detailed provisions appearing in the Trust Deed. Copies of the Trust Deed and the Supplemental Trust Deed are available for inspection at the specified office of the Security Trustee in London. The Loan Note Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Security Trust Deed.

Words and expressions defined in the Security Trust Deed, the Master Definitions Schedule (as amended and supplemented from time to time) signed for the purpose of identification by, amongst others, the Loan Note Issuer (Term) and the Security Trustee (the "**Master Definitions Schedule**") and the relevant Series Supplement (the "**Series Supplement**") to the Receivables Trust Deed and Servicing Agreement dated 8 August 2001 (as amended and restated from time to time) between, amongst others, the Receivables Trustee and the Loan Note Issuer (Term) shall have the same meaning where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between these Conditions, the relevant Supplemental Trust Deed, the Trust Deed, the Master Definitions Schedule and/or the Series Supplement, the definition of the relevant term shall have the meaning specified in the relevant document ranking the highest in the following order of priority:

- (a) first, these Conditions (as supplemented and amended by the relevant Supplemental Trust Deed);
- (b) second, the relevant Supplemental Trust Deed;
- (c) third, the Series Supplement;
- (d) fourth, the Trust Deed; and
- (e) fifth, the Master Definitions Schedule.

1. **FORM, DENOMINATION AND TITLE**

1.1 **Form, Denomination and Title**

- 1.1.1 The Loan Notes are issued in registered form and are serially numbered.
- 1.1.2 The Loan Note Issuer (Term) will cause to be kept, at the specified office outside the United Kingdom of the Registrar, the Loan Note Register on which shall be entered the names and addresses of the Loan Note Holders and the particulars of the Loan Notes held by them.
- 1.1.3 Title to the Loan Notes will pass by and upon registration of transfers in the Loan Note Register. In these Conditions, the "**holder**" of a Loan Note means the person in whose name or on whose behalf such Loan Note is for the time being registered in the Loan Note Register (or, (i) in the case of a joint holding, the first named thereof, or (ii) where the relevant Loan Note Holder has granted security with respect to such Loan Note, the beneficial holder so named in the Register) and "**Loan Note Holder**" shall be construed accordingly. A Loan Note Certificate will be issued to each Loan Note Holder in respect of its registered holding.
- 1.1.4 The holder of a Loan Note shall (except as otherwise required by law) be treated as the absolute owner of such Loan Note for all purposes (whether or not the Loan Note is overdue and regardless of any notice of ownership or writing on any Loan Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of previous loss or theft of such Loan Note Certificate) and no person shall be liable for so treating such holder.

1.2 **Transfers of Notes**

1.2.1 ***Transfers***

Subject to Condition 1.2.4 below and save in the case of the initial transfer to the Note Trustee or its nominee, a Loan Note may be transferred in whole (but not in part) upon surrender of the relevant Loan Note Certificate at the specified office of the Registrar, with the form of transfer endorsed on the Loan Note Certificate duly completed and signed by or on behalf of the Transferor Beneficiary and the Loan Note Issuer (Term) and together with such evidence as the Registrar may reasonably require to prove:

- (i) the title of the Transferor Beneficiary;
- (ii) the authority of the individuals who have executed the form of transfer; and
- (iii) the payment of any stamp duty payable on such transfer.

Provided that save in the case of the initial transfer to the Note Trustee or its nominee, no Loan Note may be transferred without the prior written consent of the Security Trustee and the Transferor Beneficiary (such consent not to be unreasonably withheld) and *Provided further that* no Loan Note may be

transferred to any person resident in Jersey for Jersey tax purposes other than a financial institution acting in the ordinary course of its business.

1.2.2 ***Registration and delivery of Loan Note Certificate***

Within five Business Days of the surrender of a Loan Note Certificate in accordance with Condition 1.2.1 above (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), the Registrar will register the transfer in question and deliver at the Registrar's specified office a new Loan Note Certificate with the same face value as the Loan Note Certificate being transferred to the transferee or (at the request and risk of the transferee) send by uninsured mail to such address as the transferee may specify for the purpose.

1.2.3 ***Charge***

The relevant Loan Note Holder will be required to bear the costs and expenses of effecting any registration of a transfer or any exchange as provided above.

1.2.4 ***Closed Periods***

No Loan Note Holder may require transfers to be registered during the period of five Business Days ending on the due date for any payment of principal in respect of any Loan Note.

1.2.5 ***Initial Registrar***

The Loan Note Issuer (Term) reserves the right at any time with the consent of the Security Trustee to vary or terminate the appointment of the Registrar and to appoint another Registrar (subject to Clause 4.12.2 of the Security Trust Deed). Notice of any termination or appointment of a Registrar and of any changes in its specified office will be given to Loan Note Holders promptly by the Loan Note Issuer (Term) in accordance with Condition 14.

1.3 **Status**

The Loan Notes in each Class of each Series are direct, unconditional and secured obligations of the Loan Note Issuer (Term) and shall at all times rank *pari passu* and without any preference or priority among and between themselves.

1.4 **Classes of Loan Notes comprising a Series**

A Series of Loan Notes may comprise a number of Classes under which the right to receive the payment of interest and repayment of principal may be subordinated to the rights of one or more Classes of Loan Notes within the same Series.

2. **STATUS OF THE LOAN NOTES AND PRIORITY SECURED CREDITOR**

2.1 **Unsubordinated Classes of Loan Notes**

2.1.1 This Condition 2.1 is applicable only in relation to any Class of Loan Notes which is specified as being unsubordinated in relation to all other Classes of Loan Notes comprised in the relevant Series.

2.1.2 In the case of an unsubordinated Class of Loan Notes, the Loan Notes shall be secured, limited recourse obligations of the Loan Note Issuer (Term), secured in the manner described in Condition 3 and recourse in respect of which is limited in the manner described in Condition 10 and will rank *pari passu* without any preference among themselves.

2.2 Subordinated Loan Notes

2.2.1 This Condition 2.2 is applicable only in relation to any Class of Loan Notes which is specified as being subordinated to any one or more other Classes of Loan Notes in the relevant Series.

2.2.2 In the case of such subordinated Loan Notes, the subordination provisions will be set out in full in the relevant Supplemental Trust Deed.

2.3 Priority Secured Creditor

The relevant Supplemental Trust Deed will enable the Security Trustee to determine a Priority Secured Creditor in respect of the relevant Series, which may be the Loan Note Holder(s) of the most senior ranking Class of Loan Notes comprised in such Series and, for such purpose, the Loan Note Holder(s) of the most senior ranking Class of Loan Notes of such Series will be deemed to be a single Secured Creditor. Such Priority Secured Creditor will enjoy preferential ranking in the order of priority of payments on enforcement of the relevant Security or following a Mandatory Early Redemption (as set out in Condition 6.2), and the Security Trustee will, where the interests of such Priority Secured Creditor conflict with those of the other Secured Creditors in respect of such Series, prefer the interests of such Priority Secured Creditor over those of such other Secured Creditors (and shall not take into account the interests of such other Secured Creditors). If the identity of the Priority Secured Creditor changes to another Secured Creditor and, before it becomes aware of such change, the Security Trustee takes any action by which it treats the former Priority Secured Creditor as Priority Secured Creditor, then the Security Trustee shall in its absolute discretion and without liability therefor be entitled to take into account any request of the succeeding Priority Secured Creditor that such action be amended or reversed such that the succeeding Priority Secured Creditor is treated as the Priority Secured Creditor, but shall not be obliged to do so and shall not incur any liability for determining that it is impractical to take account of the change of identity of the Priority Secured Creditor.

3. SECURITY AND RELATED AGREEMENTS

3.1 Related Agreements and Security

3.1.1 In connection with the issue of the Loan Notes or in respect of any Series, the Loan Note Issuer (Term) may enter into swap transactions or other hedging agreements or any letters of credit, guarantees or other credit support or credit enhancement documents or other financial arrangements (each a "**Related Agreement**") with one or more counterparties (each a "**Counterparty**"). The obligations of a Counterparty may be guaranteed by a guarantor (the "**Guarantor**").

- 3.1.2 The obligations of the Loan Note Issuer (Term) to the Secured Creditors in respect of all Series are secured pursuant to the Trust Deed by Encumbrances governed by English law, including a floating charge over such assets of the Loan Note Issuer (Term) as are not otherwise secured, and by Jersey law and, in respect of the Secured Creditors under a particular Series, by such further Encumbrances over the Secured Property specified in the relevant Supplemental Trust Deed as are required by the Security Trustee. Such further Encumbrances shall be governed by English law or Jersey law or the law of any other relevant jurisdiction.
- 3.1.3 The security granted by the Loan Note Issuer (Term) in respect of the Secured Obligations under a Series (the "**Security**") shall comprise the security created by the Trust Deed and each Supplemental Trust Deed as described in Condition 3.1.2.

3.2 **Application of Proceeds**

3.2.1 ***On each Distribution Date***

On each Distribution Date, all monies received or held by the Loan Note Issuer (Term) in the Loan Note Issuer Account relating to the relevant Series (as recorded in the ledger specified in the relevant Supplemental Trust Deed) shall be applied to make the payments specified in the relevant Supplemental Trust Deed.

3.2.2 ***On each Interest Payment Date***

On each Interest Payment Date, all monies received or held by the Loan Note Issuer (Term) in the relevant accounts relating to a Series (as specified in the relevant Supplemental Trust Deed) prior to and after the service of a Loan Note Enforcement Notice and/or enforcement of the Security shall be applied in the order of priority specified in the relevant Supplemental Trust Deed (and, in each case where applicable, only if and to the extent that payments or provisions of a higher order of priority have been made in full).

3.3 **Shortfall after Application of Proceeds**

If the net proceeds of:

- (a) the realisation of the Security for any Series of Loan Notes having become enforceable under these Conditions; and/or
- (b) the sale or redemption of the Secured Property in accordance with these Conditions,

are not sufficient to make all payments due in respect of the Loan Notes of such Series and for the Loan Note Issuer (Term) to meet its obligations, if any, in respect of the termination of any Related Agreements in respect of that Series, the assets of the Loan Note Issuer (Term), including, in particular, assets securing other Series of Loan Notes not related to that Series will not be available for payment of any shortfall arising therefrom and all further claims (if any) of the Loan Note Holders and of all other

Secured Creditors in respect of the first mentioned Series of Loan Notes will be extinguished. Any such shortfall shall be borne in reverse order to the payment priorities specified in the relevant Supplemental Trust Deed. Claims and the right of any person to claim in respect of any such shortfall remaining after the application of such net proceeds in accordance with the relevant Supplemental Trust Deed shall be extinguished and the Loan Note Holders and all other Secured Creditors of such Series will have no further recourse to the Loan Note Issuer (Term) and failure to make any payment in respect of any such shortfall shall in no circumstances constitute a Loan Note Event of Default (or, if a Loan Note Event of Default has already occurred, a further Loan Note Event of Default) under Condition 9.

4. **RESTRICTIONS**

4.1 So long as any of the Loan Notes in respect of a Series remain outstanding the Loan Note Issuer (Term) will not, save to the extent permitted by the Relevant Documents, or with the prior written consent of the Security Trustee:

4.1.1 dispose of any Secured Property relating to such Series or create or permit to subsist any Encumbrance upon the whole or any part of its present or future undertaking, assets or revenues (including, without limitation, uncalled capital and any Secured Property) other than the Security;

4.1.2 carry on any business other than as contemplated in the Transaction Documents to which it is a party relating to the making of Contributions to the Receivables Trust in order to increase its beneficial interest therein and the issue of the Loan Notes of any Series and in respect of that business shall not engage in any activity or do anything whatsoever except:

(a) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under such Loan Notes and the Transaction Documents to which it is a party;

(b) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Transaction Documents to which it is a party; and

(c) perform any act incidental to or necessary in connection with (a) or (b) above;

4.1.3 have or form, or cause to be formed, any subsidiary, subsidiary undertakings or undertakings of any other nature or have any employees or premises or have an interest in a bank account other than the Loan Note Issuer Accounts or any Additional Loan Note Issuer Account (save, for the avoidance of doubt, for a beneficial interest in amounts credited to a Trust Account as provided in the Transaction Documents);

4.1.4 create, incur or suffer to exist any indebtedness (other than indebtedness permitted to be incurred under the terms of its Articles of Association and pursuant to or as contemplated in any of the Transaction Documents to which it is a party) or give any guarantee in respect of any obligation of any Person;

- 4.1.5 repurchase any shares or declare or pay any dividend or other distribution to its shareholders or issue or allot shares to any Person other than Bedell Cristin Trustees Limited as trustee of the Castle (Receivables Trustee) Charitable Trust, or such other trustee as may be trustee of such trust from time to time, and provided in the case of payment of any dividend, Loan Note Issuer (Term) has prepared annual audited accounts in the relevant year, except to the extent required by law and Provided that nothing in this Clause 4.1.5 shall prevent the Loan Note Issuer (Term) from paying dividends out of its distributable profits for any period to the extent of amounts it has received in respect of the Loan Note Issuer (Term) Return, so long as the Loan Note Issuer (Term) has prepared annual or semi-annual audited accounts for such period;
- 4.1.6 become a member of any VAT group for the purposes of the VATA;
- 4.1.7 waive, modify or amend, or consent to any waiver, modification or amendment of, any of the provisions of any Relevant Document, without the prior written consent of the Transferor Beneficiary and the Security Trustee;
- 4.1.8 offer to surrender to any company any amounts which are available for surrender by way of group relief; or
- 4.1.9 take any steps in its capacity as an Investor Beneficiary of the Receivables Trust either on its own or in conjunction with any other Beneficiary of the Receivables Trust to terminate the Receivables Trust or any sub-trust thereof.

The Security Trustee shall be entitled to rely absolutely on a certificate of a director of the Loan Note Issuer (Term) in relation to any matter relating to such restrictions and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter in question.

5. **INTEREST AND OTHER CALCULATIONS**

5.1 **Interest and Accrual**

- 5.1.1 Each Loan Note bears interest on its Principal Amount Outstanding (or as otherwise specified in the relevant Supplemental Trust Deed) from the Issue Date equal to the Interest Amount, such interest being payable in arrear (unless otherwise specified in the relevant Supplemental Trust Deed) on each Interest Payment Date.
- 5.1.2 Interest will cease to accrue on each Loan Note on the date of redemption in full of such Loan Note unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment), in the manner provided in Condition 5.1.1, to the Final Maturity Date of the Loan Note.

5.2 **Interest Deferral**

To the extent that the monies for the relevant Series which are deposited to the Loan Note Issuer Account by the Receivables Trustee on or prior to an Interest Payment Date

are insufficient to pay the full Interest Amount on any Class of Loan Notes, payment of the shortfall ("**Deferred Interest**") will be deferred and thereafter included in the Interest Amount payable on the next and, if necessary, each subsequent Interest Payment Date on which funds are available to the Loan Note Issuer (Term) (by being paid to the Loan Note Issuer (Term) by the Receivables Trustee on or prior to such Interest Payment Date) to pay the Interest Amount in respect of such date, until the Final Maturity Date.

Deferred Interest will accrue interest ("**Additional Interest**") at the interest rate specified in the relevant Supplemental Trust Deed and such Additional Interest shall, to the extent accrued, be included in the Interest Amount payable on each Interest Payment Date. Payment of any Additional Interest shall also be deferred in the same conditions and manner as Deferred Interest.

5.3 **Determination or Calculation by Security Trustee**

If for any reason the person responsible therefor does not at any time determine any rate of interest payable on a Loan Note (as adjusted by any applicable margin), Interest Amount, Principal Amount Outstanding or any other amount to be determined or calculated by such person, the Security Trustee shall determine such rate of interest (as adjusted by any applicable margin), Interest Amount, Principal Amount Outstanding or other amount as aforesaid at such rate or in such amount as in its absolute discretion (having regard as it shall think fit to the relevant provisions of the Relevant Documents, but subject to the terms of the Security Trust Deed) it shall deem fair and reasonable in all the circumstances, and each such determination or calculation shall be deemed to have been made by the person responsible therefor.

6. **REDEMPTION**

6.1 **Scheduled Redemption**

Unless the Rapid Amortisation Period or the Regulated Amortisation Period has earlier commenced each Class of Loan Note will be redeemed on its Scheduled Redemption Date. To the extent that the principal amount which is deposited to the Loan Note Issuer Account on the Scheduled Redemption Date in reduction of the class of Investor Interest corresponding to any Class of Loan Note is less (where applicable, following conversion of such principal amount to another currency pursuant to a Related Agreement) than the Principal Amount Outstanding on such Class of Loan Notes on the Scheduled Redemption Date, then that Class of Loan Notes will be redeemed *pro rata* to the extent of such principal amount deposited in the Loan Note Issuer Account (where applicable, following conversion of such principal amount to another currency pursuant to a Related Agreement) and the Rapid Amortisation Period will commence with effect from such Scheduled Redemption Date (subject to the terms of the relevant Supplemental Trust Deed). On each Interest Payment Date which thereafter occurs during the Rapid Amortisation Period, such Class of Loan Notes will be redeemed *pro rata* to the extent of the principal amount which is deposited to Loan Note Issuer Account on such date in reduction of the corresponding Class of Investor Interest (where applicable, following conversion of such principal amount to another currency pursuant to a Related Agreement) until the earlier of (a) such time as the relevant Class of Loan Notes has been

repaid in full and (b) the Final Maturity Date specified in the relevant Supplemental Trust Deed.

6.2 **Mandatory Early Redemption**

If the Rapid Amortisation Period or the Regulated Amortisation Period commences in respect of any Class of Loan Notes prior to its Scheduled Redemption Date, then (subject to the terms of the relevant Supplemental Trust Deed) on each Interest Payment Date which thereafter occurs, such Class of Loan Note will be redeemed *pro rata* to the extent of the principal amount which is deposited on such date to the Loan Note Issuer Account (as recorded in the ledger therein relating to the relevant Series) in reduction of the corresponding Class of Investor Interest (where applicable, following conversion of such principal amount to another currency pursuant to a Related Agreement) until the earlier of (a) such time as such Class of Loan Notes has been repaid in full and (b) the Final Maturity Date specified in the relevant Supplemental Trust Deed.

6.3 **Final Redemption**

If the Loan Notes of any Class have not previously been redeemed in full pursuant to Condition 6.1 or 6.2 above, such Class of Loan Notes will be redeemed, subject always to Condition 3.3, at their then Principal Amount Outstanding on the relevant Final Maturity Date together with all accrued and unpaid interest, Deferred Interest and Additional Interest.

7. **PAYMENTS**

7.1 **Loan Notes**

Payments of principal and interest in respect of Loan Notes will, subject as mentioned below, be made to the relevant Loan Note Holder by transfer to such account(s) as shall be specified in the relevant Supplemental Trust Deed.

7.2 **Payments subject to fiscal laws; payments on Loan Notes**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Loan Note Holders in respect of such payments.

7.3 **Non-Business Days**

Subject as provided in the relevant Supplemental Trust Deed, if any date for payment in respect of any Loan Note is not a business day, the Loan Note Holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day other than a Saturday or a Sunday or a day on which banking institutions in London, England, Jersey, Channel Islands and McLean, Virginia are authorised or obliged by law or executive order to be closed (subject to the terms of the relevant Supplemental Trust Deed).

8. **TAXATION**

Notwithstanding the terms of any of the Documents to which the Loan Note Issuer (Term) may be a party, all payments in respect of the Loan Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Loan Note Issuer (Term) or, where applicable, the Security Trustee is required by applicable law to make any payment in respect of the Loan Notes subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, the Loan Note Issuer (Term) or the Security Trustee (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Loan Note Issuer (Term) nor the Security Trustee will be obliged to make any additional payments to the relevant Loan Note Holder in respect of such withholding or deduction. The Loan Note Issuer (Term) may require the Loan Note Holders to provide such certifications and other documents as required by applicable law in order to qualify for exemptions from applicable tax laws.

9. LOAN NOTE EVENTS OF DEFAULT

9.1 Occurrence of Loan Note Events of Default

On the occurrence of any of the following events in respect of a Series (each a "**Loan Note Event of Default**"):

- 9.1.1 *Non-payment*: the Loan Note Issuer (Term) fails to pay any amount of principal or interest in respect of the Loan Notes on the due date for payment thereof;
- 9.1.2 *Breach of other obligations*: Loan Note Issuer (Term) defaults in the performance or observance of any of its other obligations under or in respect of the Loan Notes or the Security Trust Deed and (except where such default is incapable of remedy) such default remains unremedied for 30 days after the Security Trustee has given written notice thereof to the Loan Note Issuer (Term), certifying that (save in the case of obligations owed to The Bank of New York in any of its respective capacities or to its successors or assigns) such default is, in the opinion of the Security Trustee, materially prejudicial to the interests of the Loan Note Holders; or
- 9.1.3 *Termination of Swap Agreement*: the early termination, without replacement within 30 days of such termination, of any swap agreement entered into by the Loan Note Issuer (Term) relating to payments under the relevant Series of Notes; or
- 9.1.4 *Unsatisfied judgment*: a judgment or order for the payment of any amount is rendered against the Loan Note Issuer (Term) and continues unsatisfied and unstayed for a period of 30 days after the date thereof or, if later, the date therein specified for payment; or
- 9.1.5 *Security enforced*: a secured party takes possession or a receiver, administrative receiver, administrator, examiner, manager or other similar officer is appointed, of the whole or any part of the undertaking, assets and revenues of the Loan

Note Issuer (Term) or an enforcement action is begun or execution is levied against any of the assets of the Loan Note Issuer (Term); or

- 9.1.6 *Insolvency etc:* (i) the Loan Note Issuer (Term) becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Loan Note Issuer (Term) or the whole or any part of the undertaking, assets and revenues of the Loan Note Issuer (Term) is appointed (or application for any such appointment is made), (iii) the Loan Note Issuer (Term) takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its indebtedness or any guarantee of indebtedness given by it or (iv) the Loan Note Issuer (Term) ceases or threatens to cease to carry on all or any substantial part of its business; or
- 9.1.7 *Winding up etc:* an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Loan Note Issuer (Term) is not taken, fulfilled or as the case may be, carried out; or
- 9.1.8 *Failure to take action etc:* any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Loan Note Issuer (Term) lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Loan Notes and the Related Documents or (ii) to ensure that those obligations are legal, valid, binding and enforceable (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally and as such enforceability may be limited by the effect of general principles of equity) is not taken, fulfilled or done; or
- 9.1.9 *Unlawfulness:* it is or will become unlawful for the Loan Note Issuer (Term) to perform or comply with any of its obligations under or in respect of the Loan Notes or the Related Documents; or
- 9.1.10 *Government intervention:* (i) all or any substantial part of the undertaking, assets and revenues of the Loan Note Issuer (Term) is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (ii) the Loan Note Issuer (Term) is prevented by any such person from exercising normal control over all or any substantial part of its undertaking, assets and revenues,

the Security constituted by the Security Trust Deed in respect of such Series shall immediately become enforceable (as provided in the Security Trust Deed).

- 9.2 The Security Trustee shall not be bound to take any such proceedings or steps as are contemplated by any provision of this Clause 9 or any other proceedings pursuant to or in connection with the Security Trust Deed, the Loan Notes or any of them or to give any notice pursuant to this Condition 9 unless directed or requested to do so by the Note Trustee of a particular Series and then only if it shall have been indemnified and/or secured to its satisfaction.

9.3 Subject to the Security Trustee being requested and/or directed by the Note Trustee of a particular Series and subject also to it having been indemnified and/or secured to its satisfaction following the occurrence of a Loan Note Event of Default, the Security Trustee shall be required to issue a notice (a "**Loan Note Enforcement Notice**") to the Loan Note Issuer (Term) declaring that a Loan Note Event of Default has occurred and that the Security has become enforceable and demanding all amounts of principal and interest owing in respect of the Loan Notes to be paid immediately and to take such steps as it shall think fit to enforce any security it holds in relation to a particular Series.

9.4 **Variation of Loan Note Events of Default**

The Loan Note Events of Default may be varied or amended in respect of any Series of Loan Notes as set out in the relevant Supplemental Trust Deed.

9.5 **Realisation of the Underlying Assets upon redemption**

In the event of the Security becoming enforceable, the Security Trustee shall, but in each case without any liability as to the consequence of such action and without having regard to the effect of, or being required to account for, such action to the Secured Creditors in relation to the relevant Series, have the right to enforce its rights under the Security Trust Deed and any Supplemental Trust Deed (including the appointment of a Receiver) in relation to the relevant Secured Property in relation to such Series only, provided that the Security Trustee shall not be required to take any action that would involve the Security Trustee in any personal liability or expense unless previously indemnified and/or secured to its satisfaction.

The provisions of the Security Trust Deed are expressed to apply separately to each Series. Accordingly, the occurrence of a Loan Note Event of Default under one Series does not *per se* constitute and nor does it trigger a Loan Note Event of Default under any other Series.

10. **ENFORCEMENT**

(a) Only the Security Trustee may pursue the remedies available under the Security Trust Deed, these Conditions or any of the Transaction Documents to enforce the rights of the Secured Creditors in relation to the Secured Property of the relevant Series. No Secured Creditor of such Series is entitled to proceed directly against the Loan Note Issuer (Term) or any assets of the Loan Note Issuer (Term) unless the Security Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, any Supplemental Trust Deed or these Conditions, fails or neglects to do so within a reasonable period and such failure or neglect is continuing. However, the Security Trustee shall not be bound to take any action to enforce the Security or pursue the remedies available under the Trust Deed, any Supplemental Trust Deed or these Conditions (including under Condition 9.3) or any of the Transaction Documents or otherwise take any action unless it is indemnified and/or secured to its satisfaction and has, if so required by the relevant Supplemental Trust Deed, been instructed to do so by the Priority Secured Creditor or the Loan

Note Holders for the relevant Series (as the case may be) in respect of the relevant Series.

- (b) No Secured Creditor, nor the Security Trustee on its behalf, may institute against, or join any person in instituting against the Loan Note Issuer (Term) any bankruptcy, winding-up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Security Trust Deed) or other proceeding under any similar law nor shall any of them have any claim in respect of any such sums over or in respect of any assets of the Loan Note Issuer (Term) which are Security for any other Series. The Secured Creditors accept and agree that the only remedy of the Security Trustee against the Loan Note Issuer (Term) of any Series after any of the Loan Notes in a Series have become due and payable pursuant to Condition 9 is to enforce the Security for the relevant Series pursuant to the provisions of the Security Trust Deed and any Supplemental Trust Deed executed in relation to such Series.
- (c) The net proceeds of enforcement of the Security for the relevant Series may be insufficient to pay all amounts due to the Secured Creditors in respect of such Series, in which event claims in respect of all such amounts will be extinguished.
- (d) No Loan Note Holder may institute any proceedings against the Loan Note Issuer (Term) to enforce its rights under or in respect of the Loan Notes, the Trust Deed or any relevant Supplemental Trust Deed unless (1) the Security Trustee has become bound to institute proceedings and has failed to do so within a reasonable time and (2) the failure is continuing.

11. **PRESCRIPTION**

Claims against the Loan Note Issuer (Term) for payment in respect of the Loan Notes shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (defined below). After the date on which a Loan Note becomes void in its entirety no claim may be made in respect thereof.

"**Relevant Date**" means the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received by or on behalf of the relevant Loan Note Holder or Note Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect has been given to the relevant holders of any Notes comprising Associated Debt issued by such Loan Note Holder.

12. **REPLACEMENT OF LOAN NOTES**

If any Loan Note Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Loan Note Issuer (Term) may require.

Mutilated or defaced Loan Notes must be surrendered before replacements will be issued.

13. **MEETINGS OF LOAN NOTE HOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND SUBSTITUTION**

13.1 **Meetings of Loan Note Holders**

The Trust Deed contains provisions for convening joint and separate meetings of each Class of Loan Note Holders to consider any matter affecting their interests, including the sanctioning by an Extraordinary Resolution of such Loan Note Holders of the relevant Class of any modification of the Loan Notes of the relevant Class (including these Conditions as they relate to the Loan Notes of such relevant class) or the provisions of any of the Relevant Documents, Provided that no modification of certain terms by the Loan Note Holders of any Class including, *inter alia*, (i) the maturity date of the Loan Notes of the relevant Class, (ii) any day for payment of interest on such Class of Loan Notes, (iii) reducing or cancelling the amount of principal or the rate of interest payable in respect of such Class of Loan Notes, or (iv) altering the currency of payment on such Class of Loan Notes (any such modification in respect of any such Class of Loan Notes being referred to below as a "**Basic Terms Modification**") shall be effective unless such modification is sanctioned by an Extraordinary Resolution of the Loan Note Holders of the relevant class of Loan Notes (which shall include each Class which, in the opinion of the Security Trustee, is or may be prejudiced by such Basic Terms Modification). The necessary quorum for passing an Extraordinary Resolution in respect of a Basic Terms Modification shall be one or more persons holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of the relevant Class of Loan Notes. Any Extraordinary Resolution duly passed shall be binding on all Loan Noteholders of the relevant Class. The majority required for an Extraordinary Resolution shall be 75 per cent. of the votes cast on that Extraordinary Resolution.

13.2 **Modification or Waiver**

The Security Trustee may agree, without the consent of the Loan Note Holders to (a) any modification (except a Basic Term Modification or any other modification which requires an Extraordinary Resolution in accordance with Schedule 3 to the Security Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, the Loan Notes including these Conditions or any Relevant Document, which is not, in the opinion of the Security Trustee, materially prejudicial to the interests of the Secured Creditors or (b) any modification of the Loan Notes (including these Conditions) or any Transaction Document, which in the Security Trustee's opinion is to correct a manifest error or is of a formal minor or technical nature. Any such modification, waiver, authorisation or determination shall be binding on the Loan Note Holders and, unless the Security Trustee agrees otherwise, any such modification shall be notified to the Loan Note Holders in accordance with Condition 14 as soon as practicable thereafter.

13.3 **Substitution and Addition**

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein) subject to such amendment of the Trust Deed and such other conditions as the

Security Trustee may require, but without the consent of the Loan Note Holders, the Security Trustee may also agree to the substitution of any other body corporate in place of the Loan Note Issuer (Term) as principal debtor under the Trust Deed and the Loan Notes and in the case of such a substitution or addition the Security Trustee may agree, without the consent of the Loan Note Holders, to a change of the law governing the Loan Notes and/or the Trust Deed provided that such change would not in the opinion of the Security Trustee be materially prejudicial to the interests of the Loan Note Holders. Any such substitution or addition shall be notified to the Loan Note Holders in accordance with Condition 14 as soon as practicable thereafter.

14. **NOTICES**

Any notices to a Loan Note Holder shall be given to it at the address/fax number specified in the relevant Supplemental Trust Deed, or otherwise specified to the Loan Note Issuer (Term), copied to the Registrar and the Security Trustee, from time to time.

15. **REGISTRAR**

The Registrar will act solely as agent of the Loan Note Issuer (Term) and will not otherwise assume any obligation or duty or relationship of agency or trust to or with the Loan Note Holders unless a Loan Note Event of Default has occurred, when it will act as agent of the Security Trustee. Such agreement may be amended by the parties thereto with the prior written approval of the Security Trustee subject to its obtaining the consent of the Loan Note Holders.

The Loan Note Issuer (Term) reserves the right at any time with the consent of the Security Trustee to vary or terminate the appointment of the Registrar and to appoint another Registrar outside the United Kingdom. Notice of any termination or appointment and of any changes in specified offices will be given to the the Loan Note Holders promptly by the Loan Note Issuer (Term) in accordance with Condition 14.

16. **GOVERNING LAW**

16.1 **Governing Law**

The Trust Deed, the relevant Supplemental Trust Deed and the Loan Notes (including these Conditions) are governed by and shall be construed in accordance with English law save that those parts of the Trust Deed and the Supplemental Trust Deed concerned with the creation, subsistence or enforcement of the Loan Note Issuer (Term) Jersey Security Interest are governed by and shall be construed in accordance with Jersey law.

16.2 **Submission to jurisdiction**

The Loan Note Issuer (Term) has, in the Trust Deed, irrevocably agreed for the benefit of the Secured Creditors that the Royal Courts of Jersey shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Loan Notes and, for such purposes, irrevocably submits to the jurisdiction of such courts.

SCHEDULE 3
PROVISIONS FOR MEETINGS OF LOAN NOTE HOLDERS

1. **Definitions**

In this Schedule 3, the following expressions have the following meanings:

"Basic Terms Modification" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of any Loan Notes including the maturity date, to reduce or cancel the amount of principal or interest payable or due on any date in respect of any Loan Notes or to alter the method of calculating the amount of any payment in respect of any Loan Notes on redemption or maturity;
- (b) to effect the exchange, conversion or substitution of any Loan Notes for, or the conversion of any Loan Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of any Loan Notes are payable other than pursuant to redenomination into euro;
- (d) to alter the priority of payment of interest or principal in respect of any Loan Notes;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (f) to amend this definition;

"Chairman" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 6;

"Extraordinary Resolution" means a resolution passed at a Meeting duly convened and held in accordance with this Schedule by a majority of not less than three quarters of the votes cast;

"Form of Proxy" means, in relation to any Meeting, a document in the English language available from the Registrar signed by a Loan Note Holder or, in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer and delivered to the Registrar not later than 48 hours before the time fixed for such Meeting, appointing a named individual or individuals to vote in respect of the Loan Notes held by such Loan Note Holder;

"Meeting" means a meeting of Loan Note Holders or any Series or Class of Loan Note Holders (whether originally convened or resumed following an adjournment);

"Proxy" means, in relation to any Meeting, a person appointed to vote under a Form of Proxy other than:

- (a) any such person whose appointment has been revoked and in relation to whom the Registrar has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (b) any such person 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;

"Relevant Fraction" means:

- (a) for all business other than voting on an Extraordinary Resolution, one tenth;
- (b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, more than half; and
- (c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, at least three quarters;

Provided however, that in the case of a Meeting which has resumed after adjournment for want of a quorum, it means:

- (i) for all business other than voting on an Extraordinary Resolution relating to a Basic Terms Modification, the fraction of the aggregate principal amount of the outstanding Loan Notes represented or held by the Voters actually present at the Meeting; and
- (ii) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, one third;

"Voter" means, in relation to any Meeting, (a) a Proxy or (subject to paragraph 3 below) a Loan Note Holder, **Provided that** (subject to paragraph 3 below) any Loan Note Holder which has appointed a Proxy under a Form of Proxy shall not be a **"Voter"** except to the extent that such appointment has been revoked and the Registrar notified in writing of such revocation at least 48 hours before the time fixed for such Meeting;

"Written Resolution" means a resolution in writing signed by or on behalf of all holders of Loan Notes who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Schedule, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Loan Notes;

"24 hours" means a period of 24 hours including all or part of a day upon which banks are open for business in both the place where the relevant Meeting is to be held and in the place where the Registrar has its registered office (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

"48 hours" means 2 consecutive periods of 24 hours.

2. **Issue of Forms of Proxy**

Any holder of a Loan Note may obtain an uncompleted and unexecuted Form of Proxy from the Registrar. More than one Form of Proxy cannot be outstanding simultaneously in respect of the same Loan Note.

3. **Record Date**

Loan Note Issuer (Term) may fix a record date for the purposes of any Meeting or any resumption thereof following its adjournment for want of a quorum provided that such record date is not more than 10 days prior to the time fixed for such Meeting or (as the case may be) its resumption. The person in whose name a Loan Note is registered in the Register on the record date at close of business in the city in which the Registrar has its registered office shall be deemed to be the holder of such Loan Note for the purposes of such Meeting and notwithstanding any subsequent transfer of such Loan Note or entries in the Register.

4. **Convening of Meeting**

Loan Note Issuer (Term) or the Security Trustee may convene a Meeting at any time, and the Security Trustee shall be obliged to do so subject to its being indemnified to its satisfaction upon the request in writing of Loan Note Holders holding not less than one tenth of the aggregate Principal Amount Outstanding of the Loan Notes. Every Meeting shall be held on a date, and at a time and place, approved by the Security Trustee.

5. **Notice**

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to Loan Note Issuer (Term) or the Security (as applicable), the Loan Note Holders, the Registrar and the Transferor Beneficiary. The notice shall set out in full the text of any resolutions to be proposed unless the Security Trustee agrees that the notice shall instead specify the nature of the resolutions without including the full text and shall state that a Loan Note Holder may appoint a Proxy by executing and delivering a Form of Proxy to the registered of the Registrar, in either case until 48 hours before the time fixed for the Meeting.

6. **Chairman**

An individual (who may, but need not, be a Loan Note Holder) nominated in writing by the Security Trustee may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, Loan Note Issuer (Term) may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

7. **Quorum**

The quorum at any Meeting shall be one or more Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Loan Notes.

8. **Adjournment for want of quorum**

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

- (a) In the case of a Meeting requested by Loan Note Holders, it shall be dissolved; and
- (b) In the case of any other Meeting (unless Loan Note Issuer (Term) and the Security Trustee otherwise agree), it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairman determines (with the approval of the Security Trustee): **Provided however**, that
 - (i) the Meeting shall be dissolved if Loan Note Issuer (Term) and the Security Trustee together so decide; and
 - (ii) no Meeting may be adjourned more than once for want of a quorum.

9. **Adjourned Meeting**

The Chairman may, with the consent of, and shall if directed by, any Meeting adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

10. **Notice following adjournment**

Paragraph 5 shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

- (a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

11. **Participation**

The following may attend and speak at a Meeting:

- (a) Voters;
- (b) representatives of the Loan Note Issuer (Term) and the Security Trustee;
- (c) the financial advisers of the Loan Note Issuer (Term) and the Security Trustee;
- (d) the legal counsel to the Loan Note Issuer (Term) and the Security Trustee and such advisers.

12. **Show of hands**

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

13. **Poll**

A demand for a poll shall be valid if it is made by the Chairman, Loan Note Issuer (Term), the Security Trustee or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Loan Notes. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

14. **Votes**

Every Voter shall have:

- (a) On a show of hands, one vote; and
- (b) On a poll, one vote in respect of £1 in aggregate face amount of the Principal Amount Outstanding of the Loan Note(s) represented or held by him.

A Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way. In the case of a voting tie the Chairman shall have a casting vote.

15. **Validity of Votes by Proxies**

Any vote by a Proxy in accordance with the relevant Form of Proxy shall be valid even if such Form of Proxy or any instruction pursuant to which it was given has been amended or revoked, provided that the Registrar has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Form of Proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; provided that no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Form of Proxy to vote at the Meeting when it is resumed.

16. **Powers**

A meeting of the Loan Note Holders shall, in addition to the powers hereinbefore given, have the following powers exercisable by Extraordinary Resolution (subject to the provisions relating to quorum contained in paragraph 7 above) only, namely:

- (a) to approve any Basic Terms Modification;

- (b) to approve any proposal for any modification, abrogation, variation or compromise of any provisions of the Security Trust Deed, any Supplemental Trust Deed or any Loan Note Conditions or any arrangement in respect of the obligations of the Loan Note Issuer (Term) under or in respect of any Loan Notes;
- (c) to approve the substitution of any person for the Loan Note Issuer (Term) (or any previous substitute) as principal obligor under any Loan Notes;
- (d) to waive any breach or authorise any proposed breach by the Loan Note Issuer (Term) of its obligations under or in respect of the Security Trust Deed, any of the Loan Notes or the other Documents or any act or omission which might otherwise constitute a Loan Note Event of Default under the Loan Notes;
- (e) to remove any Security Trustee;
- (f) to approve the appointment of a new Security Trustee;
- (g) to authorise the Security Trustee (subject to its being indemnified and/or secured to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- (h) to discharge or exonerate the Security Trustee from any liability in respect of any act or omission for which it may become responsible under the Security Trust Deed, any Supplemental Trust Deed or any Loan Notes;
- (i) to give any other authorisation or approval which under the Security Trust Deed, any Supplemental Trust Deed or any Loan Notes is required to be given by Extraordinary Resolution; and
- (j) to appoint any persons as a committee to represent the interests of the Loan Note Holders and to confer upon such committee any powers which the Loan Note Holders could themselves exercise by Extraordinary Resolution,

17. **Basic Terms Modifications**

No Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class or Series of Loan Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes and Series of Loan Notes (to the extent that there are Loan Notes are outstanding in each such other classes) which in the opinion of the Security Trustee, are or may be prejudiced by such resolution.

18. **Extraordinary Resolution of a single subordinated Class**

No Extraordinary Resolution to approve any matter other than a Basic Terms Modification of the Loan Note Holders of a subordinate class shall be effective unless (A) the Security Trustee is of the opinion that it will not be materially prejudicial to the interests of each Class to which it is subordinate (to the extent that the Loan Notes of such Class(es) are then outstanding) or (B) (to the extent that the Note Trustee is not of

that opinion) it is sanctioned by an Extraordinary Resolution of such Class(es) (to the extent that such Class(es) are then outstanding).

19. **Binding Nature of Extraordinary Resolution**

Subject to the paragraphs 17 and 18 above, any resolution passed at a Meeting of Loan Note Holders duly convened and held in accordance with this Schedule 3 shall be binding upon all Loan Note Holders, including any Series and/or Class thereof, whether or not present at such Meeting and whether or not voting and, in each case, all of the relevant Series and/or Classes of Loan Note Holders shall be bound to give effect to any such resolutions accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of every vote on an Extraordinary Resolution shall be given by or on behalf of the Chairman to the Loan Note Holders, the Registrar, the Loan Note Issuer (Term) and the Security Trustee within 14 days of the conclusion of the Meeting.

20. **Minutes**

Minutes of all resolutions and proceedings at each Meeting shall be made. The Chairman shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

21. **Written Resolution**

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

22. **Further Regulations**

Subject to all other provisions contained in the Security Trust Deed, the Security Trustee may without the consent of the Loan Note Issuer (Term) or the Loan Note Holders prescribe such further regulations regarding the holding of Meetings of Loan Note Holders and attendance and voting at them as the Security Trustee may in its sole discretion determine.

23. **Several Series**

The following provisions shall apply where outstanding Loan Notes belong to more than one series:

- (a) Business which in the opinion of the Security Trustee affects the Loan Notes of only one Series shall be transacted at a separate Meeting of the holders of the Loan Notes of that Series;
- (b) Business which in the opinion of the Security Trustee affects the Loan Notes of more than one Series but does not give rise to an actual or potential conflict of interest between the Loan Note Holders of one such Series and the holders of Loan Notes of any other such Series shall be transacted either at separate Meetings of the holders of the Loan Notes of each such Series or at a single

Meeting of the holders of the Loan Notes of all such Series, as the Security Trustee shall in its absolute discretion determine.

- (c) Business which in the opinion of the Security Trustee affects the Loan Notes of more than one Series and gives rise to an actual or potential conflict of interest between the Loan Note Holders of one such Series and the Loan Note Holders of any other such Series shall be transacted at separate Meetings of the holders of the Loan Notes of each such Series.

In this clause, "**business**" includes (without limitation) the passing or rejection of any resolution.

SCHEDULE 4

FORM OF NOTICE OF ASSIGNMENT – LOAN NOTE ISSUER (TERM) JERSEY SECURED PROPERTY

To: Bedell Cristin Trust Company Limited,
26 New Street
St Helier
Jersey JE2 3RA.

From: The Bank of New York, as Security Trustee under the Security Trust Deed referred to below.

Tenby Castle Funding Group Limited

Dear Sirs,

Tenby Castle Funding Group Limited (for the purposes of this notice, the "Debtor")

We hereby give you notice that by a Security Trust Deed dated 23 April 2002 and made between, *inter alios*, the Security Trustee and the Debtor (the "**Security Trust Deed**") the following property (*inter alia*) has been assigned by the Debtor to the Security Trustee on behalf of the Secured Creditors identified therein.

Assigned Property: All the Debtor's rights, title, interest and benefit present and future in, to and under the Corporate Services Agreement dated 8 August 2001 and made between the Debtor, Bedell Cristin Trust Company Limited and Capital One Bank (Europe) plc (the "**Jersey Corporate Services Agreement**") including without limitation all rights to receive payment of any amount which may become payable to the Debtor thereunder or payments received by the Debtor thereunder or rights to serve notice and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof (the "**Collateral**").

Words and expressions defined in or incorporated by reference into the Security Trust Deed shall, unless expressly defined herein or unless the context otherwise requires bear the same meaning in this Notice.

A copy of the Security Trust Deed is attached to this Notice. Henceforth the provisions contained therein shall apply to the Collateral assigned by the Debtor pursuant to the Security Trust Deed.

This notice is not capable of revocation by the Debtor. Please acknowledge receipt of this Notice by signing the enclosed duplicate of this Notice.

This Notice shall be governed by and construed in accordance with Jersey law.

Yours faithfully,

.....

for and on behalf of The Bank of New York as Security Trustee

.....

Tenby Castle Funding Group Limited

ACKNOWLEDGEMENT AND ACCEPTANCE

We acknowledge receipt of this Notice and accept the provisions contained herein. We confirm as follows:

1. Other than as set out in the Jersey Corporate Services Agreement we do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, rights of set-off or any other rights against the Debtor in respect of the Collateral or any part thereof; and
2. We have not, as of the date hereof, received any notice that any third party has or will have any right or interest whatsoever in or has made or will be making any claim or demand or taking any action whatsoever against the Collateral or any part thereof.

We undertake that, in the event of our becoming aware at any time that any person or entity other than the Security Trustee (as agent for the Secured Creditors) has or will have any right or interest whatsoever in or has or will be making any claim or demand or taking any action whatsoever against the Collateral or any part thereof, we will immediately give written notice of any of the terms of such right or interest, claim or demand or action to both the Security Trustee and the Debtor.

.....

For and on behalf of Bedell Cristin Trust Company Limited

Date.....

EXECUTION

Loan Note Issuer (Term)

Executed as a deed by)
TENBY CASTLE FUNDING GROUP)
LIMITED)
pursuant to a resolution of the board)

Transferor Beneficiary

Executed as a deed by)
CAPITAL ONE BANK (EUROPE) PLC)
acting by its duly authorised attorney)
)
_____)

in the presence of:

_____ (signature)

_____ (name)

_____ (address)

Address for Service

Bedell Cristin Trust Company Limited
26 New Street
St. Helier
Jersey JE2 3RA
Channel Islands

Security Trustee

SIGNED as a Deed by Kate Russell acting as)
attorney in fact for and on behalf of)
THE BANK OF NEW YORK)

In the presence of:

(Signature)

_____ (name)

_____ (address)

Address for Service

Bedell Cristin Trust Company Limited
26 New Street
St. Helier
Jersey JE2 3RA
Channel Islands

Receivables Trustee

Executed as a deed by)
CASTLE RECEIVABLES TRUST)
LIMITED)
pursuant to a resolution of the board)

Registrar

SIGNED as a deed by)
BEDELL CRISTIN TRUST COMPANY)
LIMITED)
pursuant to a regulation of the board)