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 - is an investment professional within the meaning of article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005; or
 - is a high net worth entity falling within Article 49(2)(a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, and
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London Wall Mortgage Capital plc

Incorporated with limited liability in England and Wales with registered number 10001337.

Residential mortgage backed securities programme

Series Fleet 2016-01

Class	Initial Principal Amount	Issue Price	Floating Reference Rate* / Fixed Rate	Margin/Fixed Rate		Step-up Date Series Payments Date in	Final Maturity Date Series Payments Date in	Expected ratings	
				Prior to Step-up	From Step-up			Fitch	Moody's
A Notes	GBP 203,730,000	100%	3 month GBP LIBOR	0.95%	1.425%	November 2021	August 2048	AAA(sf)	Aaa(sf)
B Notes	GBP 11,850,000	100%	3 month GBP LIBOR	2.20%	3.20%	November 2021	August 2048	AA(sf)	Aa1(sf)
C Notes	GBP 14,210,000	100%	3 month GBP LIBOR	3.25%	4.25%	November 2021	August 2048	A(sf)	A1(sf)
Z Notes	GBP 11,850,000	100%	Fixed Rate	0.00%	0.00%	Not applicable	August 2048	—	—
S Notes	GBP 1,950,000	100%	Fixed Rate	0.00%	0.00%	Not applicable	August 2048	—	—
	Number of DCIs		DCI payments						
R1 DCIs	1,000,000	—	R1 DCI Amounts	—	—	Not applicable	Not applicable	—	—
R2 DCIs	1,000,000	—	R2 DCI Amounts	—	—	Not applicable	Not applicable	—	—

*The Interest Rate on the Floating Rate Notes is subject to a floor of 0% per annum.

Issue date The Issuer expects to create a new Series, to be called Series Fleet 2016-01, under its Programme and to issue the Notes in the Classes set out above and the DCIs in the Classes set out above, being all of the Notes and DCIs in the Series, on 4 November 2016 (the **Series Closing Date**).

Stand-alone / programme issuance Series Fleet 2016-01 will constitute a separate segregated Series issued under the residential mortgage backed securities programme of the Issuer described in the Programme Prospectus dated 1 November 2016 (accompanying this Series Prospectus) issued in respect of that programme (the **Programme Prospectus**). There is no cross-collateralisation or comingling between any of the Series issued, or to be issued, under the Programme and each Series has its own separate assets, credit structure and cashflows and can be separately enforced. See further 7.3 *Segregation of Series Portfolios by Series*, and 11.10.1 *Segregated priorities, enforcement and realisation scheme* in the Programme Prospectus.

This Series Prospectus has been prepared in relation to Series Fleet 2016-01 and the issue of the Notes and DCIs by the Issuer as a drawdown prospectus in relation to the Programme and, in accordance with A.1 *Information incorporated by reference* below, must be read in conjunction with the information in the Programme Prospectus which is incorporated by reference in this Series Prospectus. Each cross reference that starts with a number is to a section of the Programme Prospectus and each cross reference that starts with a letter is to a section of this Series Prospectus.

Expressions defined in the Programme Prospectus have the same meaning in this Series Prospectus. Please refer to 19 *Programme Prospectus index of definitions* in the Programme Prospectus and O *Series Prospectus index of definitions* below to find the page in the Disclosure Documents on which an expression is defined. Except where inappropriate in the context, expressions in this Series Prospectus shall be construed as relating to Series Fleet 2016-01 (for example, but without limitation, except where inappropriate in the context, all references to the Notes in this Series Prospectus are to the Notes relating to Series Fleet 2016-01).

Listing This Series Prospectus, together with the information incorporated by reference as indicated in A.1 *Information incorporated by reference* below, has been approved by the UK Listing Authority (which is the United Kingdom competent authority for the purposes of the Prospectus Directive and relevant implementing measures in the United Kingdom) as a prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to each Class of the Notes. This Series Prospectus forms part of the Disclosure Documents in relation to the Notes described in this Series Prospectus. Copies of this Series Prospectus will be filed with

Particular attention is drawn to the following in the Disclosure Documents: sections 1. Important information about the Disclosure Documents and 4. Risk factors in the Programme Prospectus and sections A Important information about this Series Prospectus below and D Additional risk factors below.

Series Arranger

Citigroup

Joint Series Lead Managers

Citigroup

The Royal Bank of Scotland plc

the National Storage Mechanism on or before the date of issue of the Notes. This Series Prospectus is not a prospectus for the purposes of Section 12(a)(2) or any other provision under the U.S. Securities Act.

An application has been made to the UK Listing Authority for each Class of the Notes to be admitted to the UK Official List and an application has been made to the London Stock Exchange for each Class of the Notes to be admitted to trading on the London Regulated Market.

This Series Prospectus also includes information relating to the DCIs but no such applications have been made or shall be made in respect of the DCIs. This Series Prospectus does not constitute a prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the DCIs and the UK Listing Authority has neither approved nor reviewed the information contained in the Disclosure Documents in connection with the DCIs.

See further 1.2 *Disclosure Documents and Listing* in the Programme Prospectus.

Underlying assets	The Issuer will make payments on the Notes and DCIs from, among other things, payments of principal and revenue received from the Series Portfolio which comprises Buy to Let Mortgages secured over residential properties located in England and Wales originated by Fleet Mortgages Limited (being the Series Portfolio Originator) and acquired by London Wall Capital Investments LLP (being the Series Portfolio Seller) which will be purchased by the Issuer on the Series Closing Date. See further E <i>Series Portfolio and Series Mortgage Services</i> below.
Credit enhancement	Credit enhancement for the Notes is provided in the following manner: <ul style="list-style-type: none">• in relation to any Class of Notes (other than the Class Z Notes and the Class S Notes), the subordination of Notes that rank junior to such Class in the Series Priorities of Payments,• the availability of funds (which may include the Series Main Reserve Fund), if any, at specified Priority Levels of the Series Revenue Priority of Payments to reduce a Series Principal Deficiency, and• the Series Main Reserve Fund. See further G <i>Series credit structure and cashflows</i> below.
Liquidity support	Liquidity support for the Notes is provided in the following manner: <ul style="list-style-type: none">• the Series Main Reserve Fund,• in respect of the A Notes and the B Notes prior to a Series Acceleration Date, the availability of the Series Liquidity Reserve Fund to reduce a Series Liquidity Deficiency, and• in respect of the Market Notes prior to a Series Acceleration Date, the availability of Mortgage Principal Receipts to fund the Series Liquidity Reserve Required Amount and to reduce a Series Senior Expense Deficiency. See further G <i>Series credit structure and cashflows</i> below.
Redemption provisions	Information on any optional and mandatory redemption of the Notes is summarised in F.3.7 <i>Redemption</i> and set out in full in F.1 <i>Note Specified Terms</i> below and Base Condition 6 <i>Redemption, purchase and cancellation</i> in the Programme Prospectus.
Credit rating agencies	Fitch and Moody's are the Series Rating Agencies in relation to this Series and, as at the date of this Series Prospectus, each is a credit rating agency established in the European Union and registered under the Credit Rating Agencies Regulation. See further C.1 <i>Table of Transaction Parties</i> below and J.2 <i>Series Rating Agencies</i> below.
Credit ratings	Ratings are expected to be assigned by the Series Rating Agencies to the A Notes, B Notes and C Notes (the Market Notes) as set out above on or before the Series Closing Date. Fitch ratings address only the credit risk associated with the transaction (they do not address other non-credit risks, but may have a significant effect on yield to investors). The rating of a Class of Notes by Moody's primarily addresses the expected credit loss posed to Noteholders of that Class on or before the legal final maturity of that Class of Notes. The assignment of ratings to the Market Notes reflects the views of the relevant Series Rating Agency and is not a recommendation to invest in the Market Notes or to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant Series Rating Agency. Any rating assigned to the Notes may be revised or withdrawn at any time. No rating has been sought or is expected to be made in respect of the Z Notes, S Notes or the DCIs. See further 4.1.15 <i>Ratings of the Notes and/or DCIs</i> in the Programme Prospectus.
Eurosystem eligibility	The A Notes (but none of the other Classes of Notes or DCIs) are intended to be held in a manner which would allow Eurosystem eligibility. This means that the A Notes are intended upon issue to be deposited with one of the International Central Securities Depositories, as common safekeeper, and does not necessarily mean that the A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. See further 4.5.2(d) <i>Eurosystem eligibility</i> in the Programme Prospectus.
Retention undertaking	The Series Portfolio Seller will undertake to the Issuer and the Series Note Trustee (for the benefit of Holders of the Market Notes), that it will retain a material net economic interest of at least 5% in respect of the Series in accordance with Articles 405-409 of the Capital Requirements Regulation, Article 51 of the AIFM Regulation and Article 254 of the Solvency II Regulation (in each case, not taking into account any corresponding national measures). As at the Series Closing Date, such interest will consist of an interest in the first loss tranche of the Series (as contemplated by the text of each of Article 405(1)(d) of the Capital Requirements Regulation, Article 51(1)(d) of the AIFM Regulation and 254(2)(d) of the Solvency II

Regulation) by holding all of the Z Notes. Any change to the manner in which such interest is held will be notified to investors. See further J.1 *Risk retention requirements* below.

- Volcker Rule Having sought the advice of legal counsel and made other reasonable enquiries, the Issuer is of the view that it is not now, and immediately following the issuance of the Notes and DCIs and the application of the proceeds thereof it will not be, a 'covered fund' for the purposes of the regulations adopted to implement section 619 under the Dodd-Frank Act, commonly known as the Volcker Rule. Although other exclusions may be available to the Issuer, this conclusion is based on the exclusion or exemption from the definition of 'investment company' in the U.S. Investment Company Act provided by Rule 3a-7 thereunder. See further 4.5.2(e) *Certain Volcker Rule considerations* in the Programme Prospectus.
- Obligations The Notes and the DCIs will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes and the DCIs will not be obligations of any other Transaction Party named in the Disclosure Documents or any of such Transaction Party's affiliates.
- Significant investor On the Series Closing Date the Series Portfolio Seller will purchase all of the Z Notes and the S Notes (the **Retained Notes**) (see M.1 *Series Subscription Agreement* below), and all of the DCIs will be issued to the Series Portfolio Seller as part consideration for the sale of the Series Portfolio by the Seller to the Issuer (see E.1.3 *Consideration for sale of Series Portfolio* below).

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A. Important information about this Series Prospectus

A.1 Information incorporated by reference

All of the information in the following sections in the Programme Prospectus is deemed to be incorporated in and form part of this Series Prospectus:

1. *Important information about the Disclosure Documents* on pages 1 to 9 inclusive,
2. *Diagrammatic overview of the Programme* on pages 10 to 12 inclusive,
3. *Transaction Parties on the Programme Establishment Date* on pages 13 to 15 inclusive,
4. *Risk factors* on pages 16 to 38 inclusive,
5. *Overview of the Programme* on pages 39 to 43 inclusive,
6. *The Issuer and its corporate structure* on pages 44 to 45 inclusive,
7. *Series Portfolios* on pages 46 to 75 inclusive,
8. *Provision of services to the Issuer* on pages 76 to 88 inclusive,
9. *Certain features of the Notes and DCIs* on pages 89 to 102 inclusive,
10. *Base Conditions* on pages 103 to 145 inclusive,
11. *Credit structure and cashflows* on pages 146 to 165 inclusive,
12. *Security and intercreditor arrangements* on pages 166 to 179 inclusive,
13. *Certain taxation aspects of the Notes and DCIs* on pages 180 to 181 inclusive,
14. *Subscription and sale of Notes and DCIs* on pages 182 to 184 inclusive,
15. *Transfer Regulations* on pages 185 to 189 inclusive,
16. *ERISA and other Employee Benefit Plan considerations* on pages 190 to 191 inclusive, and
19. *Programme Prospectus index of definitions* on pages 200 to 203 inclusive.

Any documents themselves incorporated by reference into those sections shall not form a part of this Series Prospectus. The parts of the Programme Prospectus not incorporated into this Series Prospectus are either not relevant to an investor in the Notes and/or DCIs or are covered elsewhere in this Series Prospectus.

Any statement contained in the Programme Prospectus incorporated or deemed incorporated by reference into this Series Prospectus shall be deemed to be modified or superseded for the purpose of this Series Prospectus to the extent that a statement contained in this Series Prospectus modifies or supersedes such statement contained in the Programme Prospectus. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Series Prospectus.

Full information on the Issuer, the Notes and the DCIs described in this Series Prospectus is only available on the basis of a combination of this Series Prospectus and any information incorporated by reference into this Series Prospectus.

Save as disclosed in this Series Prospectus, the Issuer confirms that there has been no significant change and no significant new factor, material mistake or inaccuracy relating to the information incorporated by reference has arisen since publication of the Programme Prospectus.

From on or about the date of this Series Prospectus and throughout the period in which any Notes are outstanding, the Programme Prospectus shall be available in electronic form which may be viewed free of charge on the website of the regulated market of the London Stock Exchange at:

<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

See also 1.3 *Availability of documents for inspection* in the Programme Prospectus.

A.2 No significant adverse change

- There has been no significant change in the financial or trading position of the Issuer since the date of its incorporation; and
- there has been no material adverse change in the financial position or prospects of the Issuer since the date of its incorporation.

A.3 No significant adverse proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the period since the date of the Issuer's incorporation, which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability.

A.4 Responsibility statements

A.4.1 Issuer responsibility statement

The Issuer accepts responsibility for the information contained in this Series Prospectus. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Series Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information sourced from third parties contained in this Series Prospectus has been accurately reproduced (and is clearly sourced where it appears in this Series Prospectus) and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

A.4.2 Limited responsibility statements by certain other parties

Specified Entity	Specified Sections of this Series Prospectus
Fleet Mortgages Limited	C.2.1 <i>Fleet Mortgages Limited</i> , E.4.3 <i>Product development</i> , E.4.4 <i>Intermediary distribution channels</i> , E.4.5 <i>Underwriting and appraisal systems</i> , E.4.6 <i>Risk management and compliance</i> , and E.5 <i>Lending Criteria relating to the Series Portfolio</i>
Capita Mortgage Services Limited	C.2.2 <i>Capita Mortgage Services Limited</i>
Citibank, N.A., London Branch	C.2.3 <i>Citibank, N.A., London Branch</i>
Barclays Bank PLC	C.2.4 <i>Barclays Bank PLC</i>
BNP Paribas	C.2.5 <i>BNP Paribas</i>
London Wall Capital Investments LLP	E.4.1 <i>Pre-agreed criteria and arrangements</i> , and E.4.2 <i>Application of the BlackRock EMS investment process</i>

In relation to each person listed in the *Specified Entity* column of the above table (the relevant **Specified Entity**):

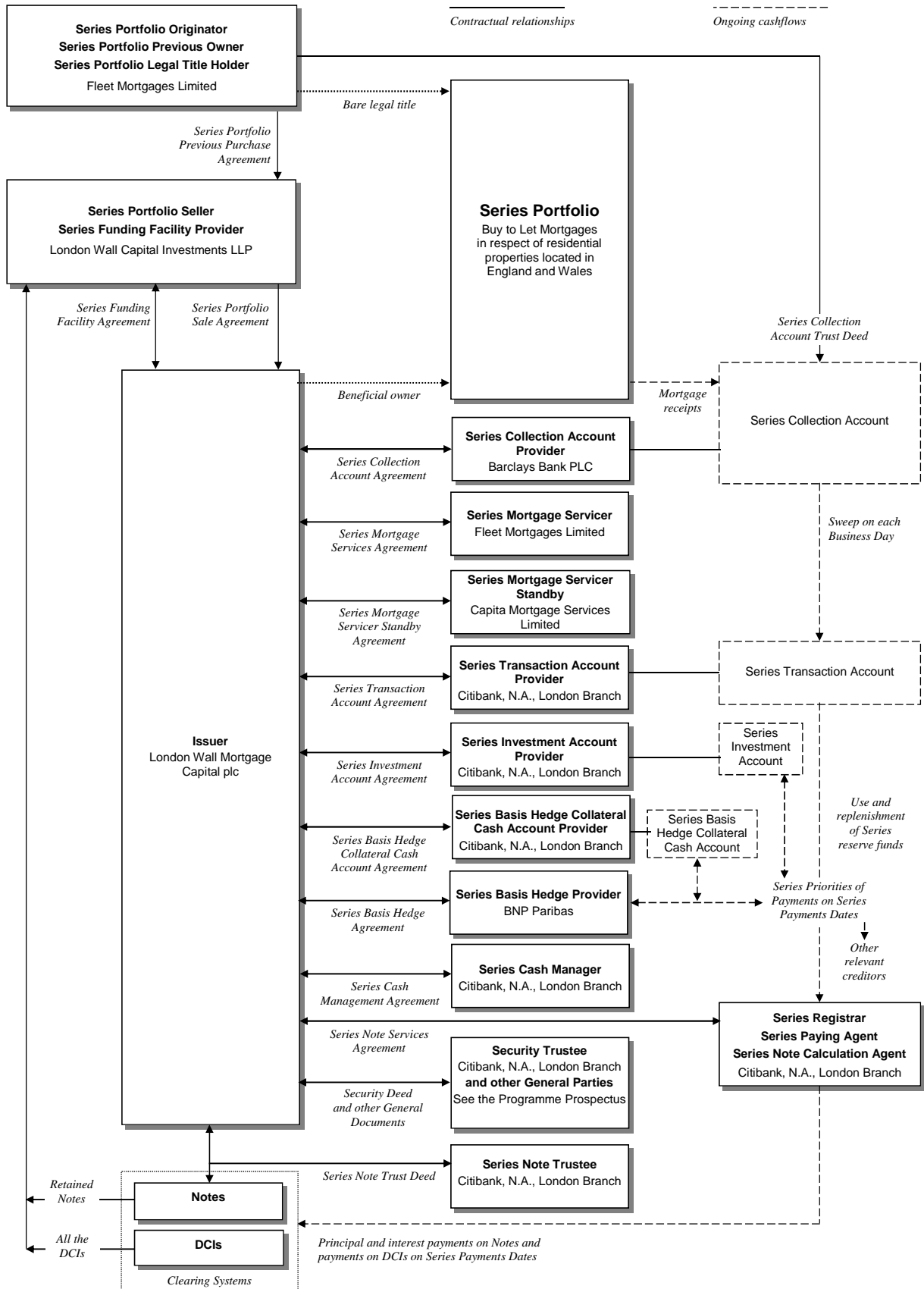
- that Specified Entity accepts responsibility for the information set out in each section (each a **Specified Section** in relation to that Specified Entity) of this Series Prospectus having the heading indicated adjacent to that Specified Entity's name in the *Specified Sections of this Series Prospectus* column of the above table;
- to the best of the knowledge and belief of that Specified Entity (having taken all reasonable care to ensure that such is the case), the information contained in each Specified Section in respect of that Specified Entity is in accordance with the facts and does not omit anything likely to affect the import of such information; and
- no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Specified Entity as to the accuracy or completeness of any information contained in the Disclosure Documents (other than each Specified Section in respect of that Specified Entity) or any other information supplied in connection with the Notes, the DCIs or their distribution.

A.5 Stabilisation Manager

There is no Stabilisation Manager in relation to this Series (see 1.9 *Stabilisation activities in relation to market price of Notes* in the Programme Prospectus).

B. Diagrammatic overview of the Series and ongoing cashflows

The following diagram is intended to provide an overview of the structure, main parties and ongoing cashflows of Series Fleet 2016-01 under the Programme:



C. Transaction Parties on the Series Closing Date

C.1 Table of Transaction Parties

Party	Name and address	Document under which appointed / Further Information
Issuer	London Wall Mortgage Capital plc Fifth Floor, 100 Wood Street, London EC2V 7EX	See further 6 <i>The Issuer and its corporate structure</i> in the Programme Prospectus.
Series Portfolio Seller	London Wall Capital Investments LLP 4th Floor, 40 Dukes Place, London EC3A 7NH	Series Portfolio Sale Agreement. See further E.1.1 <i>Series Portfolio Sale Agreement</i> below.
Series Portfolio Legal Title Holder and Series Portfolio Previous Owner	Fleet Mortgages Limited 2nd Floor, Flagship House, Reading Road North, Fleet, Hampshire GU51 4WP	Series Portfolio Previous Purchase Agreement. See further E.1.2 <i>Series Portfolio Previous Purchase Agreement</i> below.
Series Mortgage Servicer	Fleet Mortgages Limited 2nd Floor, Flagship House, Reading Road North, Fleet, Hampshire GU51 4WP	Series Mortgage Services Agreement. See further E.8 <i>Servicing of the Series Portfolio</i> below.
Series Mortgage Servicer Standby	Capita Mortgage Services Limited 17 Rochester Row, London, SW1P 1QT	Series Mortgage Servicer Standby Agreement. See further E.9 <i>Series Mortgage Servicer Standby</i> below.
Series Cash Manager	Citibank, N.A., London Branch Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Series Cash Management Agreement. See further G.9 <i>Cash management</i> below.
Series Basis Hedge Provider	BNP Paribas 16, Boulevard des Italiens, 75009, Paris, France	Series Basis Hedge Agreement. See further G.6 <i>Series Basis Hedge Agreement</i> below.
Series Basis Hedge Reporter	BNP Paribas 16, Boulevard des Italiens, 75009, Paris, France	Series Basis Hedge Reporting Agreement. See further G.6.8 <i>Series Basis Hedge Reporting Agreement</i> below.
Series Funding Facility Provider	London Wall Capital Investments LLP 4th Floor, 40 Dukes Place, London EC3A 7NH	Series Funding Facility Agreement. See further G.7 <i>Series Funding Facility Agreement</i> below.
Series Transaction Account Provider	Citibank, N.A., London Branch Citigroup Centre, Canada Square, London E14 5LB	Series Transaction Account Agreement. See further G.8.2 <i>Series Transaction Account Agreement</i> below.
Series Investment Account Provider	Citibank, N.A., London Branch Citigroup Centre, Canada Square, London E14 5LB	Series Investment Account Agreement. See further G.8.3 <i>Series Investment Account Agreement</i> below.
Series Basis Hedge Collateral Cash Account Provider	Citibank, N.A., London Branch Citigroup Centre, Canada Square, London E14 5LB	Series Basis Hedge Collateral Cash Account Agreement. See further G.8.4 <i>Series Basis Hedge Collateral Cash Account Agreement</i> below.
Series Collection Account Provider	Barclays Bank PLC 65 High Street, Camberley, Surrey GU15 3RS	Series Collection Account Agreement and Series Collection Account Trust Deed. See further G.8.1 <i>Series Collection Account Agreement</i> below.
Series Note Trustee	Citibank, N.A., London Branch Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Series Note Trust Deed. See further F.1 <i>Note Specified Terms</i> below.

Series Registrar, Series Paying Agent and Series Note Calculation Agent	Citibank, N.A., London Branch Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Series Note Services Agreement. See further F.3.25 <i>Paying agent, registrar and calculation agent</i> below.
Series Arranger	Citigroup Global Markets Limited Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Series Subscription Agreement. See further M.1 <i>Series Subscription Agreement</i> below.
Series Lead Managers	Citigroup Global Markets Limited Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB The Royal Bank of Scotland plc 250 Bishopsgate, London EC2M 4AA	Series Subscription Agreement. See further M.1 <i>Series Subscription Agreement</i> below.
Series Rating Agencies	Fitch Ratings Ltd. 30 North Colonnade, Canary Wharf, London E14 5GN Moody's Investors Service Limited One Canada Square, Canary Wharf, London E14 5FA	See further F.1.29 <i>Note Ratings</i> below and 9.9 <i>Ratings of Notes and DCIs</i> in the Programme Prospectus.
Clearing Systems	Clearstream Banking, <i>société anonyme</i> 42 Avenue J.F. Kennedy, L-1855, Luxembourg Euroclear Bank S.A./N.V. 3 Boulevard du Roi Albert 11, B-1210, Brussels, Belgium	See further F.1.26 <i>Clearance / settlement</i> and F.2.9 <i>Clearance / settlement</i> below and 9.4 <i>Notes and DCIs held in a Clearing System</i> in the Programme Prospectus.
UK Listing Authority	Financial Conduct Authority 25 The North Colonnade, London E14 5HS	See further F.1.25 <i>Application for Listing</i> below and 1.2 <i>Disclosure Documents and Listing</i> in the Programme Prospectus.
Stock Exchange	London Stock Exchange plc 10 Paternoster Square, London EC4M 7LS	See further F.1.25 <i>Application for Listing</i> below and 1.2 <i>Disclosure Documents and Listing</i> in the Programme Prospectus.
Security Trustee	Citibank, N.A., London Branch Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Security Deed and Security Intercreditor Deed. See further 12. <i>Security and intercreditor arrangements</i> in the Programme Prospectus.
Programme Servicer	London Wall Capital Investments LLP 4th Floor, 40 Dukes Place, London EC3A 7NH	Programme Services Agreement. See further 8.4 <i>Programme Services</i> in the Programme Prospectus.
General Facility Provider	BlackRock UK 2 LLP 12 Throgmorton Avenue, London EC2N 2DL	General Facility Agreement. See further 11.2.4 <i>Funds from the General Facility Provider</i> in the Programme Prospectus.
General Account Provider	Citibank, N.A., London Branch Citigroup Centre, Canada Square, London E14 5LB	General Account Agreement. See further 8.5 <i>General Account Services</i> in the Programme Prospectus.
General Cash Manager	Citibank, N.A., London Branch Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	General Cash Management Agreement. See further 8.7 <i>General Cash Management Services</i> in the Programme Prospectus.
Corporate Servicer	Law Debenture Corporate Services Limited Fifth Floor, 100 Wood Street, London EC2V 7EX	Corporate Services Agreement. See further 8.9 <i>Corporate Services</i> in the Programme Prospectus.

Holdings	London Wall Mortgage Capital Holdings Limited Fifth Floor, 100 Wood Street, London EC2V 7EX	Corporate Services Agreement and Share Trust Deed. See further 6 <i>The Issuer and its corporate structure</i> and 8.9 <i>Corporate Services</i> in the Programme Prospectus.
Share Trustee	The Law Debenture Intermediary Corporation p.l.c. Fifth Floor, 100 Wood Street, London EC2V 7EX	Corporate Services Agreement and Share Trust Deed. See further 6 <i>The Issuer and its corporate structure</i> and 8.9 <i>Corporate Services</i> in the Programme Prospectus.

C.2 Additional information about certain Transaction Parties

The information contained in this section C.2 relates to and has been obtained respectively from each of the persons to which the information relates. The delivery of the Disclosure Documents shall not create any implication that there has been no change in the affairs of those persons since the date of this Series Prospectus, or that the information contained or referred to in this section is correct as of any time subsequent to the date of this Series Prospectus.

C.2.1 Fleet Mortgages Limited

Fleet Mortgages Limited is the Series Portfolio Originator in relation to the Series Portfolio and, in relation to the Series, will be the Series Portfolio Legal Title Holder, the Series Portfolio Previous Owner and the Series Mortgage Servicer.

It is a private limited liability company incorporated under the laws of England and Wales, registered at Companies House as company number 08663979, and has its registered office 2nd Floor, Flagship House, Reading Road North, Fleet, Hampshire GU51 4WP.

Fleet Mortgages Limited is a specialist mortgage lender focussed on originating and servicing mortgage loans in the UK buy-to-let sector. As at 30 September 2016, it has lent approximately £644 million to this sector since January 2015.

C.2.2 Capita Mortgage Services Limited

Capita Mortgage Services Limited will be the Series Mortgage Servicer Standby in relation to the Series.

Capita Mortgage Services Limited is a private limited company incorporated in England and Wales on 3 August 1967 and registered under company number 00912411. Its registered office is at 17 Rochester Row, London, SW1P 1QT.

Capita Mortgage Services Limited is one of the mortgage administration industry's longest established organisations and is rated RPS2- by Fitch and ranked 'Above Average' by S&P, in each case for primary servicing and RSS 2- and 'Above Average', in each case for special servicing of residential mortgage loans.

Capita Mortgage Services Limited currently services in excess of 40,000 accounts totalling £3.5 billion of mortgage assets and has the experience of being the only back-up mortgage administrator to date to have been called to undertake mortgage servicing in the United Kingdom having been a back-up mortgage administrator. Capita Mortgage Services Limited is part of Capita Asset Services, which acquired Capita Mortgage Services Limited in May 2014. Across its regulated subsidiaries, Capita Asset Services currently services over £25bn of mortgage assets in the UK, and a total of €93bn across its European operations.

Capita Mortgage Services Limited has ISO 9001-2008 certification, is an Associate Member of the Council of Mortgage Lenders and Building Society Association and is authorised and regulated by the Financial Conduct Authority under registration number 306235. It holds all relevant permissions under the FSMA and is registered under the Data Protection Act 1998.

C.2.3 Citibank, N.A., London Branch

Citibank, N.A., London Branch is the Security Trustee, the General Account Provider, the General Cash Manager and, in relation to the Series, will be the Series Note Trustee, the Series Cash Manager, the Series Transaction Account Provider, the Series Investment Account Provider, the Series Registrar, the Series Paying Agent and the Series Note Calculation Agent.

Citibank, N.A. is a national association formed through its Articles of Association, which obtained its charter number 1461 on July 17, 1865, and is governed by the laws of the United States and has its principal business office at, 388 Greenwich Street, New York, NY 10013, USA and has in Great Britain a

principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The short-term unsecured obligations of Citibank, N.A. are currently rated A-1 by S&P, P-1 by Moody's and F1 by Fitch and the long-term unsecured unsubordinated obligations of Citibank, N.A., London Branch are currently rated A (watch positive) by S&P, A1 (stable) by Moody's, and A+ (stable) by Fitch.

C.2.4 **Barclays Bank PLC**

Barclays Bank PLC will be the Series Collection Account Provider in relation to the Series.

Barclays Bank PLC is a public limited company registered in England and Wales under number 1026167. The liability of the members of Barclays Bank PLC is limited. It has its registered head office at 1 Churchill Place, London, E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). Barclays Bank PLC was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, Barclays Bank PLC was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'.

Barclays Bank PLC (together with its subsidiary undertakings, the **Barclays Bank Group**) is a transatlantic consumer, corporate and investment bank offering products and services across personal, corporate and investment banking, credit cards and wealth management, with a strong presence in the Barclays Group's two home markets of the UK and the US. Following the March 2016 Group Strategy Update, the Barclays Bank Group is focused on two core divisions – Barclays UK and Barclays Corporate & International. Barclays UK comprises the UK retail banking operations, UK consumer credit card business, UK wealth management business and corporate banking for smaller businesses. Barclays Corporate & International comprises the corporate banking franchise, the investment bank, the US and international cards business and international wealth management. Assets which do not fit the Barclays Bank Group's strategic objectives will continue to be managed in 'Barclays Non-Core' and designated for exit or run-down over time. The whole of the issued ordinary share capital of Barclays Bank PLC is beneficially owned by Barclays PLC (together with its subsidiary undertakings, the **Barclays Group**). Barclays PLC is the ultimate holding company of the Barclays Group.

The short term unsecured obligations of Barclays Bank PLC are rated A-2 by S&P, P-1 by Moody's and F1 by Fitch and the long-term unsecured unsubordinated obligations of Barclays Bank PLC are rated A- by S&P, A2 by Moody's and A by Fitch.

Based on the Barclays Bank Group's audited financial information for the year ended 31 December 2015, the Barclays Bank Group had total assets of £1,120,727m (2014: £1,358,693m), total net loans and advances¹ of £441,046m (2014: £470,424m), total deposits² of £465,387m (2014: £486,258m), and total shareholders' equity of £66,019m (2014: £66,045m) (including non-controlling interests of £1,914m (2014: £2,251m)). The profit before tax from continuing operations of the Barclays Bank Group for the year ended 31 December 2015 was £2,841m (2014: £2,309m) after credit impairment charges and other provisions of £2,114m (2014: £2,168m). The financial information in this paragraph is extracted from the audited consolidated financial statements of Barclays Bank PLC for the year ended 31 December 2015.

Based on the Barclays Bank Group's unaudited financial information for the six months ended 30 June 2016, the Barclays Bank Group had total assets of £1,351,958m (30 June 2015: £1,197,555m), total net loans and advances¹ of £473,962m (30 June 2015: £475,826m), total deposits² of £500,919m (30 June 2015: £494,423m), and total shareholders' equity of £69,599m (30 June 2015: £65,710m) (including non-controlling interests of £2,976m (30 June 2015: £2,153m)). The profit before tax from continuing operations of the Barclays Bank Group for the six months ended 30 June 2016 was £3,017m (30 June 2015: £2,635) after credit impairment charges and other provisions of £931m (30 June 2015: £779m). The financial information in this paragraph is extracted from the unaudited consolidated financial statements of Barclays Bank PLC for the six months ended 30 June 2016.

C.2.5 **BNP Paribas**

BNP Paribas is a French multinational bank and financial services company with its registered office located at 16 boulevard des Italiens 75009 Paris, France, and its corporate website in English is <http://www.bnpparibas.com/en>. BNP Paribas, together with its consolidated subsidiaries (the **BNP Paribas**

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

² Total deposits include deposits from bank and customer accounts.

Group) is a global financial services provider, conducting retail, corporate and investment banking, private banking, asset management, insurance and specialised and other financial activities throughout the world.

The BNP Paribas Group, one of Europe's leading providers of banking and financial services, has four domestic markets in retail banking in Europe: Belgium, France, Italy and Luxembourg.

It is present in 74 countries and has more than 189,000 employees, including close to 147,000 in Europe. The BNP Paribas Group holds key positions in its two main businesses:

- Retail Banking and Services, which includes:
 - Domestic Markets comprising: French Retail Banking (FRB), BNL banca commerciale (BNL bc), Italian retail banking, Belgian Retail Banking (BRB), Other Domestic Markets activities, including Luxembourg Retail Banking (LRB); and
 - International Financial Services, comprising: Europe-Mediterranean, BancWest, Personal Finance, Insurance, Wealth and Asset Management; and
- Corporate and Institutional Banking (CIB): Corporate Banking, Global Markets, and Securities Services.

BNP Paribas SA is the parent company of the BNP Paribas Group.

At 30 June 2016, the BNP Paribas Group had consolidated assets of €2,171.9 billion (compared to €1,994.2 billion at 31 December 2015), consolidated loans and receivables due from customers of €693.3 billion (compared to €682.5 billion at 31 December 2015), consolidated items due to customers of €725.6 billion (compared to €700.3 billion at 31 December 2015) and shareholders' equity (Group share) of €97.5 billion (compared to €96.3 billion at 31 December 2015).

Pre-tax income at 30 June 2016 was €6.2 billion (compared to €6.2 billion at 30 June 2015). Net income, attributable to equity holders, at 30 June 2016 was €4.4 billion (compared to €4.2 billion at 30 June 2015).

At the date of this Series Prospectus, the BNP Paribas Group currently has long-term senior debt ratings of A with stable outlook from Standard & Poors, A1 with stable outlook from Moody's and A+ with stable outlook from Fitch.

The information contained in this section relates to and has been obtained from BNP Paribas. The information concerning BNP Paribas and the BNP Paribas Group contained in this section is furnished solely to provide limited introductory information regarding BNP Paribas and the BNP Paribas Group and does not purport to be comprehensive.

For up-to-date financial information, including quarterly results since the last fiscal year end, please refer to <http://invest.bnpparibas.com>.

D. Additional risk factors

Investing in Notes issued in relation to this Series involves certain risks. Prospective investors should carefully consider the principal risk factors under 4 *Risk factors* on pages 16 to 38 of the Programme Prospectus and this section D *Additional risk factors* before deciding to invest in the Notes and prospective investors should also read the detailed information set out elsewhere in this Series Prospectus together with the documents incorporated by reference into this Series Prospectus (see A.1 *Information incorporated by reference*) and form their own views prior to making any investment decision.

D.1 Restriction of tax reliefs for Borrowers of Buy to Let Mortgages

The following supplements 4.2 *Risks relating to the Security Assets* in the Programme Prospectus:

D.1.1 Restriction of income tax relief for individual Borrowers of Buy to Let Mortgages

On 8 July 2015, the UK Government announced plans to restrict the amount of UK income tax relief that individual landlords can claim for residential property finance costs (such as mortgage interest) to the basic rate of tax. The restriction will be introduced progressively over a period of four years from 6 April 2017, such that the full impact will not be felt until 2020. Pursuant to the Lending Criteria, the Series Portfolio Originator did not grant the Mortgage Loans in the Series Portfolio based on the Borrowers net tax position; instead, one of the factors was the expected rental income in respect of the relevant Mortgage Property (and in some cases additional income).

Individual Borrowers of Mortgages in the Series Portfolio have a range of strategies available to mitigate the impact of that UK income tax relief change. These may include increasing rents at the end of a tenancy agreement, (subject to the market rates applicable to rental properties in the specific location of the Mortgage Property), transferring borrowings to a limited company, applying for a lower cost product, reducing the value of their Mortgage Loan, or ultimately selling the Mortgage Property. However, there can be no assurance that the above UK income tax relief restriction may not adversely affect the ability of individual Borrowers of Mortgages in the Series Portfolio to comply with their obligations under those Mortgages.

D.1.2 Restriction of corporation tax relief for corporate Borrowers of Buy to Let Mortgages

In May 2016 HMRC published a consultation document outlining certain proposals for the restriction of deductions available for UK corporation tax purposes in respect of interest expenses. The proposals are based upon the recommendations of the OECD as arising from Action 4 of the OECD's *Base Erosion and Profit Shifting Project*. The proposals are therefore in outline form and published for the purposes of consultation. Broadly, they may restrict the ability of a corporate group to claim a current year interest deduction where the overall interest deduction exceeds a permitted maximum. The maximum itself is potentially variable, but may represent the higher of:

- GBP 2 million per annum (measured on a group wide basis); or
- 30% of the group's earnings before interest, taxes, depreciation and amortisation (commonly referred to as EBITDA), as adjusted for specific tax provisions, or a group specific percentage of EBITDA (which is a group specific calculation based on the group's net interest or interest equivalents, apportioning related or non-arms' length interest). This variable group specific percentage is itself subject to further proposed safe harbours for expenditure on certain public benefit projects and is further proposed restrictions by reference to global groupwide debt caps.

Given the complexity and potential variability of the proposals, there can accordingly be no guarantee as to the form that any legislation that is introduced as a result of the consultation will take or as to the application of such legislation to Mortgages Borrowers within the charge to UK corporation tax. However, there can be no assurance that the above proposed UK corporation tax restriction on interest deductibility will not adversely affect the ability of such Borrowers to comply with their payment obligations in relation to those Mortgages.

D.2 Certain modifications require the consent of the Series Basis Hedge Provider

The following supplements 4.1.18 *Interests of Noteholders and DCI Holders may be disregarded in certain circumstances* in the Programme Prospectus: Any entry into a new Transaction Document and/or any modification of, supplement to, waiver or consent in respect of any Transaction Document (including, without limitation, the Note Conditions or Series Payments Rules) to which the Series Basis Hedge Provider is not a party (including, without limitation, where any entry into a new Transaction Document

and/or any modification of, supplement to, waiver or consent is approved, sanctioned and/or ratified by any Relevant Security Creditor Resolution, Series Reference Creditor Resolution, Noteholder Resolution and/or DCI Holder Resolution) which is made without the Series Basis Hedge Provider's prior written consent (such consent not to be unreasonably withheld) shall be ineffective if and to the extent that such entry into a new Transaction Document and/or modification, supplement, waiver or consent relates to or changes the effect or application, in respect of this Series, of:

- any security (howsoever described, and including as a result of changing the nature or the scope of, or releasing such security) granted by the Issuer in favour of the Security Trustee on behalf of the Security Creditors;
- the definitions of Final Maturity Date, Available Revenue Funds, Series Hedge Collateral Account, Series Hedge Provider Subordinated Amounts, Series Hedge Termination Receipts, Series Hedge Provider Collateral, Series Hedge Exempted Amounts, Series Hedge Replacement Premium, Series Hedge Tax Credits, Series Payments Normal Date, Mortgage Principal Balance, Mortgage Fixed Rate Loan, Series Note Acceleration Date, Security Assets Realisation Date or Series Security Assets Realisation Date;
- the Series Priorities of Payments;
- the method of calculation of amounts payable to, or receivable from, the Series Basis Hedge Provider (whether under the Series Priority of Payments or outside the Series Priority of Payments or pursuant to the provisions in the Transaction Documents or the Note Conditions);
- Base Condition 6 (*Redemption, Purchase and Cancellation*) forming part of the Note Conditions or any additional redemption rights in respect of the Notes;
- Clause 6 (*Modifications, authorisations, waivers and substitution*) of the Series Note Trust Deed or Base Condition 15 (*Modifications, authorisations, waivers and substitution*) forming part of the Note Conditions; or
- the Clause in the Series Deed that implements this requirement.

D.3 Certain interests and potential for conflicts

In relation to 4.4.6 *Certain material interests and potential for conflicts* in the Programme Prospectus, investors should note that the Issuer understands that:

- Citibank, N.A., London Branch, Citigroup Global Markets Limited (see their roles indicated in C.1 *Table of Transaction Parties*) and their affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking transactions with, and may perform services for, and may hold and administer security granted by, London Wall Capital Investments LLP (see its roles indicated in C.1 *Table of Transaction Parties*) and its affiliates and, in particular:
 - prior to the Series Closing Date, Citibank, N.A., London Branch arranged and provided warehouse financing to London Wall Investment Warehouse 01 Limited (the **Warehouse**, a wholly owned subsidiary of London Wall Capital Investments LLP) secured over, among other things, all of the Mortgages in the Series Portfolio; and
 - such warehouse financing will be repaid in full to Citibank, N.A., London Branch on or about the Series Closing Date using a significant part of the Series Portfolio Sale Initial Consideration that London Wall Capital Investments LLP receives from the Issuer in respect of the Series Portfolio.

In acting as arranger and lender of such warehouse financing, Citibank, N.A., London Branch and each of its affiliates will act in their own commercial interests and will not be required to take into account the interests of the Noteholders, DCI Holders, or any other Transaction Party.

- London Wall Capital Investments LLP intends to apply part of the Series Portfolio Sale Initial Consideration that it receives from the Issuer in respect of the Series Portfolio in or towards subscribing the Retained Notes on the Series Closing Date.
- BlackRock Finco UK Limited, being an affiliate of BlackRock Investment Management (UK) Limited which acts as investment manager to certain members of London Wall Capital Investments LLP, has provided, and may provide further financing facilities to Fleet Mortgages Limited (see its roles indicated in C.1 *Table of Transaction Parties*) and part of the amounts received by London Wall Capital Investments LLP in respect of the DCIs is expected to be applied in making payments to Fleet

Mortgages Limited and, in turn, may be applied in making payments to BlackRock Finco UK Limited in respect of some financing facilities.

In acting as lender of such financing facilities, BlackRock Finco UK Limited and each of its affiliates will act in their own commercial interests and will not be required to take into account the interests of the Noteholders, DCI Holders, or any other Transaction Party.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction having previously engaged or in the future engaging in transactions with other parties to the transaction, having multiple roles in this transaction; and/or carrying out other transactions for third parties.

D.4 Additional tax considerations

The following supplement 4.6 *Certain tax considerations* in the Programme Prospectus:

D.4.1 EU financial transaction tax

The European Commission has published a proposal for a Directive for a common financial transactions tax (FTT) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. However, Estonia has since stated that it will not participate.

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes and DCIs (including secondary market transactions) in certain circumstances. Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes and DCIs where at least one party is a financial institution which is established in a participating Member State. A financial institution may be, or be deemed to be, 'established' in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Following a meeting of the Finance Ministers of the participating Member States on 10 October 2016, it has been reported that the European Commissioner for Economic and Financial Affairs has been asked to prepare draft legislation and that the Commissioner understands that agreement on the FTT proposals may be reached later in 2016.

Prospective holders of the Notes and DCIs are advised to seek their own professional advice in relation to the FTT.

D.4.2 FATCA

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (commonly referred to as **FATCA**, which includes all laws, regulations and arrangements for the implementation of those sections) impose a new reporting regime and, potentially, a 30% withholding tax with respect to certain payments to certain non-U.S. financial institutions (which may include the Issuer) and certain investors.

The United States and the United Kingdom have entered into an intergovernmental agreement to facilitate the implementation of FATCA and a number of other jurisdictions have announced their intention to negotiate similar agreements with the United States.

FATCA is particularly complex and its potential application to the Notes and/or DCIs is very uncertain at this time because, among other things, further U.S. rules are to be enacted regarding the detailed application of FATCA regarding certain payments that are made from sources outside the U.S. (referred to as 'foreign passthru payments' in FATCA) and regarding certain investors.

Accordingly, there is no assurance as to whether or not FATCA will be applicable to the Issuer, the Notes, the DCIs and/or any payments and/or persons (including, without limitation, custodians, intermediaries or agents) involved in any chain of payments between the Issuer and an ultimate underlying investor in the Notes and/or DCIs and, if it is applicable, the consequences of it being applicable. Based on its understanding of the current general expectations as to the relevant implementation of FATCA (which may turn out to be incorrect), while the Notes and/or DCIs are represented by a Global Note or, as applicable, Global DCI, the Issuer does not expect that the proposed withholding under FATCA to apply to any payments up to (and including) the payment made by or on behalf of the Issuer to the Global Noteholder or, as applicable, Global DCI Holder.

As indicated in 1.1 *Prospective investors* in the Programme Prospectus, prospective Noteholders and DCI Holders should make their own assessment, including, without limitation, consult their own professional advisers to obtain a more detailed explanation of FATCA and how FATCA may affect them.

D.5 Political and economic situation

The following supplements 4.7.1 *General political, economic and market conditions* in the Programme Prospectus:

On 23 June 2016, the United Kingdom held a referendum on the United Kingdom's membership of the EU. The result of the referendum's vote was for the United Kingdom to leave the EU, which creates a number of political, economic, legal and market uncertainties within the United Kingdom and with respect to its relationship with the EU and with individual EU member states. Until the terms and timing of the United Kingdom's exit from the EU are confirmed, it is not possible to determine the full impact that such referendum, the United Kingdom's departure from the EU and/or any related matters may have on the United Kingdom's political, fiscal and monetary landscape, general economic conditions and economic recovery prospects, legal and regulatory environment and/or on market conditions in the United Kingdom (including in relation to the performance of the United Kingdom housing market). In particular, these conditions may exacerbate the risks associated with: the level and volatility of prices, marketability, rating and liquidity of Notes and DCIs; the ability of a party or counterparty to perform its obligations under a Transaction Document or other relevant arrangement; the risk of change of law, regulation or practice and/or the risk of delinquencies or default by Borrowers in relation to the Mortgages.

The negotiation of the terms of, and pending the completion of such negotiations, the resolution of the uncertainties associated with the United Kingdom's exit from the EU is likely to take a number of years.

D.6 Certain aspects of the Series Liquidity Reserve Fund

A summary of certain features of the Series Liquidity Reserve Fund are set out in G.4 *Series Liquidity Reserve Fund* and, among other things:

- the procedures to be carried out on each Series Payments Date provide for the amount (if any) standing to the credit of the Series Principal Ledger to be transferred to the Series Liquidity Reserve Ledger until such time as the cumulative amount so transferred equals the Series Liquidity Reserve Required Amount as at the end of the day before the relevant Series Payments Date (such time being the Series Liquidity Reserve Principal Funding Date) (see G.16.3 *Principal to fund Series Liquidity Reserve Required Amount*);
- no increase in the balance of the Series Principal Deficiency Record shall be made in respect of any such transfer;
- upon any application of the Series Liquidity Reserve Fund on a Series Payments Date in payment of a Series Liquidity Deficiency Cure Amount, the Series Liquidity Reserve Deficiency Record shall be increased by the Series Liquidity Deficiency Cure Amount (see further G.16.5 *Transfer from Series Liquidity Reserve Fund*); and
- each amount transferred from the Series Payments Revenue Ledger to the Series Liquidity Reserve Ledger in accordance with Priority Level 10 of the Series Revenue Priority of Payments on a Series Payments Date will reduce a positive balance (if any) on the Series Liquidity Reserve Deficiency Record (see G.17 *Series Revenue Priority of Payments*).

The above features of the Series Liquidity Reserve Fund may lead to, among other things, an increase in the weighted average life of Notes in the Series (see L *Weighted average lives of the Notes* below and 4.1.11 *Yield to maturity and prepayment of Notes* in the Programme Prospectus).

E. Series Portfolio and Series Mortgage Services

The following is a summary of certain aspects relating to the Series by way of supplement to the aspects summarised in 7 *Series Portfolios* and 8 *Provision of services to the Issuer* in the Programme Prospectus.

- E.1 Sale of Series Portfolio** The primary source of funds available to the Issuer to pay principal and interest on the Notes and DCI Amounts in respect of the DCIs will be the Mortgage Receipts generated by the Mortgages in the Series Portfolio.
- E.1.1 Series Portfolio Sale Agreement** On or about the Series Closing Date, the Issuer, the Programme Servicer, the Security Trustee, the Series Note Trustee, the Series Portfolio Seller, the Series Portfolio Legal Title Holder and the Series Mortgage Servicer will enter into the Series Portfolio Sale Agreement in relation to the Series (the **Series Portfolio Sale Agreement**) pursuant to which the Series Portfolio Seller will:
- (a) sell and assign its interests in the Series Portfolio to the Issuer on the Series Closing Date; and
 - (b) agree to pay to the Issuer on the Series Closing Date the **Series Portfolio Reconciliation Amounts**, being:
 - (1) all of the Mortgage Principal Receipts that have been received during the month of October 2016 in relation to the Mortgage Loans that were in the Series Provisional Portfolio as at 30 September 2016 (including any such Mortgage Loans that have redeemed in the period between 30 September 2016 and the Series Closing Date); plus
 - (2) all of the Mortgage Principal Receipts and Mortgage Revenue Receipts that are received during the period from 1 November 2016 to 3 November 2016 inclusive in relation to the Mortgage Loans that were in the Series Provisional Portfolio as at 30 September 2016 (including any such Mortgage Loans that have redeemed in the period between 30 September 2016 and the Series Closing Date),

subject to a reconciliation process in respect of those Mortgage Principal Receipts and Mortgage Revenue Receipts to be completed between the Series Portfolio Seller and the Issuer as soon as reasonably practicable following the Series Closing Date.
- E.1.2 Series Portfolio Previous Purchase Agreement** On 19 December 2014 Fleet Mortgages Limited (as seller, as such referred to as the Series Portfolio Previous Owner, and legal title holder, as such referred to as the Series Portfolio Legal Title Holder), London Wall Capital Investments LLP (as purchaser), the Warehouse and Citicorp Trustee Company Limited (as security trustee in respect of security granted by London Wall Capital Investments LLP and, separately, as security trustee in respect of security granted by the Warehouse) entered into an agreement (as amended and/or supplemented, the **Series Portfolio Previous Purchase Agreement**) pursuant to which, subject to specified conditions, the Series Portfolio Previous Owner agreed to originate Mortgages according to the applicable Lending Criteria and agreed to sell and assign, and the Series Portfolio Seller agreed to purchase and take an assignment of, such Mortgages immediately upon origination.
- The Series Portfolio Seller acquired the Mortgages in the Series Portfolio upon their origination from the Series Portfolio Originator pursuant to the Series Portfolio Previous Purchase Agreement. See further 7.2.5 *Series Portfolio Previous Purchase Agreements and Series Portfolio Previous Owners* of the Programme Prospectus.
- Furthermore, on 19 December 2014 Fleet Mortgages Limited, the Series Portfolio Seller and the Warehouse entered into a deed (as amended and/or supplemented, the **Series Portfolio Previous Purchase Security Deed**) pursuant to which Fleet Mortgages Limited granted fixed security over specified assets and floating security over the remainder of its assets to the Series Portfolio Seller (as security agent for and on behalf

of itself and the Warehouse and each person who accedes to the Series Portfolio Previous Purchase Security Deed as a secured creditor).

On or about the Series Closing Date, the Series Portfolio Previous Owner, the Series Portfolio Legal Title Holder, the Series Portfolio Seller, the Warehouse, the Issuer and the Security Trustee will enter into a deed (the **Series Portfolio Previous Purchase Accession Deed**) pursuant to which on the Series Closing Date:

- the Warehouse will assign all its rights under the Series Portfolio Previous Purchase Agreement and Series Portfolio Previous Purchase Security Deed, in each case as relating to the Mortgages in the Series Portfolio, to the Issuer and the Issuer will, as such assignee, accede to the Series Portfolio Previous Purchase Agreement and assume, on a prospective basis, any obligations that the Warehouse would have had under the Series Portfolio Previous Purchase Agreement in the absence of such assignment; and
- Citicorp Trustee Company Limited (as security trustee in respect of security granted by the Warehouse) will assign all its rights under the Series Portfolio Previous Purchase Agreement, as relating to the Mortgages in the Series Portfolio, to the Security Trustee and the Security Trustee will, as such assignee, accede to the Series Portfolio Previous Purchase Agreement and assume, on a prospective basis, obligations that the Warehouse security trustee would have had under the Series Portfolio Previous Purchase Agreement in the absence of such assignment,

and thereby, among other things, the Issuer and Security Trustee will have direct rights against the Series Portfolio Previous Owner in respect of the Series Portfolio Previous Owner Warranties (see E.2 *Legal title to the Series Portfolio*) and the Series Portfolio Legal Title Holder in respect of the provisions relating to the legal title to the Mortgages (see E.6.2 *Series Portfolio Previous Owner Warranties*).

On or about the Series Closing Date, the Series Portfolio Seller and the Issuer will enter into a deed (the **Series Portfolio Previous Purchase Security Accession Deed**) pursuant to which on the Series Closing Date the Issuer will accede as a secured creditor to the Series Portfolio Previous Purchase Security Deed.

On or about the Series Closing Date, the Issuer, the Security Trustee, the Series Portfolio Seller, the security trustee in respect of a security deed granted by the Series Portfolio Seller, the Warehouse and the security trustee in respect of a security deed granted by the Warehouse will enter into a deed (the **LWCI Investment Deed**) pursuant to which, among other things, the Issuer will accede to a security intercreditor deed relating to such security deed granted by the Series Portfolio Seller as a secured creditor in respect of the Series Portfolio Seller's segregated investment relating to this Series (reflecting the segregated account investment approach that the Series Portfolio Seller uses for its business).

E.1.3 Consideration for sale of Series Portfolio

The consideration to be paid by the Issuer to the Series Portfolio Seller in respect of the sale of the Series Portfolio to the Issuer pursuant to the Series Portfolio Sale Agreement (after taking into account the Series Portfolio Reconciliation Amounts to be paid by the Series Portfolio Seller to the Issuer as referred to in E.1.1(b) *Series Portfolio Sale Agreement*) shall comprise:

- **Series Portfolio Sale Initial Consideration**, which is due and payable on the Series Closing Date, expected to comprise:
 - approximately GBP 236,830,944, being an amount equal to the Mortgage Principal Balance of the Mortgage Loans that were in the Series Provisional Portfolio as at 30 September 2016 (including any such Mortgage Loans that have redeemed in the period between 30 September 2016 and the Series Closing Date); plus
 - approximately GBP 75,412; and
- **Series Portfolio Sale Deferred Consideration** consisting of the Issuer agreeing to pay all the R1 DCI Amounts and R2 DCI Amounts to the Series Portfolio Seller in accordance with the applicable Series Priorities of Payments (and the Issuer's

liabilities to pay such amounts will be represented by the issue of 1,000,000 R1 DCIs and 1,000,000 R2 DCIs, respectively, to the Series Portfolio Seller on the Series Closing Date).

The Issuer will use the gross proceeds of the issue of the Market Notes, 60% of the gross proceeds of the issue of the Z Notes and approximately 3.94% of the gross proceeds of the issue of the S Notes to pay the Series Portfolio Sale Initial Consideration and fund the initial balance of the Series Mortgage Retentions Fund.

The DCI Amounts are defined and calculated as indicated in F.2.5 *DCI Amounts* below. In relation to the R1 DCI Amounts (assuming no Mortgage in the Series Portfolio is ever in arrears during the relevant period and there are no overpayments or early repayments in respect of any such Mortgage during the relevant period), the maximum aggregate R1 DCI Amounts that can become payable by the Issuer are GBP 366,397 and such amount would have fully accrued by the Series Payment Date falling in May 2018 (such amount and date having been calculated as at 30 September 2016).

E.1.4 **Substitute purchases** This Series will not include any Substitute Mortgage Purchases (see 7.2.3 *Substitute Mortgage Purchases* in the Programme Prospectus).

E.1.5 **Prefunding purchases** This Series will not include any Prefunded Mortgage Purchases (see 7.2.4 *Prefunded Mortgage Purchases* in the Programme Prospectus).

E.2 Legal title to the Series Portfolio The Series Portfolio Previous Purchase Agreement provides that, notwithstanding the sale and assignment of Mortgages to the Series Portfolio Seller under that Agreement, the Series Portfolio Legal Title Holder will continue to hold bare legal title and act as 'lender of record' in respect of those Mortgages, and perform certain related functions and duties, pending the occurrence of a Series Portfolio Title Perfection Event.

The Series Portfolio Sale Agreement provides that on the Series Closing Date the Series Portfolio Seller will assign its right, title, interest and benefit in the Mortgages in the Series Portfolio to the Issuer and that, pursuant to the terms of the Series Portfolio Previous Purchase Agreement, the Series Portfolio Legal Title Holder will continue to hold bare legal title and act as 'lender of record' in respect of those Mortgages, and perform certain related functions and duties, pending the occurrence of a Series Portfolio Title Perfection Event.

Accordingly, the assignment of the Mortgages in the Series Portfolio to the Issuer pursuant to the Series Portfolio Sale Agreement will take effect as an equitable assignment pending Series Portfolio Title Perfection Actions being taken following a Series Portfolio Title Perfection Event. See further H.2.9 *Series Portfolio Title Perfection Events* below and 7.4.3 *Perfection action can be taken upon Series Portfolio Title Perfection Event* in the Programme Prospectus.

E.3 The Mortgages The Series Portfolio comprises Buy to Let Mortgages secured over residential properties located in England and Wales originated by Fleet Mortgages Limited (being the Series Portfolio Originator) and acquired by the Series Portfolio Seller which will be purchased by the Issuer on the Series Closing Date (see E.1 *Sale of Series Portfolio* above).

E.3.1 **Features of the Mortgages** The following summarises some features of the Mortgages in the Series Portfolio:

- Each Mortgage in the Series Portfolio is an English Mortgage, governed by English law, and the Series Portfolio does not, and will not, include any Scottish Mortgage or Northern Irish Mortgage (see 7.1.2 *Mortgage Property Security* and 7.7.2 *Governing law* in the Programme Prospectus).
- Each Mortgage in the Series Portfolio is either an Individual Mortgage or a Corporate Mortgage (see 7.7.4 *Types of Borrower* in the Programme Prospectus).
- No Mortgage in the Series Portfolio is a Non-Conforming Mortgage or a Self-Certified Mortgage (see 7.7.4 *Types of Borrower* in the Programme Prospectus).

- Each Mortgage in the Series Portfolio is a Buy to Let Mortgage (but not a Consumer Buy to Let Mortgage) and is not an Owner Occupied Mortgage (see 7.7.5 *Use of Mortgage Properties* in the Programme Prospectus).
- The Series Portfolio does not, and will not, include any Right to Buy Mortgages (see 7.6.6 *Right to Buy Mortgages and statutory charges* in the Programme Prospectus).
- Each Mortgage Loan in the Series Portfolio is a Repayment Mortgage Loan, an Interest Only Mortgage Loan or partially a Repayment Mortgage Loan and partially an Interest Only Mortgage Loan (see 7.7.7 *Scheduled repayment of Mortgages* in the Programme Prospectus).
- Some of the Mortgages in the Series Portfolio include provisions requiring the Borrower to pay Mortgage Prepayment Charges in specified circumstances (see 7.7.8 *Early repayment of Mortgages and Mortgage Prepayment Charges* in the Programme Prospectus).
- Each Mortgage Loan in the Series Portfolio is, at the Series Closing Date, a Mortgage Fixed Rate Loan or a Mortgage Tracker Rate Loan but not a Mortgage Variable Rate Loan or a Mortgage Capped Rate Loan. In respect of each Mortgage Tracker Rate Loan (if any) relating to such Mortgage, the relevant Mortgage Tracker Rate is the London interbank offered rate for 3 month sterling deposits as determined and set from time to time in accordance with the applicable Mortgage Loan agreement. See 7.7.9 *Mortgage Loan Interest Rates* in the Programme Prospectus.
- The Series Portfolio does not, and will not, include any Offset Mortgages (see 7.7.10 *Offset Mortgages* in the Programme Prospectus).
- The Series Portfolio does not, and will not, include any Lifetime Mortgages (see 7.7.11 *Lifetime Mortgages* in the Programme Prospectus).
- No Mortgage in the Series Portfolio is, at the Series Closing Date, an Arrears Mortgage (see 7.7.12 *Arrears Mortgages* in the Programme Prospectus).
- The Series Portfolio does not, and will not, include any Fast Track Mortgages (see 7.7.13 *Fast Track Mortgages* in the Programme Prospectus).
- No Mortgage in the Series Portfolio is a Flexible Mortgage (see 7.9.4 *Mortgage Mandatory Further Advances in respect of Flexible Mortgages* in the Programme Prospectus).

E.3.2 Features of the Series Provisional Portfolio

The Series Portfolio to be sold to the Issuer on the Series Closing Date will be selected from a provisional portfolio of Mortgages (the **Series Provisional Portfolio**).

The following is a summary of certain features of the Series Provisional Portfolio as at 31 July 2016 (the **Series Provisional Portfolio Date**) and, without limitation, investors should refer to, and carefully consider, further details in respect of the Series Provisional Portfolio set out in K *Series Provisional Portfolio summary data*:

Number of Mortgages	1,032
Mortgage Principal Balance:	£237,946,422
Interest Only Mortgage Loans	95.34%
Repayment Mortgages (including part Interest Only Mortgages)	4.66%
Remortgages	65.24%
Self-Certified Mortgages	0.00%
All prior CCJs on record at application	0.00%
Bankruptcy orders /IVAs at application	0.00%

Buy to Let Mortgages	100.00%
Consumer Buy to Let Mortgages	0.00%
Offset Mortgages	0.00%
Right to Buy Mortgages	0.00%

	Weighted average	Minimum	Maximum
Mortgage Principal Balance	£230,568	£45,485	£1,357,475
LTV at origination	67.55%	17.73%	81.64%
Seasoning (months)	8.78	4.00	18.00
Remaining term (years)	19.65	4.00	29.60
Interest rate	3.61%	2.59%	5.85%
Stabilised margin	4.31%	3.19%	5.25%

E.3.3 Mortgage Further Advances and Mortgage Variations

Pursuant to the Series Portfolio Sale Agreement, if a Borrower applies for a Mortgage Further Advance in respect of any Mortgage in the Series Portfolio, the Issuer will undertake not to agree to or make that Mortgage Further Advance.

Pursuant to the Series Portfolio Sale Agreement, if a Borrower applies for a Mortgage Variation in respect of any Mortgage in the Series Portfolio, the Issuer will undertake not to agree to or make that Mortgage Variation unless:

- the Series Portfolio Seller notifies the Issuer that it approves that Mortgage Variation; and
- the Series Funding Facility Provider makes an advance to the Issuer under the Series Funding Facility Agreement equal to:
 - the then Mortgage Principal Balance of the relevant Mortgage, which will be paid into the Series Transaction Account and a corresponding credit made to the Series Principal Ledger; plus
 - the amount (if any) by which the Mortgage Current Balance exceeds the Mortgage Principal Balance of the relevant Mortgage, which will be paid into the Series Transaction Account and a corresponding credit made to the Series Revenue Ledger,

in which case the Series Mortgage Servicer will administer the making of the relevant Mortgage Variation by the Series Portfolio Legal Title Holder to the relevant Borrower.

No Mortgage Variation shall be made which results in:

- any Mortgage Loan in the Series Portfolio which, as at the Series Closing Date is not a Mortgage Fixed Rate Loan, becoming a Mortgage Fixed Rate Loan; or
- any Mortgage Fixed Rate Period in relation to any Mortgage Loan which, as at the Series Closing Date is a Mortgage Fixed Rate Loan, being extended.

E.3.4 Mortgagee Insurance Policies

The Series Portfolio to be purchased by the Issuer on the Series Closing Date does not include any rights in relation to any Mortgagee Insurance Policies and the Issuer does not expect to arrange, or obtain the benefit of, or proceeds of, any Mortgagee Insurance Policies in respect of the Series Portfolio (see 7.10.3 *Mortgagee Insurance Policies* in the Programme Prospectus).

E.3.5 Cross-collateral Mortgages and Cross-collateral Rights

The Mortgage Conditions of each Mortgage originated by the Series Portfolio Originator (each a **Cross-collateral Mortgage**), including each Mortgage in the Series Portfolio, provide, among other things, some rights (being **Cross-collateral Rights**) which allow the relevant mortgagee of any such Cross-collateral Mortgage:

- to declare immediately due and repayable each liability secured by that Cross-collateral Mortgage and to exercise the statutory power of sale under that Cross-collateral Mortgage if and when the mortgagee of any other Cross-collateral

Mortgage in the name of the same mortgagor is entitled to declare immediately due and repayable any liability secured by that other Cross-collateral Mortgage; and

- to apply the proceeds of enforcement under the Cross-collateral Mortgages of the relevant mortgagor against all liabilities secured by the Cross-collateral Mortgages.

At or about the Series Closing Date the Issuer, the Security Trustee, the Series Portfolio Originator, the Series Portfolio Seller, the security trustee in respect of a security deed granted by the Series Portfolio Seller, the Warehouse and the security trustee in respect of a security deed granted by the Warehouse will enter into a **Cross-collateral Mortgage Rights Deed** to regulate their respective rights in each Cross-collateral Mortgage.

The Cross-collateral Mortgage Rights Deed seeks to provide that each party thereto who is a beneficial owner of a Cross-collateral Mortgage (which, from the Series Closing Date will include the Issuer):

- shall only have Cross-collateral Rights in respect of Cross-collateral Mortgages that it beneficially owns;
- waives all rights to exercise Cross-collateral Rights in respect of other Cross-collateral Mortgages which are not beneficially owned by it;
- waives all rights to take any action or proceedings against any other beneficial owner of Cross-collateral Mortgages to exercise the Cross-collateral Rights of that other beneficial owner;
- waives any rights to the proceeds of enforcement of Cross-collateral Mortgages not beneficially owned by it; and
- agrees that if it enforces a Cross-collateral Mortgage in respect of which Cross-collateral Rights attach, the proceeds of such enforcement after deduction of all related costs and expenses shall be applied by or on behalf of it in respect of the Cross-collateral Mortgages beneficially owned by it firstly to repay all amounts owing by the mortgagor under the enforced Cross-collateral Mortgage beneficially owned by it in accordance with the applicable Mortgage Conditions and, secondly, to the extent there are additional proceeds of enforcement, apply such proceeds in accordance with the applicable Mortgage Conditions

In addition, under the Cross-collateral Mortgage Rights Deed the Issuer covenants to the Security Trustee that where the Issuer is beneficial owner of a Cross-collateral Mortgage that is in a Series Portfolio in respect of a Series, the Issuer will exercise its rights or, as applicable, procure that its rights are exercised in relation to each such Cross-collateral Mortgage as if it did not have any Cross-collateral Rights in respect of any other Cross-collateral Mortgage from the same mortgagor which is in a Series Portfolio relating to a different Series.

E.4 Origination of the Series Portfolio

Each of the Mortgages in the Series Portfolio was originated by the Series Portfolio Originator. The following is a summary of the origination process which, in the Series Portfolio Previous Purchase Agreement, the Series Portfolio Originator agreed to comply with in relation to the origination of the Mortgages in the Series Portfolio:

E.4.1 Pre-agreed criteria and arrangements

The Series Portfolio Seller develops and maintains business relationships with independent mortgage originators, such as the Series Portfolio Originator, who agree to originate Mortgages according to criteria and arrangements pre-agreed between the Series Portfolio Seller and the Series Portfolio Originator and sell and assign the originated Mortgages to the Series Portfolio Seller.

E.4.2	Application of the BlackRock EMS investment process	<p>The Series Portfolio Seller is a limited liability partnership and its business is funded and operated by its members. Each investment member has separately appointed BlackRock Investment Management (UK) Limited as its investment manager and each such investment member deploys the capability of the BlackRock European Mortgage Strategies team (BlackRock EMS) in operating the Series Portfolio Seller's business. See further 3.2.1 <i>London Wall Capital Investments LLP</i> in the Programme Prospectus.</p> <p>Accordingly, the Series Portfolio Seller applied the BlackRock EMS investment process in relation to the arrangements which, in the Series Portfolio Previous Purchase Agreement, the Series Portfolio Originator agreed to comply with in relation to the origination of the Mortgages in the Series Portfolio, including:</p> <ul style="list-style-type: none"> • formulation of those arrangements and criteria (including the Lending Criteria) and dealing with changes to, and applications for exceptions to, the criteria; • formulation of Mortgage products, review of standard Mortgage documentation and analysis of relevant market developments and trends; • providing oversight of, on a day to day basis, the performance of the Series Portfolio Originator; • reviewing, on a day to day basis, detailed reports on the origination process (including specified data on Mortgage applications, specified data submitted to the Series Portfolio Originator's underwriters and their underwriting decisions); and • arranging, and reviewing periodic reports from, independent Mortgage due diligence firms in relation to samples of the originated Mortgages.
E.4.3	Product development	<p>The Series Portfolio Originator's sales and marketing team are responsible for bringing Mortgage products to the market, in consultation with the Series Portfolio Seller (applying the BlackRock EMS investment process).</p>
E.4.4	Intermediary distribution channels	<p>All of the Series Portfolio Originator's originations take place through intermediary channels rather than directly with the Borrower. The Series Portfolio Originator's sales and marketing team has developed close relationships with leading networks and mortgage clubs and targets intermediaries with strong links to experienced landlords. They identify new intermediary entrants to the market capable of introducing the level and quality of business required.</p> <p>All brokers, whether FCA regulated or not are subject to the Series Portfolio Originator's verification procedures including, but not limited to, FCA searches, fraud detection database searches, company searches and adherence to the Series Portfolio Originator's standard intermediary terms and conditions.</p> <p>As at 30 September 2016, the Series Portfolio Originator has a diversified intermediary base of around 2,800 broker firms registered on its distribution panel, with no single introducer producing more than 10% of business, and a further 166 firms undergoing due diligence procedures prior to registration.</p>
E.4.5	Underwriting and appraisal systems	<p>The Series Portfolio Originator uses credit risk management and underwriting systems and analytic and underwriting practices to identify and mitigate potential credit risk. These systems combine an assessment of each applicant's credit worthiness with a careful review of collateral offered as security and include the following:</p> <p>These systems use credit scoring and policy rules which identify and reject applications outside the Lending Criteria and other criteria specified by the Series Portfolio Seller (applying the BlackRock EMS investment process). Applications that pass this hurdle are then subject to manual underwriting by the Series Portfolio Originator's underwriting team.</p> <p>The Series Portfolio Originator has, as at 30 September 2016, a lending team of 10 experienced underwriters with an average of 14 years underwriting experience predominantly in the UK buy to let and residential mortgage loan market. The lending team is not rewarded by sales volume but rather by company-wide targets including credit quality control, speed of service and compliance requirements.</p>

The lending team is responsible for underwriting applications within specified mandates and according to the criteria pre-agreed with the Series Portfolio Seller. This includes underwriting of Mortgage applications, including a detailed assessment of the credit quality of the applicant and quality of security on offer, applying verification procedures for all documents supporting an application (including anti-money laundering documentation, personal income and (through a RICS valuer) rental income), instruction of valuation and conveyancers, management and approval of Mortgage offers within mandated levels and the Mortgage completion process.

In addition, funds are not released until an acceptable certificate of title is received by the Series Portfolio Originator from a firm on its approved conveyancer panel. The Series Portfolio Originator is not permitted to rely on title insurance instead of carrying out normal conveyancing processes.

Exceptions and suspicious applications are referred to the Series Portfolio Originator's credit risk team which actions and reports on exceptions at bi-weekly credit committee meetings. All exceptions to criteria must be approved by the Series Portfolio Seller (applying the BlackRock EMS investment process).

E.4.6 Risk management and compliance

The Series Portfolio Originator's risk management team are responsible for credit, operational and market risk management. This includes the development and maintenance of risk management systems and controls in line with risk appetite set by the Series Portfolio Seller (applying the BlackRock EMS investment process) and other stakeholders.

The Series Portfolio Originator's finance team is responsible for financial control, statutory, regulatory, internal and external reporting and its legal and compliance team is responsible for maintaining, developing and monitoring compliance with all statutory, regulatory and legislative requirements.

E.5 **Lending Criteria relating to the Series Portfolio**

The following is a summary of aspects of the lending criteria (subject to E.5.10 *Exceptions to the Lending Criteria* and E.5.11 *Changes to Lending Criteria*, the **Lending Criteria**) that the Series Portfolio Originator agreed to apply (subject to such deviation made in accordance with the standard of a reasonable, prudent mortgage lender) in respect of the Mortgages originated by it and sold and assigned by it to the Series Portfolio Seller pursuant to the Series Portfolio Previous Purchase Agreement (being all of the Mortgages in the Series Portfolio to be sold and assigned by the Series Portfolio Seller to the Issuer on the Series Closing Date pursuant to the Series Portfolio Sale Agreement):

E.5.1 Security

- A first ranking legal mortgage over a freehold or long leasehold residential property (usually at least 35 years longer than the Mortgage term) in England or Wales.
- The Mortgage Property should have an acceptable standard of construction and be intended for use wholly or partly as an investment property.
- Properties under 10 years old should have the benefit of a NHBC or an architect's certificate or equivalent guarantee from an acceptable body.
- The following types of building are deemed unacceptable as security (except as indicated):
 - Properties listed under the Housing Defects Act 1984 unless repaired under the PRC Homes Ltd guarantee scheme including the subject property and all adjoining properties in the structural block.
 - Reinforced forms of poured or shuttered concrete construction including Easiform construction (but excluding Laing Easiform from 1945 onwards and No Fines construction which are acceptable construction types).
 - Steel clad properties.
 - Steel framed construction unless modern purpose built flats.

	<ul style="list-style-type: none"> • Large Panel System (or LPS) built concrete construction flats and maisonettes (houses and maisonettes of not more than 2 storeys in height are acceptable subject to a satisfactory report from a structural engineer). • Timber or metal framed buildings where the cavity between frame and cladding has been filled with an insulation material after construction. • Pre 1965 softwood timber framed constructions lacking special merit on saleability. • 100% timber construction unless of high standard and in a location where there is proven, sustainable demand. • Buildings containing high alumina content. • Walls containing mundic in Devon and Cornwall built between 1900 and 1960 unless a suitable specialist test of the concrete returns a Grade A classification. • Cranwell construction, Scotswood pine style, Reema construction, and cross wall construction.
E.5.2	<p>Loan amount</p> <p>A maximum principal amount of £1,000,000 on a single loan (£2,000,000 in aggregate to an obligor) (including Mortgage Further Advances), unless approved by the Series Portfolio Seller.</p>
E.5.3	<p>Loan to value</p> <p>The loan to value ratio (the LTV) is calculated by expressing the initial principal amount advanced at completion of the Mortgage as a percentage of the lower of the purchase price and valuation of the Property.</p> <p>The LTV at the date of completion must be no more than 80% (excluding fees).</p>
E.5.4	<p>Term</p> <p>Each Mortgage Loan must have an initial term of between 5 and 30 years.</p>
E.5.5	<p>Borrowers</p> <ul style="list-style-type: none"> • The primary Borrower must be at least 25 years of age prior to completion of the Mortgage Loan, unless approved by the Series Portfolio Seller (applying the BlackRock EMS investment process). • A maximum number of four Borrowers are allowed to be parties to the Mortgage. • A private limited liability company, registered in England and Wales, can be the Borrower provided that: <ul style="list-style-type: none"> • it has a maximum of four directors and/or shareholders, • each director and shareholder is underwritten using the same criteria as an individual Borrower, • each director and shareholder provides a personal guarantee in the Series Portfolio Originator's standard form, and • the mortgage deed, which includes a floating charge over the company's assets, is registered at Companies House (the Series Portfolio Originator's instructs its conveyancers to attend to the registration).
E.5.6	<p>Credit and employment history</p> <ul style="list-style-type: none"> • Each Borrower's credit and employment history is assessed with the aid of one or more of the following: <ul style="list-style-type: none"> • search supplied by a credit reference agency, • INSIGHT information, • confirmation of voters roll entries or proof of residency,

- verification of income, or
 - references from lenders.
 - No applicant should have an adverse credit history (where the relevant applicant:
 - has or had any county court judgement (**CCJ**) for defaults (whether satisfied or unsatisfied) greater than £100 during the three years prior to completion,
 - has a mortgage credit file which, at any point in the last three years, was 3 or more months in arrears,
 - has or had a petition or a declaration of bankruptcy against him, her or it within the last six years, or
 - has or had entered into an individual voluntary arrangement (**IVA**) or intends to enter into an individual voluntary arrangement within the last six years).
- E.5.7 **Income** Income is determined by reference to the application form and supporting documentation, and the Series Portfolio Originator is required to verify the income of the primary applicant by means of a certified or internet based copy of one of following:
- latest 3 months' payslips,
 - latest SA302,
 - latest P60,
 - signed accounts, or
 - latest pension statement.
- E.5.8 **Conveyancers** The firm of conveyancers acting on behalf of the lender on the making of the Mortgage must be on the Series Portfolio Originator's conveyancers panel. If the applicant wishes to use a firm not on that conveyancers panel then the Series Portfolio Originator will instruct one of the firms on that conveyancers panel to act for the Series Portfolio Originator at the applicant's expense.
- E.5.9 **Rental cover** The monthly rental income must be confirmed by the Series Portfolio Originator's panel valuer and provide at least 125% interest cover of the Mortgage Monthly Payment based on the loan advance (excluding fees) at the time of application, on an interest only basis and at the initial interest rate, a nominal interest rate of 5% per annum or, where relevant, the product revert interest rate, whichever is higher.
- For certain products, the interest cover is calculated using the actual pay interest rate and not the higher of the interest rates mentioned above. These products are only available to better scoring customers.
- E.5.10 **Exceptions to the Lending Criteria** Exceptions to the Lending Criteria may only be made by with the approval of the Series Portfolio Seller (applying the BlackRock EMS investment process).
- E.5.11 **Changes to Lending Criteria** The Lending Criteria may be varied from time to time in the manner of a reasonable, prudent mortgage lender but only when approved by the Series Portfolio Seller (applying the BlackRock EMS investment process).
- E.6 Series Portfolio Warranties** The Series Portfolio Warranties in relation to the Series Portfolio comprise:
- the representations and warranties to be made by the Series Portfolio Seller referred to in *E.6.1 Series Portfolio Seller Warranties* below; and
 - the representations and warranties made by the Series Portfolio Originator referred to in *E.6.2 Series Portfolio Previous Owner Warranties* below.
- E.6.1 **Series Portfolio Seller Warranties** Pursuant to the Series Portfolio Sale Agreement, on the Series Closing Date the Series Portfolio Seller will make representations and warranties (the **Series Portfolio Seller Warranties**) to the Issuer and the Security Trustee in relation to each Mortgage in the Series Portfolio, comprising the representations and warranties set out in *7.5 Series Portfolio Seller Warranties* in the Programme Prospectus and the following:

- (a) such Mortgage is an English Mortgage and a Buy to Let Mortgage (and not a Consumer Buy to Let Mortgage or MCOB Mortgage) and was originated by the Series Portfolio Originator;
- (b) each Mortgage Loan relating to such Mortgage is either a Mortgage Fixed Rate Loan or a Mortgage Tracker Rate Loan;
- (c) in respect of each Mortgage Tracker Rate Loan (if any) relating to such Mortgage, the relevant Mortgage Tracker Rate is the London interbank offered rate for 3 month sterling deposits as determined and set from time to time in accordance with the applicable Mortgage Loan agreement;
- (d) such Mortgage is not a Non-Conforming Mortgage, a Self-Certified Mortgage, a Right to Buy Mortgage, a Fast Track Mortgage, a Flexible Mortgage, an Offset Mortgage and/or a Lifetime Mortgage;
- (e) in respect of each Mortgage Loan relating to such Mortgage, at least one Mortgage Monthly Payment due has been paid by the relevant Borrower;
- (f) no Mortgage Loan relating to such Mortgage:
 - (1) has more than one scheduled Mortgage Monthly Payment outstanding due and unpaid;
 - (2) was more than one Month in Arrears;
- (g) other than with respect to Mortgage Monthly Payments falling within the scope of (f) above, no Borrower relating to such Mortgage is, or has been since the date of the relevant Mortgage Loan, in material breach of any obligation owed in respect of the relevant Mortgage Loan or under the Mortgage Security and no steps have been taken by the Mortgagee to enforce any Mortgage Security as a result of any such breach;
- (h) the Series Portfolio Seller is not aware of any Borrower relating to such Mortgage being in material breach or default of any obligation under any Mortgage Loan relating to such Mortgage (other than with respect to Mortgage Monthly Payments) to the extent it would have a material adverse effect on the Mortgage Loan and its Mortgage Security; and
- (i) if the Mortgage was originated as a Corporate Mortgage, no Borrower is subject to an insolvency event (being a receiver appointed to all or a material part of its assets, liquidation and/or administration).

See further, in particular, risk factors 4.2.10 *Searches, investigations and Series Portfolio Warranties in relation to the Mortgages* and 4.4.2 *Limits on recourse to Transaction Parties and others* in the Programme Prospectus.

E.6.2 Series Portfolio Previous Owner Warranties

The Series Portfolio Warranties include the representations and warranties (the **Series Portfolio Previous Owner Warranties**) made in relation to each Mortgage in the Series Portfolio by the Series Portfolio Originator pursuant to the Series Portfolio Previous Purchase Agreement to, among others, the Series Portfolio Seller and the Warehouse at the time such Mortgage was sold and assigned (upon origination) by the Series Portfolio Originator to the Series Portfolio Seller pursuant to the Series Portfolio Previous Purchase Agreement.

As indicated in E.1.2 *Series Portfolio Previous Purchase Agreement* above, the Issuer and the Security Trustee will receive an assignment of the Series Portfolio Previous Owner Warranties on the Series Closing Date pursuant to the Series Portfolio Previous Purchase Accession Deed.

The Series Portfolio Previous Owner Warranties comprise, among others, the representations and warranties set out in 7.6 *Base Series Portfolio Seller Warranties* in the Programme Prospectus.

E.6.3 Breach of Series Portfolio Previous Owner Warranty The Series Portfolio Previous Purchase Agreement sets out a procedure for determining whether a breach of a Series Portfolio Previous Owner Warranty has occurred. The Series Portfolio Previous Owner is obliged to give notice within 10 Business Days of becoming aware of a matter or circumstance which constitutes, or which a Prudent Mortgage Lender would consider to be or likely to result in, such breach and the Issuer may on or after becoming aware of any such matter or circumstance give notice of an alleged breach. Upon any such notice being given there is then a 15 Business Day dispute opportunity period in which the Series Portfolio Previous Owner can, if it has grounds, give notice that it wishes to dispute an alleged breach and, if such a notice is given, there is a 10 Business Day period in which the relevant parties are to use their reasonable endeavours to resolve the relevant dispute and, in the event of failure to resolve the dispute, a party can refer it to an independent expert to resolve it. If a breach is capable of remedy, the Series Portfolio Previous Owner can have a 10 Business Day period (starting from the expiry of the 15 Business Day dispute opportunity period referred to above or, if the breach has been disputed, from the date of resolution of the dispute) in which it is to use its reasonable endeavours to remedy the matter or circumstance in all material respects. A breach of a Series Portfolio Previous Owner Warranty is deemed to have occurred if the above procedure is completed without, as applicable, the alleged breach having been determined not to have occurred (after having been disputed) or the alleged breach having been remedied in all material respects.

If a breach of a Series Portfolio Previous Owner Warranty occurs in respect of a Mortgage the Series Portfolio Previous Owner is obliged to pay an indemnity amount equal to the then Mortgage Current Balance of that Mortgage plus certain other amounts, provided that:

- the Series Portfolio Previous Owner is not liable if the claim for breach: is in respect of a matter relating to the relevant Mortgage in respect of which all liabilities have been fully performed or redeemed; or would not have arisen but for a change in legislation after the completion date in respect of such Mortgage; or arises from or would not have arisen but for any subsequent owner having made a further advance or having amended, altered or varied to any material extent any of the terms of that Mortgage;
- if the breach arises wholly because the Mortgage Loan and/or Mortgage Property Security does not exist due to fraud as a result of intentional actions of one or more persons other than the Series Portfolio Previous Owner, the indemnity amount is the Mortgage Current Balance multiplied by 10%; or
- if the claim for breach is agreed to or determined on or before 31 December 2016 and does not relate to certain specified core representations and warranties (being in summary: the defective title to the Mortgage, non-compliance with the applicable Lending Criteria; not binding obligations; not freely assignable; not valid and subsisting legal mortgages; not full security for the Mortgage Loans; not a first ranking charge; or a material part of a Mortgage Loan agreement or Mortgage Property Security relating to that Mortgage does not exist), the indemnity amount is the actual or likely monetary value of the loss incurred, or which may reasonably foreseeably be incurred by the Issuer in connection with such breach.

Where the Series Portfolio Previous Owner pays an indemnity amount equal to the then Mortgage Current Balance of the relevant Mortgage:

- the portion of that amount equal to the then Mortgage Principal Balance of the relevant Mortgage will be paid into the Series Transaction Account and a corresponding credit made to the Series Principal Ledger;
- the remainder of that amount will be paid into the Series Transaction Account and a corresponding credit made to the Series Revenue Ledger; and

- (to the extent that all or any part of the Mortgage exists) the Issuer shall assign all its right, title, interest and benefit in the Mortgage to the Series Portfolio Previous Owner.

E.6.4 **Breach of Series Portfolio Seller Warranty**

See 7.5.3 *Remedies for breach of Series Portfolio Warranties* in the Programme Prospectus for a summary of the procedure in the Series Portfolio Sale Agreement for determining whether a breach of a Series Portfolio Seller Warranty has occurred or whether the Series Portfolio Seller is liable for such breach.

Where a breach Series Portfolio Seller Warranty is also a breach of a Series Portfolio Previous Owner Warranty:

- the procedure in the Series Portfolio Sale Agreement for determining whether a breach of a Series Portfolio Seller Warranty has occurred does not commence until such time as the procedures under the Series Portfolio Previous Purchase Agreement relating to such breach of a Series Portfolio Previous Owner Warranty have been completed; and
- any indemnity amount in respect of such breach of that Series Portfolio Seller Warranty is reduced by the indemnity amount received by the Issuer from the Series Portfolio Previous Owner in relation to that breach of the relevant Series Portfolio Previous Owner Warranty.

If a breach of a Series Portfolio Seller Warranty occurs in respect of a Mortgage:

- (a) the Series Portfolio Seller may (in its absolute discretion) pay the Issuer the relevant indemnity amount in respect of such breach of a Series Portfolio Seller Warranty;
- (b) the Series Funding Facility Provider may (but is not obliged to) make an advance to the Issuer under the Series Funding Facility Agreement equal to the relevant indemnity amount in respect of such breach of a Series Portfolio Seller Warranty and:
 - the portion of that advance to the extent (if any) not exceeding the then Mortgage Principal Balance of the relevant Mortgage will be paid into the Series Transaction Account and a corresponding credit made to the Series Principal Ledger; and
 - the remainder of that advance (if any) will be paid into the Series Transaction Account and a corresponding credit made to the Series Revenue Ledger; and
- (c) (if the Series Portfolio Seller does not pay the Issuer the relevant indemnity amount under (a) above), the Series Cash Manager shall increase the balance of the Series Principal Deficiency Record to the extent that such indemnity amount exceeds the amount of an advance (if any) made to the Issuer under the Series Funding Facility Agreement in respect of such breach.

E.7 **Repurchase or refinancing of Mortgages**

The Series Portfolio Seller may repurchase all of the Series Portfolio if the Issuer exercises any of its options to redeem the Market Notes in full prior to the applicable Note Maturity Date (see F.3.7 *Redemption* below).

E.8 **Servicing of the Series Portfolio**

On or about the Series Closing Date the Issuer, the Programme Servicer, the Security Trustee, the Series Note Trustee, the Series Mortgage Servicer, the Series Portfolio Seller and the Series Portfolio Legal Title Holder will enter into an agreement (the **Series Mortgage Services Agreement**) pursuant to which the Series Mortgage Servicer will be appointed by the Issuer to service, on a day-to-day basis, the Series Portfolio on behalf of the Issuer. See further 8.2 *Series Mortgage Services* in the Programme Prospectus.

The Series Mortgage Services Agreement provides that if, following completion of enforcement of a Mortgage in the Series Portfolio and distribution of the recoveries of such enforcement, there remains an unpaid amount owing by the Borrower in respect of that Mortgage and the Series Mortgage Servicer takes further steps to recover such unpaid amount, any recoveries (net of any costs and expenses in achieving such recovery) received by the Series Mortgage Servicer in respect of such unpaid amount shall be split with 70% to be retained by the Series Mortgage Servicer and the remaining 30% to be paid to the Issuer.

The Series Mortgage Servicer may delegate some of its servicing functions to a third party provided that the Series Mortgage Servicer remains liable for the failure of, and for the performance of, any functions so delegated.

The fees payable to the Series Mortgage Servicer are indicated in I *Series fees*.

Section H.2 *Series non-rating triggers table* summarises the circumstances in which the appointment of the Series Mortgage Servicer may be terminated or when the Series Mortgage Servicer may resign and the related steps to be taken.

In the absence of a Series Mortgage Servicer Termination Event, neither Noteholders nor DCI Holders have any right to instruct the Series Note Trustee or the Security Trustee to terminate the appointment of the Series Mortgage Servicer.

E.9 **Series Mortgage Servicer Standby**

On or about the Series Closing Date the Issuer, the Programme Servicer, the Security Trustee, the Series Note Trustee, the Series Mortgage Servicer Standby, the Series Mortgage Servicer, the Series Portfolio Seller and the Series Portfolio Legal Title Holder will enter into an agreement (the **Series Mortgage Servicer Standby Agreement**) pursuant to which the Series Mortgage Servicer Standby will be appointed by the Issuer, among other things, to replace the Series Mortgage Servicer in certain circumstances in servicing, on a day-to-day basis, the Series Portfolio on behalf of the Issuer.

The Series Mortgage Servicer Standby will be required to carry out the services relating to arrangements which can be used to migrate relevant records as described in 8.3.2 *Series Mortgage Servicer Standby Services* in the Programme Prospectus as soon as reasonably practicable after receipt of written notice from the Security Trustee or the Issuer that they have grounds to believe that the Series Mortgage Servicer Standby will be appointed to replace the Series Mortgage Servicer pursuant to the terms of the Series Mortgage Servicer Standby Agreement.

The Series Mortgage Servicer Standby may delegate some of its services to a third party provided that the Series Mortgage Servicer Standby remains liable for the failure of, and for the performance of, any services so delegated.

The fees payable to the Series Mortgage Servicer Standby are indicated in I *Series fees*.

Section H.2 *Series non-rating triggers table* summarises the circumstances in which the appointment of the Series Mortgage Servicer Standby may be terminated or when the Series Mortgage Servicer Standby may resign and the related steps to be taken.

In the absence of a Series Mortgage Servicer Standby Termination Event, neither Noteholders nor DCI Holders have any right to instruct the Series Note Trustee or the Security Trustee to terminate the appointment of the Series Mortgage Servicer Standby.

F. Overview of terms and conditions of the Notes and DCIs

F.1 Note Specified Terms

The following are the Note Specified Terms relating to the Notes in Series Fleet 2016-01 under the Programme and form part of the Note Conditions as applied to the Notes (but solely with respect to this Series) by the Series Note Trust Deed (the **Series Note Trust Deed**) entered into on 4 November 2016 (the **Series Closing Date**, and being the issue date of the Notes) between the Issuer and the Series Note Trustee. The indicated details apply to each Class of Notes unless stated otherwise.

F.1.1 Series Series Fleet 2016-01 under the Programme (the **Series**).

F.1.2 Constitution of the Notes The Notes in this Series (the **Notes**) comprise each Class of Notes indicated in the table set out in F.1.4 *Note Initial Principal Amount*, and each such Class:

- (a) has the name indicated in the *Class of Notes* column in that table;
- (b) is within the tranche (each being a **Tranche**) indicated adjacent to the name of that Class in the *Tranche* column in that table;
- (c) comprises Reg S Notes; and
- (d) is constituted on the Series Closing Date under the Series Note Trust Deed and each entry in relation to that Class in the Series Note Register.

None of the Notes are Rule 144A Notes or Rule 2a-7 Notes.

Most Senior Tranche means at any time each Class of Notes outstanding at that time which at that time is within the most senior Tranche as indicated by the order of rows in the table in F.1.4 *Note Initial Principal Amount* treating Tranche A as the most senior and Tranche S as the most junior.

F.1.3 Note Currency GBP.

F.1.4 Note Initial Principal Amount	Class of Notes	Tranche	US Classification	Initial principal amount
	A Notes	A	Reg S	GBP 203,730,000
	B Notes	B	Reg S	GBP 11,850,000
	C Notes	C	Reg S	GBP 14,210,000
	Z Notes	Z	Reg S	GBP 11,850,000
	S Notes	S	Reg S	GBP 1,950,000

F.1.5 Series Reference Creditor At any time, the **Series Reference Creditor** in relation to the Series comprises:

- (a) (while any Notes are outstanding) each Holder of a Note which, at that time, is in the Most Senior Tranche; and
- (b) (while no Notes are outstanding but any R1 DCI is outstanding) each DCI Holder of an R1 DCI; and
- (c) (while no Notes and no R1 DCIs are outstanding but any amount is outstanding under the Series Funding Facility Agreement) the Series Funding Facility Provider; and
- (d) at any other time, each DCI Holder of an R2 DCI.

F.1.6 Credit enhancement features Credit enhancement for the Notes is provided in the following manner:

- in relation to any Class of Notes (other than the Class Z Notes and Class S Notes), the subordination of Notes that rank junior to such Class in the Series Priorities of Payments,
- the availability of funds (which may include the Series Main Reserve Fund), if any, at specified Priority Levels of the Series Revenue Priority of Payments to reduce a Series Principal Deficiency,

- the Series Main Reserve Fund,

in each case to the extent indicated in the Series Payments Rules.

F.1.7 Liquidity support features

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

- the Series Main Reserve Fund,
- in respect of the A Notes and the B Notes prior to a Series Acceleration Date, the availability of the Series Liquidity Reserve Fund to reduce a Series Liquidity Deficiency, and
- in respect of the Market Notes prior to a Series Acceleration Date, the availability of Mortgage Principal Receipts to fund the Series Liquidity Reserve Required Amount and to reduce a Series Senior Expense Deficiency,

in each case to the extent indicated in the Series Payments Rules.

F.1.8 Issue Price

100%.

F.1.9 Interest Rate

In respect of a Class of Notes, the Interest Rate in relation to that Class is as indicated in the following table adjacent to the name of that Class in the *Interest Rate* column, provided that if that Class is indicated in that column as having a Floating Rate:

- (a) the Interest Rate in respect of that Class shall be the higher of:
 - (1) the rate indicated in that column in respect of that Class; and
 - (2) 0% per annum; and
- (b) (subject to (a) above) the Interest Rate for that Class in respect of the first Interest Period shall be the sum of:
 - (1) the Reference Rate, being the rate which is a linear interpolation between a three month GBP LIBOR Reference Rate and a six month GBP LIBOR Reference Rate, in each case determined in accordance with Base Condition 5.3 *Reference Rate*; and
 - (2) the applicable Interest Margin in respect of that Class.

In respect of a Class of Notes having a Floating Rate the applicable Interest Margin is:

- for each day prior to the Step-up Date, the rate per annum indicated in the following table adjacent to the name of that Class in the *Prior to Step-up Date* column; and
- for each day from and after the Step-up Date, the rate per annum indicated in the following table adjacent to the name of that Class in the *From/after Step-up Date* column.

Class of Notes	Interest Rate	Interest Margin per annum	
		Prior to Step-up Date	From/after Step-up Date
A Notes	Floating Rate: 3 month GBP LIBOR plus the Interest Margin	0.95%	1.425%
B Notes	Floating Rate: 3 month GBP LIBOR plus the Interest Margin	2.20%	3.20%
C Notes	Floating Rate: 3 month GBP LIBOR plus the Interest Margin	3.25%	4.25%
Z Notes	Fixed Rate: 0.00% prior to, from and after the Step-up Date	—	—
S Notes	Fixed Rate: 0.00% prior to, from and after the Step-up Date	—	—

F.1.10 Interest deferral

Interest due and payable on the Notes outstanding will be deferred on each Series Payments Date to the extent that there are insufficient funds available at the applicable Priority Level of the Series Revenue Priority of Payments if:

- (a) the Series Accelerated Priority of Payments is not applicable on that Series Payments Date; and

	(b) those Notes are not A Notes or B Notes.
F.1.11 Interest accrual method	Actual/365.
F.1.12 Business Day convention	Modified Following.
F.1.13 Interest payment dates	Each Series Payments Date, being 15 February, 15 May, 15 August, and 15 November in each year except as indicated in the definition of Series Payments Date.
F.1.14 First interest payment date	The first Series Payments Date, being 15 February 2017.
F.1.15 First Interest Period	The period from (and including) the Series Closing Date to (and excluding) the first Series Payments Date.
F.1.16 Final Maturity Date	The Series Payments Date occurring in August 2048 (the Final Maturity Date).
F.1.17 Step-up Date	The Step-up Date is Series Payments Date occurring in November 2021.
F.1.18 Optional Redemption Date	Each Series Payments Date occurring on or after the earlier of: <ul style="list-style-type: none"> (a) the Step-up Date; and (b) the Clean-up Date, being the first Series Payments Date upon which: <ul style="list-style-type: none"> (1) the aggregate GBP Equivalent Note Principal Amount Outstanding of the Market Notes and the Z Notes (after application of the Series Priorities of Payments on the immediately preceding Series Payments Date), <p>is equal to or less than</p> <ul style="list-style-type: none"> (2) GBP 23,683,094 (being the result of 10% multiplied by the aggregate Mortgage Principal Balance as at 30 September 2016 of the Mortgages Loans that were in the Series Provisional Portfolio as at that date), <p>is an Optional Redemption Date.</p>
F.1.19 Optional Redemption Conditions	The relevant Series Payments Date is an Optional Redemption Date. The Required Notes are each of the Market Notes. The Permitted Notes are the Retained Notes.
F.1.20 Optional Redemption Additional Tax Circumstances	None.
F.1.21 Optional Redemption Additional Tax Conditions	None. The Required Notes are each of the Market Notes. The Permitted Notes are the Retained Notes.
F.1.22 Pre-acceleration redemption profile	Sequential, tranching pass-through amortisation on each Series Payments Date subject to, and in accordance with, the Series Principal Priority of Payments and, as applicable to payments of principal in respect of such Class of Notes, the Series Revenue Priority of Payments, in each case as indicated in the Series Payments Rules.
F.1.23 Post-acceleration redemption profile	Sequential, tranching pass-through amortisation on each Series Payments Date subject to, and in accordance with, the Series Accelerated Priority of Payments, in each case as indicated in the Series Payments Rules.
F.1.24 Form of the Notes	In respect of each Class: a Global Note relating to that Class in registered form which is intended upon issue to be deposited with one of Euroclear and Clearstream as common safekeeper and registered in the name of a nominee of one of Euroclear and Clearstream acting as common safekeeper, (i.e. the New Safekeeping Structure) (subject to Base Condition 2.8 <i>Removal of Notes or DCIs from Clearing Systems</i>).

F.1.25	Application for Listing	UK Official List and the London Stock Exchange's Regulated Market.																		
F.1.26	Clearance / settlement	Euroclear and Clearstream are the Clearing Systems (in each case subject to Base Condition 2.8 <i>Removal of Notes or DCIs from Clearing Systems</i>).																		
F.1.27	Intended to be held in a manner which would allow Eurosystem eligibility	Yes. Note that the designation 'yes' simply means that the Notes are intended upon issue to be deposited with one of Euroclear and Clearstream as common safekeeper, and registered in the name of a nominee of one of Euroclear and Clearstream acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.																		
F.1.28	Clearing system codes	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Class of Notes</th> <th style="text-align: left;">ISIN</th> <th style="text-align: left;">Common Code</th> </tr> </thead> <tbody> <tr> <td>A Notes</td> <td>XS1494907014</td> <td>149490701</td> </tr> <tr> <td>B Notes</td> <td>XS1494925347</td> <td>149492534</td> </tr> <tr> <td>C Notes</td> <td>XS1494948042</td> <td>149494804</td> </tr> <tr> <td>Z Notes</td> <td>XS1494982140</td> <td>149498214</td> </tr> <tr> <td>S Notes</td> <td>XS1495001627</td> <td>149500162</td> </tr> </tbody> </table>	Class of Notes	ISIN	Common Code	A Notes	XS1494907014	149490701	B Notes	XS1494925347	149492534	C Notes	XS1494948042	149494804	Z Notes	XS1494982140	149498214	S Notes	XS1495001627	149500162
Class of Notes	ISIN	Common Code																		
A Notes	XS1494907014	149490701																		
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C Notes	XS1494948042	149494804																		
Z Notes	XS1494982140	149498214																		
S Notes	XS1495001627	149500162																		
F.1.29	Note Ratings	<p>The Series Rating Agencies in respect of the Series are Fitch Ratings Ltd. (Fitch) and Moody's Investors Service Limited (Moody's).</p> <p>The following are the Note Ratings in relation to each Class of the Notes which are expected to be assigned by the Series Rating Agencies on the Series Closing Date:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Class of Notes</th> <th style="text-align: left;">Fitch</th> <th style="text-align: left;">Moody's</th> </tr> </thead> <tbody> <tr> <td>A Notes</td> <td>AAA(sf)</td> <td>Aaa(sf)</td> </tr> <tr> <td>B Notes</td> <td>AA(sf)</td> <td>Aa1(sf)</td> </tr> <tr> <td>C Notes</td> <td>A(sf)</td> <td>A1(sf)</td> </tr> <tr> <td>Z Notes</td> <td>—</td> <td>—</td> </tr> <tr> <td>S Notes</td> <td>—</td> <td>—</td> </tr> </tbody> </table>	Class of Notes	Fitch	Moody's	A Notes	AAA(sf)	Aaa(sf)	B Notes	AA(sf)	Aa1(sf)	C Notes	A(sf)	A1(sf)	Z Notes	—	—	S Notes	—	—
Class of Notes	Fitch	Moody's																		
A Notes	AAA(sf)	Aaa(sf)																		
B Notes	AA(sf)	Aa1(sf)																		
C Notes	A(sf)	A1(sf)																		
Z Notes	—	—																		
S Notes	—	—																		
F.1.30	Minimum Denomination	£100,000 and integral multiples of £1,000 in excess of that minimum denomination.																		
F.1.31	Specified Offices	<p>The Series Note Trustee Specified Office is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.</p> <p>The Series Registrar Specified Office is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.</p> <p>The Series Paying Agent Specified Office is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.</p> <p>The Series Note Calculation Agent Specified Office is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.</p>																		
F.1.32	Modification Additional Conditions	None.																		

F.2 DCI Specified Terms

This Series Prospectus does not constitute a prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the DCIs and the UK Listing Authority has neither approved nor reviewed the information contained in the Disclosure Documents in connection with the DCIs.

The following are the DCI Specified Terms relating to the DCIs in Series Fleet 2016-01 under the Programme and form part of the DCIs Conditions as applied to the DCIs (but solely with respect to this Series) by the Series Note Trust Deed (the **Series Note Trust Deed**) entered into on 4 November 2016 (the **Series Closing Date**, being the issue date of the DCIs) between the Issuer and the Series Note Trustee. The indicated details apply to each Class of DCIs unless stated otherwise.

F.2.1 Series Series Fleet 2016-01 under the Programme.

F.2.2 Constitution of the DCIs The DCIs in this Series (the **DCIs**) comprise each Class of DCIs indicated in the table set out in F.2.4 *Number of DCIs*, and each such Class:

- has the name indicated in the column *Class of DCIs* in that table;
- comprises the number of DCIs indicated adjacent to the name of that Class in the column *Number of DCIs in Class* in that table; and
- is constituted on the Series Closing Date under the Series Note Trust Deed and each entry in relation to that Class in the Series DCI Register.

F.2.3 DCI Currency GBP.

F.2.4 Number of DCIs	Class of DCIs	Number of DCIs in Class
	R1 DCIs	1,000,000
	R2 DCIs	1,000,000

F.2.5 DCI Amounts On each Series Payments Date the DCI Amount in respect of:

- the R1 DCIs shall be the R1 DCI Amount; and
- the R2 DCIs shall be the R2 DCI Amount.

R1 DCI Amount means at any time:

- (a) the aggregate of each Deferred Consideration Amount in respect of each Deferred Consideration Mortgage as calculated in relation to each Deferred Consideration Accrual Date that has occurred on or before that time,

less

- (b) the aggregate cumulative amount that has been paid to DCI Holders in respect of R1 DCIs pursuant to (as applicable):
- (1) Priority Level 5 of the Series Revenue Priority of Payments; or
 - (2) Priority Level 5 of the Series Accelerated Priority of Payments.

R2 DCI Amount means in respect of a Series Payments Date (as applicable):

- (a) the balance of the Series Payments Revenue Ledger remaining available to be allocated and paid (as applicable) following allocation and payment of (as applicable):
- (1) Priority Levels 1 to 19 (inclusive) of the Series Revenue Priority of Payments on that Series Payments Date; or
 - (2) Priority Levels 1 to 13 (inclusive) of the Series Accelerated Priority of Payments on that Series Payments Date; plus
- (b) the balance of the Series Payments Principal Ledger remaining available to be allocated and paid (as applicable) following allocation and payment of (as applicable) Levels 1 to 4 (inclusive) of the Series Principal Priority of Payments

on that Series Payments Date.

Base Consideration Amount means in relation to a Deferred Consideration Mortgage the amount appearing in the column '*Base Consideration Amount*' in respect of that Mortgage in the Purchase Portfolio Data Completion Schedule delivered by the Series Portfolio Seller to the Issuer on the Series Closing Date in accordance with the Series Portfolio Sale Agreement.

Deferred Consideration Accrual Date means 15 December 2016 and each subsequent 15th day of March, June, September and December or, if that day is not a Business Day, the next Business Day.

Deferred Consideration Amount means in respect of a Deferred Consideration Mortgage on a Deferred Consideration Accrual Date, the amount which is the lower of:

- (a) the amount which is the result of:
 - (1) the Mortgage Account Principal Debt in relation to that Deferred Consideration Mortgage as at the end of the Deferred Consideration Period relating to that Deferred Consideration Accrual Date multiplied by 0.20% if that Deferred Consideration Accrual Date occurs on or before the 1st anniversary of the Mortgage Completion for such Deferred Consideration Mortgage, or 0.15% in any other case;

multiplied by

- (2) the number of days in the Deferred Consideration Period in relation to that Deferred Consideration Mortgage which ends prior to that Deferred Consideration Accrual Date divided by 365;
- (b) the Deferred Consideration Maximum in relation to that Deferred Consideration Mortgage on that Deferred Consideration Accrual Date.

Deferred Consideration Maximum means in relation to a Mortgage in respect of a Deferred Consideration Accrual Date the result of:

- (a) the amount which is the result of the Mortgage Account Principal Debt in relation to that Mortgage immediately following Mortgage Completion in respect of that Mortgage multiplied by 0.35%;

less

- (b) the aggregate of:
 - (1) the Base Consideration Amount in relation to that Mortgage; and
 - (2) the aggregate Deferred Consideration Amount which has been calculated in respect of that Mortgage on each previous Deferred Consideration Accrual Date (regardless of whether or not such Deferred Consideration Amount has yet been paid in full).

Deferred Consideration Mortgage means in respect of a Deferred Consideration Accrual Date, a Mortgage in the Series Portfolio that as at the end of the Deferred Consideration Period relating to that Deferred Consideration Accrual Date:

- (a) remains outstanding; and
- (b) is less than 2 Months in Arrears.

Deferred Consideration Period means in relation to a Deferred Consideration Mortgage each successive period from (and including) the first day of the calendar month of the month in which a Deferred Consideration Accrual Date falls to (and including) the last day of the calendar month immediately preceding the next Deferred Consideration Accrual Date, provided that the first such period in respect of that Mortgage shall start on the Series Closing Date.

Months in Arrears means at any time in relation to a Mortgage, the number of whole Mortgage Monthly Payments that are overdue and remain unpaid in respect of that Mortgage calculated on the basis that all payments received and/or recovered by the Mortgagee in respect of that Mortgage are treated as being appropriated to or towards paying amounts in the chronological order that they became due (i.e. starting with the earliest of the due dates of such amounts) (and, for the avoidance of doubt, where only part of a Mortgage Monthly Payment is treated as being overdue and remaining unpaid after applying the calculation indicated this definition, that Mortgage Monthly Payment shall not be included in the number of whole Mortgage Monthly Payments that are overdue and remain unpaid in respect of the relevant Mortgage).

Mortgage Account Principal Debt means at any time in relation to a Mortgage the aggregate principal amount which has been advanced to the Borrower as at that time in respect of all Mortgage Loans relating to that Mortgage less the aggregate amount of such principal which no longer remains outstanding at that time.

Mortgage Completion means in relation to a Mortgage the time that the relevant mortgage deed creating the Mortgage Property Security is (or purports to be) executed and delivered by or on behalf of the Borrower to the mortgagee (including, for the avoidance of doubt, where such executed mortgage deed is treated as so delivered and held to the order of the mortgagee by a conveyancer).

F.2.6 DCI Amount deferral The R1 DCI Amount due and payable on the R1 DCIs outstanding will be deferred on each Series Payments Date to the extent that there are insufficient funds available at the applicable Priority Level of the Series Revenue Priority of Payments if:

- the Series Accelerated Priority of Payments is not applicable on that Series Payments Date; and
- the Holders of those R1 DCIs are not a Series Reference Creditor on that Series Payments Date.

DCI Amount Deferral is not applicable to the R2 DCI Amounts on the R2 DCIs (given that the R2 DCI Amounts simply comprise whatever amount (if any) is available at the specified Priority Level of the relevant Series Priority of Payments).

F.2.7 DCI Deferred Interest Rate Floating Rate: 0% per annum in relation to the R1 DCIs.

Not applicable in relation to the R2 DCIs.

F.2.8 Form of the DCIs In respect of each Class: a Global DCI relating to that Class in registered form which is intended upon issue to be deposited with one of Euroclear and Clearstream as common safekeeper and registered in the name of a nominee of one of Euroclear and Clearstream acting as common safekeeper (i.e. the New Safekeeping Structure) (subject to Base Condition 2.8 *Removal of Notes or DCIs from Clearing Systems*).

F.2.9 Clearance / settlement Euroclear and Clearstream are the Clearing Systems (in each case subject to Base Condition 2.8 *Removal of Notes or DCIs from Clearing Systems*).

F.2.10 Intended to be held in a manner which would allow Eurosystem eligibility Yes. Note that the designation 'yes' simply means that the DCIs are intended upon issue to be deposited with one of Euroclear and Clearstream as common safekeeper, and registered in the name of a nominee of one of Euroclear and Clearstream acting as common safekeeper, and does not necessarily mean that the DCIs will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

F.2.11 Clearing system codes

Class of DCIs	ISIN	Common Code
R1 DCIs	XS1495017623	149501762
R2 DCIs	XS1495017896	149501789

F.2.12 DCI ratings Not applicable.

F.2.13	Minimum Denomination	1 DCI and integral multiples of 1 in excess of that minimum denomination.
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F.3 Rights of Noteholders and DCI Holders and relationship with other Security Creditors

Please refer to 9. *Certain features of the Notes and DCIs*, and 10. *Base Conditions* in the Programme Prospectus for further detail in respect of the rights of Noteholders, the rights of DCI Holders, the conditions for exercising such rights and their relationship with other Security Creditors.

F.3.1	Issue of the Notes and DCIs	The Issuer will issue the Notes and the DCIs on the Series Closing Date under the Series Note Trust Deed.
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F.3.2	Ranking of the Notes and DCIs	In respect of each Class of Notes and each Class of DCIs, the Notes or, as applicable, DCIs within that Class will rank <i>pari passu</i> and rateably without any preference or priority among themselves as to, in the case of Notes, payments of principal and interest or, in the case of DCIs, payments of DCI Amounts. See further Base Condition 3.1 <i>Status</i> .
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Each Class of Notes and each Class of DCIs, will rank subject to, and in accordance with:

- (prior to a Series Acceleration Date) the Series Principal Priority of Payments and the Series Revenue Priority of Payments; and
- (from and after a Series Acceleration Date) the Series Accelerated Priority of Payments,

in each case as applied according to the Series Payments Rules.

Certain amounts due by the Issuer to its other Security Creditors (and, prior to a Series Acceleration Date, certain unsecured creditors) will rank in priority to all Classes of the Notes and DCIs. See further G.17 *Series Revenue Priority of Payments* below and G.19 *Series Accelerated Priority of Payments* below.

F.3.3	Security	The Notes and DCIs are secured and will share the security with the other Security Liabilities in accordance with the Security Deed and Security Intercreditor Deed (see further 12 <i>Security and intercreditor arrangements</i> in the Programme Prospectus), which provide, among other things:
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- that all the receipts from the Series Security Assets in relation to this Series (including upon enforcement of the security in respect of those Series Security Assets) shall only be applied in accordance with the Series Priorities of Payments for this Series (and no other Series); and
- the security in respect of the Series Security Assets in relation to this Series can be separately enforced for the purposes of, and upon events relating to, this Series (and, similarly, this Series shall not be affected by the enforcement of the security in respect of assets relating to any other Series).

Certain amounts due by the Issuer to its other Security Creditors will rank in priority to amounts due in respect of the Notes. See further the G.17 *Series Revenue Priority of Payments* and G.19 *Series Accelerated Priority of Payments*.

F.3.4	Interest provisions	As regards the Notes, please refer to Base Condition 5. <i>Interest</i> and F.1.9 <i>Interest Rate</i> to F.1.15 <i>First Interest Period</i> .
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As regards the DCIs, no interest is payable unless an amount is deferred (see F.3.5 *Deferral of interest and DCI Amounts* below) or becomes due to a DCI Holder but is not paid due a default, see further Base Condition 5. *Interest*.

F.3.5	Deferral of interest and DCI Amounts	As regards the Notes, please refer to Base Condition 5.1 <i>Accrual of interest</i> and F.1.10 <i>Interest deferral</i> . To the extent that, on any Series Payments Date, the Series Accelerated Priority of Payments is not applicable and the Issuer does not have sufficient funds to pay in full interest on the Notes of any Class (other than A Notes or B Notes), that shortfall will be deferred until the first Series Payments Date on which the Issuer has sufficient funds (and until such time shall be included in the Note
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Deferred Interest Outstanding), provided that the payment of such deferred interest shall not be deferred beyond the Final Maturity Date or, if earlier, a Series Note Acceleration Date. Any amounts of Note Deferred Interest Outstanding will accrue Additional Interest described in Base Condition 5.1 *Accrual of interest* and payment of any Additional Interest will also be deferred.

As regards the DCIs, please refer to Base Condition 7 *DCI Amounts* and F.2.6 *DCI Amount deferral*. To the extent that, on any Series Payments Date, the Series Accelerated Priority of Payments is not applicable and the Issuer does not have sufficient funds to pay the relevant R1 DCI Amount in full, that shortfall will be deferred until the first Series Payments Date on which the Issuer has sufficient funds (and until such time shall be included in the DCI Deferred Amount Outstanding), provided that the payment of such Deferred DCI Amount shall not be deferred beyond a Series Note Acceleration Date. Any amounts of DCI Deferred Amount Outstanding will accrue DCI Deferred Amount Interest described in Base Condition 7.3 *Accrual of DCI Deferred Amount Interest on deferred interest* and payment of any DCI Deferred Amount Interest will also be deferred. Deferral is not applicable to the R2 DCI Amounts on the R2 DCIs.

F.3.6 **Gross-up** None of the Issuer, the Series Registrar, the Series Paying Agent and any other person will be obliged to gross-up if there is any withholding or deduction in respect of the Notes or DCIs on account of taxes.

F.3.7 **Redemption** The Notes are subject to the following optional or mandatory redemption events:

- mandatory redemption of the Notes in whole on the Final Maturity Date (see F.1.16 *Final Maturity Date*), as fully set out in Base Condition 6.1 *Redemption at Final Maturity Date*;
- mandatory redemption of the Notes in part on any Series Payments Date (commencing on the first Series Payments Date), but prior to a Series Acceleration Date, subject to availability of Available Principal Receipts in the Series Payments Principal Ledger on the Series Payments Date (to the extent not used to fund the Series Liquidity Reserve Required Amount, see G.16.3 *Principal to fund Series Liquidity Reserve Required Amount* or to reduce a Series Senior Expense Deficiency, see G.16.8 *Reduction of Series Senior Expense Deficiency*) which shall be applied in accordance with the Series Principal Priority of Payments, as fully set out in Base Condition 6.2 *Mandatory redemption in part*;
- optional redemption of the Notes exercisable by the Issuer in whole on any Series Payments Date following the date on which there is a change in tax law or other applicable law, as fully set out in Base Condition 6.3 *Optional redemption for taxation and other reasons*, F.1.20 *Optional Redemption Additional Tax Circumstances* above and F.1.21 *Optional Redemption Additional Tax Conditions* above; and
- optional redemption of the Notes exercisable by the Issuer in whole on any Optional Redemption Date (being any Series Payments Date which falls on or after the earlier of the Step-up Date and the Clean-up Date), as fully set out in Base Condition 6.4 *Full redemption at the option of the Issuer*, F.1.18 *Optional Redemption Date* above and F.1.19 *Optional Redemption Conditions* above.

Any Note redeemed pursuant to the above redemption provisions (other than mandatory redemption in part) will be redeemed at an amount equal to the Note Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Note Principal Amount Outstanding of the relevant Note up to (but excluding) the date of redemption.

Due to their nature, the DCIs are not subject to any optional or mandatory redemption events.

F.3.8 **Weighted average lives of the Notes** The term weighted average life refers to the average amount of time that will elapse from the date of issuance of the Notes to the date of distribution to the Noteholders of amounts distributed in net reduction of principal of the Notes (assuming no losses).

The weighted average lives of the Notes cannot be stated or estimated, as they vary according to circumstances which are not predictable (including, for example among other things, the actual rate of redemption of the Mortgages in the Series Portfolio). However, calculations of hypothetical weighted average lives of the Notes can be made based on certain assumptions as described in L *Weighted average lives of the Notes*.

Those assumptions will never reflect what will happen in practice in relation to the Notes. The calculated hypothetical weighted average lives of the Notes must be viewed with considerable caution and not be relied upon for any purpose.

F.3.9 Events of default As fully set out in Base Condition 10.1 *Definition of Note Event of Default*, which broadly includes (where relevant, subject to the applicable grace period and detailed criteria):

- non-payment by the Issuer of interest in respect of A Notes or B Notes on the due date for payment;
- non-payment by the Issuer of principal in respect of the Notes on the due date for payment;
- material breach of contractual obligations by the Issuer under the Transaction Documents, provided that, the Series Note Trustee shall have certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders in the Most Senior Tranche; and
- Supervening Insolvency Events in relation to the Issuer.

No Note Event of Default can occur in relation to any DCIs while any Notes are outstanding: see Base Condition 10.1 *Definition of Note Event of Default*.

F.3.10 Enforcement For so long as any Notes remain outstanding, if a Note Event of Default has occurred and is continuing:

- the Series Note Trustee may, and
- the Series Note Trustee shall:
 - if so requested in writing by the holders of at least 25% of the Note Principal Amount Outstanding of the Notes in the Most Senior Tranche; or
 - if so directed by a Noteholder Extraordinary Resolution of the Noteholders in the Most Senior Tranche,

deliver a Series Note Acceleration Notice to the Issuer and institute such proceedings or take such action or step as may be required in order to enforce the Security in respect of the Series Security Assets relating to this Series in accordance with the Security Deed and the Security Intercreditor Deed.

The Series Note Trustee shall not be obliged to deliver an Enforcement Notice, unless it shall have been fully indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities.

F.3.11 Limited recourse The Notes, the DCIs and other Security Liabilities are limited recourse obligations of the Issuer, and, if not paid in full, amounts outstanding are subject to a final write-off, which is described in more detail in Base Condition 12.2 *Limited recourse*.

F.3.12 Non petition The Noteholders, the DCI Holders and other Security Creditors shall not be entitled to take any steps (otherwise than in accordance with the Security Intercreditor Deed, the Series Note Trust Deed and, in the case of the Notes, the Note Conditions or, in the case of the DCIs, the DCI Conditions):

- to direct the Series Note Trustee to enforce the Security or take any proceedings against the Issuer to enforce the Security other than, in the case of Noteholders, when expressly permitted to do so under the Note Conditions, or in the case of DCI Holders, when expressly permitted to do so under the DCI Conditions; or

- to take or join any person in any steps against the Issuer to obtain payment of any amount due from the Issuer to it; or
- until the date falling two years after the Final Discharge Date, to initiate or join in initiating any proceeding in relation to an Insolvency Event in relation to the Issuer; or
- to take or join in taking of any steps or proceedings which would result in any of the Security Priorities of Payment not being observed.

See further Base Condition 12.1 *No action by Noteholders or DCI Holders*.

F.3.13	Governing Law	English law.
F.3.14	Prior to an Event of Default	<p>The Issuer or the Series Note Trustee may convene a Noteholder meeting or a DCI Holder meeting (at the cost of the Issuer) for any purpose, including consideration of Noteholder Resolutions and, as applicable, DCI Holder Resolutions.</p> <p>The Series Note Trustee shall be obliged to convene a Noteholder meeting or, as applicable, a DCI Holder meeting (at the cost of the Issuer), subject to it being indemnified and/or secured and/or pre-funded to its satisfaction, upon the request in writing of Noteholders or, as applicable, DCI Holders of the relevant Class or Classes holding not less than 10% of the aggregate Note Principal Amount Outstanding of the outstanding Notes of the relevant Class or Classes or, in the case of a DCI Holder meeting, not less than 10% of the aggregate number of the DCIs then outstanding of the relevant Class or Classes.</p> <p>However, neither the Noteholders nor the DCI Holders are entitled to instruct or direct the Issuer to take any action, either directly or through the Series Note Trustee, without consent of the Issuer and, if applicable, certain other Transaction Parties, unless the Issuer has an obligation to take such action under the relevant Transaction Documents.</p>
F.3.15	Following an Event of Default	<p>Following the occurrence of a Note Event of Default which is continuing, Holders of Notes in the Most Senior Tranche may, if they hold not less than 25% of the Note Principal Amount Outstanding of those Notes, or if they pass an Noteholder Extraordinary Resolution, direct the Series Note Trustee (subject to the Series Note Trustee being indemnified and/or secured and/or pre-funded to its satisfaction) to give a Series Note Acceleration Notice to the Issuer declaring that all Classes of the Notes are immediately due and repayable at their respective Note Principal Amount Outstanding.</p>
F.3.16	Resolutions of Noteholders or DCI Holders	<p>Participants in resolutions: Base Condition 13.3 <i>Separate and combined resolutions</i> in the Programme Prospectus indicates when a Noteholder Resolution or, as applicable, DCI Holder Resolution must be passed by a separate Class or can be passed by a combination of Classes of Notes or, as applicable, DCIs.</p> <p>Resolution Notes means in connection with a proposed or actual Noteholder Resolution, the Notes outstanding held by the relevant Noteholders who are eligible to vote in relation to that Noteholder Resolution.</p> <p>Resolution DCIs means in connection with a proposed or actual DCI Holder Resolution, the DCIs outstanding held by the relevant DCI Holders who are eligible to vote in relation to that DCI Holder Resolution.</p> <p>Methods:</p> <ul style="list-style-type: none"> • A resolution can be made/approved at a meeting duly convened and held; or • where the Notes or, as applicable, the DCIs are held on behalf of a Clearing System or Clearing Systems, a resolution proposed by the Issuer or the Series Note Trustee (as the case may be) can be approved by way of electronic consents communicated through the electronic communication systems of the relevant Clearing

System(s) in accordance with their operating rules and procedures; or

- a resolution can be made/approved by written resolution, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders or, as applicable, DCI Holders,

in each case in accordance with the Series Note Trust Deed and the Note Conditions or, as applicable, the DCI Conditions.

- Notice period for a meeting:
- For an initial meeting: 21 clear days.
 - For a reconvened meeting: Not less than 10 clear days and not more than 42 clear days.

- Quorum for a meeting:
- For a meeting involving at least one Noteholder Extraordinary Resolution in respect of a Series Basic Terms Modification: for an initial meeting at least 75% (and for a reconvened meeting at least 50%) of the Note Principal Amount Outstanding of the Resolution Notes.

- For a meeting involving at least one Noteholder Extraordinary Resolution (but none in respect of a Series Basic Terms Modification): for an initial meeting at least 50% (and for a reconvened meeting at least 25%) of the Note Principal Amount Outstanding of the Resolution Notes.

- For a meeting involving at least one Noteholder Ordinary Resolution (but no Noteholder Extraordinary Resolution): for an initial meeting at least 25% (and for a reconvened meeting at least 10%) of the Note Principal Amount Outstanding of the Resolution Notes.

- For a meeting involving at least one DCI Holder Extraordinary Resolution in respect of a Series Basic Terms Modification: for an initial meeting at least 75% (and for a reconvened meeting at least 50%) of the total number of Resolution DCIs.

- For a meeting involving at least one DCI Holder Extraordinary Resolution (but none in respect of a Series Basic Terms Modification): for an initial meeting not less than 50% (and for a reconvened meeting not less than 25%) of the total number of Resolution DCIs.

- For a meeting involving at least one DCI Holder Ordinary Resolution (but no DCI Holder Extraordinary Resolution): for an initial meeting at least 25% (and for a reconvened meeting at least 10%) of the total number of Resolution DCIs.

- Required votes to pass a resolution at a meeting:
- For a Noteholder Ordinary Resolution: more than 50% of, upon a show of hands, the persons voting, or, if a poll is demanded, the votes cast on that poll.

- For a Noteholder Extraordinary Resolution (including in respect of a Series Basic Terms Modification): at least 75% of, upon a show of hands, the persons voting, or, if a poll is demanded, the votes cast on that poll.

- For a DCI Holder Ordinary Resolution: more than 50% of, upon a show of hands, the persons voting, or, if a poll is demanded, the votes cast on that poll.

- For a DCI Holder Extraordinary Resolution (including in respect of a Series Basic Terms Modification): at least 75% of, upon a

show of hands, the persons voting, or, if a poll is demanded, the votes cast on that poll.

- When a poll is held in respect of a Noteholder Resolution, each GBP 1 of Note Principal Amount Outstanding of the Resolution Notes counts as one vote.
 - When a poll is held in respect of a DCI Holder Resolution, each Resolution DCI counts as one vote.
 - When a show of hands is used, each person voting has one vote.
- Required votes to pass a resolution by electronic consent:
- For a Noteholder Ordinary Resolution: more than 50% of the Note Principal Amount Outstanding of the Resolution Notes voting.
 - For a Noteholder Extraordinary Resolution (including in respect of a Series Basic Terms Modification): at least 75% of the Note Principal Amount Outstanding of the Resolution Notes voting.
 - For a DCI Holder Ordinary Resolution: more than 50% of the Resolution DCIs voting.
 - For a DCI Holder Extraordinary Resolution (including in respect of a Series Basic Terms Modification): at least 75% of the Resolution DCIs voting.
- Written resolution:
- For a Noteholder Ordinary Resolution: Noteholders holding more than 50% of the Note Principal Amount Outstanding of the Resolution Notes.
 - For a Noteholder Extraordinary Resolution (including in respect of a Series Basic Terms Modification): Noteholders holding at least 75% of the Note Principal Amount Outstanding of the Resolution Notes.
 - For a DCI Holder Ordinary Resolution: DCI Holders holding more than 50% of the total number of Resolution DCIs.
 - For a DCI Holder Extraordinary Resolution (including in respect of a Series Basic Terms Modification): DCI Holders holding at least 75% of the total number of Resolution DCIs.

F.3.17 Matters requiring Noteholder Extraordinary Resolution

The following matters require a Noteholder Extraordinary Resolution:

- to approve any Series Basic Terms Modification;
- to approve the substitution of any person for the Issuer as principal obligor under the Notes;
- to direct the Series Note Trustee to give a Series Note Acceleration Notice;
- to instruct the Security Trustee to give a Series Security Assets Realisation Notice; and
- to approve or assent to any modification of the provisions contained in the Notes or the Note Conditions;
- to remove the Series Note Trustee and/or the Security Trustee;
- to approve the appointment of a new Series Note Trustee and/or Security Trustee;
- to authorise the Series Note Trustee or any other person to execute all documents and do all things necessary to give effect to any Noteholder Extraordinary Resolution;
- to appoint any persons as a committee to represent the interests of the Noteholders and to convey upon such committee any powers which the Noteholders could

themselves exercise by Noteholder Extraordinary Resolution.

See Base Condition 13 *Noteholder Resolutions and DCI Holder Resolutions* in the Programme Prospectus for more detail.

The sanction of a Series Basic Terms Modification requires an Extraordinary Resolution of each Class of Notes then outstanding.

F.3.18	Relationship between Noteholders and DCI Holders	<p>Subject to the provisions governing a Series Basic Terms Modification, a Noteholder Extraordinary Resolution of Noteholders of each Class of Notes within the Most Senior Tranche at the applicable time shall be binding on all other Classes of Notes and would override any resolution to the contrary of the Classes which at that applicable time are not within the Most Senior Tranche.</p> <p>Subject to the provisions governing a Series Basic Terms Modification, a DCI Holder Extraordinary Resolution of DCI Holders of one Class of DCIs does not override any resolution to the contrary of any other Class of DCIs.</p> <p>See Base Condition 13 <i>Noteholder Resolutions and DCI Holder Resolutions</i> in the Programme Prospectus for more detail.</p>
F.3.19	Series Portfolio Seller as a Noteholder	<p>For the purposes of, among other things, the right to attend and vote at any meeting of Noteholders, any Noteholder Resolution in writing and any direction made by Noteholders, those Notes (if any) which are held by or on behalf of the Series Portfolio Seller or any holding company of the Series Portfolio Seller, by any person for the benefit of the Series Portfolio Seller or any holding company of the Series Portfolio Seller, shall (unless and until ceasing to be so held) be deemed not to remain outstanding.</p>
F.3.20	Relationship between Noteholders and other Security Creditors	<p>The Security Trustee will not be bound to take any steps, institute any proceedings, exercise its rights, powers, authorities or discretions and/or to take any other action under or in connection with any of the Transaction Documents (including, without limitation, enforcing the Security Assets and/or lodging an appeal in any proceedings) unless:</p> <ul style="list-style-type: none"> • the Security Trustee is directed to do so by a Relevant Security Creditor Resolution passed by the Relevant Security Creditors (the instructing party) in accordance with the Security Intercreditor Deed provided that: <ul style="list-style-type: none"> • the Security Trustee shall not act at the direction of such instructing party in relation to a Series if such instructing party is not the Series Reference Creditor(s) in relation to that Series unless either: to do so would not in its opinion conflict with the interests of such Series Reference Creditor(s) in relation to that Series; or such action is sanctioned by the Series Reference Creditor(s) in relation to that Series; and • the Security Trustee may at all times, whether or not so directed, take such action in respect of any right, power or discretion which is personal to the Security Trustee or is to preserve or protect the Security Trustee's position or is of a purely administrative nature; and • the Security Trustee has been indemnified, secured and/or prefunded to its satisfaction against all liabilities to which it may render itself liable or which it may incur by so doing.
F.3.21	Provision of Information to the Noteholders and DCI Holders	<p>The Series Cash Manager on behalf of the Issuer will publish a quarterly Series Investor Report detailing, among other things, certain aggregated loan data in relation to the Series Portfolio, amounts paid by the Issuer pursuant to the Series Priorities of Payments in respect of the relevant period and required counterparty information. Such Investor Reports will be published on the website at https://sf.citidirect.com. That website and its contents do not form part of the Disclosure Documents.</p>
F.3.22	Communication with Noteholders and DCI Holders	<p>Other than the quarterly Investor Reports referenced above, any notice to be given by the Issuer or the Series Note Trustee to Noteholders and, as applicable, DCI Holders shall be given in one of the following ways:</p>

- so long as the Notes or, as applicable, the DCIs are held in the Clearing Systems, by delivery to the relevant Clearing System for communication by it to Noteholders or, as applicable, DCI Holders; or
- so long as the Notes or, as applicable, the DCIs are no longer held in the Clearing Systems, published in the *Financial Times* or, if such newspaper shall cease to be published or, if timely publication such newspaper is not practicable, in such other English newspaper or newspapers as the Series Note Trustee shall approve in advance having a general circulation in the United Kingdom; or
- so long as the Notes are listed on a recognised stock exchange, by delivery in accordance with the notice requirements of that exchange.

The Series Note Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or, as applicable, the DCIs or a category of them if, in its sole opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchanges, competent listing authorities and/or quotation systems on or by which the Notes are then listed, quoted and/or traded and provided that notice of such other method is given to the Noteholders or, as applicable, DCI Holders in such manner as the Series Note Trustee shall require. For more detail see Base Condition 17 *Notices* in the Programme Prospectus.

F.3.23 Modification

Please see Base Condition 15 *Modifications, authorisations, waivers and substitution* in the Programme Prospectus which sets out circumstances in which the Series Note Trustee and/or Security Trustee may or, in some circumstances, is obliged to, without the consent or sanction of the Noteholders, DCI Holders or any other Series Security Creditors, agree modifications and/or grant waivers.

F.3.24 Rating Certificates

The implementation of certain matters will, pursuant to the Note Conditions, DCI Conditions and other Transaction Documents, be subject to the receipt of a Rating Certificate from the Issuer in relation to each Series Rating Agency in connection with any event, circumstances and/or proposal relating to the Series and the actual and/or potential impact on a rating by that Series Rating Agency. The definition of Rating Certificate in Base Condition 14 *Rating Certificates* indicates that the Rating Certificate may be effective (and therefore satisfy such requirement) if, among other things, the relevant Series Rating Agency has failed to respond and/or declined to provide a confirmation and/or has provided (by an appropriately authorised person) only an oral confirmation, in each case provided specified procedures are followed by, or on behalf, of the Issuer with a view to obtaining a written confirmation from that Series Rating Agency. Notwithstanding, a Rating Certificate being effective to satisfy such requirement, the relevant Series Rating Agency may proceed to take a Rating Adverse Action (also defined in Base Condition 14 *Rating Certificates*) in connection with the relevant event, circumstances and/or proposal.

F.3.25 Paying agent, registrar and calculation agent

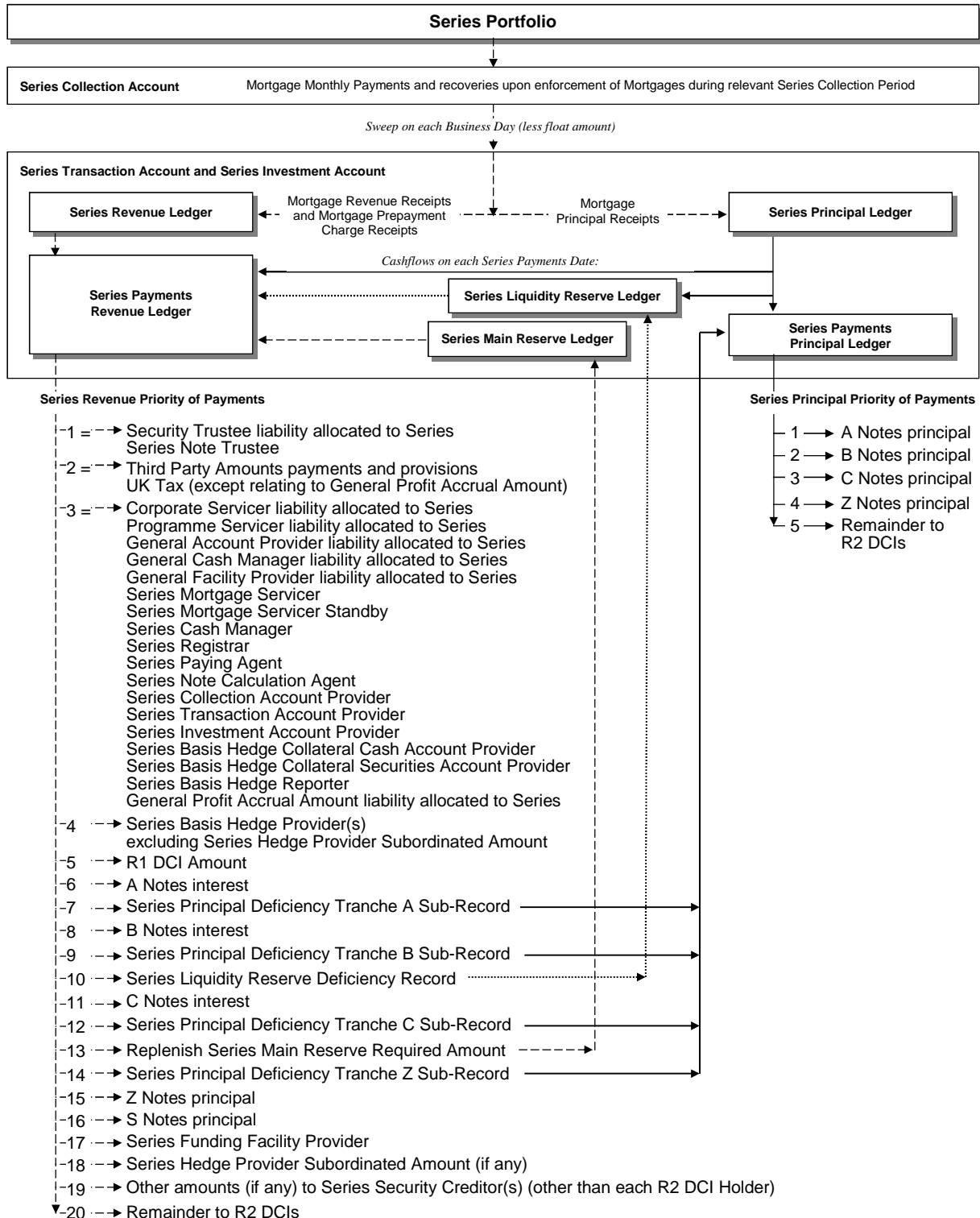
On the Series Closing Date the Issuer, the Programme Servicer, the Series Cash Manager, the Security Trustee, the Series Note Trustee, the Series Registrar, the Series Paying Agent and the Series Note Calculation Agent will enter an agreement (the **Series Note Services Agreement**) in relation to the Series pursuant to which:

- the Series Registrar will agree, among other things, to act as registrar and maintain registers in relation to the Notes and the DCIs in relation to the Series, in each case as contemplated in 8.10.2 *Series Registrar Services* in the Programme Prospectus, and
- the Series Paying Agent will agree, among other things, to provide paying agency services in relation to the Notes and the DCIs in relation to the Series, in each case as contemplated in 8.10.3 *Series Paying Agent Services* in the Programme Prospectus, and
- the Series Note Calculation Agent will agree, among other things, to provide agent services in determining the Reference Rate in relation to the Market Notes as contemplated in 8.10.4 *Series Note Calculation Agent Services* in the Programme Prospectus

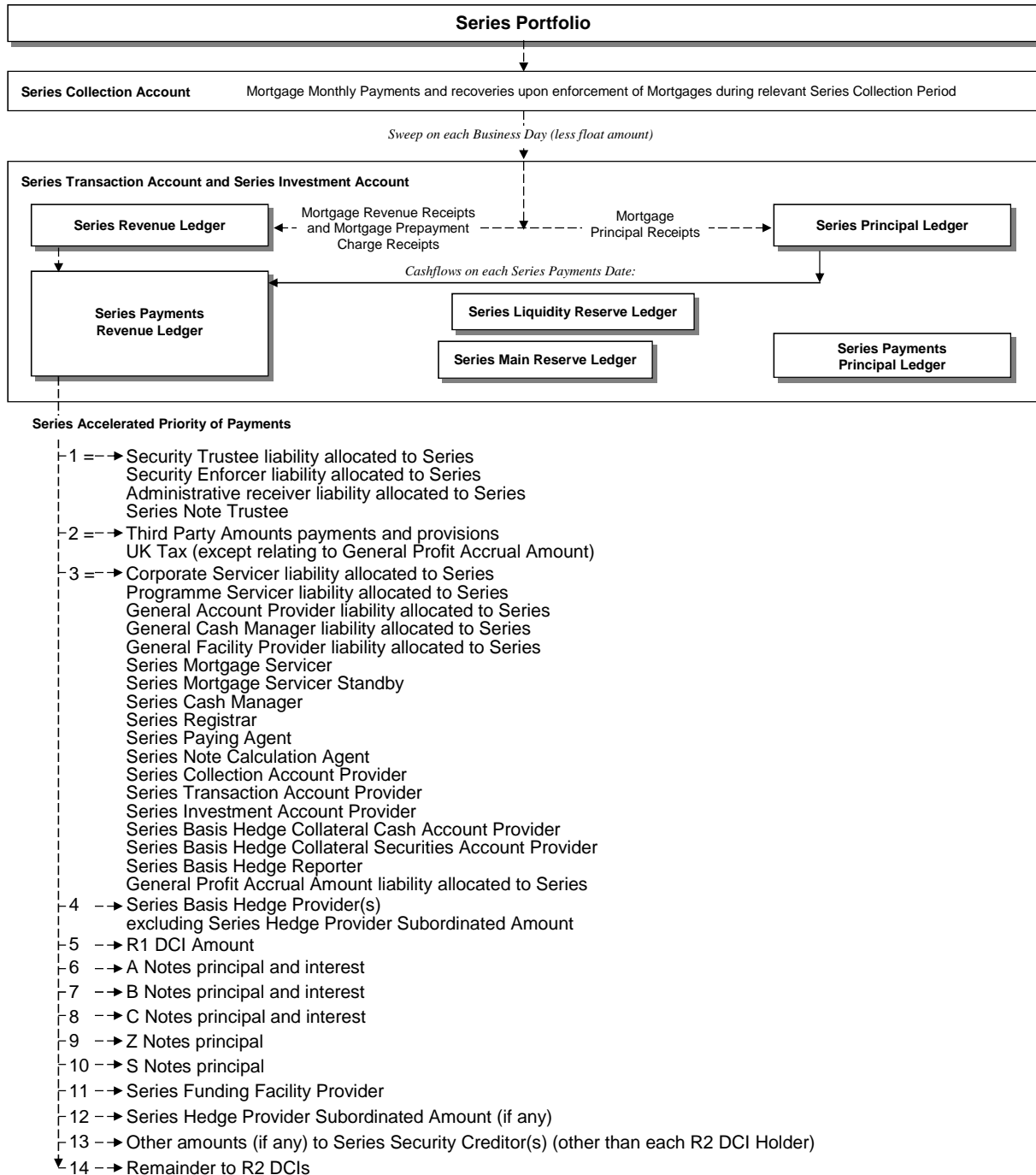
G. Series credit structure and cashflows

Please refer to 11. *Credit structure and cashflows in the Programme Prospectus for further detail in respect of credit structure and cash flow features.*

G.1 **Summary of cashflows** Below is a diagrammatic illustration of certain aspects of the cashflows under the Series Payments Rules prior to a Series Acceleration Date (including the Series Priorities of Payments) which are described in more detail in G.10 *Series Payments Rules* to G.19 *Series Accelerated Priority of Payments* inclusive.



Below is a diagrammatic illustration of certain aspects of the cashflows under the Series Payments Rules on or after a Series Acceleration Date (including the Series Priorities of Payments) which are described in more detail in G.10 *Series Payments Rules* to G.19 *Series Accelerated Priority of Payments* inclusive.



G.2 Overview of Series credit structure

The general credit structure of the Series includes the following elements:

- the Series Main Reserve Fund as summarised in G.3 *Series Main Reserve Fund*;
- the Series Liquidity Reserve Fund as summarised in G.4 *Series Liquidity Reserve Fund*;

- the Series Principal Deficiency Record as summarised in *G.5 Series Principal Deficiency Record*;
- the Series Basis Hedge Agreement with the Series Basis Hedge Provider as summarised in *G.6 Series Basis Hedge Agreement*;
- the Series Funding Facility Agreement with the Series Funding Facility Provider as summarised in *G.7 Series Funding Facility Agreement*;
- the Series Account Agreements, which will comprise at the Series Closing Date:
 - the Series Collection Account Agreement relating to the Series Collection Account maintained by the Series Portfolio Legal Title Holder with the Series Collection Account Provider (subject to the Series Collection Account Trust Deed) as summarised in *G.8.1 Series Collection Account Agreement*;
 - the Series Transaction Account Agreement relating to the Series Transaction Account maintained by the Issuer with the Series Transaction Account Provider as summarised in *G.8.2 Series Transaction Account Agreement*; and
 - the Series Investment Account Agreement relating to the Series Investment Account maintained by the Issuer with the Series Investment Account Provider as summarised in *G.8.3 Series Investment Account Agreement*;
 - the Series Basis Hedge Collateral Cash Account Agreement relating to the Series Basis Hedge Collateral Cash Account maintained by the Issuer with the Series Basis Hedge Collateral Cash Account Provider as summarised in *G.8.4 Series Basis Hedge Collateral Cash Account Agreement* below;
- the ability of cash to be invested in Series Authorised Investments as summarised in *G.12.5 Series Authorised Investments*;
- the structured system of ledgers and cashflows for this Series for the collection, holding and application of the Issuer's receipts as comprised in the Series Payments Rules (as defined in *G.10 Series Payments Rules*) which include:
 - the procedures to be followed on each Series Payments Calculation Date as summarised in *G.14 Series Payments Calculation Date procedures*;
 - the procedures to be followed on each Series Payments Date as summarised in *G.16 Series Payments Date procedures*; and
 - the Series Priorities of Payments summarised in *G.17 Series Revenue Priority of Payments*, *G.18 Series Principal Priority of Payments* and *G.19 Series Accelerated Priority of Payments* which, among other things, provide for the subordination of each Class of Notes (other than the Class A Notes) to each Class of Notes that ranks senior to it in the Series Priorities of Payments.

G.3 Series Main Reserve Fund

The Series Main Reserve Ledger (see *G.10.7 Series Additional Ledger* below) will be funded on the Series Closing Date by part of the proceeds from the Z Notes in an amount equal to the initial Series Main Reserve Required Amount (being GBP 4,740,000).

The **Series Main Reserve Fund** means at any time the then credit balance (if any) of the Series Main Reserve Ledger.

The **Series Main Reserve Required Amount** is:

- (a) on and after the earlier of:
- (1) the first date that Note Principal Amount Outstanding of the Market Notes is (before giving effect to any principal repayments on the Market Notes on the relevant date) GBP 0; and
 - (2) the first date upon which a Series Acceleration Date occurs,
- GBP 0; and

- (b) at any other time, 2% multiplied by the result of (a) the aggregate Mortgage Principal Balance in respect of all Mortgages in the Series Portfolio as at the start of the Series Closing Date, plus (b) the amount to be credited to the Series Mortgage Retentions Ledger on the Series Closing Date.

On the first date that the Series Main Reserve Required Amount becomes GBP 0 the Series Main Reserve Fund (if any) will form part of the funds applied in accordance with the Series Principal Priority of Payments or, as applicable, Series Accelerated Priority of Payments.

Prior to that, on each Series Payments Date the Series Main Reserve Fund will be available to be transferred to the Series Payments Revenue Ledger and form part of the funds applied in accordance with the Series Revenue Priority of Payments or, as applicable, Series Accelerated Priority of Payments on the succeeding Series Payments Date. See further G.16.2 *Transfer from Series Main Reserve Ledger*.

Priority Level 13 of the Series Revenue Priority of Payments (see G.17 *Series Revenue Priority of Payments*) provides for an amount to be credited to the Series Main Reserve Ledger with a view to it being replenished to the applicable Series Main Reserve Required Amount.

G.4 **Series Liquidity Reserve Fund**

On the Series Closing Date the Series Liquidity Reserve Ledger (see G.10.7 *Series Additional Ledger* below) will have a balance of GBP 0.

The **Series Liquidity Reserve Fund** means at any time the then credit balance (if any) of the Series Liquidity Reserve Ledger.

The **Series Liquidity Reserve Required Amount** is:

- (a) on and after the earlier of:
- (1) the first date that the Note Principal Amount Outstanding of the A Notes and the B Notes is GBP 0 (before giving effect to any principal repayments on the A Notes and the B Notes on the relevant date); and
 - (2) the first date upon which a Series Acceleration Date occurs, GBP 0; and
- (b) at any other time, 2.5% multiplied by the then Note Principal Amount Outstanding of the A Notes and the B Notes (before giving effect to any principal repayments on the A Notes and the B Notes on the relevant date).

G.4.1 **Funding of Series Liquidity Reserve Fund**

As indicated in G.16.3 *Principal to fund Series Liquidity Reserve Required Amount*, the procedures to be carried out on each Series Payments Date provide for the amount (if any) standing to the credit of the Series Principal Ledger to be transferred to the Series Liquidity Reserve Ledger until such time as the cumulative amount so transferred equals the Series Liquidity Reserve Required Amount as at the end of the day before the relevant Series Payments Date (such time being the Series Liquidity Reserve Principal Funding Date). No increase in the balance of the Series Principal Deficiency Record shall be made in respect of any such transfer.

The Series Cash Manager will decrease the balance of the Series Liquidity Reserve Deficiency Record (and thereby reduce the Series Liquidity Reserve Deficiency) by each amount transferred from the Series Payments Revenue Ledger to the Series Liquidity Reserve Ledger in accordance with Priority Level 10 of the Series Revenue Priority of Payments to reduce a positive balance (if any) on the Series Liquidity Reserve Deficiency Record (see G.17 *Series Revenue Priority of Payments*).

G.4.2 **Application of Series Liquidity Reserve Fund**

Prior to that, on each Series Payments Date the Series Liquidity Reserve Fund will be available to be transferred to the Series Payments Revenue Ledger and form part of the funds applied in accordance with the Series Revenue Priority of Payments or, as applicable, Series Accelerated Priority of Payments on the succeeding Series Payments Date (and upon each such transfer the Series Liquidity Reserve Deficiency Record shall

be increased by the amount so transferred). See further G.16.5 *Transfer from Series Liquidity Reserve Fund*.

A Series Liquidity Reserve Deficiency Record (see G.10.7 *Series Additional Ledger* below) will be maintained by the Series Cash Manager. If at any time the Series Liquidity Reserve Deficiency Record has a positive balance, then there is a **Series Liquidity Reserve Deficiency** of that amount in relation to the Series.

G.4.3 Excess amounts
in Series Liquidity
Reserve Fund

On each Series Payments Date, the Series Payments Administrator will calculate whether, following application of the Series Revenue Priority of Payments on that Series Payments Date, the Series Liquidity Reserve Fund will exceed the then Series Liquidity Reserve Required Amount and, if so, the Series Payments Administrator shall debit an amount equal to the excess from the Series Liquidity Reserve Ledger and credit such amount to the Series Payments Principal Ledger. See further G.16.6 *Excess from Series Liquidity Reserve Fund*.

On the first date that the Series Liquidity Reserve Required Amount becomes GBP 0 the Series Liquidity Reserve Fund (if any) will form part of the funds applied in accordance with the Series Principal Priority of Payments or, as applicable, Series Accelerated Priority of Payments.

G.5 **Series
Principal
Deficiency
Record**

A non-cash memorandum record (the **Series Principal Deficiency Record**) will be established on the Series Closing Date in the books of the Issuer in relation to the Series and will be maintained by the Series Cash Manager as contemplated in 11.9 *Recording principal deficiencies* in the Programme Prospectus.

The Series Cash Manager will increase the balance of the Series Principal Deficiency Record:

- by the amount of each principal loss incurred in respect of the Series Portfolio as and when notified from time to time by the Series Mortgage Servicer to the Series Cash Manager, such principal loss being in relation to any Mortgage Loan, the amount (if any) determined in good faith by the Series Mortgage Servicer as being the amount of loss to the Issuer of a principal nature in respect of such Mortgage Loan:
 - upon completion of Mortgage Enforcement Procedures in respect of the related Mortgage Property or, if earlier, the sale (whether by way of voluntary sale by the Borrower or following enforcement by or on behalf of the Mortgagee) of the related Mortgage Property; or
 - as a result of an exercise of any set-off by any Borrower in respect of a Mortgage Loan; or
 - upon failure by the Series Portfolio Previous Owner to pay an indemnity amount in respect of breach of a Series Portfolio Previous Owner Warranty as contemplated in E.6.3 *Breach of Series Portfolio Previous Owner Warranty* above which is at least equal to the Mortgage Principal Balance of the relevant Mortgage in respect of which that breach occurred; or
 - (if applicable) to the extent that the Series Funding Facility Provider does not make an advance to the Issuer under the Series Funding Facility Agreement in respect of a breach of a Series Portfolio Seller Warranty as contemplated in E.6.4 *Breach of Series Portfolio Seller Warranty* above which is at least equal to the Mortgage Principal Balance of the relevant Mortgage in respect of which that breach occurred,

whichever is earlier; and

- by the amount transferred from the Series Payments Principal Ledger to the Series Payments Revenue Ledger on a Series Payments Date to reduce a Series Senior Expense Deficiency as summarised in G.16.8 *Reduction of Series Senior Expense Deficiency*;

- by the amount of principal losses incurred in respect of Mortgage Loans in the Series Portfolio as a result of Mortgage Principal Receipts having been credited to the Series Collection Account but not having subsequently been credited to the Series Transaction Account due to the terms of the Series Collection Account Agreement and/or Series Collection Account Trust Deed not being complied with (including, without limitation, upon a default by a party thereto and/or insolvency and/or other creditor enforcement proceedings in respect of the Series Portfolio Legal Title Holder and/or Series Collection Account Provider).

If at any time the Series Principal Deficiency Record has a positive balance, then there is a **Series Principal Deficiency** of that amount in relation to the Series.

The Series Cash Manager will decrease the balance of the Series Principal Deficiency Record (and thereby reduce the Series Principal Deficiency) by each amount transferred from the Series Payments Revenue Ledger to the Series Payments Principal Ledger in accordance with the Series Revenue Priority of Payments on a Series Payments Date to reduce a positive balance (if any) on a Series Principal Deficiency Sub-Record (see G.17 *Series Revenue Priority of Payments*).

As contemplated in 11.9.3 *Series Principal Deficiency Sub-Records* of the Programme Prospectus, the Series Cash Manager will also establish and maintain sub-records (each a **Series Principal Deficiency Sub-Record**) in relation to the Series Principal Deficiency Record, one for each Tranche (i.e. Series Principal Deficiency Tranche A Sub-Record and so on) other than Tranche S.

For the purposes of this Series, on each occasion that the Series Cash Manager is increasing the Series Principal Deficiency Record, the then GBP Equivalent Note Principal Amount Outstanding of the Z Notes shall be deemed to be 60% of the then GBP Equivalent Note Principal Amount Outstanding of the Z Notes (and the Series Principal Deficiency Tranche Z Sub-Record shall be treated accordingly).

Each time that following a change (whether an increase or decrease) to the Series Principal Deficiency Record there is a Series Principal Deficiency, the Series Cash Manager shall update the Series Principal Deficiency Sub-Records so that they are all reduced to zero and the full amount of the changed Series Principal Deficiency is then re-allocated to the Series Principal Deficiency Sub-Records in inverse order of seniority, starting with the one relating to the most junior Tranche and so that the balance on a Series Principal Deficiency Sub-Record (apart from the one relating to the Most Senior Tranche) shall not, at any time, exceed the then aggregate Note Principal Amount Outstanding in respect of the Notes in the corresponding Tranche.

G.6 Series Basis Hedge Agreement

On the Series Closing Date the Issuer and the Series Basis Hedge Provider will enter an ISDA Master Agreement (including the related Schedule, Credit Support Annex and Confirmation) (the **Series Basis Hedge Agreement**) in relation to the Series as contemplated in 11.3 *Hedging of interest basis risks* in the Programme Prospectus. The Series Basis Hedge Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

G.6.1 Interest rate risk

Some of the Mortgage Loans in the Series Portfolio are Mortgage Fixed Rate Loans which pay a fixed rate of interest for a period of time. However, the interest rate payable by the Issuer with respect to the Notes is an amount calculated by reference to a variable reference rate of 3 month GBP LIBOR. To provide a hedge against the possible variance between:

- the fixed rates of interest payable on the Mortgage Fixed Rate Loans in the Series Portfolio; and
- a rate of interest calculated by reference to 3 month GBP LIBOR payable on the Market Notes,

the Issuer will enter into the interest rate hedge transaction (the **Series Basis Hedge Transaction**) with the Series Basis Hedge Provider on the Series Closing Date. The Series Basis Hedge Transaction will be governed by the Series Basis Hedge Agreement.

- G.6.2 Periodic hedge calculations and payments
- Under the Series Basis Hedge Transaction, for each Interest Period falling prior to the termination date of the Series Basis Hedge Transaction, the following amounts will be calculated:
- the amount produced by applying a rate equal to 3 month GBP LIBOR (or in respect of the first Interest Period, the linear interpolation of the relevant GBP LIBOR rates as specified in the Series Basis Hedge Agreement) for the relevant Interest Period to the applicable notional amount of the Series Basis Hedge Transaction and multiplying the resulting amount by the applicable day count fraction specified in the Series Basis Hedge Agreement (the **Interest Period Hedge Provider Amount**); and
 - the amount produced by applying the fixed rate specified in the Series Basis Hedge Agreement to the applicable notional amount of the Series Basis Hedge Transaction and multiplying the resulting amount by the applicable day count fraction specified in the Series Basis Hedge Agreement (the **Interest Period Issuer Amount**).
- If for any Interest Period 3 month GBP LIBOR would otherwise be a negative rate, then such rate and the value of the Interest Period Hedge Provider Amount for that Interest Period shall be deemed to be zero.
- After these two amounts are calculated in relation to an Interest Period, the following payments will be made on the related Series Payment Date:
- if the Interest Period Hedge Provider Amount is greater than the Interest Period Issuer Amount for that Interest Period, then the Series Basis Hedge Provider will pay the difference to the Issuer;
 - if the Interest Period Issuer Amount is greater than the Interest Period Hedge Provider Amount for that Period, then the Issuer will pay the difference to the Series Basis Hedge Provider; and
 - if the two amounts are equal, neither party will make a payment to the other.
- If a payment is to be made by the Series Basis Hedge Provider, that payment will constitute Available Revenue Receipts or, as applicable Available Accelerated Receipts and be applied on the relevant Series Payment Date according to the Series Revenue Priority of Payments or, as applicable, the Series Accelerated Priority of Payments (see G.16.10 *Allocation and payment from Series Payments Revenue Ledger*). If a payment is to be made by the Issuer, it will be made according to Priority Level 4 of the Series Revenue Priority of Payments or, as applicable, Priority Level 4 of the Series Accelerated Priority of Payments.
- G.6.3 Certain tax aspects of hedge transaction
- The Issuer is not obliged, under the Series Basis Hedge Agreement, to gross up payments made by it if a withholding or deduction for or on account of taxes is imposed on payments made under the Series Basis Hedge Transaction.
- The Series Basis Hedge Provider will generally be obliged to gross up payments made by it to the Issuer if a withholding or deduction for or on account of tax is imposed on payments made by it under the Series Basis Hedge Transaction (other than a withholding imposed pursuant to FATCA). However, if the Series Basis Hedge Provider is required to gross up a payment under the Series Basis Hedge Transaction due to a change in the law, the Series Basis Hedge Provider may terminate the Series Basis Hedge Transaction.
- G.6.4 Hedge early termination
- The Series Basis Hedge Transaction may be terminated (a **Hedge Early Termination Event**) in certain circumstances including, but not limited to, those described in 11.5 *Early termination of Series Hedge Agreements* in the Programme Prospectus and additionally as set out below (in each case as more specifically provided for in the Series Basis Hedge Agreement):

- if the Series Basis Hedge Provider is downgraded and fails to comply with the requirements of the downgrade provisions contained in the Series Basis Hedge Agreement (as described in G.6.5 *Series Basis Hedge Provider ratings*);
- upon the occurrence of a Series Note Acceleration Date, a Series Asset Realisation Date or Series Security Assets Realisation Date;
- if any of the Market Notes becomes due and payable (in whole) prior to the Final Maturity Date pursuant to Base Condition 6.3 (*Optional redemption for taxation and other reasons*), Base Condition 6.4 (*Full redemption at the option of the Issuer*);
- upon the entry into, amendment or supplement of any Transaction Document or waiver or consent without the prior written consent of the Series Basis Hedge Provider where such consent is required as indicated in G.6.7 *Consent for amendments affecting Series Basis Hedge Provider*; and
- if the Issuer sells or otherwise transfers any Mortgage Fixed Rate Loans in the Series Portfolio (other than those which are more than three months in arrears or in respect of which the related property has been repossessed from the relevant Mortgage Obligor) in circumstances, which result in a reduction of the notional amount that would otherwise apply under the Series Basis Hedge Transaction and which do not otherwise constitute or relate to any of the alternative additional termination events set out in this section G.6.4 *Hedge early termination*.

Upon an early termination of the Series Basis Hedge Transaction the Issuer or the Series Basis Hedge Provider may be liable to make a termination payment to the other. This termination payment will be calculated and payable in Sterling. The amount of any termination payment will be based on the market value of the terminated hedge as determined on the basis of quotations sought from leading dealers as to the costs of entering into a transaction with the same terms and conditions that would have the effect of preserving the economic equivalent of the respective full payment obligations of the parties (or, in some circumstances, based upon a good faith determination of total losses and costs (or gains) of the determining party) and will include unpaid amounts that became due and payable prior to the date of termination, taking account of any collateral transferred by the Series Basis Hedge Provider to the Issuer under the Series Basis Hedge Agreement. Depending on the terms of the Series Basis Hedge Transaction and the circumstances prevailing at the time of termination, any such termination payment could be substantial and may affect the funds available to pay amounts due to the Noteholders.

Upon early termination of a Series Hedge Agreement, the Issuer will endeavour, although this cannot be guaranteed, to find a replacement Series Hedge Provider that will enter into a replacement for the relevant Series Hedge Agreement.

G.6.5 Series Basis Hedge Provider ratings

Section H.1 *Series rating triggers table* summarises the action that needs to be taken by the Series Basis Hedge Provider if ceases to have the ratings specified in that table.

To the extent required to be provided pursuant to the credit support annex of the Series Basis Hedge Agreement, Series Party Collateral provided by the Series Basis Hedge Provider may take the form of cash in various currencies or certain types of eligible securities. The Series Basis Hedge Provider will be responsible for determining (in accordance with stipulated parameters) the amount of such collateral which is required to be transferred and/or returned.

See further 11.7 *Minimum ratings of certain Series parties* in the Programme Prospectus.

G.6.6 Transfer by Series Basis Hedge Provider

The Series Basis Hedge Provider may, subject to certain conditions specified in the Series Basis Hedge Agreement including (without limitation) the satisfaction of certain requirements of the Series Rating Agencies, transfer its obligations under the Series Basis Hedge Agreement to another entity with the ratings set out in H.1.3(b) *Collateralisation and replacement trigger* below, or whose present and future

obligations owing to the Issuer under the Series Basis Hedge Agreement are unconditionally and irrevocably guaranteed by an entity which has such ratings.

G.6.7 Consent for amendments affecting Series Basis Hedge Provider

The Issuer, the Security Trustee, the Series Note Trustee and other parties to the Series Deed relating to the Series will agree with the Series Basis Hedge Provider that, any entry into a new Transaction Document and/or any modification of, supplement to, waiver or consent in respect of any Transaction Document (including, without limitation, the Note Conditions or Series Payments Rules) to which the Series Basis Hedge Provider is not a party (including, without limitation, where any entry into a new Transaction Document and/or any modification of, supplement to, waiver or consent is approved, sanctioned and/or ratified by any Relevant Security Creditor Resolution, Series Reference Creditor Resolution, Noteholder Resolution and/or DCI Holder Resolution) which is made without the Series Basis Hedge Provider's prior written consent (such consent not to be unreasonably withheld) shall be ineffective if and to the extent that such entry into a new Transaction Document and/or modification, supplement, waiver or consent relates to or changes the effect or application, in respect of this Series, of:

- any security (howsoever described, and including as a result of changing the nature or the scope of, or releasing such security) granted by the Issuer in favour of the Security Trustee on behalf of the Security Creditors;
- the definitions of Final Maturity Date, Available Revenue Funds, Series Hedge Collateral Account, Series Hedge Provider Subordinated Amounts, Series Hedge Termination Receipts, Series Hedge Provider Collateral, Series Hedge Exempted Amounts, Series Hedge Replacement Premium, Series Hedge Tax Credits, Series Payments Normal Date, Mortgage Principal Balance, Mortgage Fixed Rate Loan, Series Note Acceleration Date, Security Assets Realisation Date or Series Security Assets Realisation Date;
- the Series Priorities of Payments;
- the method of calculation of amounts payable to, or receivable from, the Series Basis Hedge Provider (whether under the Series Priority of Payments or outside the Series Priority of Payments or pursuant to the provisions in the Transaction Documents or the Note Conditions);
- Base Condition 6 (*Redemption, Purchase and Cancellation*) forming part of the Note Conditions or any additional redemption rights in respect of the Notes;
- Clause 6 (*Modifications, authorisations, waivers and substitution*) of the Series Note Trust Deed or Base Condition 15 (*Modifications, authorisations, waivers and substitution*) forming part of the Note Conditions; or
- the Clause in the Series Deed that implements this requirement.

G.6.8 Series Basis Hedge Reporting Agreement

On or about the Series Closing Date the Issuer and the Series Basis Hedge Provider will enter an EMIR reporting services agreement (the **Series Basis Hedge Reporting Agreement**) in relation to the Series pursuant to which the Issuer will delegate to the Series Basis Hedge Reporter (who is also the Series Basis Hedge Provider) certain reporting obligations in respect of the Series Basis Hedge Transaction which arise under EMIR (as more fully described in 4.5.2(b) *European Market Infrastructure Regulation* of the Programme Prospectus). The Series Basis Hedge Reporting Agreement may be terminated in certain circumstances, including upon a breach of the Issuer's obligations or a failure to agree amended fees. If the Series Basis Hedge Reporting Agreement is terminated in circumstances where the Series Basis Hedge Transaction is continuing, the Issuer will use reasonable endeavours to appoint a replacement Series Basis Hedge Reporter to which it will delegate its reporting obligations under EMIR. Among other things, such replacement must have experience providing such reporting services. The Series Basis Hedge Reporting Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

- G.7 Series Funding Facility Agreement** On the Series Closing Date the Issuer, the Programme Servicer, the Security Trustee and the Series Funding Facility Provider will enter an agreement (the **Series Funding Facility Agreement**) in relation to the Series pursuant to which the Series Funding Facility Provider may agree, from time to time, to make advances to the Issuer as contemplated in 11.2.3 *Funds from Series Funding Facility Providers* in the Programme Prospectus.
- There is no commitment of the Series Funding Facility Provider to make any such advances and, as at the Series Closing Date, no such advances are agreed to be made.
- If any advance is made by the Series Funding Facility Provider under the Series Funding Facility Agreement, no interest is payable on such advance.
- Amounts repaid in relation to the Series Funding Facility Agreement shall not be available to be redrawn by the Issuer unless the Series Funding Facility Provider agrees otherwise.
- G.8 Series Accounts** All receipts of the Issuer from the Series Portfolio and the Series Parties relating to this Series are required by the Transaction Documents to be paid into segregated bank accounts which are opened, maintained and used exclusively for this Series (being the **Series Accounts**, which include:
- the Series Collection Account, the Series Transaction Account and the Series Investment Account summarised below; and
 - each additional or replacement account opened by the Issuer from time to time in relation to this Series as permitted in the Transaction Documents, including any Series Party Collateral Cash Account(s) and any Series Party Collateral Securities Account(s)).
- G.8.1 Series Collection Account Agreement** On the Series Closing Date the Issuer, the Security Trustee, the Series Note Trustee, the Programme Servicer, the Series Mortgage Servicer, the Series Collection Account Holder and the Series Collection Account Provider will enter into an agreement (the **Series Collection Account Agreement**) in relation to the Series pursuant to which a bank account (the **Series Collection Account**) will be maintained by the Issuer with the Series Collection Account Provider in relation to the Series, in each case as contemplated in 8.6.1 *Appointment of Series Account Providers* and 11.6 *Holding and investment of the Issuer's funds* in the Programme Prospectus.
- As summarised in G.12 *Receipts from the Series Portfolio*, amounts received in respect of the Series Portfolio, will be credited to the Series Collection Account. On each Business Day, the credit balance on the Series Collection Account as at the end of that Business Day less a specified float amount will be transferred to the Series Transaction Account.
- On the Series Closing Date the Issuer, the Security Trustee, the Series Note Trustee, the Programme Servicer and the Series Portfolio Legal Title Holder will enter a deed (the **Series Collection Account Trust Deed**) in relation to the Series pursuant to which the Series Portfolio Legal Title Holder will declare a trust in favour of the Issuer over all amounts credited to the Series Collection Account from time to time.
- Section H *Series triggers tables* summarises circumstances in which the appointment of the Series Collection Account Provider may be terminated by the Issuer or the Programme Servicer acting on behalf of the Issuer (in each case with the prior written consent of the Security Trustee) or when the Series Collection Account Provider may resign and the related steps to be taken by the Programme Servicer.
- G.8.2 Series Transaction Account Agreement** On the Series Closing Date the Issuer, the Security Trustee, the Series Note Trustee, the Programme Servicer, the Series Cash Manager and the Series Transaction Account Provider will enter into an agreement (the **Series Transaction Account Agreement**) in relation to the Series pursuant to which a bank account (the **Series Transaction Account**) will be maintained by the Issuer with the Series Transaction Account Provider in relation to the Series and operated by the Series Cash Manager, in each case

as contemplated in 8.6.1 *Appointment of Series Account Providers* and 11.6 *Holding and investment of the Issuer's funds* in the Programme Prospectus.

Pursuant to the Series Transaction Account Agreement, the Series Transaction Account Provider will agree to pay interest on the daily balance of the Series Transaction Account at the rate set out in a fee letter between the Issuer and the Series Transaction Account Provider, such interest to accrue on a daily basis.

Section H *Series triggers tables* summarises circumstances in which the appointment of the Series Transaction Account Provider may be terminated by the Issuer (subject to the prior written consent of the Programme Servicer and the Series Note Trustee) or when the Series Transaction Account Provider may resign and the related steps to be taken by the Programme Servicer.

- G.8.3 **Series Investment Account Agreement** On the Series Closing Date the Issuer, the Security Trustee, the Series Note Trustee, the Programme Servicer, the Series Cash Manager and the Series Investment Account Provider will enter into an agreement (the **Series Investment Account Agreement**) in relation to the Series pursuant to which a bank account (the **Series Investment Account**) will be maintained by the Issuer with the Series Investment Account Provider in relation to the Series and operated by the Series Cash Manager, in each case as contemplated in 8.6.1 *Appointment of Series Account Providers* and 11.6 *Holding and investment of the Issuer's funds* in the Programme Prospectus. The Series Main Reserve Fund and the Series Liquidity Reserve Fund will be held in the Series Investment Account pending application according to the Series Payments Rules.

Pursuant to the Series Investment Account Agreement, the Series Investment Account Provider will agree to pay interest on the daily balance of the Series Investment Account at the rate set out in a fee letter between the Issuer and the Series Investment Account Provider, such interest to accrue on a daily basis.

Section H *Series triggers tables* summarises circumstances in which the appointment of the Series Investment Account Provider may be terminated by the Issuer (subject to the prior written consent of the Programme Servicer and the Series Note Trustee) or when the Series Investment Account Provider may resign and the related steps to be taken by the Programme Servicer.

- G.8.4 **Series Basis Hedge Collateral Cash Account Agreement** On the Series Closing Date the Issuer, the Security Trustee, the Series Note Trustee, the Programme Servicer, the Series Cash Manager and the Series Basis Hedge Collateral Cash Account Provider will enter into an agreement (the **Series Basis Hedge Collateral Cash Account Agreement**) in relation to the Series pursuant to which a bank account (the **Series Basis Hedge Collateral Cash Account**) will be maintained by the Issuer with the Series Basis Hedge Collateral Cash Account Provider in relation to the Series and operated by the Series Cash Manager, in each case as contemplated in 8.6.1 *Appointment of Series Account Providers* and 11.6 *Holding and investment of the Issuer's funds* in the Programme Prospectus. Any Series Party Collateral in relation to the Series Basis Hedge Agreement which is in the form of cash will be held in the Series Basis Hedge Collateral Cash Account pending application according to the Series Payments Rules and the Series Basis Hedge Agreement.

Pursuant to the Series Basis Hedge Collateral Cash Account Agreement, the Series Basis Hedge Collateral Cash Account Provider will agree to pay interest on the daily balance of the Series Investment Account at the rate set out in a fee letter between the Issuer and the Series Basis Hedge Collateral Cash Account Provider, such interest to accrue on a daily basis.

Section H *Series triggers tables* summarises circumstances in which the appointment of the Series Basis Hedge Collateral Cash Account Provider may be terminated by the Issuer (subject to the prior written consent of the Programme Servicer and the Series Note Trustee) or when the Series Basis Hedge Collateral Cash Account Provider may resign and the related steps to be taken by the Programme Servicer.

G.8.5 Series Basis Hedge Collateral Securities Account Agreement

The Series Basis Hedge Agreement provides that, if and when Series Party Collateral in the form of securities is to be provided in relation to the Series Basis Hedge Agreement, the Issuer will seek to enter an agreement (the **Series Basis Hedge Collateral Securities Account Agreement**) with a person (the **Series Basis Hedge Collateral Securities Account Provider**) selected at that time (expected to be Citibank, N.A., London Branch) and the Security Trustee, the Series Note Trustee, the Programme Servicer, the Series Cash Manager in relation to the Series pursuant to which a securities account (the **Series Basis Hedge Collateral Securities Account**) will be maintained by the Issuer with the Series Basis Hedge Collateral Securities Account Provider in relation to the Series and operated by the Series Cash Manager, in each case as contemplated in 8.6.1 *Appointment of Series Account Providers* and 11.6 *Holding and investment of the Issuer's funds* in the Programme Prospectus. Any Series Party Collateral in relation to the Series Basis Hedge Agreement which is in the form of securities will be held in the Series Basis Hedge Collateral Securities Account pending application according to the Series Payments Rules and the Series Basis Hedge Agreement. The Series Note Trustee and the Security Trustee shall be obliged, without the consent of any Noteholders or other Series Secured Creditor, to enter into a Series Basis Hedge Collateral Securities Account Agreement with a Series Basis Hedge Collateral Securities Account Provider if the Issuer certifies to the Series Note Trustee and the Security Trustee that Series Party Collateral in the form of securities is to be provided in relation to the Series Basis Hedge Agreement.

The circumstances in which the appointment of the Series Basis Hedge Collateral Securities Account Provider may be terminated by the Issuer (subject to the prior written consent of the Programme Servicer and the Series Note Trustee) or when the Series Basis Hedge Collateral Securities Account Provider may resign and the related steps to be taken by the Programme Servicer will be agreed at the time the Series Basis Hedge Collateral Securities Account Agreement is entered into.

G.9 Cash management

On or about the Series Closing Date the Issuer, the Security Trustee, the Series Note Trustee, the Programme Servicer and the Series Cash Manager will enter into an agreement (the **Series Cash Management Agreement**) pursuant to which the Series Cash Manager will be appointed by the Issuer to provide cash management services in relation to the Series as contemplated in 8.8 *Series Cash Management Services* in the Programme Prospectus, including (in summary):

- record credits to, and debits from a system of ledgers used to organise the Issuer's funds (including, without limitation, the Series Principal Deficiency Record, the Series Main Reserve Ledger and the Series Liquidity Reserve Ledger) as and when required;
- administer the Series Payments Rules which are described in more detail in G.10 *Series Payments Rules* to G.19 *Series Accelerated Priority of Payments* inclusive (including, without limitation, making the calculations, allocations and payments according to the Series Priorities of Payments on each Series Payments Date); and
- prepare and provide each Series Investor Report as referred to in G.10.10 *Series Investor Reports* below.

The Series Cash Manager may delegate some of its cash management functions to a third party provided that the Series Cash Manager remains liable for the failure of, and for the performance of, any functions so delegated.

The fees payable to the Series Cash Manager are included in I.1.3 *Other fees and expenses of the Issuer relating to the Series* below.

Section H.2 *Series non-rating triggers table* summarises the circumstances in which the appointment of the Series Cash Manager may be terminated or when the Series Cash Manager may resign and the related steps to be taken.

In the absence of a Series Cash Manager Termination Event, neither Noteholders nor DCI Holders have any right to instruct the Series Note Trustee or Security Trustee to terminate the appointment of the Series Cash Manager.

G.10 Series Payments Rules

The **Series Payments Rules** comprise:

- the procedures, arrangements and priorities of payments specified and/or referred to in this G.10 *Series Payments Rules* to G.19 *Series Accelerated Priority of Payments* inclusive; and
- (except to the extent inconsistent with those procedures, arrangements and priorities of payments) the applicable provisions of the Series Cash Management Agreement.

In the Series Payments Rules, a reference (using whatever form of words) to amounts standing to the credit of, or forming part of the balance in, a Series Ledger or a Series Account shall be deemed to include at any time the corresponding cash equivalent at that time of Series Authorised Investments made using funds that would otherwise be standing to the credit of, or forming part of the balance in, the relevant Series Ledger or Series Account.

G.10.1 Series Priorities of Payments

The **Series Priorities of Payments** are:

- (a) the Series Revenue Priority of Payments and the Series Principal Priority of Payments in respect of each Series Payments Date occurring prior to a Series Acceleration Date in respect of the Series; and
- (b) the Series Accelerated Priority of Payments in respect of each Series Payments Date occurring on or after a Series Acceleration Date in respect of the Series.

Series Accelerated Priority of Payments refers to the making of allocations and payments in accordance with the table set out in G.19 *Series Accelerated Priority of Payments* and in the order of the Priority Levels indicated in that table and applying the Priority Interpretation Rules (see 11.11 *Priority Interpretation Rules* in the Programme Prospectus).

Series Principal Priority of Payments refers to the making of allocations and payments in accordance with the table set out in G.18 *Series Principal Priority of Payments* and in the order of the Priority Levels indicated in that table and applying the Priority Interpretation Rules (see 11.11 *Priority Interpretation Rules* in the Programme Prospectus).

Series Revenue Priority of Payments refers to the making of allocations and payments in accordance with the table set out in G.17 *Series Revenue Priority of Payments* and in the order of the Priority Levels indicated in that table and applying the Priority Interpretation Rules (see 11.11 *Priority Interpretation Rules* in the Programme Prospectus).

A reference to **Amounts Due** at any time is to all accrued amounts (including, without limitation, in respect of indemnity payments, fees, costs, and expenses) due, payable and outstanding at that time (and any value added tax thereon).

Third Party Amounts means at any time all accrued amounts (including, without limitation, in respect of indemnity payments, fees, costs, and expenses) due, payable and outstanding at that time (and any value added tax thereon) to persons who are not Transaction Parties (including insurance contracts maintained by or on behalf of the Issuer and audit fees, if any) which are incurred without breach by the Issuer of the Transaction Documents and payment of which is not provided for elsewhere in any Security Priorities of Payments (other than the General Priority of Payments).

G.10.2 Series Payments Date

Series Payments Date means each Series Payments Normal Date and each Series Payments Additional Date.

Series Payments Additional Date means:

- (a) each date (not being a Series Payments Normal Date) upon which the Note Principal Amount Outstanding in relation to any Class of Notes becomes due and payable prior to the relevant Final Maturity Date in relation to such Notes as a result of the Issuer exercising any right under the Note Conditions to fully redeem that Class of Notes; and
- (b) if a Series Acceleration Date has occurred, each date the Security Trustee may specify from time to time in a notice to the Issuer and to the Series Payments Administrator.

Series Payments Normal Date while a Series Acceleration Date has not occurred, means 15 February, 15 May, 15 August, and 15 November in each year commencing from and including 15 February 2017 or, if any such day is not a Business Day, the immediately following Business Day.

G.10.3 **Series Payments Calculation Date** **Series Payments Calculation Date** means the 4th Business Day immediately preceding each Series Payments Date which occurs in relation to the Series.

G.10.4 **Series Acceleration Date** **Series Acceleration Date** means the first to occur of the following:

- (a) a Series Note Acceleration Date occurs in relation to any of the Notes in this Series;
- (b) a Security Assets Realisation Date occurs;
- (c) a Series Security Assets Realisation Date occurs in relation to this Series; or
- (d) a date upon which the Note Principal Amount Outstanding in relation to any Class of Notes in this Series becomes due and payable prior to the relevant Final Maturity Date in relation to such Notes as a result of the Issuer exercising any right under the Note Conditions to fully redeem that Class of Notes.

G.10.5 **Series Payments Administrator** The **Series Payments Administrator** is:

- (a) (if a Series Acceleration Date has occurred) the person (who may be, but does not need to be, the Security Trustee) specified by the Security Trustee as Series Payments Administrator as indicated in a notice, if any, given by the Security Trustee to the Issuer and the Series Cash Manager; and
- (b) the Series Cash Manager in any other case.

G.10.6 **Series Additional Documents** Each of the following is a Series Additional Document in relation to the Series (see further 5.3.3 *Series Documents* in the Programme Prospectus):

- (a) the Cross-collateral Mortgage Rights Deed;
- (b) the Series Basis Hedge Reporting Agreement;
- (c) the Series Basis Hedge Collateral Cash Account Agreement;
- (d) the Series Basis Hedge Collateral Securities Account Agreement (if and when entered into);
- (e) the Series Portfolio Previous Purchase Agreement, the Series Portfolio Previous Purchase Security Deed and the Series Portfolio Previous Purchase Security Accession Deed; and
- (f) the LWCI Investment Deed relating to the Current Series.

The Issuer's rights and assets in relation to those Series Additional Documents, to the Series Basis Hedge Collateral Cash Account and, if any, Series Basis Hedge Collateral Securities Account are Series Additional Security in relation to the Series.

Each party to those Series Additional Documents (other than the Issuer) is a Series Security Additional Creditor to the extent of any liabilities of the Issuer to such party

under those Series Additional Documents (see further 11.10.3 *Series Security Creditors* in the Programme Prospectus).

- G.10.7 **Series Additional Ledger** Pursuant to the Series Cash Management Agreement, the Series Cash Manager shall establish and maintain:
- (a) a Ledger in relation to the Series to be known as the **Series Mortgage Retentions Ledger**;
 - (b) a Ledger in relation to the Series to be known as the **Series Main Reserve Ledger**;
 - (c) a Ledger in relation to the Series to be known as the **Series Liquidity Reserve Ledger**;
 - (d) a Ledger in relation to the Series to be known as the **Series Hedge Provider Collateral Ledger** (in relation to Series Hedge Provider Collateral relating to the Series Basis Hedge Agreement); and
 - (e) a non-cash memorandum Record in relation to the Series to be known as the **Series Liquidity Reserve Deficiency Record**;
- G.10.8 **Series Security Assets Realisation Notice Conditions** None.
- G.10.9 **General Supplemental Aspects** There are no General Additional Documents (see further 5.3.2 *General Documents* in the Programme Prospectus).
- There is no General Security Additional Creditor (see further 11.10.5 *General Security Creditors* in the Programme Prospectus).
- There is no General Additional Ledger (see further 11.8.3 *General Ledgers* in the Programme Prospectus).
- G.10.10 **Series Investor Reports** The Issuer will, from the Series Closing Date until the earlier of redemption in full of the last outstanding Market Note or the Final Maturity Date, provide ongoing post issuance transaction information in the form of a quarterly investor report (the **Series Investor Report**) which will include, among other things, information on the loans and payments in arrears in relation to the Series Portfolio, the application of funds according to the Series Priorities of Payments and a glossary of the terms used in such report, whether by reference to this Series Prospectus or otherwise.
- Each Series Investor Report will be prepared by the Series Cash Manager and will be published by the Series Cash Manager on <https://sf.citidirect.com> in electronic form for investors, potential investors and firms that generally provide services to investors and will be provided to the Issuer, the Security Trustee, the Programme Servicer, the Series Mortgage Servicer, the Noteholders, the DCI Holders and the Series Rating Agencies, in each case on or before the 10th Business Day after each Series Payments Date.
- The Issuer will also make available information in relation to each Mortgage Loan (including anonymised loan level data and detailed statistics on the Mortgage Loans) and other statistical information regarding the securities to be admitted to trading, which will be accessible via the same website <https://sf.citidirect.com> in electronic form for investors, potential investors and firms that generally provide services to investors, subject to the terms and conditions set out therein.
- In the first Series Investor Report, the Issuer will disclose the amount of the Notes which are either:
- (a) privately-placed with investors which are not the Series Portfolio Seller or entities affiliated with the Series Portfolio Seller (the **Series Portfolio Seller Group**);
 - (b) retained by a member of the Series Portfolio Seller Group; and

- (c) publicly-placed with investors which are not in the Series Portfolio Seller Group, and

in relation to any amount initially retained by a member of the Series Portfolio Seller Group, but subsequently placed with investors which are not in the Series Portfolio Seller Group, it will (to the extent permissible) disclose such placement in the next Series Investor Report.

The content of these websites do not form part of this Prospectus and such reports are not incorporated by reference into this Series Prospectus. The Series Cash Manager's website does not form part of the information provided for the purposes of this Series Prospectus and disclaimers may be posted with respect to the information posted thereon. Registration may be required for access to such website and persons wishing to access the website will be required to certify that they are entitled to access the information posted thereon.

G.10.11 Series cash flow models and loan level data

The Issuer will, from the Series Closing Date until the earlier of redemption in full of the last Market Note or the Final Maturity Date of the last Market Note:

- (a) make available a cash flow model to Noteholders, either directly or indirectly through one or more entities that provide cash flow models to investors generally; and
- (b) make available loan level data to investors and update such information on a regular basis.

G.11 Net proceeds on the Series Closing Date

On the Series Closing Date the Series Cash Manager shall administer the following upon receipt by the Issuer of the net proceeds of each Class of Notes:

- (a) all of those net proceeds shall be credited to the Series Transaction Account (and a corresponding credit made to the Series Principal Ledger);
- (b) an amount equal to the Series Main Reserve Required Amount will be transferred from the Series Transaction Account to the Series Investment Account (and a corresponding debit made to the Series Principal Ledger and credit made to the Series Main Reserve Ledger); and
- (c) approximately GBP 70,500 (the **Series Mortgage Retentions Fund**) will be transferred from the Series Transaction Account to the Series Investment Account (and a corresponding debit made to the Series Principal Ledger and credit made to the Series Mortgage Retentions Ledger) to provide funding for Mortgage Retention Advances in respect of certain Mortgages in the Series Portfolio (see 7.9.3 *Mortgage Mandatory Further Advances in respect of Mortgage retentions* in the Programme Prospectus); and
- (d) approximately GBP 150,000 will be debited to the Series Principal Ledger and credited to the Series Payments Revenue Ledger to provide for the shortfall, if any, due to timing mismatches between the Mortgage Revenue Receipts expected to be received during each Series Collection Period prior to the first Series Payments Date and the interest that will accrue on the Market Notes between the Series Closing Date and the first Series Payments Date; and
- (e) approximately GBP 1,137,649.89 will be debited to the Series Principal Ledger and credited to the Series Revenue Ledger to fund payment of certain upfront costs incurred by Issuer in relation to the Series; and
- (f) approximately GBP 10,000 will be transferred from the Series Transaction Account to the Series Collection Account to fund the float amount to be held in the Series Collection Account; and
- (g) the remainder will be applied in payment of the Series Portfolio Sale Initial Consideration in respect of the Series Portfolio (and a corresponding debit made to the Series Principal Ledger).

G.12 Receipts from the Series Portfolio	The primary source of funds available to the Issuer to pay principal and interest on the Notes and DCI Amounts in respect of the DCIs will be the Mortgage Receipts generated by the Mortgages in the Series Portfolio.
G.12.1 Payments into Series Collection Account	Pursuant to the Series Mortgage Services Agreement the Series Mortgage Servicer will undertake to procure that all amounts received in respect of the Series Portfolio are paid into the Series Collection Account (including Mortgage Monthly Payments made by direct debit by the Borrowers).
G.12.2 Sweep to Series Transaction Account	Under the Series Collection Account Agreement the Series Collection Account Provider will agree to transfer to the Series Transaction Account, on each Business Day, the credit balance on the Series Collection Account as at the end of each Business Day less a specified float amount.
G.12.3 Allocation to principal and revenue	<p>Pursuant to the Series Mortgage Services Agreement the Series Mortgage Servicer will undertake:</p> <ul style="list-style-type: none"> • to reconcile each amount received in respect of the Series Portfolio and make an entry in each appropriate Mortgage Account maintained by it in relation to each Mortgage Loan in the Series Portfolio; and • to provide periodic reports to the Series Cash Manager and the Programme Servicer in relation to amounts received in respect of the Series Portfolio indicating (among other things): <ul style="list-style-type: none"> • the amount of Mortgage Principal Receipts to be credited to the Series Principal Ledger; • the amount of Mortgage Revenue Receipts to be credited to the Series Revenue Ledger; • the amount of Mortgage Prepayment Charge Receipts to be credited to the Series Revenue Ledger; • the amount of principal losses incurred in respect of Mortgage Loans in the Series Portfolio to be added to the Series Principal Deficiency Record; and • the amount of principal losses incurred in respect of Mortgage Loans in the Series Portfolio as a result of Mortgage Principal Receipts having been credited to the Series Collection Account but not having subsequently been credited to the Series Transaction Account due to the terms of the Series Collection Account Agreement and/or Series Collection Account Trust Deed not being complied with (including, without limitation, upon a default by a party thereto and/or insolvency and/or other creditor enforcement proceedings in respect of the Series Portfolio Legal Title Holder and/or Series Collection Account Provider).
G.12.4 Series Collection Periods	<p>Series Collection Period means in relation to a Series Payments Calculation Date and the Series Payments Date which follows that Series Payments Calculation Date, the period from (and including) the relevant Series Collection Start Date to (and including) the relevant Series Collection End Date.</p> <p>Series Collection Start Date means:</p> <ul style="list-style-type: none"> (a) in respect of the first Series Collection Period, the Series Closing Date; and (b) in respect of each subsequent Series Collection Period, the day immediately after the end of the immediately preceding Series Collection Period. <p>Series Collection End Date means:</p> <ul style="list-style-type: none"> (a) in relation to a Series Collection Period relating to a Series Payments Additional Date, the day immediately prior to the Series Payments Calculation Date preceding that Series Payments Additional Date; and

- (b) in relation to a Series Collection Period relating to a Series Payments Normal Date, the last day of the calendar month prior to the calendar month in which that Series Payments Normal Date falls.

G.12.5 Series Authorised Investments

As indicated in 11.6.5 *Reinvestment of funds in Series Investment Accounts* in the Programme Prospectus, the Series Cash Manager shall (upon instructions from the Programme Servicer) arrange for amounts standing to the credit of the Series Transaction Account or the Series Investment Account to be invested in Series Authorised Investments selected by the Programme Servicer.

Series Authorised Investment means an investment where:

- (a) such investment has a maturity date of 90 days or less and matures, or can (at no cost to the Issuer) be broken or demanded by the Issuer, on or before the next following Series Payments Date; and
- (b) such investment:
 - (1) is a money market fund that:
 - (A) meets the European Securities and Markets Authority (ESMA) Short-Term Money Market Fund definition, set out in Guideline reference 10-049 of the Committee for European Securities Regulators, and the relevant prospectus indicates that they are defined as such (provided, for the avoidance of doubt, that any such fund must hold an AAAM money market fund rating from S&P and an Aaa-mf money market fund rating from Moody's); or
 - (B) does not itself invest in securitised products; or
 - (2) is a money market fund that:
 - (A) holds an AAAM and Aaa-mf money market fund ratings from S&P and Moody's, respectively, and, if rated by Fitch, an AAAMf money market fund rating from Fitch; or
 - (B) does not itself invest in securitised products; or
 - (3) is a sterling gilt-edged security; or
 - (4) is a sterling demand or time deposit, certificate of deposit, or short-term debt obligation (including, without limitation, commercial paper) and has the Series Authorised Investments Minimum Ratings; and
- (c) such investment would not result in the re-characterisation of the Programme, the Notes, the DCIs or any transaction under the Transaction Documents as a 're-securitisation' or a 'synthetic securitisation' as defined in Articles 4(63) and 242(11), respectively, of Regulation (EU) No 575/2013 (as amended and/or supplemented from time to time).

Series Authorised Investments Minimum Rating means:

- (a) with respect to an investment with a maturity date of less than 30 days, the issuing or guaranteeing entity or the entity with which the demand or time deposit, certificate of deposit, or short-term debt obligation is made is an authorised person under the FSMA and has:
 - (1) short-term or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 and A (or if no short-term rating, A+ long-term) (respectively) by S&P;
 - (2) 'Issuer Default Ratings' of at least F1 short-term or A long-term by Fitch; and
 - (3) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least P-1 by Moody's or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A2 by Moody's; and

- (b) with respect to an investment with a maturity date equal to or greater than 30 days but less than 60 days, the issuing or guaranteeing entity or the entity with which the demand or time deposit, certificate of deposit, or short-term debt obligation is made is an authorised person under the FSMA and has:
- (1) short-term and long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 and A (or if no short-term rating, A+ long-term) (respectively) by S&P;
 - (2) 'Issuer Default Ratings' of at least F1+ short-term or AA- long-term by Fitch; and
 - (3) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least P-1 by Moody's or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A2 by Moody's; and
- (c) with respect to an investment with a maturity date equal to or greater than 30 days but less than 60 days, the issuing or guaranteeing entity or the entity with which the demand or time deposit, certificate of deposit, or short-term debt obligation is made is an authorised person under the FSMA and has:
- (1) short-term and long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 and A (or if no short-term rating, A+ long-term) (respectively) by S&P;
 - (2) 'Issuer Default Ratings' of at least F1+ short-term or AA- long-term by Fitch; and
 - (3) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least P-1 by Moody's or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A2 by Moody's,

or, in each case, such other ratings in respect of which a Rating Certificate is provided in respect of each Series Rating Agency.

**G.13 Additional
intra-period
daily payments**

- When the Series Mortgage Servicer notifies the Series Cash Manager that a Mortgage Retention Advance needs to be made to a Borrower in compliance with the terms of the applicable Mortgage Conditions, the Series Cash Manager shall pay that amount to the Series Portfolio Seller from the Series Investment Account and make a corresponding debit to the Series Mortgage Retentions Ledger (see G.10.7 *Series Additional Ledger* above).
- When the Series Mortgage Servicer notifies the Series Cash Manager that all or part of a Borrower's right to draw a Mortgage Retention Advance has expired, the Series Cash Manager shall credit the relevant expired amount to the Series Payments Principal Ledger and make a corresponding debit to the Series Mortgage Retentions Ledger (see G.10.7 *Series Additional Ledger* above).
- Where a Mortgage Servicer Fee Payment Date occurs other than on a Series Payments Date (see I.2 *Series Mortgage Servicer Fee* below), the Series Cash Manager shall pay the relevant Mortgage Servicer Fee due and payable on that Mortgage Servicer Fee Payment Date to the Series Mortgage Servicer and shall make a corresponding debit to the Series Revenue Ledger.

**G.14 Series
Payments
Calculation
Date
procedures**

G.10.3 *Series Payments Calculation Date* sets out the definition of Series Payments Calculation Date.

The Series Payments Administrator shall administer the following on each Series Payments Calculation Date:

- G.14.1 **Estimate of Series Payments Date allocations and payments** on that Series Payments Calculation Date, the Series Payments Administrator will estimate and plan the administration of the procedures set out in G.16 *Series Payments Date procedures* and, in particular, the debits, credits, transfers and payments to be made on the next Series Payments Date, in each case upon the basis of information the available to it (including, without limitation, as notified to the Series Payments Administrator by a relevant Series Party, any:
- amounts in respect of the Series Basis Hedge Provider under the Series Basis Hedge Agreement;
 - amounts in respect of the Series Funding Facility Provider under the Series Funding Facility Agreement;
 - interest from the Series Account Providers under the Series Account Agreements;
 - proceeds of the realisation of Series Authorised Investments; and
 - amounts in accordance with the terms of any Disposal Transaction in relation to the Series),
- and taking into account any further amounts expected to be paid directly to any payee on or before the next Series Payments Date in relation to a Disposal Transaction.
- G.15 Prior to Series Payments Date** On the Business Day before a Series Payments Date, the Series Payments Administrator shall arrange for the aggregate amount calculated as being available to be applied to amounts owing to Noteholders in accordance with the relevant Series Priorities of Payments to be paid out of the Series Transaction Account to the Series Paying Agent in accordance with the Series Note Services Agreement and appropriate debits made to the Series Payments Revenue Ledger and (except where a Series Acceleration Date has occurred) Series Payments Principal Ledger.
- G.16 Series Payments Date procedures** The Series Payments Administrator shall administer the following on each Series Payments Date:
- G.16.1 **Transfer from Series Revenue Ledger** on that Series Payments Date:
- (a) if a Series Acceleration Date has not occurred prior to that Series Payments Date, the amount standing to the credit of the Series Revenue Ledger as at the end of the applicable Series Collection Period less such amount, if any, as is required to pay Third Party Amounts to be paid prior to that Series Payments Date for which a provision was made pursuant to the Series Revenue Priority of Payments on the previous Series Payments Date; and
 - (b) if a Series Acceleration Date has occurred, the total amount standing to the credit of the Series Revenue Ledger,
- shall be credited to the Series Payments Revenue Ledger (and a corresponding debit made to the Series Revenue Ledger); and then
- G.16.2 **Transfer from Series Main Reserve Ledger** on that Series Payments Date:
- (a) if:
 - (1) a Series Acceleration Date has not occurred prior to that Series Payments Date; and
 - (2) the Series Main Reserve Required Amount is GBP 0 (or will become GBP 0 on that Series Payments Date),
 the total amount standing to the credit of the Series Main Reserve Ledger shall be debited to the Series Main Reserve Ledger and credited to the Series Payments Principal Ledger; or
 - (b) in any other case, the amount (if any) standing to the credit of the Series Main Reserve Ledger shall be credited to the Series Payments Revenue Ledger (and a corresponding debit made to the Series Main Reserve Ledger); and then

- G.16.3 Principal to fund Series Liquidity Reserve Required Amount on that Series Payments Date, if a Series Acceleration Date has not occurred prior to that Series Payments Date and a Series Liquidity Reserve Principal Funding Date has not occurred prior to that Series Payments Date, the lesser of:
- (a) the amount by which the cumulative amount transferred from the Series Principal Ledger to the Series Liquidity Reserve Ledger is less than the Series Liquidity Reserve Required Amount, in each case as at the end of the day before that Series Payments Date; and
 - (b) the amount standing to the credit of the Series Principal Ledger,
- shall be debited to the Series Principal Ledger and credited to the Series Liquidity Reserve Ledger;
- Series Liquidity Reserve Principal Funding Date** means the first Series Payments Date upon which the cumulative amount transferred from the Series Principal Ledger to the Series Liquidity Reserve Ledger equals the then Series Liquidity Reserve Required Amount; and then
- G.16.4 Series Liquidity Deficiency calculation if a Series Acceleration Date has not occurred prior to that Series Payments Date, on that Series Payments Date, the Series Payments Administrator will calculate whether there will be any Series Liquidity Deficiency on that Series Payments Date in relation to the Series, where:
- Series Liquidity Deficiency** means in relation to a Series Payments Date, the amount (if any) by which:
- (a) the maximum amount in aggregate that would, if sufficient funds were available, be allocated on that Series Payments Date to Series Revenue Liquidity Amounts; would be more than:
 - (b) the aggregate amount that would be allocated and paid on that Series Payments Date in respect of Series Revenue Liquidity Amounts according to the Series Revenue Priority of Payments; where
- Series Revenue Liquidity Amounts** means in relation to a Series Payments Date, the amounts that, if sufficient funds were available, could be allocated at Priority Levels 1 to 6 (inclusive) and 8 of the Series Revenue Priority of Payments; and then
- G.16.5 Transfer from Series Liquidity Reserve Fund on that Series Payments Date:
- (a) if a Series Acceleration Date has not occurred prior to that Series Payments Date:
 - (1) if the Series Liquidity Reserve Required Amount is GBP 0 (or will become GBP 0 on that Series Payments Date), the total amount standing to the credit of the Series Liquidity Reserve Ledger shall be debited to the Series Liquidity Reserve Ledger and credited to the Series Payments Principal Ledger: or
 - (2) in any other case, if the Series Payments Administrator has calculated that there would be a Series Liquidity Deficiency on that Series Payments Date, the lesser of the amount of such Series Liquidity Deficiency and the amount standing to the credit of the Series Liquidity Reserve Ledger, shall be debited to the Series Liquidity Reserve Ledger and credited to the Series Payments Revenue Ledger (such amount so credited being the **Series Liquidity Deficiency Cure Amount**) and the Series Liquidity Reserve Deficiency Record shall be increased by an amount equal to the Series Liquidity Deficiency Cure Amount; or
 - (b) if a Series Acceleration Date has occurred, the total amount standing to the credit of the Series Liquidity Reserve Ledger shall be debited to the Series Liquidity Reserve Ledger and credited to the Series Payments Revenue Ledger; and then

G.16.6 Excess from Series Liquidity Reserve Fund if a Series Acceleration Date has not occurred prior to that Series Payments Date, on that Series Payments Date the Series Payments Administrator will calculate whether after application of the Series Revenue Priority of Payments on that Series Payments Date, the Series Liquidity Reserve Fund will exceed the Series Liquidity Reserve Required Amount and, if so, an amount equal to the excess shall be debited to the Series Liquidity Reserve Ledger and credited to the Series Payments Principal Ledger; and then

G.16.7 Series Senior Expense Deficiency calculation if a Series Acceleration Date has not occurred prior to that Series Payments Date, on that Series Payments Date, the Series Payments Administrator will calculate whether there will be any Series Senior Expense Deficiency on that Series Payments Date in relation to the Series, where:

Series Senior Expense Deficiency means in relation to a Series Payments Date, the amount (if any) by which:

- (a) the maximum amount in aggregate that, if sufficient funds were available, could be allocated on that Series Payments Date at Priority Levels 1 to 6 (inclusive) of the Series Revenue Priority of Payments; plus
- (b) if the Series Senior Expense Condition is satisfied in relation to Tranche B, the maximum amount that, if sufficient funds were available, could be allocated on that Series Payments Date at Priority Level 8 of the Series Revenue Priority of Payments; plus
- (c) if the Series Senior Expense Condition is satisfied in relation to Tranche C, the maximum amount that, if sufficient funds were available, could be allocated on that Series Payments Date at Priority Level 11 of the Series Revenue Priority of Payments,

would be more than:

- (1) the aggregate amount that would be allocated and paid on that Series Payments Date in respect of Priority Levels 1 to 6 (inclusive) of the Series Revenue Priority of Payments; plus
- (2) if the Series Senior Expense Condition is satisfied in relation to Tranche B, the amount that would be allocated and paid on that Series Payments Date in respect of Priority Level 8 of the Series Revenue Priority of Payments; plus
- (3) if the Series Senior Expense Condition is satisfied in relation to Tranche C, the amount that would be allocated and paid on that Series Payments Date in respect of Priority Level 11 of the Series Revenue Priority of Payments,

(after taking into account any amount credited to the Series Payments Revenue Ledger under G.16.5(a)(2) *Transfer from Series Liquidity Reserve Fund* above); and

the **Series Senior Expense Condition** is satisfied on a Series Payments Date in relation to a Tranche that comprises Market Notes if either:

- (a) that Tranche is the then Most Senior Tranche; or
- (b) that Tranche is not the then Most Senior Tranche and the positive balance (if any) of the relevant Series Principal Deficiency Sub-Record relating to that Tranche does not exceed 10% of then aggregate Note Principal Amount Outstanding in respect of all the Market Notes in that Tranche, in each case as at the end of the day before that Series Payments Date; and then

G.16.8 Reduction of Series Senior Expense Deficiency on that Series Payments Date, if a Series Acceleration Date has not occurred prior to that Series Payments Date, if the Series Payments Administrator has calculated that there would be a Series Senior Expense Deficiency on that Series Payments Date, then:

- (1) the lesser of the amount of that Series Senior Expense Deficiency and the amount standing to the credit of the Series Principal Ledger, shall be debited to the Series Principal Ledger and credited to the Series Payments Revenue Ledger; and

- (2) the Series Principal Deficiency Record shall be increased by an amount equal to the aggregate amount so debited to the Series Principal Ledger (such amount being the **Series Senior Expense Deficiency Cure Amount**); and then

G.16.9 Transfer from Series Principal Ledger

on that Series Payments Date:

- (a) if a Series Acceleration Date has not occurred prior to that Series Payments Date, the amount standing to the credit of the Series Principal Ledger as at the end of the applicable Series Collection Period shall be debited to the Series Principal Ledger and credited to the Series Payments Principal Ledger; or
- (b) if a Series Acceleration Date has occurred prior to that Series Payments Date, the total amount standing to the credit of the Series Principal Ledger shall be debited to the Series Principal Ledger and credited to the Series Payments Revenue Ledger;

and then

G.16.10 Allocation and payment from Series Payments Revenue Ledger

on such Series Payments Date, the amount standing to the credit of the Series Payments Revenue Ledger (being, if a Series Acceleration Date has not occurred prior to that Series Payments Date, the **Available Revenue Funds** or, if a Series Acceleration Date has occurred prior to that Series Payments Date, being the **Available Accelerated Funds**) shall be allocated, transferred and paid to the relevant payees in accordance with (or, if the payee is the Issuer, shall be credited to the ledger indicated in) the Series Revenue Priority of Payments or, if a Series Acceleration Date has occurred, in accordance with the Series Accelerated Priority of Payments (in each case:

- (a) making an appropriate debit to the Series Payments Revenue Ledger and, if such ledger is a General Ledger, by transferring the relevant amount from the Series Account to the General Account;
- (b) ensuring that the Series Senior Expense Deficiency Cure Amount is only applied in or towards curing the relevant Series Senior Expense Deficiency; and
- (c) ensuring that the Series Liquidity Deficiency Cure Amount is only applied in or towards curing the relevant Series Liquidity Deficiency); and then

G.16.11 Reduction of Series Principal Deficiency Sub-Records

on such Series Payments Date, where, following allocation of an amount in relation to a Series Principal Deficiency Sub-Record pursuant to the Series Revenue Priority of Payments, an amount is credited to the Series Payments Principal Ledger, then that Series Principal Deficiency Sub-Record shall be decreased by that amount; and then

G.16.12 Allocation and payment from Series Payments Principal Ledger

(except where a Series Acceleration Date has occurred), the amount standing to the credit of the Series Payments Principal Ledger (being the **Available Principal Funds**) shall be allocated, transferred and paid to the relevant payees in accordance with (or, if the payee is the Issuer, shall be credited to the ledger indicated in) the Series Principal Priority of Payments (in each case making an appropriate debit to the Series Payments Revenue Ledger and, if such ledger is a General Ledger, by transferring the relevant amount from the Series Account to the General Account).

G.17 Series Revenue Priority of Payments

Series Revenue Priority of Payments

Level	Payee	Priority Level Maximum Amount	Ledger to be credited
1	Issuer	The Series Referable Amount and the Series Pro Rata Amount allocated to the Series in respect of amounts (including, without limitation, in respect of indemnity payments, fees, costs, and expenses) outstanding to the Security Trustee under the Transaction Documents.	General Transaction Ledger
1 =	Series Note Trustee	All Amounts Due to the Series Note Trustee under the Series Documents.	

Series Revenue Priority of Payments			
Level	Payee	Priority Level Maximum Amount	Ledger to be credited
2 =	Issuer	The Series Referable Amount and the Series Pro Rata Amount allocated to the Series in respect of Third Party Amounts then accrued but remaining unpaid and to provide for any such Third Party Amounts expected to become due and payable by the Issuer before the next succeeding Series Payments Date in relation to the Series.	General Transaction Ledger
2 =	Issuer	The Series Referable Amount allocated to the Series to provide for the General Issuer's liability or possible liability of the Issuer in respect of any Tax (except United Kingdom corporation Tax chargeable by reference to (and payable out of) the General Profit Accrual Amount).	General Transaction Ledger
3 =	Issuer	The Series Referable Amount and the Series Pro Rata Amount allocated to the Series in respect of Amounts Due to the Corporate Servicer under the Corporate Services Agreement.	General Transaction Ledger
3 =	Issuer	The Series Referable Amount allocated to the Series in respect of Amounts Due to the Programme Servicer in respect of Programme Series Services relating to the Current Series under the Programme Services Agreement.	General Transaction Ledger
3 =	Issuer	The Series Pro Rata Amount allocated to the Series in respect of Amounts Due to: <ul style="list-style-type: none"> (a) the Programme Servicer in respect of Programme General Services under the Programme Services Agreement; (b) the General Account Provider under the General Account Agreement (including the accrued charges in respect of the General Account); and (c) the General Cash Manager under the General Cash Management Agreement. 	General Transaction Ledger
3 =	Issuer	The Series Pro Rata Amount allocated to the Series in respect of all amounts (including principal, interest, indemnity payments, fees, costs and expenses, if any) due, payable and outstanding to the General Facility Provider under the General Facility Agreement.	General Transaction Ledger
3 =	Series Mortgage Servicer	All Amounts Due to the Series Mortgage Servicer under the Series Mortgage Services Agreement.	–
3 =	Series Mortgage Servicer Standby	All Amounts Due to the Series Mortgage Servicer Standby under the Series Mortgage Servicer Standby Agreement.	–
3 =	Series Cash Manager	All Amounts Due to the Series Cash Manager under the Series Cash Management Agreement.	–
3 =	Series Registrar	All Amounts Due to the Series Registrar under the Series Note Services Agreement.	–
3 =	Series Paying Agent	All Amounts Due to the Series Paying Agent under the Series Note Services Agreement.	–
3 =	Series Note Calculation Agent	All Amounts Due to the Series Note Calculation Agent under the Series Note Services Agreement.	–
3 =	Series Collection Account Provider	All Amounts Due to the Series Collection Account Provider under the Series Collection Account Agreement.	–
3 =	Series Transaction Account Provider	All Amounts Due to the Series Transaction Account Provider under the Series Transaction Account Agreement.	–
3 =	Series Investment Account Provider	All Amounts Due to the Series Investment Account Provider under the Series Investment Account Agreement.	–

Series Revenue Priority of Payments			
Level	Payee	Priority Level Maximum Amount	Ledger to be credited
3 =	Series Basis Hedge Collateral Cash Account Provider	All Amounts Due to the Series Basis Hedge Collateral Cash Account Provider under the Series Basis Hedge Collateral Cash Account Agreement.	–
3 =	Series Basis Hedge Collateral Securities Account Provider (if any)	All Amounts Due to the Series Basis Hedge Collateral Securities Account Provider (if any) under the Series Basis Hedge Collateral Securities Account Agreement (if any).	–
3 =	Series Basis Hedge Reporter	All Amounts Due to the Series Basis Hedge Reporter under the Series Basis Hedge Reporting Agreement.	–
3 =	Issuer	The Series Pro Rata Amount allocated to the Series in respect of the General Profit Accrual Amount.	General Transaction Ledger
4	Series Basis Hedge Provider(s)	All Amounts Due to the Series Basis Hedge Provider(s) in respect of the Series Basis Hedge Agreement(s) but excluding, in each case, any Series Hedge Provider Subordinated Amount accrued, owing or payable to the relevant Series Basis Hedge Provider(s) in respect of the Series Basis Hedge Agreement(s).	–
5	R1 DCI Holders	By way of Series Portfolio Sale Deferred Consideration, the outstanding R1 DCI Amount in respect of the R1 DCIs.	–
6	A Noteholders	The total amount of accrued interest due and payable on the A Notes.	–
7	Issuer	The positive balance (if any) of the Series Principal Deficiency Tranche A Sub-Record.	Series Payments Principal Ledger
8	B Noteholders	The total amount of accrued interest due and payable on the B Notes.	–
9	Issuer	The positive balance (if any) of the Series Principal Deficiency Tranche B Sub-Record.	Series Payments Principal Ledger
10	Issuer	The positive balance (if any) of the Series Liquidity Reserve Deficiency Record.	Series Liquidity Reserve Ledger
11	C Noteholders	The total amount of accrued interest due and payable on the C Notes.	–
12	Issuer	The positive balance (if any) of the Series Principal Deficiency Tranche C Sub-Record.	Series Payments Principal Ledger
13	Issuer	The amount required to increase the amount standing to the credit of the Series Main Reserve Ledger to the Series Main Reserve Required Amount.	Series Main Reserve Ledger
14	Issuer	The positive balance (if any) of the Series Principal Deficiency Tranche Z Sub-Record.	Series Payments Principal Ledger
15	Z Noteholders	Provided that all of the Market Notes have been redeemed or will be redeemed on the relevant Series Payments Date, the amount of principal which is outstanding in respect of the Z Notes (but only to the extent that such principal would remain outstanding following application of the Series Principal Priority of Payments on the relevant Series Payments Date).	–
16	S Noteholders	The total amount of principal outstanding on the S Notes.	–
17	Series Funding Facility Provider	Such amount (if any) of the total principal, indemnity payments, fees, costs, expenses and any other amount, in each case which has accrued and is outstanding to the Series Funding Facility Provider under the Series Funding Facility Agreement.	–

Series Revenue Priority of Payments			
Level	Payee	Priority Level Maximum Amount	Ledger to be credited
18	Series Hedge Provider(s)	The Series Hedge Provider Subordinated Amount (if any) which has accrued and is outstanding to that Series Hedge Provider under the relevant Series Hedge Agreement.	–
19	The relevant Series Security Creditor(s) (other than each R2 DCI Holder)	All other amounts (including fees, interest, principal, costs and expenses, if any) due and payable to any other Series Security Creditor (other than each DCI Holder in respect of the R2 DCIs) in respect of any Series Document (in each case in so far as such amounts are not eligible for allocation in the Series Principal Priority of Payments or at any higher Priority Level of this Series Revenue Priority of Payments).	–
20	R2 DCI Holders	By way of Series Portfolio Sale Deferred Consideration, the remaining unallocated balance of the Series Payments Revenue Ledger (after the amounts allocated and paid in higher Priority Levels of this Series Revenue Priority of Payments).	–

G.18 Series Principal Priority of Payments

Series Principal Priority of Payments			
Level	Payee	Priority Level Maximum Amount	Ledger to be credited
1	A Noteholders	The amount of principal which is due and payable on the A Notes.	–
2	B Noteholders	The amount of principal which is due and payable on the B Notes.	–
3	C Noteholders	The amount of principal which is due and payable on the C Notes.	–
4	Z Noteholders	The amount of principal which is due and payable on the Z Notes.	–
5	R2 DCI Holders	By way of Series Portfolio Sale Deferred Consideration, the remaining unallocated balance of the Series Payments Principal Ledger (after the amounts allocated and paid in higher Priority Levels of this Series Principal Priority of Payments).	

G.19 Series Accelerated Priority of Payments

Series Accelerated Priority of Payments			
Level	Payee	Priority Level Maximum Amount	Ledger to be credited
1	Issuer	The Series Referable Amount and the Series Pro Rata Amount allocated to the Series in respect of amounts (including, without limitation, in respect of indemnity payments, fees, costs, and expenses) outstanding to the Security Trustee under the Transaction Documents.	General Transaction Ledger
1 =	Issuer	The Series Referable Amount allocated to the Series in respect of Amounts Due to any Security Enforcer in respect of the Series Security Assets.	General Transaction Ledger
1 =	Issuer	The Series Pro Rata Amount allocated to the Series in respect of amounts (including, without limitation, in respect of indemnity payments, fees, costs, and expenses) outstanding to any administrative receiver.	General Transaction Ledger
1 =	Series Note Trustee	All Amounts Due to the Series Note Trustee under the Series Documents.	
2 =	Issuer	The Series Referable Amount and the Series Pro Rata Amount allocated to the Series to Third Party Amounts then accrued but remaining unpaid and to provide for any such Third Party Amounts expected to become due and payable by the Issuer before the next succeeding Series Payments Date in relation to the Series.	General Transaction Ledger

Series Accelerated Priority of Payments			
Level	Payee	Priority Level Maximum Amount	Ledger to be credited
2 =	Issuer	The Series Referable Amount allocated to the Series to provide for the General Issuer's liability or possible liability of the Issuer in respect of any Tax Transaction (except United Kingdom corporation Tax chargeable by reference to (and payable out of) the General Profit Accrual Amount).	General Transaction Ledger
3 =	Issuer	The Series Referable Amount and the Series Pro Rata Amount allocated to the Series in respect of Amounts Due to the Corporate Servicer under the Corporate Services Agreement.	General Transaction Ledger
3 =	Issuer	The Series Referable Amount allocated to the Series in respect of Amounts Due to the Programme Servicer in respect of Programme Series Services relating to the Current Series under the Programme Services Agreement; and	General Transaction Ledger
3 =	Issuer	The Series Pro Rata Amount allocated to the Series in respect of Amounts Due to: <ul style="list-style-type: none"> (a) the Programme Servicer in respect of Programme General Services under the Programme Services Agreement; (b) the General Account Provider under the General Account Agreement (including the accrued charges in respect of the General Account); and (c) the General Cash Manager under the General Cash Management Agreement. 	General Transaction Ledger
3 =	Issuer	The Series Pro Rata Amount allocated to the Series in respect of all amounts (including principal, interest, indemnity payments, fees, costs and expenses, if any) due, payable and outstanding to the General Facility Provider under the General Facility Agreement.	General Transaction Ledger
3 =	Series Mortgage Servicer	All Amounts Due to the Series Mortgage Servicer under the Series Mortgage Services Agreement.	–
3 =	Series Mortgage Servicer Standby	All Amounts Due to the Series Mortgage Servicer Standby under the Series Mortgage Servicer Standby Agreement.	–
3 =	Series Cash Manager	All Amounts Due to the Series Cash Manager under the Series Cash Management Agreement.	–
3 =	Series Registrar	All Amounts Due to the Series Registrar under the Series Note Services Agreement.	–
3 =	Series Paying Agent	All Amounts Due to the Series Paying Agent under the Series Note Services Agreement.	–
3 =	Series Note Calculation Agent	All Amounts Due to the Series Note Calculation Agent under the Series Note Services Agreement.	–
3 =	Series Collection Account Provider	All Amounts Due to the Series Collection Account Provider under the Series Collection Account Agreement.	–
3 =	Series Transaction Account Provider	All Amounts Due to the Series Transaction Account Provider under the Series Transaction Account Agreement.	–
3 =	Series Investment Account Provider	All Amounts Due to the Series Investment Account Provider under the Series Investment Account Agreement.	–
3 =	Series Basis Hedge Collateral Cash Account Provider	All Amounts Due to the Series Basis Hedge Collateral Cash Account Provider under the Series Basis Hedge Collateral Cash Account Agreement.	–
3 =	Series Basis Hedge Collateral Securities Account Provider (if any)	All Amounts Due to the Series Basis Hedge Collateral Securities Account Provider (if any) under the Series Basis Hedge Collateral Securities Account Agreement (if any).	–

Series Accelerated Priority of Payments			
Level	Payee	Priority Level Maximum Amount	Ledger to be credited
3 =	Series Basis Hedge Reporter	All Amounts Due to the Series Basis Hedge Reporter under the Series Basis Hedge Reporting Agreement.	–
3 =	Issuer	The Series Pro Rata Amount allocated to the Series in respect of the General Profit Accrual Amount.	General Transaction Ledger
4	Series Basis Hedge Provider(s)	All Amounts Due to the Series Basis Hedge Provider(s) in respect of the Series Basis Hedge Agreement(s) but excluding, in each case, any Series Hedge Provider Subordinated Amount accrued, owing or payable to the relevant Series Basis Hedge Provider(s) in respect of the Series Basis Hedge Agreement(s).	–
5	R1 DCI Holders	By way of Series Portfolio Sale Deferred Consideration, the outstanding R1 DCI Amount in respect of the R1 DCIs.	–
6	A Noteholders	The total amount of principal and interest outstanding on the A Notes.	–
7	B Noteholders	The total amount of principal and interest outstanding on the B Notes.	–
8	C Noteholders	The total amount of principal and interest outstanding on the C Notes.	–
9	Z Noteholders	The total amount of principal outstanding on the Z Notes.	–
10	S Noteholders	The total amount of principal outstanding on the S Notes.	–
11	Series Funding Facility Provider	Such amount (if any) of the total principal, indemnity payments, fees, costs, expenses and any other amount, in each case which has accrued and is outstanding to the Series Funding Facility Provider under the Series Funding Facility Agreement.	–
12	Series Hedge Provider(s)	The Series Hedge Provider Subordinated Amount (if any) which has accrued and is outstanding to that Series Hedge Provider under the relevant Series Hedge Agreement.	–
13	The relevant Series Security Creditor(s) (other than each R2 DCI Holder)	All other amounts (including fees, interest, principal, costs and expenses, if any) due and payable to any other Series Security Creditor (other than each DCI Holder in respect of the R2 DCIs) in respect of any Series Document (in each case in so far as such amounts are not eligible for allocation in any higher Priority Level of this Series Accelerated Priority of Payments).	–
14	R2 DCI Holders	By way of Series Portfolio Sale Deferred Consideration, the remaining unallocated balance of the Series Payments Revenue Ledger (after the amounts allocated in higher Priority Levels of this Series Accelerated Priority of Payments).	–

H. Series triggers tables

H.1 Series rating triggers table

The following summarises ratings triggers applicable to Series Parties (there are no ratings triggers in relation to any other Series Party):

Transaction Party	Required ratings/triggers	Contractual requirements on occurrence of breach of ratings trigger include the following:
H.1.1 Series Collection Account Provider or General Account Provider	<p>It does not have:</p> <p>(a) both: a short-term issuer default rating by Fitch of at least F2; and a long-term issuer default rating by Fitch of at least BBB+; and</p> <p>(b) a long-term bank deposits rating by Moody's of at least Baa3,</p> <p>and, in that event, it does not have such other rating(s) as are consistent with the then published criteria of the relevant Series Rating Agency (or such other rating(s) as is/are acceptable to that Series Rating Agency) as being the minimum ratings that as would maintain the then current rating of the Notes in the then Most Senior Tranche rated by that Series Rating Agency.</p>	<p>The Programme Servicer is required (at the cost of the Issuer) to use reasonable endeavours to arrange for the transfer (within 30 calendar days or, in the case of the Series Collection Account Provider, 35 calendar days) of the relevant account to an appropriately rated bank or financial institution on (unless not practicable) substantially similar terms to those set out in the Series Collection Account Agreement or, as applicable, General Account Agreement unless the relevant account provider has arranged (within 30 calendar days or, in the case of the Series Collection Account Provider, 35 calendar days) for a suitably rated third party to become co-obligor or guarantor in respect of the obligations of such account provider. Any termination of the appointment of the relevant account provider will not occur until a replacement has been appointed.</p>
H.1.2 Series Transaction Account Provider, Series Investment Account Provider or Series Basis Hedge Collateral Cash Account Provider	<p>It does not have:</p> <p>(a) both: a short-term issuer default rating by Fitch of at least F1; and a long-term issuer default rating by Fitch of at least A; and</p> <p>(b) either: a short-term bank deposits rating by Moody's of at least P-1; or a long-term bank deposits rating by Moody's of at least A3,</p> <p>and, in that event, it does not have such other rating(s) as are consistent with the then published criteria of the relevant Series Rating Agency (or such other rating(s) as is/are acceptable to that Series Rating Agency) as being the minimum ratings that as would maintain the then current rating of the Notes in the then Most Senior Tranche rated by that Series Rating Agency.</p>	<p>The Programme Servicer is required (at the cost of the Issuer) to use reasonable endeavours to arrange for the transfer (within 30 calendar days) of the relevant account to an appropriately rated bank or financial institution on (unless not practicable) substantially similar terms to those set out in, as applicable, the Series Transaction Account Agreement, the Series Investment Account Agreement or Series Basis Hedge Collateral Cash Account Agreement unless the relevant account provider has arranged (within 30 calendar days) for a suitably rated third party to become co-obligor or guarantor in respect of the obligations of such account provider. Any termination of the appointment of the relevant account provider will not occur</p>

Transaction Party	Required ratings/triggers	Contractual requirements on occurrence of breach of ratings trigger include the following:
H.1.3 Series Basis Hedge Provider (or its credit support provider under the Series Basis Hedge Agreement)	For the purposes of the corresponding Series Rating Agency provisions, as long as the Most Senior Tranche of Notes outstanding are rated AAA(sf) by Fitch, and at any time in the case of Moody's:	until a replacement has been appointed.
	<p>(a) <i>Collateralisation trigger</i>. It does not have:</p> <p>(1) a counterparty risk assessment of at least A3(cr) by Moody's or a long-term, unsecured and unsubordinated debt rating of A3 or above by Moody's; and</p> <p>(2) a short-term issuer default rating of at least F1 by Fitch or a derivative counterparty rating (or, if no such rating has been assigned to it, a long-term issuer default rating) of at least A by Fitch.</p>	<p>Requirement for the Series Basis Hedge Provider to provide collateral (if and to the extent required in the credit support annex of the Series Basis Hedge Agreement) within the applicable grace period specified in the Series Basis Hedge Agreement,</p> <p>or to agree (with the relevant Series Rating Agency) such alternate action (or inaction) that would result in the rating of the Most Senior Tranche of Notes outstanding being maintained at, or restored to, the level it would have been at prior to relevant breach.</p>
	<p>(b) <i>Collateralisation and replacement trigger</i>. It does not have:</p> <p>(1) a counterparty risk assessment of at least Baa1(cr) by Moody's or a long-term, unsecured and unsubordinated debt rating of Baa1 or above by Moody's; and</p> <p>(2) a short-term issuer default rating of at least F3 by Fitch or a derivative counterparty rating (or, if no such rating has been assigned to it, a long-term issuer default rating) of at least BBB- by Fitch or, if following a request by Fitch no evidence has been produced of the enforceability of 'flip clauses' is supported in the jurisdiction of the Series Basis Hedge Provider, a short-term issuer default rating of at least F2 by Fitch or a derivative counterparty rating (or, if no such rating has been assigned to it, a long-term issuer default rating) of at least BBB+ by Fitch.</p>	<p>Requirement for:</p> <p>(a) the Series Basis Hedge Provider to provide collateral (if and to the extent required in the credit support annex of the Series Basis Hedge Agreement) within the applicable grace period specified in the Series Basis Hedge Agreement; AND</p> <p>(b) the Series Basis Hedge Provider to:</p> <p>(1) transfer the Series Basis Hedge Agreement to replacement series basis hedge provider which is suitably rated (or which has a suitably rated credit support provider);</p> <p>(2) arrange for a suitably rated co-obligor or credit support provider of its obligations under the Series Basis Hedge Agreement,</p> <p>or to agree (with the relevant Series Rating Agency) such</p>

Transaction Party	Required ratings/triggers	Contractual requirements on occurrence of breach of ratings trigger include the following:
	(c) If the Most Senior Tranche of Notes outstanding are not rated AAA(sf) by Fitch, the Fitch ratings required of the Series Basis Hedge Provider may be lower.	alternate action (or inaction) that would result in the rating of the Most Senior Tranche of Notes outstanding being maintained at, or restored to, the level it would have been at prior to relevant breach.

H.2 Series non-rating triggers table

Nature of trigger	Description of trigger	Contractual requirements on occurrence of trigger include the following:
H.2.1 Series Mortgage Servicer Termination Event	<p>The occurrence of any of the following (subject to applicable grace periods for remedy and materiality thresholds) in relation to the Series Mortgage Servicer:</p> <ul style="list-style-type: none"> (a) failure to make a payment; (b) non-compliance with any obligation under the Transaction Documents (including it ceases to hold relevant authorisation under the FSMA or it breaches regulatory obligations) or repudiation of the Series Mortgage Services Agreement; (c) misrepresentation; (d) an insolvency event or creditors processes in respect of it or its assets; (e) unlawfulness or illegality in respect of the Series Mortgage Servicer; (f) a Series Mortgage Services Disaster prevails for a period of more than 1 week; (g) material qualification by its auditors in respect of its financial statements; (h) unacceptable level of complaints by Borrowers in relation to the performance of the Series Mortgage Services (as decided by the Programme Servicer); (i) a material adverse change in respect of the Series Mortgage Servicer (including actual or threatened commencement of new type of business which is likely to have such material adverse change); (j) actual or threatened cessation of material part of business of Series Mortgage Servicer; (k) a Series Security Assets Realisation Notice is given in respect of the Series Security Assets; 	<p>Following the occurrence of the relevant termination event the Issuer or the Programme Servicer acting on behalf of the Issuer (in each case with the prior written consent of the Security Trustee) or the Security Trustee may terminate the appointment of the Series Mortgage Servicer.</p> <p>Unless otherwise agreed by the then Series Note Trustee, the termination is conditional upon a Rating Certificate being provided in respect of each Series Rating Agency regarding the then current ratings of the Notes.</p>

Nature of trigger	Description of trigger	Contractual requirements on occurrence of trigger include the following:
	<ul style="list-style-type: none"> (l) determined breaches of Series Portfolio Previous Owner Warranties exceed a specified threshold; (m) the Series Portfolio Seller has ceased purchasing Mortgages from the Series Portfolio Previous Owner and the aggregate Mortgage Current Balance of Mortgages in the Series Portfolio is less than GBP 100,000,000; and (n) failure to achieve specified services levels in a material respect which is not remedied within 6 months of notice from the Issuer, the Programme Servicer or the Security Trustee. 	
H.2.2 Series Mortgage Servicer resignation	<p>The Series Mortgage Servicer may also resign its appointment on no less than 12 months' written notice to, among others, the Issuer, the Programme Servicer, the Series Note Trustee and the Security Trustee <i>provided that</i> a substitute Mortgage servicer has been appointed and (unless the Programme Servicer certifies to the Series Note Trustee and the Security Trustee that, taking into account the then prevailing market conditions, it is not practicable) enters into an agreement with the Issuer substantially on the same terms as the Series Mortgage Services Agreement.</p>	<p>Unless otherwise agreed by the then Series Note Trustee, the resignation is conditional upon a Rating Certificate being provided in respect of each Series Rating Agency regarding the then current ratings of the Notes.</p>
H.2.3 Series Mortgage Servicer Standby termination	<p>The occurrence of any of the following (subject to applicable grace periods for remedy and materiality thresholds) in relation to the Series Account Provider:</p> <ul style="list-style-type: none"> (a) non-compliance with any obligation under the Transaction Documents (including it ceases to hold relevant authorisation under the FSMA); (b) an insolvency event in respect of it; (c) a Series Security Assets Realisation Notice is given in respect of the Series Security Assets. 	<p>Following the occurrence of the relevant termination event the Issuer or the Programme Servicer acting on behalf of the Issuer (in each case with the prior written consent of the Security Trustee) or the Security Trustee may terminate the appointment of the Series Mortgage Servicer Standby.</p> <p>Unless otherwise agreed by the then Series Note Trustee, the termination is conditional upon a Rating Certificate being provided in respect of each Series Rating Agency regarding the then current ratings of the Notes.</p>
H.2.4 Series Mortgage Servicer Standby resignation	<p>The Series Mortgage Servicer Standby may resign its appointment on not less than 90 days written notice to the Issuer, the Programme Servicer and the Security Trustee.</p> <p>The Series Mortgage Servicer Standby is entitled to transfer its rights and obligations to an affiliate provided that the affiliate satisfies the requirements for the appointment of a substitute Series Mortgage Servicer Standby.</p>	<p>Unless otherwise agreed by the then Series Note Trustee, the resignation is conditional upon a Rating Certificate being provided in respect of each Series Rating Agency regarding the then current ratings of the Notes.</p> <p>Upon receipt of notice of resignation the Issuer will use reasonable endeavours to appoint a substitute authorised institution under the FSMA that (unless the</p>

Nature of trigger	Description of trigger	Contractual requirements on occurrence of trigger include the following:
H.2.5 Series Cash Manager termination	<p>The occurrence of any of the following (subject to applicable grace periods for remedy and materiality thresholds) in relation to the Series Cash Manager:</p> <ul style="list-style-type: none"> (a) failure to make a payment; (b) non-compliance with any obligation under the Transaction Documents; (c) force majeure is continuing after 10 Business Days; (d) an insolvency event in respect of it; (e) unlawfulness or illegality in respect of the Cash Manager; or (f) a Series Security Assets Realisation Notice is given in respect of the Series Security Assets. 	<p>Programme Servicer certifies to the Series Note Trustee and the Security Trustee that, taking into account the then prevailing market conditions, it is not practicable) enters into an agreement with the Issuer substantially on the same terms as the relevant Series Mortgage Servicer Standby Agreement.</p> <p>Following the occurrence of the relevant termination event the Issuer or the Programme Servicer acting on behalf of the Issuer (in each case with the prior written consent of the Security Trustee) or the Security Trustee may terminate the appointment of the Series Cash Manager under the Series Cash Management Agreement.</p> <p>Unless otherwise agreed by the then Series Note Trustee, the termination is conditional upon a Rating Certificate being provided in respect of each Series Rating Agency regarding the then current ratings of the Notes.</p>
H.2.6 Cash Manager resignation	<p>The Cash Manager may resign its appointment on not less than 90 days written notice to the Issuer, the Programme Servicer and the Security Trustee <i>provided that</i> a substitute cash manager has been appointed and (unless the Programme Servicer certifies to the Series Note Trustee and the Security Trustee that, taking into account the then prevailing market conditions, it is not practicable) enters into an agreement with the Issuer substantially on the same terms as the Series Cash Management Agreement.</p>	<p>Unless otherwise agreed by the then Series Note Trustee, the resignation is conditional upon a Rating Certificate being provided in respect of each Series Rating Agency regarding the then current ratings of the Notes.</p>
H.2.7 Series Account Provider termination	<p>The occurrence of any of the following (subject to applicable grace periods for remedy and materiality thresholds) in relation to the Series Account Provider:</p> <ul style="list-style-type: none"> (a) a Tax deduction or withholding is imposed, or it appears likely to be imposed, in respect of the interest payable by it; (b) non-compliance with any obligation under the Transaction Documents; (c) it ceases to be an authorised institution under the FSMA; (d) an insolvency event in respect of it; (e) unlawfulness or illegality in respect of it; or 	<p>Following the occurrence of the relevant termination event the Issuer or the Series Cash Manager acting on behalf of the Issuer (in each case with the prior written consent of the Programme Servicer and the Security Trustee) or the Security Trustee may terminate the appointment of the Series Account Provider under the relevant Series Account Agreement.</p> <p>Unless otherwise agreed by the then Series Note Trustee, the termination is conditional upon a Rating Certificate being provided in respect of each Series Rating</p>

Nature of trigger	Description of trigger	Contractual requirements on occurrence of trigger include the following:
	(f) a Series Security Assets Realisation Notice is given in respect of the Series Security Assets.	Agency regarding the then current ratings of the Notes.
H.2.8 Series Account Provider resignation	A Series Account Provider may resign its appointment on not less than 90 days written notice to the Issuer, the Programme Servicer and the Security Trustee <i>provided that</i> a substitute authorised institution under the FSMA with the required ratings has been appointed and (unless the Programme Servicer certifies to the Series Note Trustee and the Security Trustee that, taking into account the then prevailing market conditions, it is not practicable) enters into an agreement with the Issuer substantially on the same terms as the relevant Series Account Agreement.	Unless otherwise agreed by the then Series Note Trustee, the resignation is conditional upon a Rating Certificate being provided in respect of each Series Rating Agency regarding the then current ratings of the Notes.
H.2.9 Series Portfolio Title Perfection Events	The occurrence of any Series Portfolio Title Perfection Event, as referred to in 7.4.3 <i>Perfection action can be taken upon Series Portfolio Title Perfection Event</i> in the Programme Prospectus, pursuant to the Series Portfolio Previous Purchase Agreement.	The Issuer and the Security Trustee will be entitled to take any Series Portfolio Title Perfection Action as described in 7.4.2 <i>No Series Portfolio Title Perfection Action until certain events occur</i> in the Programme Prospectus, pursuant to the Series Portfolio Previous Purchase Agreement.

I. Series fees

I.1 Series fees table

The following table sets out the main ongoing fees to be paid by the Issuer to the relevant Transaction Parties. VAT is currently chargeable at 20%.

Type of Fee	Amount of Fee	Priority in cashflows	Frequency
1.1.1 Series Mortgage Servicer fees	While Fleet Mortgages Limited is the Series Mortgage Servicer, the applicable Series Mortgage Servicer Fee (which is inclusive of any applicable VAT) as determined under I.2 <i>Series Mortgage Servicer Fee</i> plus additional fees, according to a specified scale, for specific services. If a substitute servicer is appointed in accordance with the terms of the Series Mortgage Services Agreement, the Issuer shall pay the successor servicer for its services a fee to be determined at the time of such appointment (plus any applicable VAT).	Payable under the Series Revenue Priority of Payments or, as applicable, the Series Accelerated Priority of Payments, in each case ahead of all outstanding Notes and DCIs.	Monthly or, as applicable, quarterly in arrear on each Mortgage Servicer Fee Payment Date (see I.2.2 <i>Definitions</i> below).
1.1.2 Series Mortgage Servicer Standby fees	GBP 15,000 each year (plus any applicable VAT).	Payable under the Series Revenue Priority of Payments or, as applicable, the Series Accelerated Priority of Payments, in each case ahead of all outstanding Notes and DCIs.	Quarterly in arrear on each Series Payments Date.
1.1.3 Other fees and expenses of the Issuer relating to the Series	Estimated at GBP 120,000 each year (plus any applicable VAT).	Payable under the Series Revenue Priority of Payments or, as applicable, the Series Accelerated Priority of Payments, in each case ahead of all outstanding Notes and DCIs.	Quarterly in arrear on each Series Payments Date.
1.1.4 Fees related to the admission to trading of the Notes	The Issuer estimates that the total expenses incurred or to be incurred by the Issuer in relation to the admission of the Notes to trading on the London Stock Exchange's Regulated Market will be approximately GBP 3,600.	Not applicable (these fees are paid from proceeds of the issue of the Notes).	On or shortly after the Series Closing Date.

I.2 Series Mortgage Servicer Fee

I.2.1 Series Mortgage Servicer Fee on Mortgage Servicer Fee Payment Date

The Series Mortgage Servicer Fee means in respect of any Mortgage Servicer Fee Payment Date the sum of:

- (a) the Mortgage Servicer Base Fee Amount in relation to that Mortgage Servicer Fee Payment Date, and
- (b) the Mortgage Servicer Additional Fee Amount in relation to that Mortgage Servicer Fee Payment Date.

In addition, fees and charges being applied to the Borrowers' account by the Series Mortgage Servicer in respect of Mortgages in the Series Portfolio pursuant to the tariff of fees and charges, as applicable from

time to time to the relevant Mortgages are to be retained by the Series Mortgage Servicer as part of the Series Mortgage Servicer Fees.

1.2.2 Definitions

In this section I.2:

Additional Fee Portfolio Current Debt means at any time the aggregate Mortgage Account Current Debt of each Mortgage in the Series Portfolio at that time which is two or more 2 Months in Arrears (but always excluding each Mortgage where enforcement action, processes and/or procedures have been commenced, are occurring and/or have occurred (including, without limitation, appointment of a receiver and taking possession of the Mortgage Property)).

Aggregate Servicing Mortgage Current Debt means at any time the aggregate Mortgage Account Current Debt of each Mortgage in the Series Portfolio and each other Mortgage:

- (1) which was sold by Fleet Mortgages Limited to London Wall Capital Investments LLP (regardless of whether or not London Wall Capital Investments LLP has any right, title, interest and/or benefit in respect of such Mortgage at that time); and
- (2) which at that time is being serviced by Fleet Mortgages Limited for the Issuer, London Wall Capital Investments LLP and/or any affiliate of the Issuer or London Wall Capital Investments LLP.

Base Fee Portfolio Current Debt means at any time the aggregate Mortgage Account Current Debt of each Mortgage in the Series Portfolio.

Mortgage Servicer Additional Fee Amount means in relation to a Mortgage Servicer Fee Payment Date the amount resulting from the following formula:

$$\frac{\text{Additional Fee Portfolio Current Debt as at the start of the Mortgage Servicer Fee Period relating to that Mortgage Servicer Fee Payment Date} + \text{Additional Fee Portfolio Current Debt as at the end of the Mortgage Servicer Fee Period relating to that Mortgage Servicer Fee Payment Date}}{2} \times 0.14\% \text{ per annum} \times \frac{\text{Number of days in the Mortgage Servicer Fee Period relating to that Mortgage Servicer Fee Payment Date}}{365}$$

Mortgage Servicer Base Fee Amount means in relation to a Mortgage Servicer Fee Payment Date the amount resulting from the following formula:

$$\frac{\text{Base Fee Portfolio Current Debt as at the start of the Mortgage Servicer Fee Period relating to that Mortgage Servicer Fee Payment Date} + \text{Base Fee Portfolio Current Debt as at the end of the Mortgage Servicer Fee Period relating to that Mortgage Servicer Fee Payment Date}}{2} \times \text{The applicable Mortgage Servicer Base Fee Rate} \times \frac{\text{Number of days in the Mortgage Servicer Fee Period relating to that Mortgage Servicer Fee Payment Date}}{365}$$

Mortgage Servicer Base Fee Rate means in relation to a Mortgage Servicer Fee Payment Date:

- (1) the Segment 1 Percentage in relation to that Mortgage Servicer Fee Payment Date multiplied by 0.20% per annum as at that Mortgage Servicer Fee Payment Date; plus
- (2) the Segment 2 Percentage in relation to that Mortgage Servicer Fee Payment Date multiplied by 0.18% per annum as at that Mortgage Servicer Fee Payment Date; plus
- (3) the Segment 3 Percentage in relation to that Mortgage Servicer Fee Payment Date multiplied by 0.15% per annum as at that Mortgage Servicer Fee Payment Date,

(in each case with the result of each such multiplication being rounded to 5 decimal places using the round half up convention).

Mortgage Servicer Fee Payment Date means:

- (1) each Series Payments Date; and

- (2) while each of the following is true:
- (A) a Series Note Event of Default has not occurred; and
 - (B) the Series Note Cash Manager determines, on the relevant Series Payments Calculation Date, that, for any calendar month which constituted a separate Mortgage Servicer Fee Period since the previous Series Payments Calculation Date:
 - (a) the Series Mortgage Servicer Fee in respect of that Mortgage Servicer Fee Period would not exceed
 - (b) the result of: 10% multiplied by the aggregate of the Mortgage Revenue Receipts and Mortgage Prepayment Charge Receipts received in respect of the Series Portfolio during that calendar month,
- the 15th day of each calendar month in which a Series Payments Date does not fall or, if any such day is not a Business Day, the immediately following Business Day.

Mortgage Servicer Fee Period means in relation to a Mortgage Servicer Fee Payment Date the period:

- (1) from and including:
 - (A) if it is the first Mortgage Servicer Fee Payment Date, the Series Closing Date; or
 - (B) (in any other case) the first day of the calendar month in which the previous Mortgage Servicer Fee Payment Date occurred,
- (2) to and including:
 - (A) that Mortgage Servicer Fee Payment Date if it is the last one to occur in relation to the Current Series; or
 - (B) (in any other case) the last day of the calendar month prior to the calendar month in which that Mortgage Servicer Fee Payment Date occurs.

Segment 1 Percentage means at any time:

- (1) if the Aggregate Servicing Mortgage Current Debt as at the end of the then most recent Mortgage Servicer Fee Period exceeds GBP 500,000,000, the result (expressed as a percentage) of GBP 500,000,000 divided by that Aggregate Servicing Mortgage Current Debt (with the result of such division being rounded to 5 decimal places using the round half up convention); or
- (2) in any other case, 100%.

Segment 2 Percentage means at any time, the result of the following:

$$100\% - (\text{The then Segment 1 Percentage} + \text{The then Segment 3 Percentage})$$

Segment 3 Percentage means at any time:

- (1) if the Aggregate Servicing Mortgage Current Debt as at the end of the then most recent Mortgage Servicer Fee Period exceeds GBP 2,500,000,000, the result (expressed as a percentage) of the amount of that excess divided by that Aggregate Servicing Mortgage Current Debt (with the result of such division being rounded to 5 decimal places using the round half up convention); or
- (2) in any other case, 0%.

J. Some regulatory disclosures

Prospective investors should note that other regulatory disclosures, as relevant to the Series, are contained elsewhere in this Series Prospectus together with the documents incorporated by reference into this Series Prospectus (see A.1 *Information incorporated by reference*).

J.1 Risk retention requirements

The Series Portfolio Seller will undertake in the Series Portfolio Sale Agreement to the Series Note Trustee (for the benefit of Holders of the Market Notes) that, from and including the Series Closing Date and while there is any Note Principal Amount Outstanding in respect of any Market Notes:

- it will retain on an ongoing basis a material net economic interest of not less than 5% in respect of the Series in accordance with the text of each of Article 405 of Regulation (EU) No 575/2013 (the **Capital Requirements Regulation**), Article 51 of Regulation (EU) No 231/2013 (the **AIFM Regulation**) and Article 254 of Regulation (EU) 2015/35 (the **Solvency II Regulation**),
- it will comply with its obligations under Article 409 of the Capital Requirements Regulation;
- it will disclose in the Series Investor Report (or in such other manner as the Series Portfolio Seller may determine), in accordance with Article 409 of the Capital Requirements Regulation, any change in the manner in which such retained interest is held (which as at the Series Closing Date will be the retention by the Series Portfolio Seller of the Z Notes, pursuant to Article 405(1)(d) of the Capital Requirements Regulation, Article 51(1)(d) of the AIFM Regulation and Article 254(2)(d) of the Solvency II Regulation) and undertakes that any such change shall be made in accordance with Article 405 of the Capital Requirements Regulation; and
- it will ensure that its material net economic interest is not subject to any credit risk mitigation or any short positions or any other hedge and shall not be sold, in each case except to the extent permitted by the Capital Requirements Regulation,

in each case: (1) as the relevant laws and requirements are in force, interpreted and applied as at the Series Closing Date without taking into account any corresponding national measures, (2) subject always to any requirement of law and to the extent that the applicable retention and disclosure requirements under Articles 405 and 409 of the Capital Requirements Regulation, Article 51 of the AIFM Regulation and Article 254 of the Solvency II Regulation remain in effect; and (3) provided that the Series Portfolio Seller will not be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond its control.

As at the Series Closing Date, such material net economic interest will consist of an interest in the first loss tranche of the Series (as required by the text of each of Article 405(1)(d) of the Capital Requirements Regulation, Article 51(1)(d) of the AIFM Regulation and 254(2)(d) of the Solvency II Regulation) by holding all of the Z Notes (and 40% of the gross proceeds of the Z Notes will fund the initial Series Main Reserve Fund and 60% of the gross proceeds of the Z Notes will fund part of the Series Portfolio Sale Initial Consideration). Any change in the manner in which such material net economic interest is held will be notified to the Noteholders in accordance with the applicable Note Conditions.

For further information on the requirements referred to above and some corresponding risks, please refer to the risk factor 4.5.2(a) *Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and DCIs* in the Programme Prospectus.

J.2 Series Rating Agencies

As of the date of this Series Prospectus, each of the Series Rating Agencies is a credit rating agency established in the European Union and is registered under Regulation (EU) No 1060/2009 (as amended) (the **Credit Rating Agencies Regulation**). As such each of the Series Rating Agencies is included on the list of credit rating agencies published by the European Securities and Markets Authority on its website (at www.esma.europa.eu/page/list-registered-and-certified-CRAs). See risk factor 4.1.15 *Ratings of the Notes and/or DCIs* in the Programme Prospectus for some risks and warnings relating to credit rating agencies and ratings.

J.3 PCS Label

Application has been made to Prime Collateralised Securities (UK) Limited for the A Notes to receive the Prime Collateralised Securities label (the **PCS Label**). See risk factor 4.1.17 *Limited purpose of any PCS*

Label in the Programme Prospectus for some risks and warnings relating to such application and the PCS Label.

J.4 Information regarding the policies and procedures of the Series Portfolio Originator

The Series Portfolio Originator has covenanted in the Series Portfolio Previous Purchase Agreement to ensure that:

- the grant of each Mortgage was based on sound and well-defined criteria and that the process for approving, amending, renewing, and re-financing each Mortgage was clearly established;
- it had internal methodologies that enabled it to assess the credit risk of exposures to Borrowers and credit risk at the portfolio level (and, in particular, that such internal methodologies did not rely solely or mechanistically on external credit ratings and, without limitation, it additionally considered all other relevant information for assessing its allocation of internal capital);
- the ongoing administration and monitoring of its various credit risk-bearing portfolios and exposures, including for identifying and managing problem credits and for making adequate value adjustments and provisions, were and are operated through effective systems; and
- that diversification of credit portfolios is adequate given its target markets and overall credit strategy,

and to provide the necessary information to assess whether the criteria applied in the credit-granting for each Mortgage in the Series Portfolio are as sound and well-defined as the criteria applied to Mortgages granted by it which are not sold in the Series Portfolio. The Issuer and Series Note Trustee will have the benefit of such covenant by the Series Portfolio Originator upon entering into the Series Portfolio Previous Purchase Accession Deed (see E.1.2 *Series Portfolio Previous Purchase Agreement* above).

K. Series Provisional Portfolio summary data

The Series Portfolio to be sold to the Issuer on the Series Closing Date will be selected from the Mortgages in the Series Provisional Portfolio (see E.3.2 *Features of the Series Provisional Portfolio*).

The statistical and other information contained in this Series Prospectus relating to the Series Provisional Portfolio (including, without limitation, the table in E.3.2 *Features of the Series Provisional Portfolio* (which provides some selected aggregated figures) and the tables in this section K (which give further selected information)) (the **Series Provisional Portfolio Data**) has been compiled by reference to the Series Provisional Portfolio as at the Series Provisional Portfolio Date. The characteristics of the Series Portfolio will differ from those indicated by the Series Provisional Portfolio Data as a result of, among other things, repayments and redemptions of the Mortgages from the Series Provisional Portfolio Date to the Series Closing Date and removal of any Mortgages that the Series Portfolio Seller has become aware do not comply with the Series Portfolio Warranties as at the Series Closing Date.

The Series Provisional Portfolio Data has been extracted from information provided by the Series Portfolio Seller (which information has been subject to rounding and therefore columns of percentages may not add up to 100%). None of the Series Provisional Portfolio Data has been the subject of an audit and the Series Portfolio Seller is not providing any representations or warranties in respect of the Series Provisional Portfolio Data.

Further information in respect of anonymised individual Mortgage Loan level data may be obtained on the following website: <https://sf.citidirect.com>. For the avoidance of doubt, that website and its contents do not form part of the Disclosure Documents.

Provisional Balance means in relation to a Mortgage, the Mortgage Principal Balance as at the Series Provisional Portfolio Date. The Provisional Balance includes amounts which had accrued and become due and payable but which remained unpaid and excludes any accrued interest thereon.

All of the Mortgages forming part of the Series Provisional Portfolio were originated in the period from and including January 2015 to and including March 2016.

All of the Mortgages to be purchased by the Issuer will have had original maturities of no more than 30 years, with the latest scheduled maturity of any mortgage loan in the Series Provisional Portfolio being not later than 28 February 2046.

The Issuer confirms that the assets backing the issue of the Series have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes in respect of the Series. Investors are advised to carefully review the Disclosure Documents together with any amendments or supplements thereto.

K.1 Summary table of Series Provisional Portfolio

Aggregate Mortgage Principal Balance	£237,946,422	Weighted average remaining term (years) ..	19.65
Number of Mortgage Loans	1,032	Weighted average months since origination	8.78
Weighted average current LTV	67.44%	Self-Certified Mortgages	0.00%
Weighted average original LTV	67.55%	All prior CCJs on record at application	0.00%
Weighted average interest rate	3.61%	Bankruptcy orders /IVAs at application	0.00%
Weighted average stabilised margin	4.31%	Self employed at application	38.41%
Average Mortgage Loan size	£230,568	Weighted average rental cover at origination	1.55%
Maximum Mortgage Loan size	£1,357,475	Interest Only Mortgage Loans	95.34%

K.2 Mortgage Loans by LTV using origination value

LTV range	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
>0% <= 20%	2	0.19	131,370	0.06
>20% <= 30%	3	0.29	371,270	0.16
>30% <= 40%	23	2.23	6,432,925	2.70
>40% <= 50%	36	3.49	9,527,536	4.00
>50% <= 60%	84	8.14	25,959,964	10.91
>60% <= 70%	259	25.10	67,668,134	28.44
>70% <= 80%	583	56.49	121,445,926	51.04
>80% <= 90%	42	4.07	6,409,297	2.69
>90%	0	0.00	0	0.00
Total	1,032	100.00	237,946,422	100.00

In the above table LTV is calculated using the Provisional Balance as at the Series Provisional Portfolio Date as the numerator.

The average LTV using origination value (weighted by Provisional Balance) is 67.55%.

The minimum LTV using origination value is 17.73%.

The maximum LTV using origination value is 81.64%.

There has been no revaluation of any of the Mortgage Properties for the purposes of the issue of the Notes or DCIs. The information contained in this LTV ratio table has been prepared using the valuations of each of the Mortgage Properties made available to the Series Portfolio Seller as at the date of the initial Mortgage origination.

K.3 Mortgage Loans by current LTV using origination value

LTV range	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
>0% <= 20%	2	0.19	131,370	0.06
>20% <= 30%	4	0.39	587,174	0.25
>30% <= 40%	22	2.13	6,217,021	2.61
>40% <= 50%	38	3.68	9,929,675	4.17
>50% <= 60%	85	8.24	26,206,032	11.01
>60% <= 70%	260	25.19	67,718,709	28.46
>70% <= 80%	584	56.59	121,405,732	51.02
>80% <= 90%	37	3.59	5,750,708	2.42
>90%	0	0.00	0	0.00
Total	1,032	100.00	237,946,422	100.00

In the above table current LTV is calculated using the Mortgage Principal Balance as the numerator.

The weighted average current LTV using the origination value (weighted by Provisional Balance) is 67.44%.

The minimum LTV is 17.73%.

The maximum LTV is 81.64%.

K.4 Mortgage Loans by Provisional Balance

Provisional Balance range (as at the Series Provisional Portfolio Date)		Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
> £0	<= £50,000	5	0.48	232,171	0.10
> £50,000	<= £100,000	139	13.47	11,071,819	4.65
> £100,000	<= £150,000	176	17.05	21,415,799	9.00
> £150,000	<= £200,000	182	17.64	31,723,083	13.33
> £200,000	<= £250,000	176	17.05	39,399,336	16.56
> £250,000	<= £300,000	111	10.76	30,482,938	12.81
> £300,000	<= £350,000	92	8.91	29,595,258	12.44
> £350,000	<= £400,000	53	5.14	19,880,307	8.35
> £400,000	<= £450,000	31	3.00	13,136,830	5.52
> £450,000	<= £500,000	19	1.84	9,021,087	3.79
> £500,000	<= £550,000	14	1.36	7,309,378	3.07
> £550,000	<= £600,000	6	0.58	3,425,041	1.44
> £600,000	<= £650,000	3	0.29	1,899,915	0.80
> £650,000	<= £700,000	10	0.97	6,780,334	2.85
> £700,000	<= £750,000	5	0.48	3,576,275	1.50
> £750,000	<= £800,000	5	0.48	3,787,640	1.59
> £800,000	<= £850,000	0	0.00	0	0.00
> £850,000	<= £900,000	1	0.10	860,351	0.36
> £900,000	<= £950,000	0	0.00	0	0.00
> £950,000	<= £1,000,000	1	0.10	961,350	0.40
> £1,000,000	<= £1,050,000	2	0.19	2,030,035	0.85
> £1,050,000	<= £1,100,000	0	0.00	0	0.00
> £1,100,000	<= £1,150,000	0	0.00	0	0.00
> £1,150,000	<= £1,200,000	0	0.00	0	0.00
> £1,200,000	<= £1,250,000	0	0.00	0	0.00
> £1,250,000	<= £1,300,000	0	0.00	0	0.00
> £1,300,000	<= £1,350,000	0	0.00	0	0.00
> £1,350,000	<= £1,400,000	1	0.10	1,357,475	0.57
Total		1,032	100.00	237,946,422	100.00

The average Provisional Balance is £230,568.

The minimum Provisional Balance is £45,485.

The maximum Provisional Balance is £1,357,475.

K.5 Mortgage Loans by original Mortgage Principal Balance

Original Mortgage Principal Balance range		Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
> £0	<= £50,000	5	0.48	232,171	0.10
> £50,000	<= £100,000	136	13.18	10,778,025	4.53
> £100,000	<= £150,000	178	17.25	21,562,593	9.06
> £150,000	<= £200,000	182	17.64	31,672,815	13.31
> £200,000	<= £250,000	176	17.05	39,350,408	16.54
> £250,000	<= £300,000	110	10.66	30,134,294	12.66
> £300,000	<= £350,000	93	9.01	29,843,632	12.54
> £350,000	<= £400,000	52	5.04	19,433,160	8.17
> £400,000	<= £450,000	33	3.20	13,930,443	5.85
> £450,000	<= £500,000	18	1.74	8,532,254	3.59
> £500,000	<= £550,000	15	1.45	7,798,211	3.28
> £550,000	<= £600,000	6	0.58	3,425,041	1.44
> £600,000	<= £650,000	3	0.29	1,899,915	0.80
> £650,000	<= £700,000	10	0.97	6,780,334	2.85
> £700,000	<= £750,000	5	0.48	3,576,275	1.50
> £750,000	<= £800,000	5	0.48	3,787,640	1.59
> £800,000	<= £900,000	1	0.10	860,351	0.36
> £900,000	<= £950,000	0	0.00	0	0.00
> £950,000	<= £1,000,000	1	0.10	961,350	0.40
> £1,000,000	<= £1,050,000	2	0.19	2,030,035	0.85
> £1,050,000	<= £1,100,000	0	0.00	0	0.00
> £1,100,000	<= £1,150,000	0	0.00	0	0.00
> £1,150,000	<= £1,200,000	0	0.00	0	0.00
> £1,200,000	<= £1,250,000	0	0.00	0	0.00
> £1,250,000	<= £1,300,000	0	0.00	0	0.00
> £1,300,000	<= £1,350,000	0	0.00	0	0.00
> £1,350,000	<= £1,400,000	1	0.10	1,357,475	0.57
Total		1,032	100.00	237,946,422	100.00

The average original Mortgage Principal Balance is £230,985.

The minimum original Mortgage Principal Balance is £45,485.

The maximum original Mortgage Principal Balance is £1,357,475.

K.6 Seasoning of Mortgages by month

Months since origination (as at the Series Provisional Portfolio Date)	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
=> 4 < 7	247	23.93	55,035,780	23.13
=> 7 < 10	404	39.15	93,924,736	39.47
=> 10 < 13	283	27.42	64,313,407	27.03
=> 13 < 16	85	8.24	21,847,525	9.18
=> 16 < 19	13	1.26	2,824,974	1.19
Total		1,032	237,946,422	100.00

The weighted average months since origination (as at the Series Provisional Portfolio Date) (weighted by Provisional Balance) is 8.78 months.

The minimum months since origination (as at the Series Provisional Portfolio Date) is 4.00.

The maximum months since origination (as at the Series Provisional Portfolio Date) is 18.00.

K.7 Mortgage Loans by remaining maturity

Remaining maturity in years (as at the Series Provisional Portfolio Date)	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
>0 <= 5	12	1.16	1,943,041	0.82
>5 <= 10	95	9.21	19,443,627	8.17
>10 <= 15	184	17.83	40,586,416	17.06
>15 <= 20	233	22.58	57,122,115	24.01
>20 <= 25	464	44.96	109,361,996	45.96
>25 <= 30	44	4.26	9,489,227	3.99
Total	1,032	100.00	237,946,422	100.00

The weighted average remaining term to maturity (weighted by Provisional Balance) is 19.65 years.

The minimum remaining term to maturity (as at the Series Provisional Portfolio Date) is 4.00 years.

The maximum remaining term to maturity (as at the Series Provisional Portfolio Date) is 29.60 years.

K.8 Product summary by repayment method

Repayment method (as at the Series Provisional Portfolio Date)	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
Interest only	971	94.09	226,856,520	95.34
Part and part	2	0.19	290,680	0.12
Repayment	59	5.72	10,799,221	4.54
Total	1,032	100.00	237,946,422	100.00

K.9 Mortgage Loans by Mortgage Interest Rate

Mortgage Interest Rate (as at the Series Provisional Portfolio Date) - % per annum	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
>2.50 <= 3.00	263	25.48	67,074,149	28.19
>3.00 <= 3.50	249	24.13	47,010,856	19.76
>3.50 <= 4.00	144	13.95	28,600,520	12.02
>4.00 <= 4.50	312	30.23	79,098,070	33.24
>4.50 <= 5.00	54	5.23	13,728,024	5.77
>5.00 <= 5.50	8	0.78	1,950,230	0.82
>5.50 <= 6.00	2	0.19	484,573	0.20
Total	1,032	100.00	237,946,422	100.00

The weighted average Mortgage Interest Rate (as at the Series Provisional Portfolio Date) (weighted by Provisional Balance) is 3.61% per annum.

The minimum Mortgage Interest Rate (as at the Series Provisional Portfolio Date) is 2.59% per annum.

The maximum Mortgage Interest Rate (as at the Series Provisional Portfolio Date) is 5.85% per annum.

K.10 Mortgage Loans by stabilised margin

Stabilised margin (as at the Series Provisional Portfolio Date) - % per annum	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
> 3.00 <= 3.50	125	12.11	35,812,611	15.05
> 3.50 <= 4.00	97	9.40	28,696,060	12.06
> 4.00 <= 4.50	643	62.31	137,193,169	57.66
> 4.50 <= 5.00	166	16.09	35,855,927	15.07
> 5.00 <= 5.50	1	0.10	388,655	0.16
Total	1,032	100.00	237,946,422	100.00

The weighted average stabilised margin (as at the Series Provisional Portfolio Date) (weighted by Provisional Balance) is 4.31% per annum.

The minimum stabilised margin (as at the Series Provisional Portfolio Date) is 3.19% per annum.

The maximum stabilised margin (as at the Series Provisional Portfolio Date) is 5.25% per annum.

K.11 Mortgage Loans by number of Months in Arrears

Number of Months in Arrears (as at the Series Provisional Portfolio Date)	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
0 <= 1	1,032	100.00	237,946,422	100.00
Total	1,032	100.00	237,946,422	100.00

Months in Arrears is defined in F.2.5 *DCI Amounts* above.

The weighted average number of Months in Arrears (as at the Series Provisional Portfolio Date) (weighted by Provisional Balance) is 0.00 months.

The minimum number of Months in Arrears (as at the Series Provisional Portfolio Date) is 0.00 months.

The maximum number of Months in Arrears (as at the Series Provisional Portfolio Date) is 0.00 months.

K.12 Mortgage Loan purpose

Mortgage Loan purpose	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
Purchase	378	36.63	82,707,654	34.76
Remortgage	654	63.37	155,238,768	65.24
Total	1,032	100.00	237,946,422	100.00

K.13 Product summary by Mortgage Property type

Mortgage Property type	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
Bungalow	28	2.71	5,818,455	2.45
Flat/apartment	306	29.65	73,094,261	30.72
House: detached or semi-detached	255	24.71	65,037,582	27.33
House: terraced	443	42.93	93,996,124	39.50
Total	1,032	100.00	237,946,422	100.00

K.14 Geographical dispersion of Mortgage Properties

Region in which Mortgage Property is situated	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
East Anglia	135	13.08	25,777,010	10.83
East Midlands	47	4.55	5,887,416	2.47
Greater London	293	28.39	100,656,430	42.30
North East	21	2.03	2,594,935	1.09
North West	46	4.46	4,930,100	2.07
South East	272	26.36	65,667,545	27.60
South West	116	11.24	19,544,554	8.21
Wales	15	1.45	2,315,943	0.97
West Midlands	54	5.23	6,413,350	2.70
Yorkshire and Humberside	33	3.20	4,159,140	1.75
Northern Ireland	0	0.00	0	0.00
Scotland	0	0.00	0	0.00
Total	1,032	100.00	237,946,422	100.00

K.15 Mortgage Property occupancy type

Mortgage Property occupancy type	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
Owner occupied	0	0.00	0	0.00
Non-owner-occupied/buy-to-let	1,032	100.00	237,946,422	100.00
Total	1,032	100.00	237,946,422	100.00

K.16 Series Portfolio Originator

Series Portfolio Originator	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
Fleet Mortgages Limited	1,032	100.00	237,946,422	100.00
Total	1,032	100.00	237,946,422	100.00

K.17 Borrower type

Letting occupancy	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
Corporate	189	18.31	41,792,593	17.56
Individual	843	81.69	196,153,829	82.44
Total	1,032	100.00	237,946,422	100.00

K.18 Product summary by interest rate type

Mortgage Loan interest rate type (as at the Series Provisional Portfolio Date)	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
3 month LIBOR linked - non reversionary	226	21.90	65,341,220	27.46
3 month LIBOR linked - reversionary	66	6.40	16,250,219	6.83
Fixed (revert to 3 month LIBOR linked)	740	71.71	156,354,983	65.71
Total	1,032	100.00	237,946,422	100.00

K.19 Mortgage Loans by rental cover at origination

Rental cover at origination	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
> 1.00 <= 1.25	163	15.79	49,917,313	20.98
> 1.25 <= 1.50	429	41.57	105,274,421	44.24
> 1.50 <= 1.75	191	18.51	35,384,032	14.87
> 1.75 <= 2.00	97	9.40	19,449,354	8.17
> 2.00 <= 2.25	61	5.91	11,591,418	4.87
> 2.25 <= 2.50	35	3.39	7,185,509	3.02
> 2.50 <= 2.75	26	2.52	4,624,271	1.94
> 2.75 <= 3.00	11	1.07	1,769,426	0.74
> 3.00	19	1.84	2,750,676	1.16
Total	1,032	100.00	237,946,422	100.00

The weighted average rental cover at origination (weighted by Provisional Balance) is 1.55% per annum.

The minimum rental cover at origination is 1.23% per annum.

The maximum rental cover at origination is 8.65% per annum.

K.20 Mortgage Loans by interest rate reversion year

Year in which Mortgage Loan interest rate reversion occurs	Number of Mortgage Loans	% of Total	Aggregate Provisional Balance (£)	% of Total
No reversion	226	21.90	65,341,220	27.46
2017	391	37.89	83,623,016	35.14
2018	307	29.75	67,558,819	28.39
2019	6	0.58	1,363,912	0.57
2020	55	5.33	9,542,620	4.01
2021	47	4.55	10,516,834	4.42
Total	1,032	100.00	237,946,422	100.00

L. Weighted average lives of the Notes

L.1 Weighted average life and modelling assumptions

The expression **weighted average life** refers to the average amount of time that will elapse from the date of issuance of the Notes to the date of distribution to the Noteholders of amounts distributed in net reduction of principal of the Notes (assuming no losses). The weighted average lives of the Notes cannot be stated or estimated, as they vary according to circumstances which are not predictable (including, for example among other things, the actual rate of redemption of the Mortgages in the Series Portfolio). However, calculations of hypothetical weighted average lives of the Notes can be made based on certain assumptions. The tables below were prepared based on the characteristics of the Mortgages to be included in the Series Portfolio and the following additional assumptions (the **WAL Modelling Assumptions**) being true throughout the life of the Notes from and including the Series Closing Date:

- each Mortgage in the Series Portfolio is and continues to be fully performing on, from and after the Series Provisional Portfolio Date (i.e. no arrears or defaults);
- no Series Principal Deficiency arises, no Series Liquidity Deficiency arises and no Series Senior Expense Deficiency arises;
- no Mortgage in the Series Portfolio is sold by the Issuer;
- no breach of a Series Portfolio Warranty or a Series Portfolio Previous Owner Warranty occurs in relation to any Mortgage in the Series Portfolio;
- 100% of the Series Provisional Portfolio is purchased by the Issuer on the Series Closing Date;
- the Series Portfolio as at the beginning of the first Series Portfolio Collection Period is the same as the Series Provisional Portfolio as at the Series Provisional Portfolio Date;
- each Mortgage in the Series Portfolio eventually reverts to a floating interest rate;
- no Mortgage Further Advance and no Mortgage Variation is made in respect of any Mortgage in the Series Portfolio;
- each prospective Mortgage Retention Advance (which can be funded using amount referred to in G.11(c) *Net proceeds on the Series Closing Date - Funding for Mortgage Retention Advances*) is advanced in full to the relevant Borrower on the Series Closing Date;
- the interest payment as well as the principal payment (as applicable) for each Mortgage in the Series Portfolio is calculated on a Mortgage-by-Mortgage basis assuming each Mortgage has monthly payments;
- the amortisation of each Repayment Mortgage in the Series Portfolio is calculated as an annuity loan on a 30/360 basis, and the interest on each Mortgage is calculated on a 30/360 basis;
- in respect of each Mortgage Tracker Rate Loan in the Series Portfolio, the relevant Mortgage Tracker Rate is and remains 0.38% per annum;
- all Mortgages in the Series Portfolio which are not Repayment Mortgages are assumed to be Interest Only Mortgages;
- the first Series Payments Date occurs on 15 February 2017 and there are 103 days between the Series Closing Date and the first Series Payments Date and that the Mortgage Principal Receipts and Mortgage Revenue Receipts in respect of 4 complete Series Collection Periods will be included in the amounts to be applied according to the Series Payments Rules on the first Series Payments Date;
- the Mortgages in the Series Portfolio are subject to an assumed constant or variable annual rate of prepayment (exclusive of scheduled principal redemptions) (**CPR**) each month relative to the then outstanding principal balance of the Series Portfolio as shown in the tables below;
- the Note Initial Principal Amount of the A Notes equals the Series initial collateral balance multiplied by 86%, the Note Initial Principal Amount of the B Notes equals the Series initial collateral balance multiplied by 5% and the Note Initial Principal Amount of the C Notes equals the Series initial collateral balance multiplied by 6%, in each case where the Series initial collateral balance is (a) the aggregate Mortgage Principal Balance in respect of all Mortgages in the Series Provisional Portfolio as at the Series Provisional Portfolio Date, plus (b) the amount to be credited to the Series Mortgage Retentions Ledger on the Series Closing Date;

- each Series Payments Date occurs on and payments on the Notes are made on 15 February, 15 May, 15 August, and 15 November throughout the life of the Notes (whether or not those dates are Business Days);
- the interest on each Note is calculated on an Actual/365 basis;
- the assets of the Issuer are not sold by the Issuer or the Security Trustee except as may be necessary to enable the Issuer to realise sufficient funds to exercise its option to redeem all of the Notes in accordance with Base Condition 6.4 *Full redemption at the option of the Issuer* at the Step-up Date;
- no Series Acceleration Date occurs, no Security Assets Realisation Date occurs and the Security is not enforced in relation to any Series Security Assets; and
- the Series Closing Date occurs on 4 November 2016,

The actual characteristics and performance of the Mortgages in the Series Portfolio will differ from the WAL Modelling Assumptions, which are theoretical in nature and are provided only to produce the tables below to give a general sense of how the hypothetical weighted average lives of the Notes, as calculated on the basis of the WAL Modelling Assumptions, behave under varying CPR scenarios. For example, it is not expected:

- that the Mortgages in the Series Portfolio will prepay at a constant rate until maturity,
- that there will be a constant CPR in respect of all of those Mortgages, or
- that there will be no defaults or delinquencies on those Mortgages.

Moreover, the diverse remaining terms to maturity of the Mortgages in the Series Portfolio could produce slower or faster principal distributions than the lives indicated in the tables at the various percentages of CPR specified, even if the weighted average remaining term to maturity of the Mortgages in the Series Portfolio is assumed. The CPRs shown in the tables below are purely illustrative and do not represent the full range of possibilities for constant annual rates of prepayment and do not purport to be either an historical description of the prepayment experience of any pool of mortgage loans or a prediction of the expected rate of prepayment of any mortgage loans, including the Mortgages to be included in the Series Portfolio. The calculated hypothetical weighted average lives of the Notes must be viewed with considerable caution and not be relied upon for any purpose.

L.2 Weighted average life tables

The following tables illustrate some hypothetical weighted average lives of the Notes calculated by reference to the indicated assumed CPRs and on the basis of the WAL Modelling Assumptions:

Hypothetical weighted average lives of the Notes (in years) – With early redemption on the Step-up Date

Class of Notes	0.0% CPR	5.0% CPR	10.0% CPR	15.0% CPR	20.0% CPR	25.0% CPR	30.0% CPR	35.0% CPR
A Notes	5.03	4.44	3.84	3.30	2.82	2.40	2.02	1.70
B Notes	5.03	5.03	5.03	5.03	5.03	5.03	5.03	4.94
C Notes	5.03	5.03	5.03	5.03	5.03	5.03	5.03	5.03

Hypothetical weighted average lives of the Notes (in years) – Without early redemption on the Step-up Date but with early redemption on the Clean-up Date

Class of Notes	0.0% CPR	5.0% CPR	10.0% CPR	15.0% CPR	20.0% CPR	25.0% CPR	30.0% CPR	35.0% CPR
A Notes	18.64	10.15	6.18	4.25	3.17	2.49	2.03	1.70
B Notes	24.54	23.91	17.06	12.41	9.44	7.52	6.12	5.09
C Notes	24.59	24.39	19.24	14.22	10.95	8.73	7.21	5.98

For more information in relation to the risks involved in the use of the above hypothetical weighted average lives see 4.1.11 *Yield to maturity and prepayment of Notes is variable and unpredictable* in the Programme Prospectus.

M. Subscription and sale of the Notes and DCIs

The following is a summary of certain aspects relating to the Series by way of supplement to the aspects summarised in 1 *Important information about the Disclosure Documents*, 14. *Subscription and sale of Notes and DCIs* and 15. *Transfer Regulations* in the Programme Prospectus.

M.1 Series Subscription Agreement

The Series Lead Managers, the Series Arranger, the Series Portfolio Seller and the Issuer have entered into an agreement (the **Series Subscription Agreement**) on or about the date of this Series Prospectus pursuant to which, subject to certain conditions:

- the Series Lead Managers have jointly and severally agreed with the Issuer to subscribe and pay for, on the Series Closing Date, all of the Market Notes at the issue price of 100% of the Note Initial Principal Amount of the Market Notes; and
- the Series Portfolio Seller has agreed with the Issuer to subscribe and pay for, on the Series Closing Date, all of the Retained Notes at the issue price of 100% of the Note Initial Principal Amount of the Retained Notes;

The Series Lead Managers may sell all or part of their allocation of Market Notes to subsequent purchasers in individually negotiated transactions at negotiated prices which may vary among different purchasers and which may be greater or less than the issue price of the Market Notes.

The Issuer has agreed in the Series Subscription Agreement to indemnify the Series Lead Managers, the Series Arranger and the Series Portfolio Seller against certain liabilities and to pay certain costs and expenses in connection with the issue of the Notes and DCIs.

See further 14.1 *Series Subscription Agreements* in the Programme Prospectus.

M.2 Selling and investment restrictions

The Notes and the DCIs are subject to the following restrictions:

- as indicated in 14.1.1 *United Kingdom selling restrictions* in the Programme Prospectus; and
- as indicated in 14.1.2 *United States selling restrictions* in the Programme Prospectus,

and prospective Noteholders need to have particular regard to 1 *Important information about the Disclosure Documents* and 4 *Risk factors* in the Programme Prospectus.

M.3 Transfer Regulations

The Notes and DCIs are subject to the Transfer Regulations set out in 15. *Transfer Regulations* in the Programme Prospectus.

M.4 ERISA

The Notes and DCIs are not eligible for purchase by Employee Benefit Plans (see 16. *ERISA and other Employee Benefit Plan considerations* in the Programme Prospectus).

N. Series general information

The following is a summary of certain aspects relating to the Notes and DCIs by way of supplement to the aspects summarised in *1 Important information about the Disclosure Documents* and *9. Certain features of the Notes and DCIs* in the Programme Prospectus.

N.1 Authorisation by Issuer of the Notes and DCIs

The issue of the Notes and DCIs in the Series was authorised pursuant to a resolution of the board of directors of the Issuer passed on 31 October 2016.

N.2 Clearing Systems, ISINs and Common Codes

Details of the Clearing Systems, the ISINs and Common Codes in respect of:

- the Notes are indicated in F.1.26 *Clearance / settlement* and F.1.28 *Clearing system codes*, and
- the DCIs are indicated in F.2.9 *Clearance / settlement* and F.2.11 *Clearing system codes*.

N.3 Yield in respect of the Notes

The following table indicates the estimated yield in respect of each Class of Notes, such yield being calculated on the basis that (a) the Series Principal Deficiency Record remains at zero, (b) the relevant investor holds the Notes throughout the period from and including the Series Closing Date to and including the relevant Final Maturity Date, and (c) such investor purchases the Notes at the relevant Note Issue Price on the Series Closing Date:

Class of Notes	Yield
Class A Notes	The applicable Reference Rate plus 0.95%
Class B Notes	The applicable Reference Rate plus 2.20%
Class C Notes	The applicable Reference Rate plus 3.25%
Class Z Notes	0.00%
Class S Notes	0.00%

N.4 Use of proceeds

The gross proceeds from the issue of the Notes on the Series Closing Date will be GBP 243,590,000.

The net proceeds of the issue of the Notes on the Series Closing Date are expected to amount to approximately GBP 243,014,505 and will be applied on the Series Closing Date as indicated in G.11 *Net proceeds on the Series Closing Date* in D.3 *Certain interests and potential for conflicts*.

N.5 Notes outstanding under other Series

Initial principal amount	Class	Issue date	Final maturity
None			

O. Series Prospectus index of definitions

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Series Investment Account Provider, Series Basis Hedge Collateral Cash Account Provider,
General Account Provider, Series Cash Manager, General Cash Manager,
Series Note Calculation Agent, Series Paying Agent and Series Registrar**

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