

EXECUTION VERSION

MORTGAGE SALE AGREEMENT

1 FEBRUARY 2024

CHARTER COURT FINANCIAL SERVICES LIMITED
as Servicer and Seller

and

PMF 2024-1 PLC
as Issuer

and

U.S. BANK TRUSTEES LIMITED
as Security Trustee

ALLEN & OVERY

Allen & Overy LLP

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THIS AGREEMENT (this **Agreement**) is made on 1 February 2024

BETWEEN:

- (1) **CHARTER COURT FINANCIAL SERVICES LIMITED** (registered number 06749498), a private limited company incorporated under the laws of England and Wales, whose registered office is at 2 Charter Court, Broadlands, Wolverhampton, WV10 6TD (the **Servicer** and **Seller**);
- (2) **PMF 2024-1 PLC** (registered number 15054902), a public limited company incorporated under the laws of England and Wales, whose registered office is at 10th Floor, 5 Churchill Place, London E14 5HU (the **Issuer**); and
- (3) **U.S. BANK TRUSTEES LIMITED**, (registered number 02379632), a company incorporated under the laws of England and Wales whose registered office is at 125 Old Broad Street, Fifth Floor, London, EC2N 1AR (acting in its capacity as **Security Trustee**).

WHEREAS:

- (A) The Seller has originated a portfolio of mortgage loans under its trading name of Precise Mortgages to individual borrowers or UK incorporated registered limited companies secured over residential properties located in England and Wales.
- (B) The Seller has agreed to sell, and the Issuer has agreed to purchase, on the Closing Date the Portfolio on the terms and subject to the conditions set out in this Agreement.

IT IS HEREBY AGREED as follows:

1. DEFINITION AND CONSTRUCTION

- 1.1 The master definitions and construction schedule made between, amongst others, the parties hereto on or about the Closing Date (as the same may be amended, varied or supplemented from time to time with the consent of the parties thereto, the **Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Agreement and, accordingly, the expressions defined in the Master Definitions and Construction Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Agreement, including the Recitals hereto and this Agreement shall be construed in accordance with the interpretation provisions set out in clause 2 (*Interpretation and Construction*) of the Master Definitions and Construction Schedule.
- 1.2 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Transaction Documents are, so far as applicable, incorporated herein. In the event of an inconsistency between a term of a Transaction Document (other than this Agreement) and a term of this Agreement, the term of this Agreement prevails to the extent of the inconsistency.
- 1.3 A party may satisfy an obligation to provide a list of the Loans and their Related Security by providing it in a document stored upon electronic or digital media (including, but not limited to, an excel file) in a format acceptable to the Issuer and the Security Trustee (each acting reasonably).
- 1.4 The Standard Documentation contained in or identified as Exhibit 1 (Standard Documentation) to this Agreement may be provided in a document stored upon electronic or digital media (including, but not limited to, a zip file) in a format acceptable to the Issuer and the Security Trustee (each acting reasonably).

2. SALE AND PURCHASE OF THE LOANS AND THEIR RELATED SECURITY

2.1 Subject to the fulfilment of the conditions set out in Clauses 2.3 and 3.1 and in consideration of, among other things, the entry into and performance of the Transaction Documents to which the Issuer is a party, the Issuer hereby agrees to purchase and the Seller hereby agrees to sell to the Issuer with Full Title Guarantee all its right, title, interest and benefit (both present and future) in the Loans comprising the Portfolio (details of which are set out in Exhibit 2 (Details of the Portfolio) on the Closing Date in consideration of the Purchase Price which shall consist of:

- (a) the initial payment by the Issuer to the Seller of the Initial Consideration (which shall be paid in accordance with Clause 3.5) on the Closing Date; and
- (b) the deferred consideration which shall be an amount equal to the amount remaining after making payment of (as applicable):
 - (i) the items described in items (a) to (o) inclusive of the Pre-Enforcement Revenue Priority of Payments on each Interest Payment Date; and
 - (ii) the items described in items (a) to (h) inclusive of the Post-Enforcement Priority of Payments on each Interest Payment Date,

(such amounts, Deferred Consideration).

2.2 The Seller agrees to transfer to the Issuer within two Business Days of the Closing Date an amount equal to all Collections received on the Loans and their Related Security from (and including) the Cut-Off Date to (but excluding) the Closing Date.

2.3 The obligation of the Seller under Clause 2.1 above shall be subject to and conditional upon:

- (a) the issue by the Issuer of the Notes on the Closing Date; and
- (b) the Transaction Documents having been executed and delivered by the parties thereto on or before the Closing Date.

3. CLOSING DATE

3.1 On the Closing Date, the Seller shall deliver to the Servicer or its representative the following documents:

- (a) two originals of the power of attorney dated as at the Closing Date and substantially in the form set out in Schedule 3 (Seller Power of Attorney), duly executed by the Seller;
- (b) a copy of the board minutes of the Seller authorising the entry of the Seller into the Transaction Documents certified by an Authorised Signatory of the Seller;
- (c) an up to date, complete and accurate list of the Loans and their Related Security which it is proposed will comprise the Portfolio which may be provided in a document stored upon electronic or digital media (including, but not limited to, an excel file) in a form acceptable to the Issuer and the Security Trustee (each acting reasonably); and
- (d) in the case of the Seller, a solvency certificate signed by an Authorised Signatory of the Seller dated as at the Closing Date in a form acceptable to the Issuer and the Security Trustee.

- 3.2 If so requested by the Issuer, the Seller undertakes within 10 Business Days of such request, provided that such request is made within 3 Business Days of the Closing Date, to provide the Issuer and the Security Trustee with the information provided to the Servicer pursuant to Clause 3.1(c) above.
- 3.3 The parties hereto acknowledge that completion on the Closing Date of the sale to the Issuer of all of the Seller's right, title, interest and benefit in and to the Loans and their Related Security shall occur upon consideration being paid under Clause 3.5 (and subject to the satisfaction of the conditions in Clauses 2.3 and 3.1) provided that the matters described in Clauses 6.2, 6.5 and 6.6 shall not occur until the relevant time indicated in Clause 6 (Perfection of the Sale).
- 3.4 The Seller undertakes that from the Closing Date until the perfection of the assignments in accordance with Clause 6 (Perfection of the Sale) (or, if earlier, until delivery to or at the direction of the Issuer and/or the Security Trustee), that it shall use all reasonable endeavours to ensure that, save for Title Deeds held at the Land Registry, all the Title Deeds and any relevant mortgage files and computer tapes relating to each of the Loans and their Related Security are held by the Seller or the Servicer (on behalf of the Seller) or its solicitors or agents and the Title Deeds are held in dematerialised form or are returned to the instructed solicitors, such Title Deeds are held on the basis that they (other than the dematerialised copies of the Title Deeds) shall be returned to the Seller or the Servicer or its solicitors or agents.
- 3.5 Subject to fulfilment of the conditions referred to in Clauses 2.3 and 3.1, the Seller shall be paid the Initial Consideration in respect of the Portfolio by telegraphic transfer or some other method which transfers same day value by the Issuer on the Closing Date and the Issuer shall pay the Deferred Consideration in the manner specified by the Seller from time to time.

4. FURTHER ADVANCES, PORTING AND PRODUCT SWITCHES

4.1 Repurchase of Further Advances

- (a) The sale of the Loans and their Related Security comprised in the Portfolio shall not impose or include any obligation on the Issuer to pay or make any Further Advances to Borrowers in respect of Loans comprised in the Portfolio, which obligation (if any) shall at all times, and notwithstanding the sale of such Loans and their Related Security to the Issuer, remain an obligation of the Seller.
- (b) The Seller undertakes to the Issuer that it is and shall at all times remain solely responsible for offering and documenting any Further Advance and that the Seller is solely responsible for funding any relevant offer or, accepting any application, for a Further Advance made to or, received from, a Borrower with respect to a relevant Loan. For the avoidance of doubt, the Issuer will not be required to advance monies to the Seller or to a Borrower in order to fund such a Further Advance in any circumstances whatsoever.
- (c) In consideration for the entry into and performance of the Transaction Documents to which the Issuer is a party the Seller hereby agrees to sell with Full Title Guarantee to the Issuer and the Issuer agrees to purchase each Further Advance on its Advance Date.
- (d) Beneficial interest in the Further Advances shall pass to the Issuer automatically on the relevant Advance Date.
- (e) The Issuer shall not itself make any Further Advance.
- (f) The Seller shall repurchase any Loan and its Related Security in respect of which a Further Advance was made in accordance with Clauses 8.12 and 8.13.

4.2 Product Switches

- (a) The Seller may accept applications from, or make offers to, a Borrower for a Product Switch.
- (b) The Seller undertakes to the Issuer that it is and shall at all times remain solely responsible for documenting any relevant offer or, accepting any application, for a Product Switch made to or, received from, a Borrower with respect to any relevant Loan.
- (c) The Issuer shall not itself accept any application from, or make offers to, relevant Borrowers for Product Switches.
- (d) In the event that the Seller makes a Product Switch in respect of any Loan in the Portfolio under the terms of this Clause 4.2, the Seller shall repurchase the relevant Loan and its Related Security in accordance with Clauses 8.12 and 8.13.

4.3 Porting

- (a) The Seller may accept applications from, or make offers to, a Borrower for a Porting.
- (b) The Seller undertakes to the Issuer that it is and shall at all times remain solely responsible for documenting any relevant offer or, accepting any application with respect to a Port made to or, received from, a Borrower with respect to any relevant Loan.
- (c) The Issuer shall not itself accept any application from, or make offers to, relevant Borrowers with respect to Porting.
- (d) In the event that the Seller makes a Port in respect of any Loan in the Portfolio under the terms of this Clause 4.3, the Seller shall repurchase the relevant Loan and its Related Security in accordance with Clauses 8.12 and 8.13.

4.4 General

Notwithstanding anything to the contrary in this Agreement:

- (a) the Seller when offering, accepting or making a Further Advance, Porting or Product Switch must act in accordance with the procedures relating to Further Advances, Porting or Product Switches which would be acceptable to a Reasonable, Prudent Residential Mortgage Lender; and
- (b) neither the Seller (nor the Servicer acting on behalf of the Seller, the Issuer and the Security Trustee) shall take or omit to take any action, including without limitation, offering or making a Further Advance, Porting or Product Switch (as applicable) if such action or omission would result in the Issuer or the Security Trustee arranging or advising in respect of, administering or entering into a Regulated Mortgage Contract, or carrying on any credit-related regulated activity as defined in the FCA Handbook Glossary, or in each case agreeing to carry on any of these activities, if the Issuer or the Security Trustee would be required to be authorised under FSMA to do so.

5. DECLARATIONS OF TRUST

- 5.1 Notwithstanding the sales effected by this Agreement but without prejudice to the terms of the Collection Accounts Declaration of Trust, if at, or at any other time after, the Closing Date (but prior to any repurchase in accordance with Clause 8 (Warranties and Repurchase by the Seller)) the Seller holds, or there is held to its order, or it receives, or there is received to its order, any property, interests, rights or benefits and/or the proceeds thereof (including the proceeds of any claim under the Insurance

Policies) hereby agreed to be sold to the Issuer (and not repurchased by the Seller pursuant to Clause 8 (Warranties and Repurchase by the Seller)), the Seller undertakes to each of the Issuer and the Security Trustee that, subject to Clause 6 (Perfection of the Sale), it will promptly remit, assign and/or transfer the same to the Issuer or, if appropriate, the Security Trustee or as any of them shall direct and until it does so or to the extent that the Seller is unable to effect such remittance, assignment, or transfer, it will hold such property, interests, rights or benefits and/or the proceeds thereof upon bare trust for the Issuer and/or the Security Trustee (as applicable).

- 5.2 If at, or any time after, the Closing Date the Issuer holds, or there is held to its order, or it receives, or there is received to its order, any property, interests, rights or benefits relating to any Loan and its Related Security repurchased by the Seller pursuant to Clause 8 (Warranties and Repurchase by the Seller) and/or the proceeds thereof, the Issuer undertakes to the Seller that it will remit, assign, re-assign or transfer the same to the Seller, as the case may require, and until it does so or to the extent that the Issuer is unable to effect such remittance, assignment, re-assignment or transfer, the Issuer undertakes to hold such property, interests, rights or benefits and/or the proceeds thereof upon bare trust for the Seller as the beneficial owner thereof or as the Seller may direct, provided that the Issuer shall not be in breach of its obligations under this Clause 5.2 if, having received any such monies and paid them to third parties in error, it pays an amount equal to the monies so paid in error to the Seller in accordance with the Servicing Agreement.

6. PERFECTION OF THE SALE

- 6.1 The Seller shall notify the Issuer and the Security Trustee that a Perfection Event (other than a Perfection Event under paragraph (d) of that definition) has occurred promptly after it becomes aware of the same.
- 6.2 In the case of Loans and their Related Security, completion of transfer by way of assignment of the legal title of the Loans and their Related Security to the Issuer will be completed on or before the 20th Business Day after any Perfection Event occurs.
- 6.3 Prior to perfection of the transfer of the legal title to Loans and their Related Security pursuant to this Clause 6, the Seller undertakes (to the extent that any of the following is vested in it) to hold all right, title, interest and benefit (both present and future) in and under (a) the Loans and their Related Security, following the acquisition of such Loans and their Related Security by the Issuer and (b) any sums that are or may become due in respect thereof, on trust for the Issuer (excluding from such trust any Loans and their Related Security which have been repurchased by the Seller).
- 6.4 Prior to the transfer of legal title to any Loan and its Related Security to the Issuer, the Seller shall hold such legal title, insofar as it relates to such Loan and its Related Security, as bare nominee on trust for the Issuer absolutely.
- 6.5 Perfection of the transfer and assignment in accordance with Clause 6.2 of:
- (a) Mortgages in the Portfolio shall be effected by means of a transfer in the form of the relevant Land Registry Transfer set out in Part 1 (Seller Registered Transfer) of Schedule 2 (Register of Transfers);
 - (b) the Loans and their Related Security shall be effected through notification to the relevant Borrowers and/or guarantors and/or insurers or other relevant third parties of the sale and transfer or assignment of the relevant Loans and their Related Security,

and, in each case, notice shall be given to each Borrower or any other relevant person of the charge by the Issuer of the Issuer's interest in that Borrower's Loan and its Related Security to the Security Trustee pursuant to the Deed of Charge.

- 6.6 Perfection of the transfer of other Related Security comprised in the Portfolio not catered for in Clause 6.5 (including in respect of any Mortgage over unregistered land), shall be in such form as the Issuer and the Security Trustee may require.
- 6.7 Prior to perfection pursuant to Clause 6.2, the Issuer and the Security Trustee will not:
- (a) submit or require the submission of any notice, form, request or application to, or pay any fee for the registration or recording of, or the noting of any interest at the Land Charges Department of the Land Registry in relation to, the Issuer's or Security Trustee's interests in the Portfolio;
 - (b) give or require the giving of any notice to any Borrower or any other relevant person of (i) the sale or transfer of that Borrower's Loan and its Related Security to the Issuer or (ii) the charge by the Issuer of the Issuer's interest in that Borrower's Loan and its Related Security to the Security Trustee pursuant to the Deed of Charge;
 - (c) send or require to be sent to any solicitor, licensed conveyancer or other person who has acted on behalf of the Seller in respect of any Mortgage with respect to which the Seller has not received a complete set of the Title Deeds, a letter or other communication requiring such solicitor, licensed conveyancer or other person to hold such documents to the order of the Issuer or the Security Trustee (as the case may be); or
 - (d) take any other step or action analogous to those in paragraphs (a) to (c) above.
- 6.8 Within twenty five (25) Business Days following perfection of the assignments or transfers contemplated by this Agreement pursuant to Clause 6.2, the Seller will do all of the acts, matters or things (including, for the avoidance of doubt, those acts, matters and things referred to in Clauses 6.5 and 6.6) as the Security Trustee or the Issuer requires, including completing registration formalities, providing a bulk transfer of Direct Debit Mandates and, in the case of all Borrowers who do not make payment under the Direct Debiting Scheme, ensuring that all Borrowers will be instructed to make all payments under the Loans directly to the Deposit Account or such replacement bank account as the Security Trustee or the Issuer requires in order to give effect to the terms of the assignments contemplated in this Agreement.
- 6.9 The Seller shall indemnify on demand, each of the Issuer and the Security Trustee from and against any and all costs, fees and expenses (including legal fees and expenses and any Irrecoverable VAT thereon) which may be properly incurred by the Issuer and/or the Security Trustee and by reason of the doing of any act, matter or thing in order to perfect legal title to the Loans and their Related Security (where entitled to do so under this Clause 6) but excluding any such costs, fees and expenses incurred in connection with the transfer of the Whole Beneficial Title to the Beneficial Title Transferee following the exercise of the Call Option by the Seller in accordance with the terms of this Agreement.
- 6.10 The Issuer (subject to the prior written consent of the Security Trustee) shall, as soon as reasonably practicable following receipt of notification to it, or its agents, of completion of the registration or recording of the transfer of all of the relevant Mortgages comprised in the Portfolio and other acts required to perfect the transfer of the relevant Loans and their Related Security comprising the Portfolio to the Issuer, give notice thereof to the Seller and with such notice return the Seller Power of Attorney.
- 6.11 In addition to the above, on or before the 20th Business Day after any Perfection Event occurs, the Seller shall deliver to the Issuer, (a) a duly executed assignment of the Third Party Buildings Policies substantially in the form set out in Schedule 6 (Assignment of Third Party Buildings Policies); (b) a duly executed assignment of the Insurance Policies substantially in the form set out in Schedule 7 (Assignment of Insurance Policies); and (c) a duly executed assignment of rights against third parties

comprised in the Portfolio and substantially in the forms set out in Schedule 5 (Assignment of Third Party Rights).

7. UNDERTAKINGS

- 7.1 The Issuer undertakes to the Seller that it will at all times, prior to the transfer of legal title to the Loans and their Related Security to the Issuer in accordance with Clause 6 (Perfection of the Sale) (or will direct the relevant Servicer at all times to), use reasonable endeavours to administer and enforce (and exercise its powers and rights and perform its obligations under) the Loans and their Related Security comprised in the Portfolio in accordance with the Seller's Policies (as provided to the Servicer on the Closing Date in a document stored upon electronic or digital media (including, but not limited to, an excel file) in a format acceptable to the Servicer (acting reasonably)), subject to such changes made by the Seller prior to transfer of legal title to the Loans and their Related Security in accordance with Clause 6 (Perfection of the Sale) in accordance with the standard of a Reasonable, Prudent Residential Mortgage Lender).
- 7.2 The Seller undertakes to the Issuer that, in the event that any Borrower establishes that it has at any time prior to the Closing Date, paid to the Seller any amounts in excess of sums due to the Seller as at the date of payment under the Mortgage Conditions applicable to that Loan, the Seller will reimburse the Borrower for such overpayment together with any interest, cost or other expense associated therewith. The Seller further agrees to hold the Issuer harmless against any such claims and to indemnify the Issuer on an after-Tax basis in relation to any costs, expense, loss or other claim which may arise in connection therewith.
- 7.3 The Seller undertakes to the Issuer and the Security Trustee that, pending perfection of the assignment after the occurrence of any event under Clause 6 (Perfection of the Sale):
- (a) it shall not do or omit to do any act or thing which might, in the opinion of the Issuer and/or Security Trustee (as the case may be), prejudice the interests of the Issuer and/or the Security Trustee in the Portfolio;
 - (b) it shall promptly notify the Issuer and the Security Trustee in writing if it receives written notice of any litigation or claim calling into question in any material way the Seller's or the Issuer's title to any Loan or its Related Security comprised in the Portfolio or if it becomes aware of any material breach of any of the Loan Warranties in respect of any Loan or its Related Security comprised in the Portfolio or any material breach of any other obligations of the Seller under this Agreement (unless such breach is either rectified or such Loan and their Related Security is repurchased by the Seller);
 - (c) it shall, if required to do so by the Issuer or the Security Trustee, lend its name to, and take such other steps as may reasonably be required in relation to legal proceedings to the extent necessary to protect, preserve and enforce its title or the Issuer's or the Security Trustee's title to or interest in respect of the relevant Loans or their Related Security comprised in the Portfolio and the Issuer will have power of attorney to act in the name of the Seller pursuant to the Seller Power of Attorney, provided that the Seller is reimbursed by the Issuer subject to and in accordance with the relevant Priority of Payments for the reasonable legal expenses and costs of such proceedings;
 - (d) it shall use all reasonable endeavours to obtain as soon as reasonably possible that information which accurately and definitively identifies the relevant Mortgages (which may, for the avoidance of doubt, include the relevant title number) comprised in the Portfolio which are registered at the Land Registry;

- (e) it shall, where relevant, make and enforce claims under the Third Party Buildings Policies and Insurance Policies relating to the Properties of which it has the benefit and hold the proceeds of such claims on trust for the Issuer or as the Issuer may direct; and
- (f) it shall, where relevant, make and enforce claims under the Related Security and rights of action against third parties relating to the Properties of which it has the benefit and hold the proceeds of such claims on trust for the Issuer or as the Issuer may direct.

7.4 The Seller undertakes to the Issuer and the Security Trustee that it shall grant security powers of attorney to the Issuer and the Security Trustee substantially in the form set out in Schedule 3 (Seller Power of Attorney).

7.5 The Seller undertakes to the Issuer and the Security Trustee that if it (or an entity that is an originator within the meaning of Article 4(1)(13) of the Capital Requirements Regulation (Regulation 575/2013 EC) as it formed part of domestic law at 11:00 p.m. on 31 December 2020, or, from 31 March 2022, within the meaning of Article 4(1)(13) of the Capital Requirements Regulation as it forms part of retained EU law as defined in the EUWA in relation to the securitisation as a related entity of the Seller (a **Group Originator**)) purchases any Notes or other positions in the securitisation constituted by the Transaction Documents beyond its contractual obligations, such purchase will be exceptional and in any event only relate to the purchase or repurchase (in whole or in part) of the Most Senior Class of Notes, and any such purchase or repurchase, and any repurchase, restructuring or substitution of underlying assets by the Seller (or a Group Originator) beyond its contractual obligations will be made in accordance with prevailing market conditions with the parties to them acting in their own interests as free and independent parties (arm's length).

7.6 If any Borrower exercises a right of set-off in relation to Loans comprised in the Portfolio:

- (a) as a result of any act or omission of the Seller at any time; or
- (b) in relation to any debt or other monies owing by the Seller to the Borrower,
- (c) so that the amount of principal and/or interest owing under a Loan is reduced but no corresponding amount is received by the Issuer,

then the Seller hereby undertakes to the Issuer and the Security Trustee that it will reimburse the Issuer for any such reduction.

8. WARRANTIES AND REPURCHASE BY THE SELLER

8.1 On the Closing Date, the Seller shall represent and warrant to the Issuer and the Security Trustee, with reference to the facts and circumstances then subsisting, that:

- (a) it is duly incorporated and validly existing under the law of England and Wales;
- (b) it has the power, authority and capacity to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery, of the Transaction Documents to which it is a party, as well as the transactions contemplated thereunder;
- (c) no Insolvency Event has occurred in respect of it;
- (d) the obligations expressed to be assumed by it in the Transaction Documents to which it is a party are legal, valid, binding and enforceable obligations, subject to any laws from time to time in effect relating to bankruptcy, insolvency, reorganisation or any other laws or procedures affecting generally the enforcement of creditors' rights and by the general

principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law, and are enforceable against it in accordance with their respective terms;

- (e) it has obtained and maintains in effect all authorisations, approvals, licences and consents required in connection with its business to manage the Loans and their Related Security under this Agreement pursuant to any requirement of law and any regulatory direction applicable to the Seller in the United Kingdom;
- (f) the entry into, performance by it of, and the transactions contemplated by the Transaction Documents to which it is a party do not and will not conflict in any material respect with, result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time) a default under:
 - (i) any existing law, court order or regulation applicable to it;
 - (ii) its constitutional documents; or
 - (iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument;
- (g) the Seller was a credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013 as it forms part of domestic law in the United Kingdom by virtue of the EUWA at the time of origination of the Loans in the Portfolio;
- (h) the Transaction Documents to which it is a party have been duly executed and delivered by it;
- (i) the arrangements provided for and/or contemplated by the Transaction Documents are not designed to secure a diversion of profits from the UK; and
- (j) it has complied in all material respects with the terms of the Transaction Documents to which it is a party and in all material respects with all applicable laws and regulations.

8.2 The Seller hereby makes the Loan Warranties in relation to each of the Loans and their Related Security on the Closing Date in favour of the Issuer and the Security Trustee.

8.3 Each statement comprised in the Loan Warranties shall be construed as a separate statement and (save as expressly provided to the contrary) shall not be limited or restricted by reference to or inference from the terms of any other such statement.

8.4 The Seller acknowledges:

- (a) that the Loan Warranties are made with a view to inducing the Issuer and the Security Trustee either to enter into this Agreement and the other Transaction Documents to which it is a party or to inducing the Issuer to agree to purchase the Loans and their Related Security comprising the Portfolio;
- (b) that each of the Issuer and the Security Trustee has entered into this Agreement and the other Transaction Documents to which it is a party in reliance upon the Loan Warranties notwithstanding any information in fact possessed or discoverable by the Issuer and/or the Security Trustee or otherwise disclosed to any of them; and
- (c) that prior to entering into this Agreement and the other Transaction Documents to which each is a party neither the Issuer nor the Security Trustee has made any enquiries of any matter.

- 8.5 The Security Trustee and the Issuer acknowledge that they have not entered into this Agreement in reliance upon any representation, warranty or undertaking other than those set out in this Agreement or upon any other enquiry, investigation or search whatsoever.
- 8.6 The Issuer's and the Security Trustee's sole remedy in respect of a breach of any of the Loan Warranties shall be to take action under this Clause 8.
- 8.7 In respect of any actual or alleged breach of Clause 8.2, the Issuer shall, as applicable:
- (a) notify the Seller as soon as reasonably practicable following any claim by any person of or arising from such actual or alleged breach and thereafter keep the Seller informed in relation to such claim;
 - (b) not settle or compromise any such claim made or otherwise do anything which may be prejudicial to the position of the Seller in relation thereto having regard to this Agreement, except pursuant to the written directions of the Seller or with the Seller's prior written approval, such directions and approval not to be unreasonably withheld; and
 - (c) comply with the Seller's reasonable directions as to answering, disputing, defending, compromising, settling, or otherwise in relation to the claim made or initiated (including the instruction of particular legal advisers), and if and to the extent required by the Seller, do such things as the Seller may reasonably require to enable and authorise the Seller or persons nominated by the Seller to answer, dispute, defend, compromise, settle or otherwise deal with any such claim, or mitigate loss or potential loss on behalf of the Issuer,

subject in each case to the Seller indemnifying the Issuer and the Security Trustee against the consequences (including the direct costs) of complying with the Seller's directions and requirements.

- 8.8 Unless otherwise specified in this Agreement, after the Seller becomes aware of any event and/or fact which may reasonably give rise to an obligation under any clause of this Agreement to repurchase any Loan and its Related Security it shall notify the Issuer and the Security Trustee in writing thereof as soon as reasonably practicable (and, in any event, before the later to occur of: (a) 10 Business Days of becoming aware of such event or fact, and (b) for so long as the Seller is the Servicer, on the date that the next Servicer Report is due).
- 8.9 In the event of a material breach of any of the Loan Warranties in respect of any Loan and/or its Related Security comprised in the Portfolio made under Clause 8.2:
- (a) the Issuer shall give notice to the Seller (with a copy to the Security Trustee) as soon as reasonably practicable and in any event within 30 days of discovery of such breach or breaches, specifying the Loans and/or the Related Security to which such breach or breaches relate and (in reasonable detail having regard to its level of knowledge) the facts giving rise to such breach or breaches and where practicable what, in its reasonable opinion, is its best estimate (on a without prejudice basis) of the amount of any warranty claim; and
 - (b) if such matter is capable of remedy, the Seller shall use all reasonable endeavours to remedy the matter giving rise to any breach of a Loan Warranty at any time within 35 days from and including the date upon which the Issuer or the Security Trustee gives notice under paragraph (a) above.

Where the matter giving rise to the breach of a Loan Warranty is capable of being remedied but the Seller fails to remedy such matter within the above 35 day period or the relevant breach is not capable of being remedied, then the Issuer shall serve upon the Seller (with a copy to the Security Trustee) a Loan Repurchase Notice in duplicate substantially in the form set out in Schedule 4 (Loan Repurchase

Notice) requiring the Seller to repurchase the relevant Loan and its Related Security in accordance with Clause 8.11.

- 8.10 Upon receipt of a notice in writing from the Seller under clause 9.2 of the Servicing Agreement, the Issuer shall serve upon the Seller (with a copy to the Security Trustee) on any date up to and including the Monthly Pool Date following the date on which such notice was received, a Loan Repurchase Notice substantially in the form set out in Schedule 4 (Loan Repurchase Notice) requiring the Seller to repurchase the relevant Loans and their Related Security in accordance with Clause 8.12.
- 8.11 Upon receipt of a Loan Repurchase Notice duly signed on behalf of the Issuer, the Seller shall promptly sign and return the Loan Repurchase Notice, and the Seller shall be required to repurchase from the Issuer, and the Issuer shall accordingly assign or transfer to the Seller free from the Security created by or pursuant to the Deed of Charge, the relevant Loan or Loans and its (or their) Related Security. Completion of such repurchase pursuant to this Clause 8.11 and the payment of the purchase price pursuant to Clause 8.12 shall take place on the date specified by the Issuer in the Loan Repurchase Notice, provided that the date so specified by the Issuer shall be: (a) in respect of each Loan subject to a Further Advance, a Porting and/or a Product Switch, a date no later than the last calendar day of the month immediately following the end of the Monthly Period in which such Further Advance, Porting and/or Product Switch was made; or (b) in respect of all other repurchases, a date no earlier than 15 days and no later than 35 days after receipt by the Seller of the Loan Repurchase Notice.
- 8.12 On any relevant repurchase date, the Seller shall pay (other than in respect of Written Off Loans) to the Deposit Account (or as the Issuer shall direct) an amount equal to the sum of:
- (a) the Current Balance of the relevant Loan (or the aggregate of the Current Balances of the relevant Loans, as the case may be) as at the last day of the Monthly Period immediately preceding the date of repurchase minus:
 - (i) the amount of any reduction in Current Balance as a result of the exercise of any set-off right which the relevant Borrower(s) have against the Seller;
 - (ii) in respect of any repurchase arising in respect of a Loan subject to a Further Advance, a Porting and/or a Product Switch, the amount of any product fee payable by the relevant Borrower in relation to such Further Advance, Porting and/or Product Switch which has been capitalised; and
 - (iii) the amount of any Further Advance; and
 - (b) an amount equal to the Repurchase Costs (if any) in connection with such repurchase.

Following a repurchase of the relevant Loan or Loans and its (or their) Related Security, the Servicer (on behalf of the Seller) shall be entitled to withhold an amount equal to all Collections received in respect of the relevant Loan or Loans and its (or their) Related Security from (but excluding) the last day of the Monthly Period immediately preceding the date of such repurchase to (but excluding) the date of such repurchase from future transfers of Collections to the Deposit Account under clause 4.1 (*Collection Accounts*) of the Servicing Agreement.

- 8.13 The Security Trustee agrees and acknowledges that upon the repurchase of a Loan or Loans and its (or their) Related Security in accordance with this Clause 8 and the payment of the purchase price for such Loan or Loans and its (or their) Related Security to the Deposit Account in accordance with Clause 8.12 above, such Loan and its Related Security (and any other related rights under the same) shall automatically be deemed released from the Security constituted by the Deed of Charge.

- 8.14 If the assignment to the Issuer of such Loan or Loans and its (or their) Related Security has been perfected in accordance with Clause 6 (Perfection of the Sale), the Issuer shall deliver to the Seller on the date of completion of the repurchase of such Loan or Loans and its (or their) Related Security:
- (a) a transfer of the relevant Mortgage to the Seller in the form of the relevant Land Registry Transfer (or, if the transfer is in respect of unregistered land, in the form agreed between the Issuer and the Seller);
 - (b) if notice has previously been given to the relevant Borrower of the sale of that Borrower's Loan and its Related Security to the Issuer, give further notice to the Borrower of the repurchase of that Borrower's Loan and its Related Security by the Seller;
 - (c) a re-assignment of the rights of the Issuer in respect of the relevant Related Security other than the relevant Mortgage, in a form reasonably acceptable to the Seller; and
 - (d) a notification to the Servicer that all further sums due in respect of such repurchased Loans and their Related Security are for the Seller's account.
- 8.15 Upon completion of any purchase, transfer, re-transfer or repurchase of any Loan and its Related Security pursuant to this Clause 8, the Seller shall cease to be under any further obligation to hold any Loan Files, Title Deeds or other documents relating to such Loan or Loans and its (or their) Related Security to the order of the Issuer and the Security Trustee and if the Issuer or the Security Trustee holds or has under its control the Loan Files and other documents relating to such Loan or Loans and its or their Related Security, it will return them (or direct the return) to the Seller. Any such purchase, transfer, re-transfer or repurchase by the Seller of or in respect of a Loan or Loans and its (or their) Related Security shall constitute a discharge and release of the Seller from any claims which the Issuer or the Security Trustee may have against the Seller arising from the breach of any Loan Warranties in relation to that Loan and its Related Security only but shall not affect any rights arising from a breach of any other express provision of this Agreement or any Loan Warranty in relation to any other Loan and/or other Related Security.
- 8.16 The parties to this Agreement may waive any breach of, or amend, the Loan Warranties only if they have obtained the written consent of the Security Trustee at or prior to the time the amendment or waiver takes place. The Security Trustee shall be entitled to consent to such waiver or amendment provided that the then current ratings of the Collateralised Notes will not be downgraded, withdrawn or qualified as a result.
- 8.17 If a breach of a Loan Warranty arises in respect of any Loan and/or its Related Security and (in either case) no repurchase requirement arises in respect of the Seller pursuant to this Clause 8, subject to Clause 8.19, neither the Issuer nor the Security Trustee shall have any further claim against the Seller in respect of, or in relation to, such breach of Loan Warranty in relation to that Loan and/or its Related Security. For the avoidance of doubt, save as provided for in this Clause 8, the Seller is not obliged to repurchase any Loan or its Related Security comprised in the Portfolio.
- 8.18 If the Seller makes any payment to the Deposit Account (or as the Issuer shall direct) in full satisfaction of any claim made by the Issuer or the Security Trustee in relation to any breach of Loan Warranty, the Issuer or the Security Trustee, as the case may be, shall assign to the Seller such rights as they have against any third party which relate to such claim.
- 8.19 If a Loan has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is due to be repurchased pursuant to this Clause 8, the Seller shall not be obliged to repurchase the Loan and its Related Security but shall instead indemnify the Issuer and the Security Trustee against any loss, costs or expenses, suffered by reason of any Loan Warranty relating to or otherwise affecting that Loan being untrue or incorrect by reference to the facts subsisting at the date on which the relevant Loan Warranty was given, provided that the amount of such indemnity shall not exceed the sum of (a)

the Current Balance of the Loan that would have been payable by the Borrower in respect of such Loan on and after the relevant completion date for the repurchase in relation to such Loan had the Loan existed and complied with each of the Loan Warranties set out in Schedule 1 (Loan Warranties) as at such date; and (b) interest thereon from such relevant completion date at the weighted average yield of the Loans in the relevant Portfolio, as calculated by the Servicer.

- 8.20 Where the Servicer is CCFS, upon receipt of a notice from the Servicer under clause 8 (*Written Off Loans*) of the Servicing Agreement in relation to a Written Off Loan, CCFS may, at its discretion, purchase for the sum of £0.01 any residual claim that it, as the legal title holder, may have against that Borrower, provided that the shortfall debt in respect of that Written Off Loan is greater than £25.
- 8.21 The Seller is a company that is incorporated in England and Wales and will not be treated as being resident outside the UK by virtue of the application of section 18 Corporation Tax Act 2009 and has its “usual place of abode” in the UK for the purposes of section 874(1)(d) Income Tax Act 2007, and is a “financial institution” within the meaning of section 564B Income Tax Act 2007.

9. UNDERTAKING OF THE SELLER

- 9.1 On the Closing Date, the Seller (in its capacity as originator for the purposes of (i) the UK Securitisation Regulation and (ii) under the Transaction Documents in connection with the EU Securitisation Regulation and subject to the EU Retained Interest Conditions (defined below)) undertakes to the Issuer and the Security Trustee that, for so long as any Collateralised Notes remain outstanding, it will:
- (a) retain on an ongoing basis a material net economic interest of not less than 5 per cent. in the securitisation (the **Retained Interest**) as required by:
 - (i) Article 6(1) of the UK Securitisation Regulation together with any binding technical standards as amended, varied or substituted from time to time after the Closing Date (the **UK Retention Requirement**); and
 - (ii) Article 6(1) of the EU Securitisation Regulation (as required for the purposes of Article 5(1)(d) of the EU Securitisation Regulation) together with any binding technical standards as in force on the Closing Date, not taking into account any relevant national measures (as contractual obligations only), but solely as such articles are interpreted and applied on the Closing Date (the **EU Retention Requirement** and, together with the UK Retention Requirement, the **Retention Requirements**);
 - (b) at all relevant times comply with the requirements of:
 - (i) Article 7(1)(e)(iii) of the UK Securitisation Regulation by confirming the risk retention of CCFS as contemplated by Article 6(1) of the UK Securitisation Regulation and
 - (ii) Article 7(1)(e)(iii) of the EU Securitisation Regulation by confirming the risk retention of CCFS as contemplated by Article 6(1) of the EU Securitisation Regulation but solely as such articles are interpreted and applied on the Closing Date;
 - (c) not sell, hedge or otherwise mitigate (and shall procure that none of its affiliates shall sell, hedge or otherwise mitigate) the credit risk under or associated with the Retained Interest except to the extent permitted under the UK Securitisation Regulation or as would be permitted as determined in accordance with Article 6 of the EU Securitisation Regulation as required for the purposes of Article 5(1)(d) of the EU Securitisation Regulation; and

(d) not change the manner or form in which it holds the Retained Interest,

in each case, provided that:

- (i) the obligation of the Seller to comply with the EU Retention Requirement is strictly contractual pursuant to the terms of this Clause 9.1 and applies with respect to Article 6 of the EU Securitisation Regulation (as required for the purposes of Article 5(1)(d) of the EU Securitisation Regulation) and any binding technical standards, not taking into account any relevant national measures, as such articles are interpreted and applied on the Closing Date only, until such time when the Seller provides a certificate to the Issuer and the Note Trustee confirming that a competent EU authority has confirmed that the satisfaction of the UK Retention Requirement will also satisfy the EU Retention Requirement due to the application of an equivalency regime or similar analogous concept; and
- (ii) the Seller will be under no obligation to comply with any amendments to applicable EU technical standards, guidance or policy statements introduced in relation thereto after the Closing Date,

together, the **EU Retained Interest Conditions**.

9.2 As at the Closing Date, the UK Retention Requirement and EU Retention Requirement will each be satisfied by the Seller holding the first loss tranche and other tranches having the same or a more severe risk profile than those transferred or sold to investors, in this case, represented by the retention by the Seller of the Class Z Notes, (a) in accordance with Article 6(3)(d) of the UK Securitisation Regulation and (b) under the Transaction Documents in connection with Article 6(3)(d) of the EU Securitisation Regulation (as required for the purposes of Article 5(1)(d) of the EU Securitisation Regulation) as though Article 6 of the EU Securitisation Regulation applied to the transaction, not taking into account any relevant national measures (as contractual obligations only), but solely as such articles are interpreted and applied on the Closing Date, provided that on and from the applicable SR Equivalency Date (but only for so long as SR Equivalency is maintained), references to, and obligations in respect of, the EU Securitisation Regulation shall not apply. Any change to the manner in which such interest is held will be notified to investors.

10. FURTHER ASSURANCE

10.1 The parties hereto agree that they will co-operate fully to do all such further acts and things and execute any further documents that may be necessary or desirable to give full effect to the transactions contemplated by this Agreement (but subject always to Clause 6 (Perfection of the Sale)).

10.2 The Seller shall provide all reasonable co-operation to the Issuer and the Security Trustee to enable them to carry out their respective duties and enforce their rights under the Transaction Documents. Without prejudice to the generality of the foregoing, the Seller shall:

- (a) subject to Clause 13 (Confidentiality), upon reasonable prior notice and during normal office hours, permit the Issuer, the Security Trustee and their authorised employees and Appointees and other persons nominated by the Security Trustee and approved by the Seller (such approval not to be unreasonably withheld or delayed), to review the Loans, Loan Files and any Related Security in relation to the Portfolio; and/or
- (b) give promptly all such information and explanations relating to the Loans and their Related Security as the Issuer and/or the Security Trustee may reasonably request (including a list of the Loans and their Related Security in the Portfolio),

provided that prior to completion of the transfer of the legal title to the Loans and their Related Security in accordance with Clause 6 (Perfection of the Sale), the Seller shall not be under any obligation to

provide any information or documentation to any person other than the Issuer and/or the Security Trustee or their respective employees and/or professional advisors or allow such person access to the Loan Files or Title Deeds if to do so would result in a breach of the applicable Loan Agreement or the Data Protection Laws.

11. CONSEQUENCES OF BREACH

Without prejudice to Clauses 7 (Undertakings) and 8 (Warranties and Repurchase by the Seller),

- (a) the Issuer and the Security Trustee severally acknowledge to and agree with the Seller; and
- (b) the Security Trustee acknowledges to and agrees with the Issuer,

that the Seller shall not have any liability or responsibility (whether, in either case, contractual or tortious, express or implied) for any loss or damage for or in respect of any breach of, or any act or omission in respect of, any of its obligations hereunder other than loss or damage directly (and not indirectly or consequentially) suffered by the Issuer by reason of such breach, act or omission. For this purpose (and without limiting the scope of the above exclusion in respect of indirect or consequential loss or damage) any loss or damage suffered by the Issuer or such assets as a result of the breach, act or omission in question also having been or given rise to an Event of Default or enforcement of the Security created by the Deed of Charge shall be treated as indirect or consequential loss or damage, provided that this sentence shall not apply to any direct or non-consequential loss or damage arising from any such breach, act or omission.

12. SUBORDINATION

The Seller agrees with the Issuer and the Security Trustee that on the enforcement of any Mortgage any sums owed to the Seller by a Borrower and which are secured under such Mortgage and the rights and remedies of the Seller in respect of the sums owed to the Seller shall at all times be subject and subordinated to any sums owed to the Issuer by the Borrower and which are secured under such Mortgage and to the rights and remedies of the Issuer in respect of such sums owed to the Issuer by the Borrower.

13. CONFIDENTIALITY

13.1 Confidentiality of information

Each party to this Agreement agrees that during the term of this Agreement and thereafter it shall keep confidential and it shall not disclose to any person whatsoever, any information relating to the business, finances or other matters of a confidential nature of any other party hereto of which it may have obtained as a result of the execution of this Agreement or of which it may otherwise have come into the possession of as a result of the performance of its obligations in respect of the Transaction.

13.2 Disapplication of confidentiality provisions

The parties to this Agreement shall use all reasonable endeavours to prevent any such disclosure referred to in Clause 13.1 (Confidentiality of information), provided that Clause 13.1 (Confidentiality of information) shall not apply:

- (a) to the disclosure of any information to any person insofar as such disclosure is expressly permitted by this Agreement;
- (b) to the disclosure of any information already known to the recipient otherwise than as a result of entering into any of the Transaction Documents or as a result of a breach of this Clause 13;

- (c) to the disclosure of any information with the consent of all the parties hereto;
- (d) to the disclosure of any information which is or becomes public knowledge otherwise than disclosure being made in breach of this Clause 13 or as a result of the unauthorised or improper conduct of the recipient;
- (e) to the disclosure of any information:
 - (i) to any of the Rating Agencies;
 - (ii) in order to obtain the admission of the Notes to the Official List;
 - (iii) in connection with the admission of the Notes to trading on the London Stock Exchange; or
 - (iv) which is necessary or desirable to provide to prospective investors in the Notes;
- (f) to any extent that disclosure is required pursuant to any law or order of any court of competent jurisdiction or pursuant to any direction, request or requirement (whether or not having the force of law) of any central bank or any governmental or other regulatory or taxation authority (including any official bank examiners or regulators or the London Stock Exchange or the FCA);
- (g) to the extent that the recipient needs to disclose any information to any of its employees, provided that before any such disclosure the relevant party shall make the relevant employees aware of its obligations of confidentiality under this Agreement and shall at all times procure compliance with such obligations by such employees;
- (h) to the extent that the recipient needs to disclose the same for the exercise, protection or enforcement of any of its rights under any of the Transaction Documents or, in the case of the Security Trustee and the Note Trustee, for the purpose of discharging, in such manner as it thinks fit, its duties or obligations under or in connection with the Transaction Documents in each case to such persons as require to be informed of such information for such purposes (including, without prejudice, to any Noteholder or other Secured Creditor) or, in the case of the Security Trustee and the Note Trustee, in connection with transferring or purporting to transfer its rights and obligations to a successor trustee;
- (i) to the disclosure of any information to a prospective successor party and additional or successor parties on the basis that the recipient will hold such information confidential upon substantially the same terms as this Clause 13; or
- (j) to the disclosure of any information to professional advisers to, or agents of, any party to this Agreement who receive the same under a duty of confidentiality.

14. MERGER

Any corporation into which any party to this Agreement (other than the Issuer) may be merged or converted, or any corporation with which any party to this Agreement may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which any party to this Agreement shall be a party, or any corporation, including affiliated corporations, to which the relevant party shall sell or otherwise transfer (a) all or substantially all of its assets; or (b) all or substantially all of its corporate trust business shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws and subject to any credit rating requirements set out in this Agreement become the relevant successor party under this Agreement without the execution or filing of any paper or any further act on the part of the parties to

this Agreement, unless otherwise required by the Issuer, and after the said effective date all references in this Agreement to the relevant party shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion, consolidation or transfer shall be given as soon as possible to the Issuer and (following delivery of an Enforcement Notice) the Security Trustee by the relevant party.

15. NON-PETITION

15.1 Each party to this Agreement hereby agrees that it will be bound by the provisions of clause 22.1 (*Non-Petition in relation to the Issuer*) of the Deed of Charge.

15.2 This Clause 15 shall survive the termination of this Agreement.

16. LIMITED RECOURSE

16.1 The parties to this Agreement hereby acknowledge and agree that all obligations of the Issuer to the parties to this Agreement in respect of amounts owing to the parties pursuant to this Agreement are subject to the terms of clause 22.2 (*Limited Recourse*) of the Deed of Charge.

16.2 This Clause 16 shall survive the termination of this Agreement.

17. NOTICES

17.1 In writing

All notices and other communications to be made under or in respect of this Agreement must be in writing and, unless otherwise stated, may be given in person, by post, email or by fax and shall be sent to each relevant party using the details set out in Schedule 1 (*Notices*) of the Master Definitions and Construction Schedule. Unless it is agreed to the contrary, any consent or agreement required under this Agreement must be given in writing.

17.2 Changes

Any party to this Agreement may change its contact details by giving five Business Days' notice to the other parties.

17.3 Effectiveness

Any notice or communication given under this Clause 17 but received on a day which is not a Business Day or after 5 p.m. in the place of receipt will only be deemed to be given on the next Business Day in that place. Any notices to be given pursuant to this Agreement to any of the parties hereto shall be sufficiently served if sent by prepaid first class post, email, by hand or facsimile transmission and shall be deemed to be given (in the case of facsimile transmission) when despatched, (where delivered by hand) on the day of delivery if delivered before 5 p.m. on a Business Day or on the next Business Day if delivered thereafter or on a day which is not a Business Day, (in the case of email) when received, or (in the case of first class post) when it would be received in the ordinary course of the post.

17.4 Disclosure to the Rating Agencies

The Security Trustee shall, as soon as practicable following receipt of a request in writing from any of the Rating Agencies, provide such Rating Agency with a copy of any notice, written information or report sent or made available by the Security Trustee to the Secured Creditors except to the extent that such notice, information or report contains information which is confidential to third parties or which the Security Trustee is otherwise prohibited from disclosing to such Rating Agency.

18. LANGUAGE

18.1 Any notice given in connection with this Agreement must be in English.

18.2 Any other document provided in connection with this Agreement must be:

- (a) in English; or
- (b) accompanied by a certified English translation. In this case, the English translation prevails unless the document is a statutory or other official document.

19. NON-MERGER

Any term of this Agreement to which effect is not given on the Closing Date (including in particular the liability of the Seller under the Loan Warranties and the indemnity in Clause 6.8) shall not merge and shall remain in full force and effect notwithstanding the sale and purchase contemplated by this Agreement.

20. NO AGENCY OR PARTNERSHIP

It is hereby acknowledged and agreed by the parties that nothing in this Agreement shall be construed as giving rise to any relationship of agency, save as expressly provided herein, or partnership between the parties and that in fulfilling its obligations hereunder, each party shall be acting entirely for its own account.

21. PAYMENTS/VAT

21.1 Except as otherwise specifically provided, all payments to be made pursuant to this Agreement shall be made in sterling in immediately available funds without exercising or seeking to exercise any right of set-off as may otherwise exist and shall be deemed to be made when they are received by the payee and shall be accounted for accordingly unless failure to receive any payment is due to an error by the payee's bank.

21.2 Any sum (or other consideration) payable (or provided) by the Issuer to the Seller pursuant to this Agreement shall be deemed to be inclusive of any VAT chargeable on any supply or supplies for which that sum (or other consideration) is the consideration (in whole or in part) for VAT purposes and section 89 of the VATA shall not apply to affect the amount of such sum (or other consideration) payable (or provided) and accordingly no additional amount shall be payable by the Issuer in respect of such VAT. In the event that the Issuer is required to account to a tax authority for VAT in respect of any supply made to it by the Seller, the Seller, shall pay to the Issuer (subject to the Issuer being or becoming registered for VAT) the amount of VAT for which the Issuer is accountable to that tax authority in respect of that supply, but only to the extent that the Issuer is not entitled to credit or repayment in respect of such VAT from the relevant tax authority.

21.3 Any sum payable (or provided) by the Seller to the Issuer pursuant to this Agreement shall be deemed to be exclusive of any VAT chargeable on any supply or supplies for which that sum (or other consideration) is the consideration (in whole or in part) for VAT purposes. If VAT is chargeable on a supply made by the Issuer to the Seller, the Seller, shall pay to the Issuer (subject to the Issuer being or becoming registered for VAT and producing a valid VAT invoice) the amount of VAT for which the Issuer is accountable in addition to, and at the same time as paying (or providing), the sum (or other consideration) payable (or provided) pursuant to this Agreement.

22. WAIVERS AND VARIATION

No waiver of this Agreement or any provision(s) of this Agreement shall be effective unless it is in writing and executed by (or by some person duly authorised by) each of the parties hereto. No single or partial exercise of, or failure or delay in exercising, any right under this Agreement shall constitute a waiver or preclude any other or further exercise of that or any other right.

23. ASSIGNMENT AND SALE

23.1 Subject always to the provisions of Clause 24 (Change of Security Trustee), no party hereto shall be entitled to assign all or any part of its rights or obligations hereunder to any other party without the prior written consent of each of the other parties hereto (which shall not, if requested, be unreasonably withheld) save that:

- (a) the Issuer shall be entitled to assign whether by way of security or otherwise all or any of its rights under this Agreement without such consent to the Security Trustee pursuant to the Deed of Charge and the Security Trustee may at its sole discretion assign all or any of its rights under or in respect of this Agreement without such consent to any successor or additional security trustee in exercise of its rights under the Deed of Charge; and
- (b) the Seller shall be entitled to assign whether by way of security or otherwise its rights relating to the Deferred Consideration under this Agreement.

23.2 The Seller acknowledges that on the assignment pursuant to the Deed of Charge by the Issuer to the Security Trustee of the Issuer's rights under this Agreement, the Security Trustee may enforce such rights in the Security Trustee's own name without joining the Issuer in any such action (which right the Seller hereby waives) and the Seller hereby waives as against the Security Trustee any rights or equities in its favour arising from any course of dealing between the Seller and the Issuer.

24. CHANGE OF SECURITY TRUSTEE

24.1 If there is any change in the identity of the Security Trustee in accordance with the Deed of Charge, the Seller and the Issuer shall execute such documents and take such action as the successor or additional security trustee and the outgoing Security Trustee may reasonably require for the purpose of vesting in the successor or additional security trustee the rights and obligations of the outgoing Security Trustee hereunder and releasing the outgoing Security Trustee from its future obligations under this Agreement and the Seller shall give notice thereof to the Rating Agencies.

24.2 The Security Trustee has agreed to become a party to this Agreement only for the purpose of taking the benefit of contractual provisions expressed to be given in its favour, enabling better preservation and enforcement of its rights under this Agreement and the Deed of Charge and for administrative ease associated with matters where its consent is required. The Security Trustee shall not assume any Liabilities or obligations under this Agreement unless such obligation or Liability is expressly assumed by the Security Trustee in this Agreement.

24.3 The parties to this Agreement acknowledge that the rights, powers and obligations of the Security Trustee are governed by the Deed of Charge. Any liberty, power or right which may be exercised (or not exercised, as the case may be) or determination which may be made under this Agreement by the Security Trustee may be exercised (or not exercised, as the case may be) or made in the Security Trustee's absolute discretion without any obligation to give reasons therefor and the Security Trustee shall not be responsible for any liability occasioned (or not acting, as the case may be) by so acting if acting pursuant to the Deed of Charge without prejudice to its express obligations assumed hereunder.

24.4 All the provisions of the Deed of Charge and the Trust Deed relating to the exercise by the Security Trustee of its powers, trusts, authorities, duties, rights and discretions shall apply, *mutatis mutandis*,

to the discharge by the Security Trustee of its powers, trusts, authorities, duties, rights and discretions under this Agreement.

24.5 For the avoidance of doubt and without prejudice to the obligations of the Issuer, neither the Security Trustee nor any receiver appointed pursuant to the Deed of Charge shall be liable to pay any amounts under this Agreement.

24.6 The Security Trustee shall not have any duty to monitor or supervise the performance by the Seller of its duties and obligations under this Agreement or any other Transaction Document (and the Security Trustee shall be entitled to assume that the Seller is performing its duties and obligations thereunder until it has actual knowledge to the contrary) nor shall the Security Trustee be in any way liable for any liability suffered by any party hereto or any other party resulting from the acts or omissions of the Seller or any of its agents, sub-contractors, representatives or delegates in the discharge of any of the duties and obligations the Seller is obliged to perform as the agent of, among others, the Security Trustee.

25. AMENDMENTS

Subject to clause 26.7 (*Modification to the Transaction Documents*) of the Deed of Charge, any amendment, modification or variation to this Agreement may only be made with the prior written consent of each party to this Agreement.

26. RIGHTS OF THIRD PARTIES

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

27. PARTIAL INVALIDITY

The invalidity, illegality or unenforceability of a provision of this Agreement does not affect or impair the continuation in force of the remainder of this Agreement.

28. COUNTERPARTS

This Agreement may be executed and delivered in any number of counterparts (including by email), all of which, taken together, shall constitute one and the same agreement and any party to this Agreement may enter into the same by executing and delivering a counterpart (including by email). This Agreement shall be fully effective and binding on each party hereto upon at least one copy of this Agreement having been executed and delivered by that party notwithstanding that any other person expressed to be a party to this Agreement has not then executed and delivered this Agreement and notwithstanding whether any such other party has executed or executes and has delivered or delivers a counterpart of this Agreement.

29. GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law.

30. SUBMISSION TO JURISDICTION

Each party to this Agreement hereby irrevocably submits to the exclusive jurisdiction of the English courts in any action or proceeding arising out of or relating to this Agreement (including a dispute relating to any non-contractual obligations arising out of or relating to this Agreement), and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined

by such courts. Each party to this Agreement hereby irrevocably waives, to the fullest extent it may possibly do so, any defence or claim that the English courts are an inconvenient forum for the maintenance or hearing of such action or proceeding.

31. DESIGNATED ENTITY

- 31.1 The Seller and the Issuer agree that the Issuer shall act as the designated entity under Article 7(2) of the UK Securitisation Regulation and shall be responsible for compliance with the requirements of Article 7 by either fulfilling such requirements itself or procuring that such requirements are complied with on its behalf.
- 31.2 The Issuer undertakes to provide (or to procure the provision of) certain information and reports under to Article 7 of the EU Securitisation Regulation as such requirements exist solely on the Closing Date and solely in the manner (and subject to the conditions) set out in clause 14.5 (*Reporting and information under the EU Securitisation Regulation*) of the Servicing Agreement **provided that** the Issuer will not be in breach of such undertaking if it fails to so comply due to events, actions and/or circumstances beyond its control.

32. UK SECURITISATION REGULATION

- 32.1 The Seller represents that no Loan has been selected to be transferred to the Issuer with the aim of rendering losses on the assets transferred to the Issuer, measured over a maximum of 4 years, higher than the losses over the same period on comparable assets held on the balance sheet of the Seller as contemplated by Article 6(2) of the UK Securitisation Regulation.
- 32.2 The Seller has made available the draft Transaction Documents and the Preliminary Prospectus as required by Article 7(1)(b) of the UK Securitisation Regulation prior to the pricing of the Notes to the competent authorities and (upon request) to potential investors in the Notes in a manner consistent with the requirements of Article 7(2) of the UK Securitisation Regulation and, for these purposes, the information is made available to the Noteholders, the FCA, the Bank of England, the PRA and/or the Pensions Regulator (or their successors) and, upon request, to potential investors in the Notes, on European Data Warehouse website at <https://editor.eurodw.co.uk>.
- 32.3 The Seller has made available the draft Transaction Documents, the draft Prospectus as required by Article 7(1)(b) of the EU Securitisation Regulation (as if such requirement applied to it) prior to the pricing date of the Notes.

33. OPTIONAL REPURCHASE OF THE PORTFOLIO BY THE SELLER

33.1 Portfolio Option

- (a) The Issuer hereby grants the Seller the following rights, which may be exercised at any time on or after the Optional Purchase Commencement Date (subject to the terms and conditions of this Clause 33) the right to require the Issuer to sell and transfer to the Seller or a Third Party Purchaser (as identified in the Exercise Notice, the **Beneficial Title Transferee(s)**) the beneficial title to all (but not some) of the Loans and their Related Security comprising the Portfolio (the **Whole Beneficial Title**) in consideration for the Optional Purchase Price, subject to the conditions set out herein (the rights set out in this Clause 33.1(a) shall be collectively referred to as the **Call Option**).
- (b) Nothing in this Clause 33 shall prevent the Issuer from transferring the Loans and their Related Security if permitted to do so under the Transaction Documents or if the Issuer is required to or proposes to exercise its right to redeem the Notes in full pursuant to the Terms and Conditions of the Notes.

33.2 Exercise of Call Option

- (a) The Call Option may be exercised by the Seller in whole (but not in part) at any time after the Optional Purchase Commencement Date by notice (substantially in the form set out in Schedule 8 (Form of Exercise Notice)) from the Seller to the Issuer, with a copy to the Security Trustee and each of the Rating Agencies, (such notice, an **Exercise Notice**) that the Seller wishes to exercise the Call Option by requiring the Issuer to sell and transfer the Whole Beneficial Title in all (but not some) of the Loans and their Related Security comprising the Portfolio to the Beneficial Title Transferee(s) for the Optional Purchase Price, for effect on an Interest Payment Date following the service of the Exercise Notice (the Interest Payment Date identified as the date on which the purchase by the Beneficial Title Transferee(s) of the Whole Beneficial Title is expected to be completed pursuant to the terms of this Agreement being the **Optional Purchase Completion Date**).
- (b) If the sale of the Portfolio has not been completed within 30 days of the service of such Exercise Notice, that Exercise Notice shall be deemed to have been cancelled. Following such cancellation, the Call Option may be exercised at any time by the Seller by serving another Exercise Notice pursuant to Clause 33.2(a) above.
- (c) The Exercise Notice shall:
 - (i) specify the Optional Purchase Completion Date;
 - (ii) specify the Beneficial Title Transferee(s); and
 - (iii) request that the Issuer or Cash Manager on its behalf confirms the Optional Purchase Price.
- (d) Promptly upon receipt of an Exercise Notice, the Issuer shall request the Cash Manager to calculate and provide the Issuer with the Optional Purchase Price or where such calculation is made prior to the Calculation Date immediately preceding the Optional Purchase Completion Date, an estimate of the Optional Purchase Price.
- (e) The Issuer shall, within two Business Days of receipt of an Exercise Notice, serve on the Beneficial Title Transferee a notice (substantially in the form set out in Schedule 9 (Form of Counter Notice) (the **Counter Notice**) confirming:
 - (i) the Optional Purchase Completion Date specified in the Exercise Notice; and
 - (ii) the amount or, as applicable, estimated amount of the Optional Purchase Price payable (which shall be determined in accordance with Clause 33.2(d) above).
- (f) The Beneficial Title Transferee shall confirm whether it wishes the Issuer to proceed with the sale of the Whole Beneficial Title by serving a notice (substantially in the form set out in Schedule 10 (Form of Acceptance Notice) (the **Acceptance Notice**) on the Issuer within two Business Days of receipt of the Counter Notice.
- (g) If no Acceptance Notice is served within the period referred to in Clause 33.2(f) above, then the Exercise Notice and the Counter Notice shall be of no further effect.
- (h) To the extent that the Beneficial Title Transferee(s) confirms in the Acceptance Notice that it wishes the Issuer to proceed with the sale contemplated in the Exercise Notice and the Counter Notice, the Beneficial Title Transferee shall purchase the Whole Beneficial Title upon the terms set out in this Agreement.
- (i) After receipt by the Issuer of an Acceptance Notice duly executed by the Beneficial Title Transferee, the Issuer will (subject to the terms of this Clause 33):

- (i) where the Optional Purchase Price provided to the Beneficial Title Transferee is an estimated amount, request from the Cash Manager and provide to the Beneficial Title Transferee a definitive Optional Purchase Price (which shall be calculated as at the Calculation Date immediately preceding the Optional Purchase Completion Date); and
 - (ii) take any and all reasonable steps necessary to effect the sale of the Whole Beneficial Title as set out in Clause 33.2(a) above.
- (j) The Issuer and the parties specified in the Exercise Notice shall enter into a binding agreement in accordance with the Law of Property (Miscellaneous Provisions) Act 1989 if required to do so by the Seller in order to give effect to the sale referred to in this Clause 33.
- (k) The parties hereto acknowledge that the Seller shall not be required to provide any representations or warranties in relation to the Loans and their Related Security comprising the Portfolio. The Issuer shall only provide the representations and warranties set out in Clause 33.4 (Issuer Representation and Warranties) hereto in relation to the sale of the Loans and their Related Security comprising the Portfolio pursuant to this Clause 33.
- (l) Following delivery of the Acceptance Notice or as applicable (where the Optional Purchase Price provided to the Beneficial Title Transferee is an estimated amount) the confirmation of a definitive Optional Purchase Price by the Issuer (or the Cash Manager on its behalf), the Beneficial Title Transferee will agree with the Issuer to:
- (i) either:
 - (A) deposit an amount equal to the Optional Purchase Price in either an escrow account in the name of the Beneficial Title Transferee or in any other account as may be agreed between the Issuer and the Beneficial Title Transferee; or
 - (B) provide irrevocable payment instructions for an amount to be transferred equal to the Optional Purchase Price for value on the Optional Purchase Completion Date to the Deposit Account or such other account as may be agreed between the Issuer and Beneficial Title Transferee,

provided that such deposit shall be made or irrevocable payment instructions shall be given no later than (x) two Business Days prior to the Optional Purchase Completion Date or (y) such other date as the Issuer, at its sole discretion and the Beneficial Title Transferee(s) may agree, provided further that such deposit shall be made or irrevocable payment instructions shall be given (as applicable) in sufficient time to enable the Issuer to provide notice of redemption of the Collateralised Notes to the Noteholders pursuant to Condition 8.3 (Mandatory Redemption of the Notes in Full) or Condition 8.4 (Mandatory Redemption of the Notes for Taxation or Other Reasons); and/or
 - (ii) take any other action as may be agreed by the Beneficial Title Transferee, the Issuer and the Security Trustee in relation to the payment of the Optional Purchase Price.
- (m) The Issuer shall notify the Noteholders of the exercise of the Call Option pursuant to Condition 8.3 (Mandatory Redemption of the Notes in Full) or Condition 8.4 (Mandatory Redemption of the Notes for Taxation or Other Reasons).

33.3 Sale and Completion

- (a) On the Optional Purchase Completion Date the Beneficial Title Transferee shall purchase and the Issuer shall sell the Whole Beneficial Title to the Beneficial Title Transferee in consideration for the Optional Purchase Price.

- (b) The Optional Purchase Price will, on the Optional Purchase Completion Date, be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.
- (c) Any Revenue Receipts or Redemption Receipts received by the Issuer from and including the Collection Period Start Date immediately prior to the Optional Purchase Completion Date to and including the Optional Purchase Completion Date (such amounts being **Optional Purchase Collections**) will be payable to or for the account of the Beneficial Title Transferee and the Issuer shall transfer all such amounts to or for the account of the Beneficial Title Transferee on the Optional Purchase Completion Date.
- (d) If at any time after completion the Issuer or any person acting as its agent or on its behalf holds, or there is held to its order, or there is received to its order, any property, interest, right or benefit and/or the proceeds thereof in relation to the Loans and their Related Security comprising the Portfolio, the Issuer will, as soon as reasonably practicable, remit, assign or transfer, as the case may require, the same to the Beneficial Title Transferee and until such remittance, assignment or transfer is completed will hold (or procure the holding of) that property, interest, right or benefit and/or the proceeds thereof upon trust for the Beneficial Title Transferee as the absolute beneficial owner thereof.

33.4 Issuer Representation and Warranties

By agreeing to sell and transfer the Whole Beneficial Title, the Issuer shall be deemed to represent and warrant to the Beneficial Title Transferee on the Optional Purchase Completion Date that:

- (a) immediately prior to the completion of the sale of the Whole Beneficial Title, the Issuer was the beneficial title holder of the Loans and their Related Security comprising the Portfolio to be sold to the Beneficial Title Transferee(s) pursuant to this Clause 33;
- (b) immediately prior to the completion of the purchase on the Optional Purchase Completion Date, the Loans and their Related Security comprising the Portfolio to be purchased by the Beneficial Title Transferee will not be encumbered in any way (including by the Security); and
- (c) all formal approvals, consents and other steps binding on the Issuer necessary to permit a legal assignment of the Whole Beneficial Title pursuant to this Clause 33 have or will have, as at the Optional Purchase Completion Date, been obtained or taken.

33.5 Stamp Taxes

- (a) Subject to Clause 33.5(b) below, the Issuer will pay any stamp tax and other similar transfer duties and taxes, including interest and penalties, payable on or in connection with this Clause 33 and any action taken by the Beneficial Title Transferee to enforce the provisions of this Deed.
- (b) Any stamp duty, stamp duty reserve tax, stamp duty land tax, land transaction tax or land and buildings transactions tax (together, in each case, with any interest or penalties) payable on or in connection with the transfer of the Loans and their Related Security comprising the Portfolio pursuant to an Exercise Notice shall be for the account of the Beneficial Title Transferee.

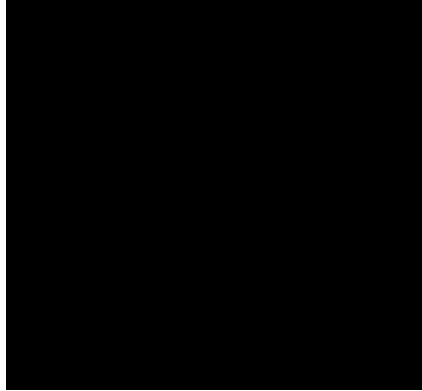
33.6 Covenant

The Issuer covenants and undertakes for the benefit of the Seller that, prior to the service of an Enforcement Notice, it shall not agree to any sale of the Portfolio that is not already provided for under the Transaction Documents.

EXECUTED and DELIVERED as a DEED by)
U.S. BANK TRUSTEES LIMITED)
in its role as Security Trustee)
acting by its authorised signatories)

Authorised Signatory

Authorised Signatory



SCHEDULE 1

LOAN WARRANTIES

- (a) each Loan was originated by the Seller and was at the time of origination, and continues to be, denominated in Sterling;
- (b) the particulars of the Loans set out in Exhibit 2 (Details of the Portfolio) of the Mortgage Sale Agreement were complete, true and accurate in respect of the data fields described in the Mortgage Sale Agreement;
- (c) each Loan and its Related Security was made on the terms of the Standard Documentation without any material variation thereto (other than any such variation as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender) and nothing has been done subsequently to add to, lessen, modify or otherwise vary the express provisions of any of the same in any material respect (other than in cases where the Seller's prior consent was obtained);
- (d) all of the Borrowers are (i) individuals and were aged 21 years or older as at the date of execution of the Loan, or (ii) UK incorporated registered limited companies;
- (e) the rate of interest under each Loan is charged monthly in accordance with the Standard Documentation, including any offer letter and the terms thereof;
- (f) all fees are either charged to the relevant Borrower in accordance with the Standard Documentation or waived in accordance with the practice of a Reasonable, Prudent Residential Mortgage Servicer;
- (g) at least one Monthly Instalment due in respect of each Loan has been paid by the relevant Borrower;
- (h) no Borrower is an employee or director of the Seller;
- (i) each Loan is either a Fixed Rate Loan or a Floating Rate Loan;
- (j) each Loan has a term ending no later than June 2058;
- (k) no Loan is a Flexible Loan;
- (l) the Mortgage Conditions for each Loan do not require the Seller to agree to any Further Advance or any Port;
- (m) as at the Cut-Off Date, the total amount of interest or principal in arrears, together with any fees, commissions and premiums payable at the same time as that interest payment or principal repayment on any Loan did not exceed more than the amount of the Monthly Instalment then due;
- (n) the amount outstanding under each Loan is a valid debt to the Seller (as holder of the legal title to the Loan) from the Borrower arising from advances of money to the Borrower and, except for any Loan and its Related Security which is not binding by virtue of UTCCR or Consumer Rights Act, the terms of each Loan and its Related Security constitute valid, binding and legally enforceable obligations of the relevant parties except that (i) enforceability may be limited by bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the courts' discretion in relation to equitable remedies and (ii) the warranty only applies in relation to interest and principal payable by the Borrower;
- (o) subject in certain appropriate cases to the completion of an application for registration or recording at the Land Registry, the whole of the Current Balance on each Loan and all future interest, fees, costs and expenses payable under or in respect of such Loan is secured by a Mortgage or Mortgages over a

residential property and each Mortgage constitutes a valid and subsisting first charge by way of legal mortgage;

- (p) no Loan is wholly or partly regulated by the CCA or by the FSMA as a regulated credit agreement under Article 60B of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) or treated as such, or, to the extent that it is so regulated or partly regulated or treated as such, the Seller has complied with all of the relevant legal requirements of, and the procedures set out in, the CCA or the FSMA and all secondary legislation made pursuant thereto and the FCA handbook, as applicable;
- (q) all formal approvals, consents and other steps necessary to permit a legal and equitable or beneficial transfer of the Loans and their Related Security to be sold under the Mortgage Sale Agreement have been obtained or taken;
- (r) no Loan (whether alone or with any related agreement) constitutes an unfair relationship for the purposes of sections 140A to 140C of the CCA;
- (s) in relation to any leasehold Property, in any case where the Seller has received written notice from the relevant landlord that it is or may be taking reasonable steps to forfeit or irritate the lease of that Property, the Seller has taken such reasonable steps (if any) and in such time as would be taken by a Reasonable, Prudent Residential Mortgage Lender to protect its security and the Loan;
- (t) with the exception of certain allowable fees being added to the aggregate balance of the Loan, the original advance being made under each Loan was more than £25,001 but less than £3,000,000 as at the relevant date of origination;
- (u) not more than 10 months prior to the grant of each Loan (or such longer period as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender), the Seller received a valuation report from a valuer on the relevant property (or such other form of report concerning the valuation of the relevant property as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender which includes for these purposes a desk-top valuation report), the contents of which were such as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender;
- (v) prior to the taking of each Mortgage (other than a remortgage), the Seller: (i) instructed its solicitor or licensed conveyancer to carry out an investigation of title to the relevant property and to undertake such other searches, investigations, enquiries and other actions on behalf of the Seller as are set out in the instructions which the Seller issued to the relevant solicitor or licensed conveyancer as are set out in the UK Finance Mortgage Lenders' Handbook for England and Wales in relation to Loans (or such comparable, predecessor or successor instructions and/or guidelines as may for the time being be in place), subject only to such variations made on a case-by-case basis as would have been acceptable to a Reasonable, Prudent Residential Mortgage Lender at the relevant time; and (ii) received a certificate of title from the solicitor or licensed conveyancer or referred to in sub-paragraph (i) relating to such property, the contents of which were such as would have been acceptable to a Reasonable, Prudent Residential Mortgage Lender at that time;
- (w) to the best of the Seller's knowledge and belief, no Property has been let or sub-let otherwise than by way of: (i) an assured shorthold tenancy which meets the requirements of section 19A or section 20 of the Housing Act 1988; or (ii) an assured tenancy;
- (x) all of the Properties are residential properties located in England or Wales;
- (y) in relation to each Mortgage, so far as the Seller is aware, the Borrower has good and marketable title to the relevant Property (subject to registration of the title at the Land Registry) free from any encumbrance (except the Mortgage and any subsequent ranking mortgage) which would materially adversely affect such title and, without limiting the foregoing, in the case of a leasehold Property:

- (i) the lease cannot be forfeited on the bankruptcy of the tenant; and
- (ii) any requisite consent of the landlord to, or notice to the landlord of, the creation of the Related Security has been obtained or given;
- (z) the Seller has instructed its solicitors to take all steps necessary to perfect the Seller's title to each Mortgage with all due diligence and there are no cautions, notices, inhibitions or restrictions which would prevent the registration or recording of the Mortgage in due course;
- (aa) the Seller has not waived any of its rights under or in relation to a Loan or its Related Security which would materially reduce the value of the Loan, other than its rights against a valuer where the valuer has relied on an EWS1 Form;
- (bb) the terms of the loan agreement or Related Security relating to each Loan are not "unfair terms" within the meaning of the UTCCR or Consumer Rights Act but this warranty shall only be construed as to apply in respect of principal and interest due or charged on the Loan and not in respect of any Early Repayment Charges;
- (cc) so far as the Seller is aware, in relation to each Mortgage every person who, at the date upon which the relevant Loan was made, had attained the age of 21 and who had been notified to the Seller as residing or being about to reside in a Property subject to a Mortgage, is a tenant (or person related to a tenant);
- (dd) the Mortgage Conditions for each Loan require the Property over which the Loan is secured to be insured to an amount not less than the full reinstatement cost as determined by the relevant valuer or automated valuation model (as applicable);
- (ee) save for Title Deeds held at the Land Registry, all the Title Deeds and any relevant mortgage files and computer tapes relating to each of the Loans and their Related Security are held by the Seller or the Servicer (on behalf of the Seller) or its solicitors or agents or the Title Deeds are held in dematerialised form or are returned to the relevant instructed solicitors;
- (ff) the Seller has good and marketable title to, and immediately prior to the sale of such Loan is the absolute unencumbered beneficial owner of, each Loan and its Related Security, subject in each case only to the Mortgage Sale Agreement, the Borrowers' equity of redemption and subject to registration or recording at the Land Registry of the Seller as proprietor of the relevant Mortgage;
- (gg) the Seller or the Servicer has kept such accounts, books and records as are necessary to show all material transactions, payments, receipts and proceedings relating to that Loan and its Related Security and all such accounts, books and records are in the possession of the Seller or the Servicer;
- (hh) the Seller has at all relevant times held, and continues to hold, authorisation and appropriate permissions from the FCA for conducting all regulated activities specified in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (as amended) carried on by it in respect of each Loan;
- (ii) so far as the Seller is aware, neither they nor the Servicer or any of their agents have received written notice of any litigation, claim, dispute or complaint (in each case, subsisting, threatened or pending) in respect of any Borrower, Loan or Related Security which (if adversely determined) would have a material adverse effect on amounts recoverable in relation to the Loans;
- (jj) prior to the granting of each Loan, the Lending Criteria and all other conditions precedent to making the Loan were satisfied in all material respects, subject to such exceptions as would be acceptable to a Reasonable, Prudent Residential Mortgage Lender;

- (kk) other than with respect to Monthly Instalments (subject to Loan Warranty (m) and to the qualification set out in Loan Warranty (w)), to the best of the Seller's knowledge and belief no Borrower is or has, since the date of the execution of the relevant Loan, been in breach of any obligation owed with respect to the relevant Loan or its Related Security which would materially reduce the value of the loan; and no steps have been taken by the Seller to enforce any Related Security, provided that a Borrower will not be deemed to be in breach as a result of a failure to obtain buildings insurance where such failure in relation to a Loan is covered under the Block Insurance Policies;
- (ll) to the best of the Seller's knowledge, no act or circumstance has occurred which will adversely affect the Properties in Possession Cover or entitle the insurers to refuse payment or reduce the amount payable;
- (mm) to the best of the Seller's knowledge, no Loan or its Related Security is subject to any right of rescission, set-off, lien, counterclaim or defence;
- (nn) no Loan advanced to a Borrower that is an individual (or any Related Security in relation to that Loan) which is assigned under the Mortgage Sale Agreement consists of or includes any "stock" or "marketable securities" within the meaning of section 125 of the Finance Act 2003, "chargeable securities" for the purposes of section 99 of the Finance Act 1986 or a "chargeable interest" for the purposes of section 48 of the Finance Act 2003 or section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017;
- (oo) no Loan advanced to a Borrower that is not an individual (or any Related Security in relation to that Loan) which is assigned under the Mortgage Sale Agreement consists of or includes "chargeable securities" for the purposes of section 99 of the Finance Act 1986 or a "chargeable interest" for the purposes of section 48 of the Finance Act 2003 or section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 and each such Loan is "exempt loan capital" (that is, loan capital that is exempt from stamp duty on transfer under section 79(4) of the Finance Act 1986);
- (pp) none of the Property (other than the Loans) which is assigned under the Mortgage Sale Agreement consists of or includes any "stock" or "marketable securities" within the meaning of section 125 of the Finance Act 2003, "chargeable securities" for the purposes of section 99 of the Finance Act 1986 or a "chargeable interest" for the purposes of section 48 of the Finance Act 2003 or section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017;
- (qq) no Loan had an original LTV greater than 90% as at the Cut-Off Date in relation to such Loan, disregarding for such purposes any fees which have been capitalised and added to the balance of the Loan on or after origination;
- (rr) the Loans do not include Self-certified Loans;
- (ss) in the case of each Mortgage provided to a UK-incorporated registered limited company, such Mortgage has been duly registered at Companies House;
- (tt) in the case of each Mortgage provided to a UK-incorporated registered limited company, the Seller has not received written notice of any steps having been taken for the liquidation or winding up of, or the making of an administration order in relation to, any Borrower or of any steps having been taken to enforce any security over the assets of any Borrower;
- (uu) each Loan and its Related Security is governed by and subject to the laws of England and Wales; and
- (vv) the value of the Properties in connection with each Loan has been determined at origination in accordance with the standards and practices of the RICS Valuation Standards (including those relating to competency and required documentation) by an individual valuer who is an employee or a contractor of a valuer firm engaged by the Seller and accredited to the Seller's valuers panel who is a fellow,

member or associate member of the Royal Institution of Chartered Surveyors ("**RICS**") and whose compensation is not affected by the approval or non-approval of the Loan.

SCHEDULE 2

REGISTER OF TRANSFERS

PART 1

SELLER REGISTERED TRANSFER

In the form of the Land Registry Form TR4 with such amendments as the Issuer may reasonably require to give effect to the Mortgage Sale Agreement or in such other form as the Issuer may reasonably require to take account of changes in law or practice.

PART 2

ISSUER REGISTERED TRANSFER

In the form of the Land Registry Form TR4 with such amendments as the Seller may reasonably require to give effect to any Loan Repurchase Notice in accordance with the Mortgage Sale Agreement or in such other form as the Seller may reasonably require to take account of changes in law or practice.

SCHEDULE 3

SELLER POWER OF ATTORNEY

THIS DEED OF POWER OF ATTORNEY is made on _____ 2024 by:

CHARTER COURT FINANCIAL SERVICES LIMITED (company number 06749498), a private limited company incorporated under the laws of England and Wales, whose registered office is at 2 Charter Court, Broadlands, Wolverhampton, WV10 6TD (the **Seller**).

IN FAVOUR OF each of:

- (1) **PMF 2024-1 PLC** (the **Issuer**); and
- (2) **U.S. BANK TRUSTEES LIMITED** (the **Security Trustee**).

WHEREAS:

By virtue of a mortgage sale agreement dated on or about the Closing Date and made between, *inter alios*, (1) the Seller, (2) the Issuer, and (3) the Security Trustee (the **Mortgage Sale Agreement**) provision was made for the execution by the Seller of this Power of Attorney.

NOW THIS DEED WITNESSETH as follows:

1. Words and phrases in this Power of Attorney shall (save where expressed to the contrary) have the same meanings respectively as the words and phrases in the Master Definitions and Construction Schedule made between, amongst others, the parties hereto on or about the Closing Date (as the same may be amended, varied or supplemented from time to time with the consent of the parties to the Master Definitions and Construction Schedule) and this Power of Attorney shall be construed in accordance with the interpretation provisions set out in clause 2 (*Interpretation and Construction*) of the Master Definitions and Construction Schedule.
2. The Seller irrevocably and by way of security for the performance of the covenants, conditions and undertakings on the part of the Seller contained in the Mortgage Sale Agreement **HEREBY APPOINTS** each of the Issuer and the Security Trustee and any Receiver and/or Appointee appointed from time to time in respect of the Issuer or its assets (each an **Attorney**) severally to be its true and lawful attorney for the Seller and in the Seller's name or otherwise to do any act, matter or thing which any Attorney considers necessary or desirable for the protection, preservation or enjoyment of that Attorney's interest in the Loans and their Related Security and/or which ought to be done under the covenants, undertakings and provisions contained in the Mortgage Sale Agreement (in each case subject to the terms of the Mortgage Sale Agreement) including any or all of the following:
 - (a) to execute, sign, seal and deliver any conveyance, assignment or transfer of or trust over the Loans or any of them to the Issuer and its successors in title or to any other person or persons entitled to the benefit thereof;
 - (b) to execute, sign, seal and deliver any conveyance, assignment or transfer of or trust over the Related Security or any item comprised therein (to the extent only that such item or items relate to the Loans) to the Issuer and its successors in title or to any other person or persons entitled to the benefit thereof or entitled to be registered at the Land Registry as proprietor or registered owner thereof;
 - (c) to do every other act or thing which the Seller is obliged to do under the Mortgage Sale Agreement or which that Attorney may otherwise consider to be necessary, proper or expedient for fully and effectually vesting or transferring the interests sold thereunder in the

Loans and their Related Security or any or each of them and/or the Seller's estate right and title therein or thereto in or to the Issuer and its successors in title or to any other person or persons entitled to the benefit thereof (as the case may be) in the same manner and as fully and effectually in all respects as the Seller could have done including any of the acts referred to in clause 6.5 of the Mortgage Sale Agreement;

- (d) to exercise its rights, powers and discretions under the Loans including the right to fix the rate or rates of interest payable under the Loans in accordance with the terms thereof;
 - (e) to discharge the Mortgages or any of them and to sign, seal, deliver and execute such receipts, releases, surrenders, discharges, instruments and deeds as may be requisite or advisable in order to discharge the relevant Property or Properties from the Mortgages or any of them; and
 - (f) to exercise all the powers of the Seller in relation to such Loans and their Related Security including for the avoidance of doubt to demand, sue for and receive all monies due and payable under the Loans and their Related Security or any other collateral security or related right.
3. Each Attorney shall have the power by writing under its hand by an officer of the Attorney from time to time to appoint a substitute who shall have power to act on behalf of the Seller as if that substitute shall have been originally appointed Attorney by this Power of Attorney (including the power of further substitution) and/or to revoke any such appointment at any time without assigning any reason therefor.
 4. Each of the Attorneys may delegate to one or more person all or any of the powers referred to in Paragraph 2 of this Schedule 3 on such terms as it thinks fit and may revoke any such delegation at any time.
 5. The Seller hereby agrees at all times hereafter to ratify and confirm whatsoever the said Attorney or its attorneys shall lawfully do or cause to be done in and concerning the Loans or their Related Security by virtue of this Power of Attorney.
 6. The laws of England shall apply to this Power of Attorney and any non-contractual obligations arising out of or in relation to this Power of Attorney and the interpretation thereof.
 7. A person who is not a party to this Power of Attorney may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
 8. Each party to this Power of Attorney hereby irrevocably submits to the exclusive jurisdiction of the English courts and hereby irrevocably agrees that all claims in respect of any action or proceeding arising out of or relating to this Power of Attorney may be heard and determined by such courts.

IN WITNESS WHEREOF the Seller has executed and delivered this document as a deed the day and year first before written.

EXECUTED and DELIVERED as a DEED by)
CHARTER COURT FINANCIAL SERVICES)
LIMITED)
acting by its attorney)
in the presence of this witness)
)
Witness Signature:)
)
Full Name:)
)
Address:)

SCHEDULE 4

LOAN REPURCHASE NOTICE

To: **Charter Court Financial Services Limited**
2 Charter Court
Broadlands, Wolverhampton, WV10 6TD
(the **Seller**)

and

U.S. Bank Trustees Limited
125 Old Broad Street
Fifth Floor
London EC2N 1AR
(the **Security Trustee**)

From: **PMF 2024-1 PLC**
10th Floor, 5 Churchill Place
London E14 5HU (the **Issuer**)

For the purpose of this notice, the **Principal Agreement** shall mean the Mortgage Sale Agreement dated [●] 2024 made between, *inter alios*, the Issuer and the Seller (as the same may be or have been amended, varied or supplemented from time to time with the consent of those parties).

Save where the context otherwise requires, words and expressions in this notice shall have the same meanings respectively as when used in the Principal Agreement.

In accordance with Clauses [8.6, 8.8, 8.10 and 8.12]/[8.12 and 8.13] of the Principal Agreement, upon receipt of this Loan Repurchase Notice by the Seller there shall exist between the Seller and the Issuer an agreement (the **Agreement for Sale**) for the sale by the Issuer to the Seller of the Loans and their Related Security more particularly described in the Schedule hereto. Completion of such sale shall take place on [] whereupon all further sums due in respect of such Loans shall be for the Seller's account. The parties hereto confirm that the repurchase has been made in accordance with Clause 8 (Warranties and Repurchase by the Seller) and the purchase price for such Loan (or Loans) and its (or their) Related Security will, on the completion date be paid to the Deposit Account in accordance with Clause 8.12 of the Principal Agreement.

The Agreement for Sale shall incorporate, *mutatis mutandis*, the relevant provisions of the Principal Agreement.

Dated [●]

for and on behalf of
PMF 2024-1 PLC

At

On

By

.....
per pro CSC Directors (No. 1) Limited, as Director

.....
per pro CSC Directors (No. 2) Limited, as Director

Acknowledged by:

Signed for and on behalf of
CHARTER COURT FINANCIAL SERVICES LIMITED
in its capacity as the Seller

.....

SCHEDULE TO THE LOAN REPURCHASE NOTICE

[]

SCHEDULE 5

ASSIGNMENT OF THIRD PARTY RIGHTS

THIS DEED OF ASSIGNMENT is made on [●]

BY:

- (1) **CHARTER COURT FINANCIAL SERVICES LIMITED** (registered number 06749498), a private limited company incorporated under the laws of England and Wales, whose registered office is at 2 Charter Court, Broadlands, Wolverhampton, WV10 6TD (the **Transferor**);

IN FAVOUR OF:

- (2) **PMF 2024-1 PLC** (registered number 15054902), a public limited company incorporated under the laws of England and Wales, whose registered office is at 10th Floor, 5 Churchill Place, London E14 5HU (the **Transferee**).

WHEREAS:

- (A) By the charges by way of legal mortgage (the **Mortgages**, brief particulars of which are set out in the Annexure hereto) the properties (brief particulars of which are similarly set out) became security for the repayment of the monies therein mentioned.
- (B) By the Mortgage Sale Agreement, the Transferor agreed to sell and the Transferee agreed to buy all right, title, interest and benefit (both present and future) of the Transferor in and under the Mortgages and all Related Security and all monies secured by those Mortgages and such Related Security.

NOW THIS DEED WITNESSETH as follows:

1. Capitalised terms in this Deed (including the recitals) shall, except where the context otherwise requires and save where otherwise defined in this Deed, bear the meanings given to them in the Master Definitions and Construction Schedule made between, amongst others, the parties hereto on or about the Closing Date (as the same may be amended, varied or supplemented from time to time with the consent of the parties hereto) and this Deed shall be construed in accordance with the interpretation provisions set out in clause 2 (*Interpretation and Construction*) thereof.
2. The Transferor hereby assigns absolutely unto the Transferee with Full Title Guarantee:
 - (a) the benefit of all Related Security relating to the Loans (including all securities for the principal monies and interest secured by the Mortgages and the benefit of all consents to mortgage signed by occupiers of the mortgaged properties and the benefit of all guarantees, indemnities and surety contracts relating to such Mortgages) other than any such Related Security which has been transferred to the Transferee by other means or which is not otherwise capable of such transfer; and
 - (b) all causes of action of the Transferor against any person in connection with any report, valuation, opinion, certificate, consent or other statement of fact or opinion given in connection with any Related Security relating to the Mortgages or affecting the decision to make any advance in connection with such Mortgages.
3. A person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

4. This Deed and any non-contractual obligations arising out of, or in connection with it, shall be governed by and construed in accordance with the laws of England.

IN WITNESS WHEREOF this document has been executed and delivered as a deed the day and year first before written.

EXECUTED as a **DEED** by)
CHARTER COURT FINANCIAL SERVICES)
LIMITED)
as Seller)
acting by its attorney)
)
In the presence of:)
)
Witness signature:)
)
Full name:)
)
Address:)

Annexure

SCHEDULE 6

ASSIGNMENT OF THIRD PARTY BUILDINGS POLICIES

THIS ASSIGNMENT is made on [●]

BETWEEN:

- (1) **CHARTER COURT FINANCIAL SERVICES LIMITED** (the **Seller**); and
- (2) **PMF 2024-1 PLC** (the **Issuer**).

WHEREAS:

- (A) By a Mortgage Sale Agreement dated on or about the Closing Date between, *inter alios*, the Seller and the Issuer (the **Agreement**), the Seller sold and the Issuer purchased on the Closing Date, all right, title, interest and benefit (both present and future) in the Loans and Related Security.
- (B) The Seller has the benefit of the Third Party Buildings Policies which relate to Loans from time to time held beneficially by the Seller and the Properties upon which they are secured.
- (C) In conjunction with the assignment of Loans and their Related Security comprised in the Portfolio to the Issuer, the Seller will assign the benefit of the Third Party Buildings Policies in respect of those Loans and Related Security on the Closing Date.

NOW THIS DEED WITNESSETH as follows:

1. Capitalised terms in this Deed (including the recitals) shall, except where the context otherwise requires and save where otherwise defined in this Deed, bear the meanings given to them in the Master Definitions and Construction Schedule made between, amongst others, the parties hereto on or about the Closing Date (as the same may be amended, varied or supplemented from time to time with the consent of the parties hereto) and this Deed shall be construed in accordance with the interpretation provisions set out in clause 2 (*Interpretation and Construction*) thereof.
2. In relation to each Loan and its Related Security which may from time to time be purchased by the Issuer in accordance with the terms of the Agreement, the Seller hereby conveys, transfers and assigns to the Issuer absolutely all its present and future interest in the Third Party Buildings Policies to the extent to which it relates to such Loans and their Related Security (including all monies and proceeds to become payable under any of the same and all covenants relating thereto and all powers and remedies for enforcing the same) *provided that* such assignment in respect of a Loan and its Related Security shall not take effect unless and until, such Loan and its Related Security has been acquired by the Issuer in compliance with clause 2 (Sale and Purchase of the Loans and their Related Security), and clause 3 (Closing Date) of the Agreement. The Seller acknowledges and agrees that such assignment will be immediately effective on the date hereof without any further act, matter or thing by or on behalf of the Seller.
3. This Deed and any non-contractual obligations arising out of, or in connection with it, shall be governed by and construed in accordance with English law.

IN WITNESS whereof the parties have caused this Deed to be executed as a deed for delivery on the day and year first before written.

EXECUTED as a **DEED** by)
CHARTER COURT FINANCIAL)
SERVICES LIMITED)
acting by its attorney)
)
)
In the presence of:)
)
Witness signature:)
)
Full name:)
)
Address:)

EXECUTED as a **DEED** by)
PMF 2024-1 PLC)
)
acting by two Directors)
)
per pro CSC Directors (No. 1) Limited)
)
and)
)
per pro CSC Directors (No. 2) Limited)
)

SCHEDULE 7

ASSIGNMENT OF INSURANCE POLICIES

THIS ASSIGNMENT is made on [●]

BETWEEN:

- (1) **CHARTER COURT FINANCIAL SERVICES LIMITED** (the **Seller**); and
- (2) **PMF 2024-1 PLC** (the **Issuer**).

WHEREAS:

- (A) By a Mortgage Sale Agreement dated on or about the Closing Date between, *inter alios*, the Seller and the Issuer (the **Agreement**), the Seller sold and the Issuer purchased on the Closing Date, all right, title, interest, and benefit (both present and future) in the Loans and Related Security.
- (B) The Seller has the benefit of the Insurance Policies which relate to Loans from time to time held by the Seller and the Properties upon which they are secured.
- (C) In conjunction with the assignment of Loans and their Related Security comprised in the Portfolio to the Issuer and the Seller will assign the benefit of the Insurance Policies in respect of those Loans and Related Security on the Closing Date.

NOW THIS DEED WITNESSETH as follows:

1. Capitalised terms in this Deed (including the recitals) shall, except where the context otherwise requires and save where otherwise defined in this Deed, bear the meanings given to them in the Master Definitions and Construction Schedule made between, amongst others, the parties hereto on or about the Closing Date (as the same may be amended, varied or supplemented from time to time with the consent of the parties hereto) and this Deed shall be construed in accordance with the interpretation provisions set out in clause 2 (*Interpretation and Construction*) thereof.
2. In relation to each Loan and its Related Security which may from time to time be purchased by the Issuer in accordance with the terms of the Agreement, the Seller hereby conveys, transfers and assigns to the Issuer absolutely all its present and future interest in the Insurance Policies to the extent to which it relates to such Loans and their Related Security (including all monies and proceeds to become payable under any of the same and all covenants relating thereto and all powers and remedies for enforcing the same) *provided that* such assignment in respect of a Loan and its Related Security shall not take effect unless and until such Loan and its Related Security has been acquired by the Issuer in compliance with clause 2 (Sale and Purchase of the Loans and their Related Security) and clause 3 (Closing Date) of the Agreement. The Seller acknowledges and agrees that each such assignment will be immediately effective on the hereof without any further act, matter or thing by or on behalf of the Seller.
3. This Deed and any non-contractual obligations arising out of, or in connection with it, shall be governed by and construed in accordance with English law.

IN WITNESS whereof the parties have caused this Deed to be executed as a deed for delivery on the day and year first before written.

EXECUTED and DELIVERED as a DEED by)
CHARTER COURT FINANCIAL SERVICES)
LIMITED)
acting by its attorney)
in the presence of this witness)
)
Witness Signature:)
)
Full Name:)
)
Address:)

EXECUTED as a DEED by)
PMF 2024-1 PLC)
acting by two Directors)
)
per pro CSC Directors (No. 1) Limited)
)
and)
)
per pro CSC Directors (No. 2) Limited)
)

SCHEDULE 8

FORM OF EXERCISE NOTICE

[On letterhead of Seller]

To: PMF 2024-1 PLC
10th Floor, 5 Churchill Place
London E14 5HU (the **Issuer**)

copy: U.S. Bank Trustees Limited (the **Security Trustee**)
Charter Court Financial Services Limited (the **Seller**)
Fitch Ratings Ltd.
Moody's Investors Service Ltd [*Beneficial Title Transferee*]

[Date]

Dear Sirs

Exercise of Portfolio Option

We refer to a mortgage sale agreement dated [●] 2024 entered into by, *inter alios*, the Issuer and the Seller in relation to the sale and purchase of a portfolio of mortgage loans (the **Mortgage Sale Agreement**). This is an Exercise Notice referred to in clause 33.2 (Exercise of Call Option) of the Mortgage Sale Agreement.

Capitalised terms that are used but not defined herein shall have the meanings as are ascribed to them in the Mortgage Sale Agreement or as incorporated by reference into the Mortgage Sale Agreement.

We hereby certify that we are the Seller and are entitled to exercise the Call Option by delivering this Exercise Notice.

We hereby notify you of our intention to exercise the Call Option. We hereby notify you that, pursuant to the terms of the Mortgage Sale Agreement:

- (a) the Optional Purchase Completion Date shall be [●];
- (b) the Beneficial Title Transferee shall be [●]; and

and accordingly, we require you, on the Optional Purchase Completion Date, to:

- (c) transfer the Whole Beneficial Title in the Loans and their Related Security comprising the Portfolio to the Beneficial Title Transferee; and

Please confirm to us within [2] Business Days of the receipt of this Exercise Notice (i) that you agreed to and will be able to effect the sale and purchase of the Whole Beneficial Title in the Loans and their Related Security comprising the Portfolio on the Optional Purchase Completion Date subject to and in accordance with the Mortgage Sale Agreement and (ii) the Optional Purchase Price payable by us to the Issuer.

For the avoidance of doubt this Exercise Notice does not constitute and is not to be construed as an agreement by us to acquire the Whole Beneficial Title. You acknowledge that unless [we][the Beneficial Title Transferee] agree to purchase such Whole Beneficial Title to the Loans and their Related Security comprising the Portfolio by delivering an Acceptance Notice, [we][the Beneficial Title Transferee] may in [our][their] sole discretion decline and not accept to purchase the Whole Beneficial Title.

We confirm [we][the Beneficial Title Transferee] are resident for tax purposes in the United Kingdom].

We confirm that [[we][the Beneficial Title Transferee] has appointed [●] as the servicer of the Loans and [●] has all the Relevant Authorisations].

Yours faithfully

[*Seller*]

SCHEDULE 9

FORM OF COUNTER NOTICE

To: Seller

[Beneficial Title Transferee]

With copy to: Charter Court Financial Services Limited (the **Seller**)
U.S. Bank Trustees Limited (the **Security Trustee**);
U.S. Bank Global Corporate Trust Limited (the **Cash Manager**); and

[Date]

Dear Sirs,

We confirm receipt of your notice dated [●] (the **Exercise Notice**) in relation to the sale and purchase of the Whole Beneficial Title pursuant to the Mortgage Sale Agreement made by us on or about [●] 2024 (the **Mortgage Sale Agreement**). This is a Counter Notice referred to in clause 33.2 (Exercise of Call Option) of the Mortgage Sale Agreement.

Capitalised terms that are used but not defined herein shall have the meanings as are ascribed to them in the Mortgage Sale Agreement or as incorporated by reference into the Mortgage Sale Agreement or to the extent not defined in (or incorporated by reference into) the Mortgage Sale Agreement in the Exercise Notice.

We hereby confirm in accordance with the Exercise Notice and clause 33.2(e) of the Mortgage Sale Agreement:

- (a) that the Optional Purchase Completion Date is [●];
- (b) that the [estimated] Optional Purchase Price on the Optional Purchase Completion Date shall be £[●];
- (c) our agreement to transfer Whole Beneficial Title in the Loans and their Related Security comprising the Portfolio to you;

Please confirm on behalf of yourself that you are willing to proceed with the purchase of the Whole Beneficial Title upon the terms set out in this Counter Notice, the Acceptance Notice and the Mortgage Sale Agreement by returning to us a duly signed Acceptance Notice within [one] Business Day of receipt of this Counter Notice. If we do not receive an Acceptance Notice within the above prescribed time period we shall treat the Exercise Notice served on us as having no further effect.

Signed by:

For and on behalf of

PMF 2024-1 PLC

.....
per pro CSC Directors (No. 1) Limited, as Director

.....
per pro CSC Directors (No. 2) Limited, as Director

SCHEDULE 10

FORM OF ACCEPTANCE NOTICE

To: PMF 2024-1 PLC
10th Floor, 5 Churchill Place
London E14 5HU (the **Issuer**)

With copy to: Charter Court Financial Services (the **Seller**)
U.S. Bank Trustees Limited (the **Security Trustee**);
U.S. Bank Global Corporate Trust Limited (the **Cash Manager**); and

[Date]

Dear Sirs,

We confirm receipt of your notice dated [●] (the **Counter Notice**) in relation to the sale and purchase of the Whole Beneficial Title pursuant to the mortgage sale agreement made by you on or about [•] 2024 (the **Mortgage Sale Agreement**). This is an Acceptance Notice referred to in clause 33.2 (Exercise of Call Option) of the Mortgage Sale Agreement.

Capitalised terms that are used but not defined herein shall have the meanings as are ascribed to them in the Mortgage Sale Agreement or as incorporated by reference into the Mortgage Sale Agreement or to the extent not defined in (or incorporated by reference into) the Mortgage Sale Agreement in the Exercise Notice.

We hereby confirm that we are willing to proceed with the purchase of the Whole Beneficial Title upon the terms set out in the Exercise Notice, Counter Notice and Mortgage Sale Agreement.

The [estimated] Optional Purchase Price payable by us on the Optional Purchase Completion Date is £[●].

Upon the execution by the Seller and the Beneficial Title Transferee of this Acceptance Notice, [and subject to the Issuer providing a definitive Optional Purchase Price as soon as reasonably practicable after the receipt of this notice,] there shall exist between the Seller and the Beneficial Title Transferee an agreement (the **Agreement for Sale**) for the sale by the Issuer to the Beneficial Title Transferee of the Whole Beneficial Title in the Loans and their Related Security comprising the Portfolio.

Completion of such sale shall take place on the Optional Purchase Completion Date. The parties hereto confirm that the sale has been made in accordance with clause 33 (Optional Repurchase of the Portfolio by the Seller) and the definitive Optional Purchase Price for such sale will be paid in accordance with clause 33.2(1) of the Mortgage Sale Agreement.

The Agreement for Sale shall incorporate, *mutatis mutandis*, the relevant provisions of the Mortgage Sale Agreement.

Seller

SIGNED by

for and on behalf of

[insert name of Seller]

[Beneficial Title Transferee:

SIGNED by

for and on behalf of

[insert name of Beneficial Title Transferee]

EXHIBIT 1

STANDARD DOCUMENTATION

MORTGAGE CONDITIONS

1. Precise Mortgages General Mortgage Conditions March 2010 (England and Wales) (PMGMC 09102, 00495 (3.7) and 00495 (4.1))
2. Precise Mortgages General Mortgage Conditions November 2015 (England and Wales) (PMGMC 00495 (5.2))
3. Precise Mortgages General Mortgage Conditions August 2016 (England and Wales) (PMGMC 00495 (5.5))
4. Precise Mortgages General Mortgage Conditions 2018 (England and Wales) (00495 (6.4))
5. Precise Mortgages General Mortgage Conditions 2018 (England and Wales) (00495 (6.6))

MORTGAGE OFFER CONDITIONS

6. Precise Mortgages Offer/ Special Conditions 22 May 2013
7. Precise Mortgages Offer/ Special Conditions 6 January 2014
8. Offer Conditions as at 13 May 2015
9. Offer Conditions v.4 (23/06/2022)
10. OSBI Manual Offer Conditions as at 31 March 2023
11. Offer Conditions as at 17 August 2023

MORTGAGE APPLICATION FORMS

Residential and BTL application form (individuals)

12. Precise Mortgages Application Form and Standard Declaration 00299 v6 20.05.2013
13. Precise Mortgages Residential and Buy to Let Mortgages Application Form March 2014 (Mort D7) (00299) (9.3)
14. Precise Mortgages Application Form and Standard Declaration 00016
15. Precise Mortgages Residential and Buy to Let Mortgages Application Form (01641) (5.1)
16. Precise Mortgages Residential and Buy to Let Mortgages Application Form (01641) (7.1)
17. Precise Mortgages Residential and Buy to Let Mortgages Application Form (01641) (8.1)

BTL application forms (for companies and LLPs)

18. Precise Mortgages Buy to Let Mortgages Application Form – Limited companies/Limited Liability Partnership 01495 (1.8)

19. Precise Mortgages Buy to Let Mortgages Application Form – Limited companies/Limited Liability Partnership (01495 (1.7))
20. Precise Mortgages Buy to Let Mortgages Application Form – Limited companies/Limited Liability Partnership 01495 (9.1)

Residential and BTL porting application forms

21. Residential and Buy to Let Mortgages Porting Application Form (01232 (4.1))
22. Precise Mortgages Residential and Buy to Let Mortgages Porting Application Form (01232)

Standard Declarations

23. Standard Declaration (as appended to application form 00181)
24. Standard Declaration September 2011 (Mort D5) (00974)
25. Standard Declaration December 2013 (Mort D6) (00974)
26. Standard Declaration (00974 (1))
27. Standard Declaration 04-PM-L-01 (13) MKT001856-005
28. Standard Declaration Limited Companies 04-PM-L-01 (13) Ltd Co MKT001856-005

SECURITY DOCUMENTS

Mortgage Deeds

29. Mortgage Deed (Form of Charge filed at HM Land Registry under reference MD1251A)
30. Mortgage Deed (Form of Charge filed at HM Land Registry under reference MD1251P) (May 2015)
31. Mortgage Deed (Form of Charge by way of Additional Security filed at HM Land Registry under reference MD1251R)
32. Mortgage Deed (Form of Charge filed at HM Land Registry under reference MD1251V)

Deeds of charge by way of Additional Security

33. Deed of Charge by way of Additional Security (filed at HM Land Registry under reference MD1251Y)
34. Deed of Charge by way of Additional Security (filed at HM Land Registry under reference MD1251X)

MORTGAGE OFFER LETTERS

Offer letters for individuals

35. Precise Applicant Offer Covering letter- England and Wales- Long Term Lending (enclosing General Mortgage Conditions March 2010 England and Wales)
36. Precise Applicant Offer Covering Letter – Aug 2018
37. Precise Mortgage Offer Letter – Regulated Long Term Lending

38. Precise Mortgage Offer Letter 2014 reference number M0000014848
39. Applicant Offer Covering Letter – England and Wales – Individual (December 2018)
40. Precise Mortgage Offer Letter February 2015
41. Precise Mortgage Offer Letter March 2015
42. Precise Mortgage Offer Letter April 2015
43. Precise Mortgage Offer Letter January 2016 reference number M0000008167
44. Precise Mortgage Offer Letter April 2016 reference number M0000013567
45. Precise Mortgage Offer Letter October 2016 reference number M1001353900
46. Precise Mortgage Offer Letter July 2018 reference number M2201238608
47. Precise Mortgage Offer Letter 21 March 2023 reference number M2000349288
48. Precise Mortgage Offer Letter 24 March 2023 reference number M2000347922

Offer letters for companies and LLPs

49. Applicant Offer Covering Letter – England and Wales – Limited Company (December 2018)
50. Precise Mortgage Offer Letter 3 April 2023 reference number M2000348943

Porting offer letters

51. Example of Precise Porting Mortgage Offer Letter

INSTRUCTIONS TO SOLICITORS

52. Precise Mortgages Solicitors Instruction Letter – England and Wales – Long Term Lending
53. Precise Mortgages Solicitors Instruction Letter (December 2014) – Separate representation
54. Precise Mortgages Solicitors Instruction Letter (December 2014) – Joint representation
55. Precise Mortgages Solicitors Instruction Letter (August 2018) – Separate representation
56. Precise Mortgages Solicitors Instruction Letter (August 2018) – Joint representation
57. Precise Mortgages Solicitors Instruction Letter (March 2023) – Separate representation
58. Precise Mortgages Solicitors Instruction Letter (March 2023) – Joint representation

CERTIFICATES OF TITLE

59. Charter Court Financial Services Limited Certificate of Title and Request for Funds incorporating the Precise Mortgages General Mortgage Conditions March 2010
60. Charter Court Financial Services Limited Certificate of Title and Request for Funds incorporating the Precise Mortgages General Mortgage Conditions March 2010 (referring to 2007 Solicitors' Code of Conduct)

61. Charter Court Financial Services Limited Certificate of Title and request for funds incorporating the Precise Mortgages General Mortgage Conditions (referring to 2011 SRA Code of Conduct) (December 2014)
62. Charter Court Financial Services Limited Certificate of Title and Request for Funds (England and Wales) incorporating the Precise Mortgages General Mortgage Conditions (referring to 2011 SRA Code of Conduct) (June 2015)
63. Charter Court Financial Services Limited Certificate of Title and Request for Funds (England and Wales) (referring to 2011 SRA Code of Conduct) (December 2015)
64. Charter Court Financial Services Limited Certificate of Title and Request for Funds (England and Wales) (referring to 2011 SRA Code of Conduct) (August 2018)

DEEDS OF CONSENT

65. Charter Court Financial Services Limited Consent Deed
66. Charter Court Financial Services Limited Consent Deed (Dec 2018)
67. Charter Court Financial Services Limited Consent Deed (Dec 2018, with privacy notice)

DEED OF POSTPONEMENT

68. Charter Court Financial Services Limited Deed of Postponement
69. Charter Court Financial Services Limited Deed of Postponement (Dec 2018)

DEED OF PRIORITIES

70. Charter Court Financial Services Limited Deed of Priority
71. Charter Court Financial Services Limited Deed of Priority (Dec 2018)

LIBOR LETTERS

72. LIBOR transition letter and FAQs (September 2021)

PERSONAL GUARANTEES

73. Deed of Guarantee October 2016
74. Deed of Guarantee December 2018

EXHIBIT 2

DETAILS OF THE PORTFOLIO

To be included on electronic or digital media