

11 June 2002

**FIRST FLEXIBLE NO. 5 plc**

**- and -**

**JPMORGAN CHASE BANK**

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**TRUST DEED**

**constituting  
£465,000,000 Class A Mortgage Backed  
Floating Rate Notes due 2034**

**and**

**£22,500,000 Class M Mortgage Backed  
Floating Rate Notes due 2034**

**and**

**£12,500,000 Class B Mortgage Backed  
Floating Rate Notes due 2034**

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**THIS TRUST DEED** is made and delivered the 11 June 2002

**BETWEEN**

- (1) **FIRST FLEXIBLE NO.5 plc**, a company incorporated under the laws of England and Wales whose registered office is at Sir William Atkins House, Ashley Avenue, Epsom, Surrey KT18 5AS (hereinafter called the “**Issuer**”) of the one part; and
- (2) **JPMORGAN CHASE BANK**, a company incorporated under the laws of England and Wales, whose principal office is at Trinity Tower, 9 Thomas More Street, London E1W 1YT (hereinafter called the “**Trustee**”, which expression shall, wherever the context so admits, include such company and all other persons or companies for the time being the trustee or trustees of these presents) of the other part.

**WHEREAS**

- (A) By a resolution of the Board of Directors of the Issuer passed on 29 May 2002 the Issuer has resolved to issue £465,000,000 in aggregate principal amount of Class A Mortgage Backed Floating Rate Notes due 2034, £22,500,000 in aggregate principal amount of Class M Mortgage Backed Floating Rate Notes due 2034 and £12,500,000 in aggregate principal amount of Class B Mortgage Backed Floating Rate Notes due 2034, all of such Notes to be constituted and secured in the manner hereinafter appearing and as set out in the Deed of Charge.
- (B) The Class A Notes shall comprise £465,000,000 Class A Notes, the Class M Notes shall comprise £22,500,000 Class M Notes and the Class B Notes shall comprise £12,500,000 Class B Notes.
- (C) The Trustee has agreed to act as trustee of these presents upon and subject to the terms and conditions hereinafter contained.

**NOW THIS TRUST DEED WITNESSES AND IT IS HEREBY AGREED AND DECLARED** as follows:

**1 INTERPRETATION**

**1.1 Definitions**

Terms defined in the Conditions or in the Master Definitions Schedule dated 11 June 2002 shall, unless otherwise defined herein or the context requires otherwise, bear the same meaning herein (including the recitals hereto). In these presents unless there is anything in the subject or context inconsistent therewith the expressions listed below shall have the following meanings, namely:

“**Agency Agreement**” means the Agency Agreement of even date herewith, appointing the Principal Paying Agent and the Agent Bank in relation to the Notes and includes any other agreement for the time being in force appointing further or other Paying Agents or any other Agent Bank in relation to the Notes, or in connection with their respective duties, the terms of which have been previously approved in writing by the Trustee, together with any agreement for the time being in force amending or modifying, with the prior written approval of the Trustee, any of the aforesaid agreements;

“**Agent Bank**” means JPMorgan Chase Bank or, if applicable, any successor agent bank which shall become such pursuant to the provisions of the Agency Agreement or such other agent bank

in relation thereto as may (with the prior written approval of, and on terms previously approved in writing by, the Trustee) from time to time be appointed as such by the Issuer and (except in the case of the initial Agent Bank) notice of whose appointment has been given to the Noteholders pursuant to Clause 13(xiii) in accordance with Condition 14;

“**Auditors**” means the auditors for the time being of the Issuer or, in the event of their being unable or unwilling to carry out any action requested of them pursuant to the provisions of these presents, such other firm of accountants as may be appointed in writing by the Issuer after consultation with the Trustee;

“**Britannic Money**” means Britannic Money plc;

“**Business Day**” means a day (other than a Saturday, Sunday or public holiday) on which banks are open for business in the City of London;

“**Class A Conditions**” means the terms and conditions applicable to the Class A Notes, in the form set out in Schedule 4 to this Trust Deed, as the same may, from time to time, be modified in accordance with these presents and any reference in these presents to a particular numbered Class A Condition shall be construed accordingly and references in the Class A Conditions to paragraphs shall be construed as paragraphs of such Class A Conditions;

“**Class A Noteholders**” means the several persons who are for the time being holders of the Class A Notes (being, if and to the extent that the Class A Notes are represented by the Definitive Class A Notes, the bearers thereof and, if and to the extent that the Class A Notes are represented by a Global Class A Note, the persons for the time being shown in the records of Euroclear and Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an account holder of Euroclear and other than Euroclear, if Euroclear shall be an account holder of Clearstream, Luxembourg) as being holders of the Class A Notes) in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Principal Amount Outstanding of Class A Notes standing to the account of any person shall be conclusive and binding for all purposes (other than for the purposes of payments in respect thereof the right to which shall be vested, as against the Issuer and the Trustee, solely in the bearer of a Global Class A Note in accordance with and subject to their respective terms and the terms of these presents) and for which purpose “**Class A Noteholders**” means the bearer of a Global Class A Note; and the words “**holder**” and “**holders**” and related expressions shall (where appropriate) be construed accordingly;

“**Class A Notes**” means the £465,000,000 Class A Mortgage Backed Floating Rate Notes due 2034 constituted hereby or the amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes the Temporary Global Class A Note (or any part thereof), the Permanent Global Class A Note (or any part thereof) and the Definitive Class A Notes (or any of them);

“**Class B Conditions**” means the terms and conditions applicable to the Class B Notes, in the form set out in Schedule 4 to this Trust Deed, as the same may, from time to time, be modified in accordance with these presents and any reference in these presents to a particular numbered Class B Condition shall be construed accordingly and references in the Class B Conditions to paragraphs shall be construed as paragraphs of such Class B Conditions;

“**Class B Noteholders**” means the several persons who are for the time being holders of the Class B Notes (being, if and to the extent that the Class B Notes are represented by the Definitive Class B Notes, the bearers thereof and, if and to the extent that the Class B Notes are represented by a Global Class B Note, the persons for the time being shown in the records of Euroclear and

Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an account holder of Euroclear and other than Euroclear, if Euroclear shall be an account holder of Clearstream, Luxembourg) as being holders of the Class B Notes) in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Principal Amount Outstanding of Class B Notes standing to the account of any person shall be conclusive and binding for all purposes (other than for the purposes of payments in respect thereof the right to which shall be vested, as against the Issuer and the Trustee, solely in the bearer of a Global Class B Note in accordance with and subject to their respective terms and the terms of these presents) and for which purpose “**Class B Noteholders**” means the bearer of a Global Class B Note; and the words “**holder**” and “**holders**” and related expressions shall (where appropriate) be construed accordingly;

“**Class B Notes**” means the £12,500,000 Class B Mortgage Backed Floating Rate Notes due 2034 constituted hereby or the amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes the Temporary Global Class B Note (or any part thereof), the Permanent Global Class B Note (or any part thereof) and the Definitive Class B Notes (or any of them);

“**Class M Conditions**” means the terms and conditions applicable to the Class M Notes, in the form set out in Schedule 4 to this Trust Deed, as the same may, from time to time, be modified in accordance with these presents and any reference in these presents to a particular numbered Class M Condition shall be construed accordingly and references in the Class M Conditions to paragraphs shall be construed as paragraphs of such Class M Conditions;

“**Class M Noteholders**” means the several persons who are for the time being holders of the Class M Notes (being, if and to the extent that the Class M Notes are represented by the Definitive Class M Notes, the bearers thereof and, if and to the extent that the Class M Notes are represented by a Global Class M Note, the persons for the time being shown in the records of Euroclear and Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an account holder of Euroclear and other than Euroclear, if Euroclear shall be an account holder of Clearstream, Luxembourg) as being holders of the Class M Notes) in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Principal Amount Outstanding of Class M Notes standing to the account of any person shall be conclusive and binding for all purposes (other than for the purposes of payments in respect thereof the right to which shall be vested, as against the Issuer and the Trustee, solely in the bearer of a Global Class M Note in accordance with and subject to their respective terms and the terms of these presents) and for which purpose “**Class M Noteholders**” means the bearer of a Global Class M Note; and the words “**holder**” and “**holders**” and related expressions shall (where appropriate) be construed accordingly;

“**Class M Notes**” means the £22,500,000 Class M Mortgage Backed Floating Rate Notes due 2034 constituted hereby or the amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes the Temporary Global Class M Note (or any part thereof), the Permanent Global Class M Note (or any part thereof) and the Definitive Class M Notes (or any of them);

“**Clearstream, Luxembourg**” means Clearstream Banking, société anonyme;

“**Common Depositary**” means a depositary common to Euroclear and Clearstream, Luxembourg;

“**Conditions**” means the Class A Conditions, the Class M Conditions and the Class B Conditions and any reference in these presents to a particular numbered Condition shall be construed to mean

the relevant paragraph(s) of the Class A Conditions, the Class M Conditions and the Class B Conditions;

“**Couponholders**” means the several persons who are for the time being holders of the Coupons;

“**Coupons**” means, in relation to the Definitive Notes, the bearer interest coupons appertaining to such Definitive Notes, (and the words “**Interest Coupons**” shall be construed accordingly) or, as the context may require, a specific number thereof and, save where the context otherwise requires, includes the Talons and any replacement Coupons or Talons issued pursuant to Condition 13;

“**Deed of Charge**” means the deed of charge and assignment of even date herewith between, *inter alia*, the Issuer, the Trustee and the Servicer and includes, where the context so admits, any Supplemental Deed of Charge granted pursuant thereto;

“**Definitive Notes**” means the Definitive Class A Notes and/or the Definitive Class M Notes and/or the Definitive Class B Notes and “**Definitive Note**” means any of them;

“**Definitive Class A Notes**” means the bearer notes in definitive form with a grid endorsed thereon for the purposes of recording the payment of principal in respect of the Class A Notes to be issued pursuant to, and in circumstances specified in, the provisions of Clause 3.7 to 3.10 of this Trust Deed and includes any replacements for Definitive Class A Notes issued pursuant to Class A Condition 13;

“**Definitive Class B Notes**” means the bearer notes in definitive form with a grid endorsed thereon for the purposes of recording the payment of principal in respect of the Class B Notes to be issued pursuant to, and in circumstances specified in, the provisions of Clause 3.7 to 3.10 of this Trust Deed and includes any replacements for Definitive Class B Notes issued pursuant to Class B Condition 13;

“**Definitive Class M Notes**” means the bearer notes in definitive form with a grid endorsed thereon for the purposes of recording the payment of principal in respect of the Class M Notes to be issued pursuant to, and in circumstances specified in, the provisions of Clause 3.7 to 3.10 of this Trust Deed and includes any replacements for Definitive Class M Notes issued pursuant to Class M Condition 13;

“**Documents**” has the meaning given to it in Condition 3 and, except in the Conditions, includes the Other Relevant Documents as defined in Condition 11;

“**Euroclear**” means Euroclear Bank S.A./N.V. as operator of the Euroclear System;

“**Event of Default**” means any of the events set out in paragraph (i) to (vi) inclusive of Condition 9(a) (being events upon the happening of which the Notes referable thereto would, subject only to the issue of a certificate (where required) and/or notice by the Trustee as therein provided, become immediately due and repayable);

“**Exchange Date**” means in relation to a Note, the day which is forty days after the Issue Date;

“**Extraordinary Resolution**” has the meaning set out in Schedule 5 of this Trust Deed;

“**Global Class A Notes**” means the Temporary Global Class A Note and the Permanent Global Class A Note and “**Global Class A Note**” means either of them;

“**Global Class B Notes**” means the Temporary Global Class B Note and the Permanent Global Class B Note and “**Global Class B Note**” means either of them;

“**Global Class M Notes**” means the Temporary Global Class M Note and the Permanent Global Class M Note and “**Global Class M Note**” means either of them;

“**Global Notes**” means any of the Temporary Global Notes and Permanent Global Notes and “**Global Note**” means any of them;

“**Interest Payment Date**” has the meaning ascribed thereto in Condition 4(b);

“**Interest Period**” has the meaning ascribed thereto in Condition 4(b);

“**Issue Date**” means 11 June 2002;

“**Listing Authority**” means the United Kingdom Listing Authority or any other authority or stock exchange on which the Notes are listed and which is approved for the purposes of these presents by the Trustee;

“**Managers**” means the managers so named in the Subscription Agreements in respect of the Notes relating thereto;

“**Moody’s**” means Moody’s Investors Service Limited;

“**Mortgage Sale Agreement**” means the mortgage sale agreement of even date herewith between, *inter alios*, the Issuer, the Trustee, Arianty and Britannic Money;

“**Noteholders**” means the Class A Noteholders and/or the Class M Noteholders and/or the Class B Noteholders and “**Noteholder**” means any of them;

“**Notes**” means the Class A Notes, the Class M Notes and the Class B Notes;

“**outstanding**” means in relation to the Notes, all of the Notes issued other than:

- (a) those Notes which have been redeemed in full and cancelled pursuant to Condition 5, as the case may be, or otherwise pursuant to these presents;
- (b) those Notes in respect of which the date for redemption in full in accordance with the Conditions has occurred and the redemption moneys for which (including all interest payable thereon) have been duly paid to the Trustee or to a Paying Agent in the manner provided in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 14) and remain available for payment against presentation of the relevant Notes and/or Coupons;
- (c) those Notes which have become void under Condition 7;
- (d) those mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 13;
- (e) (for the purpose only of ascertaining the Principal Amount Outstanding of the Notes and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 13;



- (f) the Temporary Global Notes to the extent that they shall have been exchanged for the Permanent Global Notes pursuant to the provisions contained therein and in Clause 3.1 to 3.6 of this Trust Deed; and
- (g) the Permanent Global Notes to the extent that they shall remain in escrow to be exchanged for the Temporary Global Notes or shall have been exchanged for Definitive Notes, pursuant to the provisions contained therein and in Clause 3 of this Trust Deed;

**PROVIDED THAT** for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of the Noteholders;
- (ii) the determination of how many and which Notes are for the time being outstanding for the purposes of these presents, the relevant Conditions and, for the avoidance of doubt, the relevant paragraphs of Schedule 5 to this Trust Deed;
- (iii) any discretion, power or authority contained in these presents which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of any of the Noteholders; and
- (iv) the determination by the Trustee whether any of the events specified in Condition 9 is materially prejudicial to the interests of the Noteholders or when the Trustee is required to determine any matters pursuant to Condition 10 and/or 11,

those Notes (if any) which are for the time being held by any person (including but not limited to the Issuer or any of its respective subsidiaries or holding companies) for the benefit of the Issuer or any of its subsidiaries or holding companies shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

**“Paying Agent”** means:

- (i) the several institutions (including where the context requires, the Principal Paying Agent) at their respective specified offices outside the United States initially appointed as paying agents by the Issuer pursuant to the Agency Agreement; and/or
- (ii) such other or further paying agents outside the United States in respect of the Notes as may from time to time be appointed by the Issuer (with the prior approval of, and on terms previously approved by, the Trustee in writing); and/or
- (iii) such other or further specified offices outside the United States (in the former case, being within the same city as those for which they are substituted) as may from time to time be nominated, in each case, by the Issuer,

and (except in the case of the initial appointments and specified offices made under and specified in the Agency Agreement) notice of whose appointment or nomination has been given to the Noteholders pursuant to Clause 13(xiii) of this Trust Deed in accordance with Condition 14;

**“Permanent Global Class A Note”** means the permanent global note in bearer form to be issued in respect of the Class A Notes by the Issuer pursuant to the provisions of Clause 3.1 to 3.6 of this Trust Deed and substantially in the form set out in Schedule 2 to this Trust Deed;

**“Permanent Global Class B Note”** means the permanent global note in bearer form to be issued in respect of the Class B Notes by the Issuer pursuant to the provisions of Clause 3.1 to 3.6 of this Trust Deed and substantially in the form set out in Schedule 2 to this Trust Deed;

**“Permanent Global Class M Note”** means the permanent global note in bearer form to be issued in respect of the Class M Notes by the Issuer pursuant to the provisions of Clause 3.1 to 3.6 of this Trust Deed and substantially in the form set out in Schedule 2 to this Trust Deed;

**“Permanent Global Notes”** means the Permanent Global Class A Note, the Permanent Global Class B Note and the Permanent Global Class M Note;

**“powers”** in relation to the Trustee and any attorney, manager, delegate, agent or other person appointed by it under these presents means their respective powers, authorities and discretions under these presents or the general law;

**“Principal Amount Outstanding”** of any Note, means £10,000 less the aggregate amount of all Actual Redemption Amounts in respect of a Note of the relevant class that have become due and payable since the Issue Date on or prior to such date (whether or not paid);

**“Principal Paying Agent”** means JPMorgan Chase Bank at its office at Trinity Tower, 9 Thomas More Street, London E1W 1YT or such other principal paying agent in respect of the Class A Notes, the Class M Notes and the Class B Notes and for the time being as may have been appointed as such by the Issuer with the prior written approval of, and on terms previously approved by, the Trustee in writing and (except in the case of the initial principal paying agent) notice of whose appointment has been given to the Noteholders pursuant to Clause 13(xiii) in accordance with Condition 14;

**“Rating Agencies”** means Fitch and S&P, or whichever of them shall at the relevant time have published a current rating for the Notes;

**“Reference Banks”** means the several banks referred to in the Conditions and appointed by the Issuer with the prior written approval of the Trustee or such other banks as may (with the prior written approval of the Trustee) from time to time be appointed as such by the Issuer in accordance with the Conditions and these presents and notice of whose appointment has been given to the Noteholders pursuant to Clause 13 (xiii) of this Trust Deed in accordance with Condition 14;

**“repay”, “redeem” and “pay”** shall each include both the others and cognate expressions shall be construed accordingly;

**“Servicer”** means Britannic Money or any successor servicer appointed pursuant to the provisions of the Servicing Agreement;

**“Servicing Agreement”** means the servicing agreement dated 11 June 2002 between, *inter alios*, the Issuer, the Trustee and the Servicer;

**“S&P”** means Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc.;

**“Talons”** means the talons (if any) appertaining to, and exchangeable in accordance with the provisions therein contained for further Coupons appertaining to, the Notes and includes any replacement Talons issued pursuant to Condition 13;

**“Temporary Global Class A Note”** means the temporary global note in bearer form to be issued in respect of the Class A Notes by the Issuer, pursuant to the provisions of Clause 3.1 to 3.6 of this Trust Deed and substantially in the form set out in Schedule 1 to this Trust Deed;

**“Temporary Global Class B Note”** means the temporary global note in bearer form to be issued in respect of the Class B Notes by the Issuer pursuant to the provisions of Clause 3.1 to 3.6 of this Trust Deed and substantially in the form set out in Schedule 1 to this Trust Deed;

**“Temporary Global Class M Note”** means the temporary global note in bearer form to be issued in respect of the Class M Notes by the Issuer pursuant to the provisions of Clause 3.1 to 3.6 of this Trust Deed and substantially in the form set out in Schedule 1 to this Trust Deed;

**“Temporary Global Notes”** means the Temporary Global Class A Note, the Temporary Global Class M Note and the Temporary Global Class B Note;

**“these presents”** means this Trust Deed and the Schedules and any Trust Deed expressed to be supplemental hereto and the Schedules (if any) thereto and the Deed of Charge all as from time to time supplemented or modified in accordance with the provisions contained in these presents and, where applicable, therein contained;

**“Trust Corporation”** means a corporation entitled by rules made under the Public Trustee Act 1906 of Great Britain or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee and shall be deemed to include JPMorgan Chase Bank;

**“Trustee Acts”** means both the Trustee Act 1925 and the Trustee Act 2000 of England and Wales.

## 1.2 Construction of Certain References

- (i) All references in these presents to costs or charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis.
- (ii) All references in these presents to **“pounds”**, **“sterling”**, **“pounds sterling”** or the sign **“£”** shall be construed as references to the lawful currency for the time being of the United Kingdom and all references in these presents to **“euro”** shall be construed as references to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union and the Treaty of Amsterdam.
- (iii) All references in these presents to any provisions of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.
- (iv) All references in these presents to guarantees or to an obligation being guaranteed shall be deemed to include respectively references to indemnities or to any indemnity being given in respect thereof.
- (v) Any reference to any person or party shall, unless the context otherwise requires, include reference to its successors and permitted assigns.
- (vi) All references in these presents to any action, remedy or method of judicial proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceeding for the enforcement of the rights of creditors available or appropriate in such

jurisdiction as shall most nearly approximate to such action, remedy or method of judicial proceeding described or referred to in these presents.

- (vii) Unless the context otherwise requires words or expressions contained in these presents shall bear the same meanings as in the Companies Act 1985 of Great Britain.
- (viii) In this Trust Deed references to Schedules, Clauses, sub-clauses, paragraphs and sub-paragraphs shall be construed as references to the Schedules to this Trust Deed and to the Clauses, sub-clauses, paragraphs and sub-paragraphs of this Trust Deed respectively.
- (ix) The headings and contents page in this Trust Deed have been inserted for ease of reference only and shall not affect its interpretation.
- (x) Any reference in these presents to a “class” of Notes shall be a reference to the Class A Notes, the Class M Notes and the Class B Notes or the respective Noteholders and “classes”, in a similar context, shall be construed accordingly.
- (xi) Words denoting the singular number only shall include the plural number also and vice versa.
- (xii) Words denoting one gender only shall include the other genders.
- (xiii) Words denoting persons only shall include firms and corporations and vice versa.

## **2 AMOUNT OF THE NOTES AND COVENANT TO REPAY AND TO PAY INTEREST ON NOTES**

**2.1 Amount of Notes** The Notes shall be comprised of £465,000,000 in aggregate principal amount of Class A Notes, £22,500,000 in aggregate principal amount of Class M Notes and £12,500,000 in aggregate principal amount of Class B Notes.

**2.2 Covenant to Repay Principal and Pay Interest** The Issuer hereby covenants with the Trustee that it will, in accordance with the Conditions and these presents, on the due date for the final maturity of the Notes as specified in the Conditions, or on each such earlier date as the same or any part thereof may become due and repayable thereunder, pay or procure to be paid unconditionally to or to the order of the Trustee in pounds sterling in London for immediate value the principal amount of such Notes then repayable or, in the case of a partial payment of such Notes, the principal amount payable thereon, subject to and in accordance with the terms of such Notes (including the Conditions), on that date and shall in the meantime and until such payment as well after as before any judgment or other order of a court of competent jurisdiction pay or procure to be paid unconditionally to or to the order of the Trustee as aforesaid interest on the Principal Amount Outstanding of the Notes at rates calculated from time to time in accordance with Condition 4 and on the dates provided for in the Conditions PROVIDED THAT:

- (a) every payment in accordance with the Conditions of principal or interest in respect of the Notes made to or to the account of the Principal Paying Agent in the manner provided in the Agency Agreement shall operate in satisfaction *pro tanto* of the relevant covenant by the Issuer contained in this Clause 2.2 except to the extent that there is a default in accordance with the Conditions in the subsequent payment thereof to the Noteholders or Couponholders (as the case may be);
- (b) in the case of any payment of principal made to the Trustee or the Paying Agents after the due date or on or after accelerated maturity following an Event of Default, interest shall

continue to accrue on the Principal Amount Outstanding of the Notes in accordance with the Conditions up to and including the date which the Trustee determines to be the date on and after which payment is to be made to the Noteholders in respect thereof as stated in a notice given to such Noteholders in accordance with Condition 14 (such date to be no later than 30 days after the day on which the whole of such Principal Amount Outstanding, together with an amount equal to the interest which has accrued and is to accrue up to and including that date, has been received by the Trustee or the Paying Agent); and

- (c) in any case where payment of the whole or any part of the Principal Amount Outstanding of any Note is improperly withheld or refused upon due presentation thereof (other than in circumstances contemplated by (b) above) interest shall accrue on that principal amount of such Note payment of which has been so withheld or refused in accordance with the Conditions from the date of such withholding or refusal until and including the date on which notice is given in accordance with Condition 14 that the full amount in pounds sterling payable in respect of such Note is available for payment PROVIDED THAT, upon due presentation of the relevant Note or Coupon, payment is in fact made.

**2.3 Benefits of Covenants** The Trustee shall hold the benefits of the covenants above and the covenants contained in Clauses 5 and 13 on trust for itself and the Secured Creditors.

**2.4 Trustee's Requirements following an Event of Default** At any time after an Event of Default (or any condition, event or act which, with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute an Event of Default) shall have occurred, the Trustee may:

- (a) by notice in writing to the Issuer, the Agent Bank, the Principal Paying Agent and the Paying Agents require the Agent Bank and the Paying Agents pursuant to the Agency Agreement:
  - (i) to act thereafter as the Agent Bank, the Principal Paying Agent and Paying Agents respectively of the Trustee in relation to payments to be made or performed by or on behalf of the Trustee under the provisions of these presents *mutatis mutandis* on the terms provided in the Agency Agreement (save that the Trustee's liability under any provisions thereof for the indemnification of the Agent Bank, the Principal Paying Agent and the Paying Agents shall be limited to the amounts for the time being held by the Trustee on the trusts of these presents for that purpose) and thereafter (in the case of the Principal Paying Agent and/or the Paying Agents) to hold all Notes and Coupons and all sums, documents and records held by them in respect of Notes and Coupons on behalf of the Trustee and (in the case of the Agent Bank) to hold all documents and records held by it in respect of the Notes and Coupons on behalf of the Trustee; or
  - (ii) (in the case of the Principal Paying Agent and/or the Paying Agents) to deliver up all Notes and Coupons and all sums, documents and records held by it in respect of Notes and Coupons to the Trustee and (in the case of the Agent Bank) to deliver up all documents and records held by it in respect of Notes and Coupons to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any documents or records which the Agent Bank and/or a Paying Agent is/are obliged not to release by any law or regulation; and
- (b) by notice in writing to the Issuer require it to make all subsequent payments in respect of the Notes and Coupons to or to the order of the Trustee and not to the Paying Agents and

with effect from the issue of any such notice to the Issuer and until such notice is withdrawn proviso (a) to Clause 2.2 shall cease to have effect.

### **3 FORM AND ISSUE OF THE NOTES**

**3.1 Issue of Temporary Global Notes** The Class A Notes issued on the Issue Date shall initially be represented by the Temporary Global Class A Note, the Class M Notes issued on the Issue Date shall initially be represented by the Temporary Global Class M Note and the Class B Notes issued on the Issue Date shall initially be represented by the Temporary Global Class B Note each of which the Issuer shall deposit with the Common Depository for Euroclear and Clearstream, Luxembourg on terms that the Common Depository shall hold the same for the account of the Noteholders referable thereto and the successors in title to such persons as appearing in the records of Euroclear and Clearstream, Luxembourg for the time being.

**3.2 Exchange of Temporary Global Notes for Permanent Global Notes** Each of the Temporary Global Class A Note, the Temporary Global Class M Note and the Temporary Global Class B Note shall, on the Exchange Date, be exchanged for the relevant Permanent Global Note in accordance with their respective terms and the relevant Notes in respect of which such exchange is made shall (subject as provided in Clauses 3.7 to 3.11) thereafter be represented by the relevant Permanent Global Note (or part thereof) for which such exchange was made.

**3.3 Deposit of Permanent Global Notes** The Issuer shall on or before the Exchange Date deposit the Permanent Global Class A Note, the Permanent Global Class M Note and the Permanent Global Class B Note with the Common Depository for Euroclear and Clearstream, Luxembourg on terms that the Common Depository shall, on or before the Exchange Date, hold the Permanent Global Notes in escrow and, on and after the exchange of the same for the relevant Temporary Global Notes, hold the Permanent Global Class A Note for the account of the Class A Noteholders, the Permanent Global Class M Note for the account of the Class M Noteholders and the Permanent Global Class B Note for the account of the Class B Noteholders.

**3.4 Procedures for Exchange** The procedures as regards the exchange, authentication, delivery, surrender, cancellation, presentation, marking down of any of the Global Notes (or part thereof) and any other matters to be carried out by the relevant parties upon such exchange (in whole or part) shall be made in accordance with the provisions of these presents and the relevant terms of the Global Notes and/or the normal practice of the Common Depository, the Principal Paying Agent and the rules and procedures of Clearstream, Luxembourg and Euroclear for the time being.

**3.5 Form of Global Notes** The Temporary Global Notes and Permanent Global Notes shall be printed or typed in the form or substantially in the form set out in Schedules 1 and 2, respectively. Each of the Global Notes shall be signed manually or in facsimile by a person duly authorised by the Issuer on behalf of the Issuer. The Issuer shall procure that, prior to the issue and delivery of each Global Note, each Global Note:

- (a) will be authenticated manually by an authorised signatory on behalf of the Paying Agent, and
- (b) no Global Note shall be valid for any purpose unless and until so authenticated, and
- (c) a Global Note so executed shall be a binding and valid obligation of the Issuer.

**3.6 Rights attached to the Global Notes** Until the relevant Global Notes (or part thereof) have been exchanged pursuant to these Clauses 3.1 to 3.11 (but without prejudice to the

escrow arrangements referred to in Clause 3.3), each Global Note (or part thereof) shall in all respects be entitled to the same benefits as the relevant Definitive Note except that the bearer thereof subject to the provisions of these presents shall be the only person entitled to receive payments of principal and interest as set out therein. If any Global Note, is lost, stolen or destroyed it shall, upon satisfactory evidence of such loss, theft or destruction being given to the Issuer and the Trustee, become void and a duly executed and authenticated replacement Global Note shall be immediately delivered by the Issuer to the Common Depositary.

**3.7 Issue of Definitive Notes** If (while the Class A Notes and/or Class M Notes and/or Class B Notes are represented by Global Note(s)):

- (a) the Class A Notes and/or Class M Notes and/or Class B Notes become immediately due and repayable pursuant to Class A Condition 9(a) and Class M Conditions 9(a) and Class B Condition 9(a) respectively; or
- (b) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or, in fact, does so; or
- (c) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration of such laws or regulations which becomes effective on or after the Issue Date the Issuer is or will be, or the Paying Agents are or will be, required to make any deduction or withholding from any payment in respect of the Class A Notes and/or Class M Notes and/or Class B Notes which would not be required were the relevant Class A Notes and/or Class M Notes and/or Class B Notes in definitive form,

then the Issuer shall at its sole cost and expense within 30 days of the occurrence of the relevant event issue the relevant Definitive Notes (together with Coupons and Talons attached) in exchange for the whole (or the remaining part(s) outstanding) of the relevant Global Note.

All Definitive Notes shall be held by the Paying Agent and shall not be delivered to the relevant Noteholders until the same are requested to be so delivered. The Global Class A Note, the Global Class M Note and the Global Class B Note shall (in each case) be marked-down in respect of those Definitive Notes which are so delivered, as appropriate.

**3.8 Notification of issue of Definitive Notes** The Issuer shall notify the Trustee forthwith upon the occurrence of any of the events referred to in Clause 3.7 and shall, unless the Trustee agrees otherwise, promptly give notice thereof and of its obligations to issue Definitive Notes to the relevant Noteholders in accordance with Condition 14.

**3.9 Form of Definitive Notes** The Definitive Notes, the Coupons and the Talons shall be payable or distributable to the bearer in the respective forms or substantially in the respective forms set out in Schedule 3 and each Definitive Note shall, subject to the provisions of Clause 2.4, be issued in the denomination of £10,000 each (serially numbered) with the Coupons for dates falling after the date of issue and (if appropriate) Talons attached and shall be endorsed with the relevant Conditions and a grid for the recording of all payments of principal made in accordance with the Conditions; PROVIDED ALWAYS THAT each Definitive Note shall have attached to it at the time of delivery only such Coupons and Talons as will ensure that neither loss nor gain of principal and/or interest shall accrue to the bearer thereof. Title to the Definitive Notes, the Coupons and the Talons shall pass by delivery.

**3.10 Execution of the Definitive Notes** The Definitive Notes, shall be signed manually or in facsimile by a person duly authorised by the Issuer. The Coupons and the Talons shall not be signed. The Issuer may use the facsimile signature of any person who, at the date of printing of the Definitive Notes, is a director of the Issuer notwithstanding that at the time of issue of any of the Definitive Notes he may have ceased for any reason to be the holder of such office and the Definitive Notes so executed shall be binding and valid obligations of the Issuer. The Issuer shall procure that, prior to their issue, the Definitive Notes will be authenticated by an authorised signatory of the Paying Agent and none of the Definitive Notes or the Coupons or Talons appertaining thereto shall be valid for any purpose unless and until the Definitive Notes are so authenticated.

**3.11 Failure by the Issuer to issue Definitive Notes pursuant to sub-clause 3.7(c)** If after the Exchange Date the Issuer becomes obliged to issue, or procure the issue of, Definitive Notes pursuant to Clause 3.7(c) but fails to do so within 30 days of the occurrence of the relevant event described in Clause 3.7(c), then the Issuer shall indemnify the Trustee, the bearer of the relevant Global Notes and the relevant Noteholders in respect of the relevant Notes and keep them indemnified against any loss or damage incurred by any of them if the amount received by the Trustee, the bearer of the relevant Global Notes or the relevant Noteholders in respect of the relevant Notes is less than the amount that would have been received had Definitive Notes been issued. If, and for so long as, the Issuer discharges its obligations under this indemnity, the breach by the Issuer of the provisions of Clause 3.7(c) shall be deemed to be cured *ab initio*.

#### **4 PAYMENT OF DUTIES AND TAXES ON THE NOTES**

The Issuer will pay all stamp and other similar duties or taxes, payable in the United Kingdom, Belgium or Luxembourg on or arising out of or in consequence of :

- (a) the execution and delivery of these presents and the Documents and the creation of the security constituted by or pursuant to the Deed of Charge;
- (b) the constitution and issue and delivery of the Notes and Coupons; and
- (c) any action taken by the Trustee or (where permitted under these presents so to do), any Noteholder or Couponholder to enforce the provisions of the Notes or the Coupons or these presents or the Documents or to enforce the security.

#### **5 COVENANT OF COMPLIANCE**

The Issuer hereby covenants with the Trustee that it will comply with and perform and observe all the provisions of these presents which are expressed to be binding on it. The Notes shall be held subject to the provisions contained in these presents and the Conditions, all of which shall be binding on the Issuer, the Noteholders and the Couponholders. The Trustee shall be entitled to enforce the obligations of the Issuer under the Notes, the Coupons and the Conditions as if the same were set out and contained in these presents which shall be read and construed as one document with the Notes. The provisions contained in Schedule 5 shall have effect in the same manner as if herein set forth.

#### **6 CANCELLATION OF NOTES**

**6.1 Cancellation** The Issuer shall procure that all Notes:

- (i) redeemed pursuant to Condition 5; or



- (ii) which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 13,

(together in each case with all unmatured Coupons and any unexchanged Talon attached thereto or delivered therewith) and all Coupons and Talons paid in accordance with the Conditions or which, being mutilated or defaced, have been so surrendered and replaced pursuant to Condition 13 and all Talons exchanged in accordance with the Conditions for further Coupons shall forthwith be cancelled by or on behalf of the Issuer.

**6.2 Certificates:** A certificate in respect of Notes redeemed in accordance with Condition 5 and/or Notes, Coupons or Talons cancelled in accordance with Clause 6.1 stating:

- (i) the aggregate principal amount of the Definitive Notes which have been redeemed in full and the aggregate amounts in respect of Coupons which have been paid or, as the case may require, the aggregate amounts of principal and interest paid in respect of either of the Global Notes;
- (ii) the serial numbers of such Definitive Notes;
- (iii) the total numbers by maturity date of such Coupons;
- (iv) the aggregate principal amounts of Definitive Notes which have been so surrendered and replaced and the serial numbers of such Definitive Notes and the total number by maturity date of Coupons which have been so surrendered and replaced; and
- (v) the total number of Talons which have been so exchanged; and
- (vi) the total number and maturity dates of unmatured Coupons which were missing from Definitive Notes redeemed and the serial numbers of such Definitive Notes to which such missing and unmatured Coupons appertain,

shall be given to the Trustee by or on behalf of the Issuer as soon as possible and in any event within four months after the date of such redemption, payment or replacement (as the case may be). The Trustee may accept such certificate as conclusive evidence of repayment or replacement pro tanto of the Notes or payment of interest thereon or exchange of the Talons respectively and of cancellation of the relative Notes, Coupons and Talons.

**6.3 Records** The Issuer shall procure (i) that the Principal Paying Agent shall keep a full and complete record of all Notes and Coupons (other than serial numbers of Coupons) and of their redemption, cancellation or payment (as the case may be) and of all replacement Notes or Coupons or Talons issued in substitution for lost, stolen, mutilated, defaced or destroyed Notes or Coupons (ii) that the Principal Paying Agent shall in respect of the Coupons of each maturity and/or Talons retain until the expiry of five years from the maturity date of such Coupons either all paid Coupons and/or presented Talons of that maturity or a list of the serial numbers of Coupons of that maturity still remaining unpaid and/or Talons not yet presented (iii) that the Principal Paying Agent shall keep a full and complete record of all principal amounts paid in respect of the Notes; and (iv) that such records and Coupons (if any) and Talons (if any) shall be made available by the Principal Paying Agent to the Trustee at all reasonable times.

## **7 ENFORCEMENT**

**7.1 Enforcement of payments** At any time after the Notes of any class shall have become due and repayable and without prejudice to its rights of enforcement in relation to the security

created by or pursuant to the Deed of Charge, the Trustee may at its discretion subject to Condition 10 and without further notice take such steps as it may think fit to enforce the security created in favour of the Trustee for itself and on trust for others by, and contained in, or granted pursuant to the Deed of Charge and/or such proceedings as it may think fit against the Issuer to enforce payment of the Notes of such class together with accrued interest and any other moneys payable pursuant to these presents PROVIDED THAT the Trustee shall be bound by the terms of the Deed of Charge in determining the priority in which any moneys received by it shall be applied.

**7.2 Institution of legal proceedings** Should the Trustee take legal proceedings against the Issuer to enforce any of the provisions of the Notes, the Coupons or these presents:

- (i) proof therein that as regards any specified Note the Issuer has made default in paying any principal or interest due in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Notes in respect of which the relevant payment is then due;
- (ii) proof therein that as regards any specified Coupon the Issuer has made default in paying any interest due in respect of such Coupon shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Coupons which are then due and payable; and
- (iii) proof therein that as regards any specified Talon the Issuer has made default in exchanging such Talon for further Coupons and a further Talon as provided by its terms shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Talons which are then available for exchange.

**7.3 Disposal of the Security by the Trustee** The Trustee will not be liable for any decline in the value, nor any loss realised upon any sale or other dispositions made pursuant to the Deed of Charge or of any of the other Documents, of any Security (as defined in the Conditions). Without prejudice to the foregoing, and without limitation, the Trustee shall not be liable for any such decline or loss directly or indirectly arising from its acting, or failing to act, as a consequence of an opinion reached by it in good faith based on advice received by it in accordance with Condition 2(d).

## **8 PROCEEDINGS**

**8.1 Noteholders' instructions to the Trustee to enforce payment** The Trustee shall not be bound to take any such proceedings as are mentioned in Clause 7.2 or any other action or proceedings pursuant to or in connection with these presents, the Notes, the Coupons or the Documents unless respectively directed or requested to do so (a) by an Extraordinary Resolution of the Class A Noteholders, the Class M Noteholders or the Class B Noteholders as the case may be, or in writing by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of the Class A Notes, or as the case may be, by 25 per cent. in aggregate of the Principal Amount Outstanding of the Class M Noteholders, or as the case may be, by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of the Class B Notes and, in each case, (b) it shall be indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all liabilities, losses, costs, charges, damages and expenses which it may incur by so doing PROVIDED THAT:

- (i) so long as any of the Class A Notes remain outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Class M Noteholders or the Class B Noteholders unless either so to do would not in its opinion be materially prejudicial to the

interests of the Class A Noteholders or such action is sanctioned by an Extraordinary Resolution of the Class A Noteholders; and

- (ii) so long as any of the Class M Notes remain outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Class B Noteholders unless either so to do would not in its opinion be materially prejudicial to the interests of the Class M Noteholders or such action is sanctioned by an Extraordinary Resolution of the Class M Noteholders.

**8.2 Enforcement of the Security** Only the Trustee may enforce the security created in favour of the Trustee by, and contained in, or granted pursuant to the Deed of Charge or the provisions of these presents, the Notes, the Coupons or the Documents. The Trustee cannot, while any of the Class A Notes are outstanding, be required to enforce the security created by or pursuant to the Deed of Charge, at the request of the Class M Noteholders and/or the Class B Noteholders and the Trustee cannot, while any of the Class M Notes are outstanding, be required to enforce the security created by or pursuant to the Deed of Charge, at the request of the Class B Noteholders or any other Secured Creditor. No Noteholder or Couponholder or other Secured Creditor shall be entitled to enforce the said security or to proceed directly against the Issuer to enforce the performance of any of the provisions of these presents or of the Notes or the Coupons or the Documents unless the Trustee, having become bound as aforesaid to do so, fails to do so within a reasonable period and such failure shall be continuing and, for the avoidance of doubt, only if and to the extent that such holder is able to do so under applicable law.

## **9 RATE OF INTEREST**

The rate of interest payable in respect of the Class A Notes, the Class M Notes and the Class B Notes in the event of the Class A Notes, the Class M Notes and the Class B Notes having become due and repayable shall be calculated at the same intervals as the rate of interest payable pursuant to the Class A Conditions, the Class M Conditions and the Class B Conditions respectively, commencing on the expiry of the Interest Period during which the Class A Notes, the Class M Notes and the Class B Notes become immediately due and repayable *mutatis mutandis* in accordance with the provisions of Class A Condition 4, Class M Condition 4 and Class B Condition 4 respectively, as the case may be, except that no notices need be published in respect thereof.

## **10 NOTICE OF PAYMENTS**

The Trustee shall arrange for notice to be given to the Class A Noteholders, the Class M Noteholders and the Class B Noteholders in accordance with Condition 14 of the day fixed for any payment to them thereunder. Such payment may be made in accordance with Class A Condition 6, the Class M Condition 6 and the Class B Condition 6 respectively and any payment so made shall be a good discharge to the Trustee.

## **11 INVESTMENT BY TRUSTEE**

**11.1 Investments** If the amount of the moneys at any time available for the payment of principal and interest in respect of the Notes thereunder shall be less than 10 per cent. of the principal amount of the Notes then outstanding the Trustee may at its discretion invest such moneys in some or one of the investments hereinafter authorised with power from time to time at the like discretion to vary such investments and such investments with the resulting income therefrom may be accumulated until the accumulations together with any other funds for the time being under the control of the Trustee and available for such purpose shall amount to a sum being

not less than 10 per cent. of the principal amount of the Notes then outstanding and then such accumulations and funds shall be applied as provided in Condition 2(e).

**11.2 Variation of Investments** Any moneys which under the trusts of these presents ought to or may be invested by the Trustee may be invested in the name or under the control of the Trustee in any of the investments for the time being authorised by English law for the investment by trustees of trust moneys or in any other investments whether similar to the aforesaid or not which may be selected by the Trustee or by placing the same on deposit with any bank or financial institution in the name or under the control of the Trustee as the Trustee may think fit. If that bank or financial institution is the Trustee or a holding company, affiliate or subsidiary of the Trustee, it need only account for an amount of interest payable on a deposit of similar amount to an independent customer. The Trustee may at any time or times vary any such investments for or into other investments and shall not be responsible for any loss due to depreciation in value or otherwise resulting from any such investments or deposits.

## 12 PARTIAL PAYMENTS

Upon any payment under Clause 2 (other than:

- (i) a payment which is made in full; or
- (ii) a payment which is made in full except to the extent of any withholding or deduction made therefrom for or on account of taxes or duties as permitted by the Conditions,

against surrender of a Note or Coupon) the Note or Coupon in respect of which such payment is made shall be produced to the Trustee or the Paying Agent and the Trustee shall or shall cause the Paying Agent to enface thereon a memorandum of the amount and the date of payment.

## 13 COVENANTS BY THE ISSUER

So long as any of the Notes remains outstanding the Issuer shall:

- (i) **Conduct:** at all times carry on and conduct its affairs in a proper and efficient manner;
- (ii) **Information:** give or procure to be given to the Trustee such information and evidence as it shall reasonably require and in such form as it shall reasonably require (including but without prejudice to the generality of the foregoing the procurement by the Issuer of all such certificates called for by the Trustee pursuant to Clause 15.3 or any other provision of these presents or any other Document) for the purpose of the discharge of the duties, trusts, powers, authorities and discretions vested in it under these presents or the Documents or by operation of law;
- (iii) **Auditors Reports:** cause to be prepared and certified by the Auditors in respect of each financial year, accounts in such form as will comply with the requirements for the time being of the Companies Act 1985, the Listing Authority and the London Stock Exchange;
- (iv) **Books of Account:** at all times keep proper books of account and allow the Trustee, the Trustee's auditors or, with the Servicer's prior approval, any professional or financial adviser of the Trustee at any time upon reasonable notice to have access to all books of record and account and other relevant records and to all of the relevant personnel in order to discuss the same with such personnel;

- (v) **Copies of Securities and Shareholders' Documents:** send to the Trustee (in addition to any copies to which it may be entitled as a holder of any securities of the Issuer) (i) at the time of the issue thereof and in any event not more than 180 days after the end of the financial year two copies in English of every balance sheet, profit and loss account, report, circular and notice of general meeting for such financial period and (ii) at the time of issue thereof and in any event not more than 180 days after the end of each financial year four copies in English of the audited annual balance sheet and profit and loss account, report circular and notice of general meeting for such financial period, and every other document issued or sent to its shareholders together with any of the foregoing, and every document issued or sent to holders of its securities other than its shareholders (in their capacity as shareholders) (including the Noteholders) as soon as practicable and by no later than 180 days after the issue or publication thereof;
- (vi) **Notification of Event of Default:** forthwith give notice in writing to the Trustee of the occurrence of any Event of Default or any condition, event or act which with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute an Event of Default;
- (vii) **Directors' Certificate** give to the Trustee (a) within seven days after demand by the Trustee therefor and (b) (without the necessity for any such demand) after its audited accounts become available in respect of each financial period commencing with the financial period, ended 31 December 2002 and in any event not later than 187 days after the end of each such financial period a certificate of the Issuer substantially in the form of Schedule 6 to this Trust Deed signed by two Directors of the Issuer to the effect that as at a date not more than seven days before delivering such certificate (the "**relevant date**"), to the best of the knowledge, information and belief of the Issuer, there did not exist and had not existed since the relevant date of the previous certificate (or in the case of the first such certificate the date hereof) any Event of Default or any condition, event or act which with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute an Event of Default (a "**Potential Event of Default**") (or if such exists or existed specifying the same) and that during the period from and including the relevant date of the last such certificate (or in the case of the first such certificate the date hereof) to and including the relevant date of such certificate the Issuer has complied with all its obligations contained in these presents or (if such is not the case) specifying the respects in which it has not complied;
- (viii) **Further Acts:** insofar as is permitted by applicable law and subject so far as relevant to the Servicing Agreement, at all times execute documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to these presents;
- (ix) **Maintenance of Agent Bank, Reference Banks and Paying Agents:** at all times maintain an Agent Bank, five Reference Banks, a Principal Paying Agent and any Paying Agent in accordance with the Conditions;
- (x) **Notification of Late Payment:** procure the Principal Paying Agent to notify the Trustee forthwith in the event that it does not, on or before the due date for repayment of the Notes or any of them or any of the Coupons, receive unconditionally pursuant to the Agency Agreement payment of the full amount in pounds sterling of the moneys payable on such due date on all such Notes or Coupons as the case may be;
- (xi) **Notification of Unconditional Payment:** in the event of the unconditional payment to the Principal Paying Agent of any sum due in respect of the Notes or any of them or any of

the Coupons being made after the due date for payment thereof forthwith give or procure to be given notice to the Noteholders in accordance with Condition 14 that such payment has been made;

- (xii) ***Listing***: use its best endeavours to maintain the listing of the Notes on the Listing Authority and admission of the Notes to trading on the London Stock Exchange or, if it is unable to do so having used its best endeavours or if the maintenance of such listing and admission to trading is agreed by the Trustee to be unduly onerous, use its best endeavours to obtain and maintain a quotation or listing of the Notes on such other authority or authorities stock exchange or exchanges or securities market or markets as the Issuer may (with the prior written approval of the Trustee) decide and shall also use its best endeavours to procure that there will at all times be furnished to any such authority, stock exchange or securities market such information as such authority, stock exchange or securities market may require to be furnished in accordance with its requirements and shall also upon obtaining a quotation or listing of the Notes on such other authority, stock exchange or securities market enter into a deed supplemental to this Trust Deed to effect such consequential amendments to these presents as the Trustee may require or as shall be requisite to comply with the requirements of any such authority, stock exchange or securities market;
- (xiii) ***Change of Paying Agents, Agent Bank and Reference Banks***: give notice to the Noteholders in accordance with Condition 14 and to the Rating Agencies of any appointment, resignation or removal of any Agent Bank or Paying Agent (other than the appointment of the initial Agent Bank or Principal Paying Agent) after having obtained the prior written approval of the Trustee thereto or change of any Paying Agent's specified office and (except as provided by the Agency Agreement) at least 60 days prior to such event taking effect; PROVIDED ALWAYS THAT so long as any of the Notes remains outstanding in the case of the termination of the appointment of the Agent Bank or any Paying Agent, no such termination shall take effect until a new Agent Bank or Paying Agent has been appointed on terms previously approved in writing by the Trustee;
- (xiv) ***Notice to Noteholders***: obtain the prior written approval of the Trustee to, and promptly give to the Trustee two copies of, the form of every notice given to the Noteholders (other than in relation to notices relating to the Rate of Interest determined in respect of each Interest Period) in accordance with Condition 14;
- (xv) ***Compliance with Agency Agreement***: comply with and perform all its obligations under the Agency Agreement and use its best endeavours to procure that the Agent Bank, the Principal Paying Agent and the Paying Agents comply with and perform all their respective obligations thereunder and do not make any amendment or modification to such Agreement without the prior written approval of the Trustee;
- (xvi) ***Ascertaining the Outstanding Amounts of the Notes***: in order to enable the Trustee to ascertain the Principal Amount Outstanding of Notes for the time being for any of the purposes referred to in the proviso to the definition of "outstanding" contained in the Master Definitions Schedule, deliver to the Trustee within three Business Days after being so requested in writing by the Trustee a certificate in writing signed by two Directors of the Issuer setting out the total number and aggregate Principal Amount Outstanding of the relevant Notes which at the date of such certificate are held by or for the benefit of the Issuer or, so far as the Issuer is aware (without being required to make enquiries other than of any of its respective subsidiaries or holding companies), are held by any person for the benefit of the Issuer or any of its respective subsidiaries or holding companies;

- (xvii) **Compliance:** use its reasonable endeavours to procure that the other parties thereto, other than the Trustee, comply with and perform all their respective obligations under the Documents and do not make any amendment or modification thereto or agree to waive or authorise any breach thereof without the prior written approval of the Trustee;
- (xviii) **Maintenance of Servicer:** ensure that there is at all times a servicer appointed in accordance with the provisions of the Servicing Agreement;
- (xix) **Disposal of Assets:** not transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest, estate, right, title or benefit therein;
- (xx) **Restrictions on Activities:** except with the prior written consent of the Trustee, not (i) engage in any activity which is not incidental to any of the activities which the Documents provide or envisage that the Issuer will engage in or (ii) have any subsidiaries or employees or premises;
- (xxi) **Disposal of Assets:** except with the prior written consent of the Trustee or as contemplated by this Trust Deed, or any of the Documents, it will not transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option present or future right to acquire, any of the Charged Property or other assets or undertakings or any interest, estate, right, title or benefit therein;
- (xxii) **Borrowings:** except with the prior written consent of the Trustee, not incur any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of any obligation of any person;
- (xxiii) **Compliance with Conditions of the Notes:** comply with the Conditions of the Notes and to perform all its obligations thereunder;
- (xxiv) **Other:** it will not permit the validity or effectiveness of any of the Documents or the priority of the security interests created thereby to be amended, terminated or discharged, or consent or waiver pursuant to the terms of these present, the Conditions or any of the Documents, or permit any party to any of the Documents or any insurance contracts or any other person whose obligations form part of the security to be released from such obligations save as envisaged in the Documents,

provided that in giving any consents to any of the following in this Clause 13(xx) to (xxiv), the Trustee may require the Issuer to make such modifications or additions to the provisions of any of the Documents or may impose such other conditions or requirements as the Trustee may deem expedient (in its absolute discretion) in the interests of the Noteholders.

## 14 REMUNERATION AND INDEMNIFICATION OF TRUSTEE

**14.1 Remuneration** The Issuer shall pay to the Trustee remuneration for its services as trustee as from the date of this Trust Deed, such remuneration to be at such rate as may from time to time be agreed between the Issuer and the Trustee. Such remuneration shall be payable in advance in equal instalments on such dates and at such times as may be agreed between the Issuer and the Trustee. Such remuneration shall accrue from day to day and be payable (in priority to payments to the Noteholders, Couponholders and others in accordance with the Priority of Payments) down to the date when, all the Notes having become due for redemption, the redemption moneys and interest thereon to the date of redemption have been paid to the Paying Agent or the Trustee PROVIDED THAT if upon due presentation of any Note or Coupon

payment of the moneys due in respect thereof is improperly withheld or refused, remuneration will commence again to accrue.

**14.2 Additional Remuneration** In the event of the Trustee giving an Enforcement Notice or considering it expedient or necessary or being requested by the Issuer to undertake duties which the Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under these presents or the Documents, the Issuer shall pay to the Trustee such additional remuneration as may be agreed between them at the relevant time.

**14.3 Value Added Tax in respect of Remuneration** The Issuer shall in addition pay to the Trustee an amount equal to the amount of any value added tax or similar tax chargeable in respect of its remuneration under these presents.

**14.4 Remuneration Disputes** In the event of the Trustee and the Issuer failing to agree (in a case to which Clause 14.2 applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under these presents or the Documents, or upon such additional remuneration, such matter shall be determined by an independent investment bank (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such independent investment bank being payable by the Issuer) and the determination of any such independent investment bank shall be final and binding upon the Trustee and the Issuer.

**14.5 Trustee's Expenses** The Issuer shall also pay or discharge all legal fees and other costs, charges, liabilities and expenses properly incurred by the Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, these presents or the Documents, including but not limited to legal and travelling expenses and any stamp and other similar taxes or duties referred to in Clause 4 paid by the Trustee in connection with any legal proceedings brought or contemplated by the Trustee for enforcing the security created in favour of the Trustee by, and contained in, or granted pursuant to the Deed of Charge or against the Issuer for enforcing any obligations under these presents, the Notes or the Coupons or any of the Documents.

**14.6 Indemnity** Without prejudice to any right of indemnity by law, the Issuer shall indemnify the Trustee and every attorney, manager, agent, delegate or other person appointed by it under these presents against (i) all liabilities, costs and expenses (including legal fees and expenses) incurred by it, or by any persons appointed by it to whom any trust, power, authority or discretion may be delegated by it in the execution or purported execution of the trusts, powers, authorities or discretions vested in it by this Trust Deed or any of the Documents and (ii) all liabilities, actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to this Trust Deed or any of the Documents. On any discharge of the trusts of this Trust Deed the provisions of this Clause 14.6 shall continue in full force and effect, despite such discharge.

**14.7 Interest Rate** All costs, charges, liabilities and expenses incurred and payments made by the Trustee in the lawful exercise of the powers conferred upon it by these presents and all remuneration payable to the Trustee shall be payable by the Issuer on demand and in the case of payments actually made by the Trustee prior to such demand shall carry interest at the rate of the Trustee's cost of funding from the date of the same being incurred, and in all other cases shall carry interest at such rate from the date 30 days after the date of the same being incurred.



**14.8 Provisions Continuing** Unless otherwise specifically stated in any discharge of these presents the provisions of this Clause shall continue in full force and effect notwithstanding such discharge.

## **15 TERMS OF APPOINTMENT**

By way of supplement to the Trustee Acts (or in relation to Northern Ireland, the Trustee (Northern Ireland) Act 1958 as amended) and subject to Clause 16, it is expressly declared as follows in relation to these presents and the Documents:

**15.1 Advice** The Trustee may act on the advice or opinion of or any information obtained from any lawyer, valuer, accountant, banker, broker or other expert whether obtained by the Issuer, the Trustee or otherwise and shall not be responsible for any loss occasioned by so acting.

**15.2 Transmission of Advice** Any such advice, opinion or information may be sent or obtained by letter, telex, telegram, facsimile transmission or cable and the Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, telex, telegram, facsimile transmission or cable although the same shall contain some error or shall not be authentic.

**15.3 Certificate of Authorised Signatory** The Trustee may call for and shall be at liberty to accept as sufficient evidence of any fact or matter or the expediency of any transaction or thing a certificate signed by two Directors of the Issuer or any one Director and the Secretary and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss that may be occasioned by the Trustee acting on such certificate.

**15.4 Deposit of Documents** The Trustee shall be at liberty to hold or to place these presents and any other documents relating to the Notes in any part of the world with any banker or banking company or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Trustee to be of good repute and the Trustee shall not be responsible for or required to insure against any loss incurred in connection with any such deposit and may pay all sums required to be paid on account of or in respect of any such deposit.

**15.5 Payment for the Notes etc.** The Trustee shall not be responsible for the application of the proceeds of the issue of the Notes by the Issuer or of any amounts paid under and in respect of the Mortgage Sale Agreement or which are or ought to be made pursuant to any provisions of the Documents or the making of any Permitted Investments whether under the provisions of the Servicing Agreement or the Guaranteed Investment Contract.

**15.6 Events of Default** The Trustee shall not be bound to give notice to any person of the execution of these presents or any of the Documents or of the transactions contemplated thereby or to take any steps to ascertain whether any Event of Default (or any condition, event or act which with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute an Event of Default) has happened and, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default, condition, event or act has happened and that the Issuer is observing and performing all the obligations on its part contained in the Notes and Coupons and under these presents and the Documents and the transactions contemplated thereby.

**15.7 Discretion of the Trustee** Save as expressly otherwise provided in these presents, the Trustee shall have absolute and uncontrolled discretion as to the exercise of its powers (the

exercise of which as between the Trustee and the Noteholders and Couponholders shall be conclusive and binding on the Noteholders and Couponholders) but whenever the Trustee is under the provisions of these presents bound to act at the request or direction of the Noteholders, the Trustee shall nevertheless not be so bound unless first indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by doing so.

**15.8 Resolution of the Noteholders** The Trustee shall not be liable for acting upon any resolution purporting to have been passed at any meeting of the Noteholders in respect whereof minutes have been made and purport to have been signed by the chairman thereof even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Noteholders and the relative Couponholders.

**15.9 Reliance on Certification of Clearing System** The Trustee shall not be liable to the Issuer or any Noteholder or any Couponholder by reason of having accepted as valid or not having rejected any Note or Coupon purporting to be such and subsequently found to be forged or not authentic and the Trustee may call for and shall be at liberty to accept and place full reliance on as sufficient evidence of the facts stated therein a certificate or letter of confirmation certified as true and accurate and signed on behalf of Euroclear, Clearstream, Luxembourg or any common depository for them or such person as the Trustee considers appropriate, or any form of record made by any of them to the effect that at any particular time or through any particular period any particular person is, was, or will be, shown in its records as entitled to a particular number of Notes.

**15.10 Trustee's Consent** Any consent or approval given by the Trustee for the purposes of these presents or the Documents may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit and notwithstanding anything to the contrary contained in these presents or the Documents or the Conditions may be given retrospectively.

**15.11 Confidentiality** The Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Noteholder or Couponholder or any other Secured Creditor any confidential, financial, price sensitive or other information made available to the Trustee by the Issuer in connection with the trusts of these presents or the Documents and no Noteholder or Couponholder shall be entitled to take any action to obtain from the Trustee any such information.

**15.12 Currency Conversion** Where it is necessary or desirable for any purpose in connection with these presents to convert any sum from one currency to another it shall (unless otherwise provided by these presents or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be agreed by the Trustee in consultation with the Issuer and any rate, method and date so agreed shall be binding on the Issuer, the Noteholders, the Couponholders and the other Secured Creditors of the Issuer.

**15.13 Default in Performance** The Trustee may certify whether or not any of the Events of Default is in its opinion materially prejudicial to the interests of the relevant Noteholders and any such certificate shall be conclusive and binding upon the Issuer, the relevant Noteholders and the relevant Couponholders.

**15.14 Assumption of Due Performance** The Trustee shall not be bound to take any steps to ascertain whether any event, condition or act, the happening of which would cause a right or remedy to become exercisable by the Trustee or the Issuer under these presents or the

Documents, has happened or to monitor or supervise the observance and performance by the Issuer or any of the other parties thereto of their respective obligations thereunder and, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such event, condition or act has happened and that the Issuer and any of the other parties thereto are observing and performing all their respective obligations thereunder.

**15.15 Reliance on Title to the Security** The Trustee may accept without enquiry, requisition or objection such title as the Issuer may have to the Security created in favour of the Trustee by, and contained in, or granted pursuant to the Deed of Charge or any part thereof or any item comprised therein from time to time and shall not be bound to investigate or make any enquiry into the title of the Issuer to such security or any part thereof or any such item from time to time whether or not any default or failure is or was known to the Trustee or might be, or might have been, discovered upon examination, inquiry or investigation and whether or not capable of remedy.

**15.16 Registration and Perfecting Title to the Security** The Trustee shall not be liable for any failure, omission or defect in registering or otherwise perfecting the Security created in favour of the Trustee by, and contained in, or granted pursuant to the Deed of Charge or calling for delivery of documents of title to such security or requiring any further assurance in relation to any property or assets comprised in such security.

**15.17 Reliance on Documents** The Trustee shall not be responsible for recitals, statements, warranties or representations of any party contained in any Document or in any mortgage or charge or other document entered into in connection therewith and shall assume the accuracy and correctness thereof or for the execution, legality, effectiveness, adequacy, genuineness, validity or enforceability or admissibility in evidence of any such agreement or other document or any security thereby constituted. Notwithstanding the generality of the foregoing, each Noteholder shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Security and the Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Trustee in respect thereof.

**15.18 Perfecting Title to Mortgages** The Trustee shall not be obliged (whether or not directed to do so by the Noteholders) to perfect legal title to any Mortgage in its name if, in its opinion, such perfection would or might result in the Trustee becoming liable to or incurring any obligation to any Borrower under a Mortgage and, in its opinion, there is or would be insufficient cash to discharge, in accordance with the provisions of the Deed of Charge, such liabilities or obligations as and when they arise.

**15.19 Insurance** The Trustee shall not be under any obligation to insure any of the Security or any deeds or documents of title or other evidence in respect thereof and shall not be responsible for any loss, expense or liability which may be suffered as a result of the lack of or inadequacy of any such insurance.

**15.20 No responsibility for the Security etc.** The Trustee shall not be responsible for any loss, expense or liability occasioned to the Security however caused by any act or omission of the Issuer or the Servicer or any other person (including any bank, broker, depositary, warehouseman or other intermediary or any clearing system or the operator thereof) acting in accordance with or contrary to the terms of any of the Documents or otherwise and irrespective of whether the Security is held by or to the order of any of the foregoing persons, unless such loss is occasioned by the wilful neglect or misconduct or fraud of the Trustee.

**15.21 No responsibility for tax on the Security** The Trustee shall have no responsibility whatsoever to the Issuer or any Noteholder or Couponholder or any other Secured Creditor as regards any deficiency or additional payment, as the case may be, which might arise because the Trustee or the Issuer is subject to any tax in respect of the Security or any part thereof or any income therefrom or any proceeds thereof.

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

**15.23 Financial liability** No provision of these presents shall require the Trustee to risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it and, without prejudice to the generality of the foregoing, nothing contained in these presents shall impose any obligation on the Trustee to make any further advance to a Borrower.

**15.24 Determinations of the Trustee Conclusive** The Trustee as between itself, the Noteholders and the Couponholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of these presents, and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Noteholders and the Couponholders.

**15.25 Responsibility** Notwithstanding the generality of sub-clauses 15.15 or 15.17 above, the Trustee shall not be responsible for the genuineness, validity, effectiveness or suitability of any of the Documents or any of the mortgages, standard securities, charges or other documents entered into in connection therewith or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted thereby or pursuant thereto, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court and (without prejudice to the generality of the foregoing) the Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:

- (a) the nature, status, creditworthiness or solvency of any Borrower or any other person or entity who has at any time provided any security or support whether by way of guarantee, charge or otherwise in respect of any advance made to any Borrower;
- (b) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of any Mortgage or charge or any other document entered into in connection therewith;
- (c) the title, ownership, value, sufficiency or existence of any Property;
- (d) the registration, filing, protection or perfection of any Mortgage or charge or the priority of the security thereby created whether in respect of any initial advance or any subsequent advance or any other sums or liabilities;
- (e) the scope or accuracy of any representations, warranties or statements made by or on behalf of any Borrower in any application for any advance or in any Mortgage or charge or in any document entered into in connection therewith;

- (f) the performance or observance by any Borrower or any other person of any provisions of any Mortgage or charge or in any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating thereto or as to the existence or occurrence at any time of any default, event of default or similar event contained therein or any waiver or consent which has at any time been granted in relation to any of the foregoing;
- (g) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with any mortgage or charge;
- (h) the title of the Issuer to any Mortgage, charge or any other Security Interest;
- (i) the suitability, adequacy or sufficiency of any Lending Policy and any arrears and enforcement procedures operated by the Issuer or compliance therewith or compliance with any applicable criteria for any Further Advances or the legality or recoverability or enforceability thereof or the priority of the Security in relation thereto;
- (j) the compliance of the provisions and contents of and the manner and formalities applicable to the execution of the Mortgages, charges or any other Security Interest and any documents connected therewith or the making of any advance intended to be secured thereby, with the Mortgage Indemnity Guarantee Policies and with any applicable laws or regulations (including without prejudice to the generality of the foregoing, the Consumer Credit Act 1974 or the Unfair Terms in Consumer Contracts Regulations 1999);
- (k) the failure by Britannic Money, First Active, the Servicer, Arianty, or by the Issuer to obtain or comply with any licence, consent or other authority in connection with the origination, sale or purchase of any of the Mortgages or charges or the making of any advances in connection therewith or the failure to effect or procure registration of or to give notice to any person in relation to or otherwise protect the security created or purported to be created by or pursuant to any of the Mortgages, charges or any other Security Interest or other documents entered into in connection therewith;
- (l) the failure to call for delivery of documents of title to or require any transfers, legal Mortgages, charges or any other Security Interest or other further assurances in relation to any of the assets the subject matter of any of the Documents or any other document;
- (m) any of the Transaction Account, the Reserve Account, the Trust Accounts or any other accounts, books, records or files maintained by Britannic Money, the Servicer or any other person in respect of any of the Mortgages or charges;
- (n) any failure to keep the Title Deeds properly identified as the property of the Issuer; or
- (o) any other matter or thing relating to or in any way connected with any Mortgage or charges or any document entered into in connection therewith whether or not similar to the foregoing.

**15.26 Exclusion of Liability** The Trustee shall not be liable or responsible for any loss, cost, damages, expenses or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of these presents, any Documents or any other document or as a consequence of or in connection with it being held or treated as, or being deemed to be, a creditor, for the purposes of the Consumer Credit Act 1974 or the Unfair Terms in Consumer Contracts Regulations 1999, in respect of any of the Mortgages.

**15.27 Certificates of Other Parties to the Relevant Documents** The Trustee shall be entitled to request and rely upon a certificate reasonably believed by it to be genuine, of the Issuer, the Servicer, Britannic Money, Arianty, First Active, the Reference Banks, the Agent Bank, the Principal Paying Agent or any Paying Agent or any of them in respect of every matter and circumstance for which a certificate is expressly provided for under these presents or the Conditions and to call for and rely upon a certificate of the Servicer reasonably believed by it to be genuine as to any other fact or matter prima facie within the knowledge of the Servicer as sufficient evidence thereof and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be occasioned by its failing so to do.

**15.28 Consequences of Modifications** In connection with the exercise of the Trustee's powers, trusts, authorities, duties and discretions, the Trustee shall have regard to the interests of the Noteholders as a class and, in particular but without prejudice to the generality of the foregoing, the Trustee shall not have regard to, or be in any way liable for, the consequences of such exercise for individual Noteholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. In connection with any such exercise, no Noteholder or Couponholder shall be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders.

**15.29 Responsibility for the Rating of the Notes** The Trustee shall have no responsibility for the maintenance of any rating of the Class A Notes or the Class M Notes or the Class B Notes by the Rating Agencies or any other person.

**15.30 No liability as a result of the delivery of a Certificate** The Trustee shall have no liability whatsoever for any loss, cost, damages or expenses directly or indirectly suffered or incurred by the Issuer, any Noteholder or any other person as a result of the delivery by the Trustee of a notice to the Issuer as to material prejudice pursuant to Condition 9(a) on the basis of an opinion formed by it in good faith.

**15.31 Responsibility for the Determination of Certain Matters** The Trustee acknowledges that the Servicer is responsible, pursuant to the Servicing Agreement, for determining the amount of (i) the Potential Redemption Amount, the Actual Redemption Amount, the Class A Redemption Amount, the Class M Redemption Amount and the Class B Redemption Amount (each as defined in the Conditions), (ii) the Principal Amount Outstanding and the Pool Factor (each as defined in the Conditions) and (iii) the actual amount of interest on the Notes, in relation to any Interest Payment Date (as defined in the Conditions) and the Trustee shall have no responsibility to recalculate any such amounts notwithstanding a manifest error therein. However, if the Servicer does not at any time for any reason determine the amount of (i) the Potential Redemption Amount or the Actual Redemption Amount or the Class A Redemption Amount or the Class M Redemption Amount or the Class B Redemption Amount, (ii) the Principal Amount Outstanding and the Pool Factor (each as defined in the Conditions) and (iii) the actual amount of interest on the Notes, the Trustee may (but shall not be obliged to) determine the same, subject to such information as is available to the Trustee at the time, and such calculation shall be deemed to have been made by the Issuer pursuant to the Servicing Agreement and the Conditions and the Trustee shall have no liability in respect thereof other than as a result of the negligence, bad faith or wilful default of the Trustee.

**15.32 Trustee's Assumption** The Trustee shall be entitled to assume, for the purposes of exercising any power, trust, authority, duty or discretion under or in relation to the Conditions or any of the Documents, that such exercise will not be materially prejudicial to the interests of

any of the Class A Noteholders, the Class M Noteholders and the Class B Noteholders if the Rating Agencies have confirmed that the then current rating of any Class A Notes, the Class M Notes and the Class B Notes would not be adversely affected by such exercise.

**15.33 Illegality** No provision of these presents shall require the Trustee to do anything which would or might, in the opinion of the Trustee, be illegal, contrary to any applicable law or regulation or any requirement or request of any fiscal or monetary or other governmental authority or in breach of any contract, treaty or agreement, the terms of which bind the Trustee or which would or might cause it to act in a manner which might prejudice its interests.

## **16 TRUSTEE'S LIABILITY**

**16.1 Trustee's Breach of Duty or Trust** Nothing contained in these presents shall in any case in which the Trustee has failed to show the degree of care and diligence required of it as trustee having regard to the provisions of these presents conferring on it any powers, authorities or discretions exempt the Trustee from or indemnify it against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty in relation to its duties under these presents.

**16.2 Consideration of the Interests of the Noteholders** The Trustee shall, as regards all the powers, trusts, authorities, duties and discretions vested in it by these presents, the Documents or the Notes (including the Conditions), except where expressly provided otherwise in the Documents, have regard to the interests of all the Secured Parties except (i) (for so long as there are Class A Notes outstanding) if, in the Trustee's opinion, there is a conflict between the interests of (a) the Class A Noteholders and (b) the holders of any Class M Notes, the holders of any Class B Notes and/or any other Secured Creditors it shall have regard only to the interests of the Class A Noteholders; or (ii) (if there are no Class A Notes outstanding) if, in the Trustee's opinion, there is a conflict between the interests of (a) the Class M Noteholders and (b) the holders of any Class B Notes and/or any other Secured Creditors it shall have regard only to the interests of the Class M Noteholders; or (iii) (if there are no Class M Notes outstanding) if, in the Trustee's opinion, there is a conflict between the interests of the Class B Noteholders and any other Secured Creditors it shall have regard only to the interests of the Class B Noteholders.

**16.3 Consequential Damages** Notwithstanding any provision of this Deed to the contrary, including without limitation, any indemnity made by the Trustee herein, and without prejudice to Clause 16.1, the Trustee shall not in any event be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever due to its performance under this Deed (including but not limited to lost profits), whether or not foreseeable, even if the Trustee has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract, breach of trust or otherwise; provided, however, that this Clause shall not be deemed to apply in the event of a determination of fraud on the part of the Trustee in a non-appealable judgment by a court having jurisdiction.

## **17 DELEGATION OF TRUSTEE'S POWERS**

The Trustee may whenever it thinks fit delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint trustee of these presents or not) all or any of the trusts, powers and authorities vested in the Trustee by these presents and the Documents and such delegation may be made upon such terms and subject to such conditions including power to sub-delegate with the approval of the Trustee and subject to such regulations as the Trustee may in the interests of the Noteholders think fit and the Trustee shall not be bound to supervise the proceedings or be in any way responsible for any loss incurred by reason of any

misconduct or default on the part of any such delegate or sub-delegate. The Trustee shall within a reasonable time prior to any such delegation or any renewal, extension or termination thereof give notice thereof to the Issuer.

## **18 EMPLOYMENT OF AGENT BY TRUSTEE**

**18.1 Delegation to an Agent** The Trustee may in the conduct of the trusts of these presents and the Documents and its powers instead of acting personally employ and pay an agent whether being a lawyer or other professional person to transact or concur in transacting any business and to do or concur in doing all acts required to be done in connection with the trusts of these presents and the Documents and its powers and the Trustee shall not in any way be responsible for any loss incurred by reason of any misconduct or default on the part of any such agent appointed by it under these presents or the Documents or be bound to supervise the proceedings or acts of any such agent.

**18.2 Remuneration of such Agent** Any trustee of these presents being a lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his firm in connection with the trusts of these presents and the Documents and also his reasonable charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with these presents and the Documents.

## **19 TRUSTEE CONTRACTING WITH ISSUER**

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

## **20 WAIVERS AND MODIFICATIONS AND SUBSTITUTION OF PRINCIPAL DEBTOR**

**20.1 Waiver, Authorisation and Determination** The Trustee may, without prejudice to its rights in respect of any subsequent breach, condition, event or act from time to time and at any time but only if and in so far as in its opinion the interests of the relevant Noteholders shall not (subject to Clause 16.2 hereof) be materially prejudiced thereby, waive or authorise, on such terms and subject to such conditions as to it shall seem fit and proper, any breach or proposed breach by the Issuer or any other party thereto of any of the covenants or provisions contained in these presents or in the Notes or Coupons or in the Documents or determine that any condition,



event or act which constitutes, or which with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute, but for such determination, an Event of Default shall not be treated as such for the purposes of these presents PROVIDED ALWAYS THAT the Trustee shall not exercise any powers conferred on it by this Clause in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 9(a) or 10 PROVIDED THAT such direction or request is binding in accordance with the provisions of Clause 8.1 but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders and, if, but only if, the Trustee shall so require, shall be notified by the Issuer to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

**20.2 Modification** The Trustee may without the consent of the Noteholders or Couponholders at any time and from time to time concur with the Issuer in making any modification (i) to these presents or any of the Documents or the Conditions (other than the definition of “**Basic Terms Modification**” contained in paragraph 1 of Schedule 5 hereto or any provision of these presents or the Conditions referred to in that proviso) which in the opinion of the Trustee it may be proper to make PROVIDED THAT the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Noteholders or Couponholders (subject to Clause 16.2 hereof) or (ii) to these presents or the Conditions or the Documents if in the opinion of the Trustee such modification is of a formal, minor or technical nature or to correct a manifest error. Any such modification shall be binding upon the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, shall be notified by the Issuer to the Noteholders in accordance with Condition 14 as soon as practicable thereafter. In addition, so long as the Notes of any class are rated by the Rating Agencies, any such modification shall be notified in writing by the Issuer to the Rating Agencies as soon as reasonably practicable thereafter.

**20.3 Substitution of Principal Debtor** The Trustee may agree, without the consent of the Noteholders or the Couponholders and with the consent of the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Clause 20.3) as the principal debtor in respect of the Notes of another body corporate incorporated (being a single purpose entity) in any country in the world (the “**Substituted Company**”), PROVIDED THAT:-

- (i) a trust deed or an indenture is executed or some other form of undertaking is given by the Substituted Company to the Trustee in a form satisfactory to the Trustee to be bound by the terms hereof and by the Conditions (including without limitation the covenants contained in Condition 3) with any consequential amendments which may be appropriate as fully as if the Substituted Company had been a party to these presents and named therein and in the Notes and the Coupons as the principal debtor in respect of these presents, the Notes and the Coupons in place of the Issuer (or such previous substitute as aforesaid);
- (ii) (if all or substantially all of the assets of the Issuer are transferred to the Substituted Company) the Substituted Company acquires the Issuer’s or such previous substitute’s as aforesaid equity of redemption in the Charged Property (other than the undertaking of the Issuer (or such previous substitute as aforesaid)), acknowledges the security and other matters created and effected in respect thereof pursuant to the Deed of Charge and takes all such action as the Trustee may require so that the Charged Property is subject to security and other matters created by the Substituted Company and otherwise effected or maintained in all respects corresponding to those previously subsisting on the part of the Issuer (or such previous substitute as aforesaid);

- (iii) (unless all or substantially all of the assets of the Issuer are transferred to the Substituted Company) an irrevocable and unconditional guarantee is given by the Issuer to the Trustee, secured on the Charged Property, in a form satisfactory to the Trustee of the payment of all moneys payable by the Substituted Company as such principal debtor;
- (iv) two or all of the directors of the Issuer and the Substituted Company certify that the Substituted Company will be solvent immediately after the time at which the said substitution is to be effected and the Trustee may rely absolutely on such certificate and shall not be bound to have regard to the financial condition, profits or prospects of the Substituted Company or compare the same with those of the Issuer (or of any previous substitute under this Clause 20.3) or to have regard to the possibility of avoidance of the security referred to in (ii) above or any part thereof on the grounds of insolvency or the proximity to insolvency, liquidation or some other event of the creation of the said security;
- (v) the Trustee shall be satisfied that (a) all necessary governmental and regulatory approvals and consents necessary for or in connection with the assumption by the Substituted Company of its obligations under these presents, the Notes and the Coupons in place of the Issuer (or such previous substitute as aforesaid) and for the giving by the Issuer of its guarantee aforesaid have been obtained and (b) such approvals and consents are at the time of substitution in full force and effect;
- (vi) the Issuer and the Substituted Company (or any previous substitute under Clause 20.3) shall execute such other deeds, documents and instruments (if any) as the Trustee may require in order that such substitution is fully effective and comply with such other requirements in the interests of the Noteholders and the Couponholders as the Trustee may direct;
- (vii) the Rating Agencies confirm in writing to the Trustee that the rating of the Notes will not be lowered as a result thereof; and
- (viii) the Trustee is provided with a legal opinion in respect of such substitution in form and substance satisfactory to it.

In the case of any substitution as aforesaid the Trustee may in its absolute discretion agree with the Issuer without the consent of the Noteholders or the Couponholders, as to a change of law expressed to govern the Notes and the Coupons or these presents or any of the Documents provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders or the Couponholders (subject to Clause 16.2 hereof).

Upon the execution of such documents and compliance with such requirements the Substituted Company shall be deemed to be named in these presents and on the Notes and the Coupons as the principal debtor in place of the Issuer (or any previous substitute under Clause 20.3) and these presents and the Notes and the Coupons shall thereupon be deemed to be amended in such manner as shall be necessary to give effect to the substitution. Agreement by the Trustee to such substitution shall, if so expressed, operate to release the Issuer (or such previous substitute as aforesaid) from all of its obligations as principal debtor in respect of the Notes hereunder but without prejudice to the Issuer's obligations under its guarantee and/or security aforesaid (if any). Not later than 15 days after the execution of any such undertaking and guarantee and such other deeds, documents and instruments as aforesaid and compliance with the said requirements of the Trustee, the Issuer shall, unless the Trustee agrees otherwise, give notice thereof to the Noteholders in accordance with Condition 14.

## 21 NOTEHOLDER'S TITLE TO THE NOTES

**21.1 Noteholder assumed to be Couponholder** Wherever in these presents the Trustee is required or entitled to exercise a power except as ordered by a court of competent jurisdiction or as required by applicable law, the Trustee shall, notwithstanding that it may have express notice to the contrary, assume that each Noteholder is the holder of all Coupons appertaining to each Note of which he is the holder.

**21.2 No Notice** Neither the Trustee nor the Issuer shall be required to give any notice to the Couponholders for any purpose under these presents and the Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with Condition 14.

**21.3 Holder Deemed Absolute Owner** The Issuer, the Trustee and the Paying Agents may deem and treat the holder of any Note and the holder of any Coupon appertaining thereto as the absolute owner of such Note or such Coupon, as the case may be, for all purposes (or as the case may be, for the purposes described in the definition of Class A Noteholders, Class M Noteholders and Class B Noteholders, as the case may be) (whether or not such Note or such Coupon shall be overdue and notwithstanding any notation or notice of ownership or writing thereon or any notice of previous loss or theft), and the Issuer, the Trustee and the Paying Agents shall not be affected by any notice to the contrary. All payments made to any such Noteholder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon such Notes and Coupons.

**21.4 Reliance on clearing system certificates** The Issuer and the Trustee may call for and shall be at liberty to accept and place full reliance on as sufficient evidence thereof a certificate or letter or confirmation signed on behalf of the Common Depositary or Euroclear or Clearstream, Luxembourg or any form of record made by any of them to the effect that at any particular time or throughout any particular period any particular person is, was, or will be, shown in its records as entitled to a particular interest in a Global Note.

## 22 CURRENCY INDEMNITY

The Issuer shall indemnify the Trustee, the Noteholders and the Couponholders and keep them indemnified against:

- (a) any loss or damage incurred by any of them arising from the non-payment by the Issuer of any amount due to the Trustee or the Noteholders or Couponholders under these presents or the Notes or the Coupons by reason of any variation in the rates of exchange between those used for the purposes of calculating the amount due under a judgment or order in respect thereof and those prevailing at the date of actual payment by the Issuer; and
- (b) any deficiency arising or resulting from any variation in rates of exchange between (a) the dates as of which the local currency equivalent of the amounts due or contingently due under these presents (other than this Clause) or in respect of the Notes or Coupons is calculated for the purposes of any bankruptcy, insolvency or liquidation of the Issuer and (b) the final date for ascertaining the amount of claims in such bankruptcy, insolvency or liquidation, in respect of which claims are required to be made in a currency other than sterling. The amount of such deficiency shall be deemed not to be reduced by any variation in rates of exchange occurring between the said final date and the date of any distribution of assets in connection with any such bankruptcy, insolvency or liquidation.

The above indemnity shall constitute an obligation of the Issuer separate and independent from its obligations under the Notes and the Coupons and shall apply irrespective of any indulgence granted by the Trustee or the Noteholders or the Couponholders from time to time and shall continue in force and effect notwithstanding the judgment or filing or any proof or proofs in any bankruptcy, insolvency or liquidation of the Issuer for a liquidated sum or sums in respect of amounts due under these presents (other than this Clause) or the Notes. Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the Noteholders and Couponholders and no proof or evidence of any actual loss shall be required by the Issuer or its liquidator or liquidators.

## **23 APPOINTMENT OF TRUSTEES**

**23.1 Appointment by the Issuer** The power to appoint a new trustee of these presents shall be vested in the Issuer but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution of the Class A Noteholders, or, if none of the Class A Notes remains outstanding, the Class M Noteholders, or, if none of the Class M Notes remains outstanding, the Class B Noteholders. One or more persons may hold office as trustee or trustees of these presents but such trustee or trustees shall be or include a Trust Corporation. Whenever there shall be more than two trustees of these presents the majority of such trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Trustee by these presents provided that a Trust Corporation shall be included in such majority.

**23.2 Appointment of separate or co-trustees by the Trustee** Notwithstanding the provisions of Clause 23.1, the Trustee may, upon giving prior written notice to the Issuer (but without the consent of the Issuer or the Noteholders), appoint any person established or resident in any jurisdiction (whether a Trust Corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Trustee (i) if the Trustee considers such appointment to be in the interests of the Noteholders or (ii) for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdictions in which any particular act or acts is or are to be performed or (iii) for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction of either a judgment already obtained or any of the provisions of these presents against the Issuer. The Issuer hereby irrevocably appoints the Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of these presents) have such trusts, rights, powers, authorities and discretions (not exceeding those conferred on the Trustee by these presents) and such duties and obligations as shall be conferred or imposed by the instrument of appointment. The Trustee shall have power in like manner to remove any such person. Such reasonable remuneration as the Trustee may pay to any such person, together with any attributable costs, charges and expenses properly incurred by it in performing its function as such separate trustee or co-trustee shall for the purposes of these presents be treated as costs, charges and expenses incurred by the Trustee.

**23.3 Notice provisions** Any appointment of a new trustee of these presents shall as soon as practicable thereafter be notified by the Issuer to the Paying Agent and the Noteholders and to the Rating Agencies.

## **24 TRUSTEE'S RETIREMENT AND REMOVAL**

The Trustee of these presents may retire at any time on giving not less than three months' prior written notice to the Issuer without assigning any reason and without being responsible for any costs occasioned by such retirement. The Class A Noteholders or, if none of the Class A Notes remain outstanding, the Class M Noteholders or, if none of the Class M Notes remain outstanding, the Class B Noteholders, as the case may be, shall have the power exercisable by

Extraordinary Resolution to remove any trustee or trustees for the time being of these presents. The Issuer undertakes that in the event of the only trustee of these presents which is a Trust Corporation giving notice under this Clause or being removed by Extraordinary Resolution it will use all reasonable endeavours to procure a new trustee of these presents being a Trust Corporation to be appointed as soon as reasonably practicable thereafter. The retirement or removal of any such trustee shall not become effective until a successor trustee being a Trust Corporation is appointed.

## **25 TRUSTEE'S POWERS TO BE ADDITIONAL**

The powers conferred upon the Trustee by these presents and the Documents shall be in addition to any powers which may from time to time be vested in the Trustee by the general law or as a holder of any of the Notes or Coupons.

## **26 NOTICES**

Any notice, demand, approval or certificate required to be given under these presents, made or served for any purposes under the Notes or these presents shall be given, made or served by sending the same by pre-paid post (first class if inland, first class airmail if overseas), telegram, cable or facsimile transmission or by delivering it by hand as follows-

to the Issuer: **FIRST FLEXIBLE NO.5 plc**

Sir William Atkins House  
Ashley Avenue  
Epsom Surrey KT18 5AS

Telephone No: 01372 737 737  
Facsimile No: 01372 737 777  
Attention: Company Secretary

to the Trustee: **JPMORGAN CHASE BANK**

Trinity Tower  
9 Thomas More Street  
London E1W 1YT

Telephone No: 0207 777 2000  
Facsimile No: 0207 777 5460  
Attention: ITS STRUCTURED FINANCE

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

**27 THIRD PARTY RIGHTS**

No person, other than a party to this Trust Deed shall have any right by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term (express or implied) of this Agreement but this is without prejudice to any right or remedy of a third party which may exist or be available apart from that Act.

**28 GOVERNING LAW**

These presents, the Notes and the Coupons shall be governed by and shall be construed in accordance with English law.

**29 COUNTERPARTS**

This Trust Deed may be executed in any number of counterparts, each of which shall be deemed an original.

**IN WITNESS** whereof this Trust Deed has been executed and delivered by the Issuer and the Trustee as a deed and entered into the day and year first above written.

## SCHEDULE 1

### FORM OF TEMPORARY GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTE

**ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1377(a) OF THE INTERNAL REVENUE CODE.**

ISIN: [For Class A Notes: XS0149246125/[For Class M Notes XS0149246554/[For Class B Notes: XS0149246711<sup>1</sup>

#### **First Flexible No.5 plc**

(Incorporated with limited liability under the laws of England and Wales)

#### **TEMPORARY GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTE**

representing

#### **£[ ],000,000<sup>1</sup> Class [A]/[M]/[B]<sup>1</sup> Mortgage Backed Floating Rate Notes due 2034**

This Note is a Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note without interest coupons in respect of a duly authorised issue of Class [A]/[M]/[B]<sup>1</sup> Notes of First Flexible No.5 plc (the “**Issuer**”), designated as specified in the title hereof (the “**Notes**”), limited to the aggregate principal amount of

[ ] Pounds Sterling (£[ ],000,000)<sup>1</sup>

and constituted by a Trust Deed dated 11 June 2002 (the “**Trust Deed**”) between the Issuer and JPMorgan Chase Bank as trustee (the trustee for the time being thereof being herein called the “**Trustee**”). References herein to the Conditions (or to any particular numbered Condition) shall be to the Terms and Conditions of the Notes (or that particular one of them) set out in Schedule 4 to the Trust Deed. Terms and expressions defined in the Trust Deed and the Conditions shall bear the same meanings when used herein. The bearer hereof shall be bound by, and deemed to have notice of, all the provisions of the Trust Deed and the Conditions.

If the Issuer becomes obliged to issue Definitive Notes pursuant to Clause 3.7 to 3.11 of the Trust Deed, the Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note will be exchanged upon certification of non-US beneficial ownership on the Exchange Date but not before, in whole or in part upon the request of the bearer hereof for Definitive Class [A]/[M]/[B]<sup>1</sup> Notes substantially in the form set out in Schedule 3 to the Trust Deed only and on and subject to the terms and conditions set out below and in the Trust Deed.

Any payment of interest and/or principal with respect to this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note shall be made to or to the order of the bearer hereof and to the extent required by JPMorgan Chase Bank (the “**Principal Paying Agent**”), upon presentation at the Principal Paying Agent’s office at Trinity Tower, 9 Thomas More Street, London E1W 1YT of a certificate in the form set out in Exhibit A hereto from Euroclear and/or Clearstream, Luxembourg, as the

case may be, to the effect that it has received from or in respect of each of the persons appearing in its records as having Notes credited to them a certificate in the form of Exhibit B hereto.

Upon any payment of principal and/or interest on the Notes due to be made hereunder, details of such payment shall be endorsed by or on behalf of the Issuer on the First Schedule hereto in accordance with the provisions of the Agency Agreement and, in the case of payments of principal of any of the Notes, the Principal Amount Outstanding hereof shall be reduced for all purposes by the amounts so paid and endorsed.

Subject as provided herein, the Issuer hereby promises to pay to the bearer hereof the principal sum of

[ ] Pounds Sterling (£[ ] 000,000)<sup>1</sup>

or such lesser amount as may from time to time be represented by this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note (or such part thereof as may be payable in accordance with the Conditions) on such date(s) as the same may become payable in accordance with the Conditions and the Trust Deed and to pay interest on the said principal sum, as reduced by any payments as aforesaid, at rates determined in accordance with the Conditions, such interest to be payable on the Interest Payment Dates therein specified together with such other amounts (if any) as may be payable, all subject to and in accordance with the Conditions and the certification requirements described in this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note.

On or after the Exchange Date, this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note may be exchanged in whole or in part for a Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note in the form set out in Schedule 2 to the Trust Deed upon presentation of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note by the bearer hereof to the Principal Paying Agent at its office at Trinity Tower, 9 Thomas More Street, London E1W 1YT. The Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note shall be so issued and delivered in exchange for only that portion of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note in respect of which there shall have been presented to the Principal Paying Agent by Euroclear or Clearstream, Luxembourg, to the extent requested by the Principal Paying Agent, a certificate, in the form set out in Exhibit A hereto, to the effect that it has received from or in respect of a person or persons entitled to a Class [A]/[M]/[B]<sup>1</sup> Note comprising or comprised in such portion (as shown by its records) a certificate from such person or persons in or substantially in the form of Exhibit B hereto. On an exchange of part only of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note, details of such exchange shall be entered by or on behalf of the Issuer in the Second Schedule hereto and the relevant space in the Second Schedule hereto recording such exchange shall be signed by or on behalf of the Issuer.

On an exchange of the whole of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note, this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note shall be surrendered to the Principal Paying Agent.

All payments of any amounts payable and paid to the bearer of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note shall be valid and, to the extent of the sums so paid, effectual to satisfy and discharge the liability for the moneys payable hereon and on the relevant Definitive Notes and Coupons.

The Temporary Global Class [A]/[M]/[B] Note is transferable by delivery.

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<sup>1</sup> Complete as appropriate



Any certificate referred to in this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note which is required to be delivered by Euroclear or Clearstream, Luxembourg may be relied upon by the Issuer, the Trustee and the Paying Agents as conclusive evidence that the corresponding certification or certifications have been delivered to Euroclear or Clearstream, Luxembourg, as the case may be, as contemplated by the terms of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note.

Claims in respect of the principal and interest in respect of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate relevant date.

The holder hereof shall (unless this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each £10,000 in principal amount of the original Principal Amount Outstanding of the relevant Definitive Notes for which this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note may be exchanged.

Notices in respect of the Notes represented by this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note need not be published in accordance with the Conditions but may be given (and shall be deemed given) by delivery of copies of such notices (where this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note is held by a common depository for Euroclear and Clearstream, Luxembourg) to Euroclear and Clearstream, Luxembourg for communication by them to entitled accountholders. In respect of any notice which can be given in accordance with the Conditions by way of a Relevant Screen, such notice may be given on the Relevant Screen notwithstanding that the Notes are represented by this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note.

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

This Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note shall not become valid for any purpose unless and until the Certificate of Authentication hereon has been signed by an authorised signatory of the Principal Paying Agent.

This Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note is governed by, and shall be construed in accordance with, the laws of England.

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<sup>1</sup> Complete as appropriate

**Exhibit A**

**Certificate of Clearing System**

**First Flexible No.5 plc**

**£[ ] ,000,000<sup>1</sup>**

**Class [A]/[M]/[B]<sup>1</sup> Mortgage Backed Floating Rate Notes due 2034 (the “Notes”)**

This is to certify that based solely on certifications we have received in writing, by tested telex or by electronic transmission from member organisations appearing in our records as persons being entitled to a portion of the principal amount set forth below (our “*Member Organisations*”) substantially to the effect set forth in the Trust Deed, as of the date hereof, £[ ] principal amount of the above-captioned Notes (i) is owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source (“*United States persons*”), (ii) is owned by United States persons that (a) are foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(v) (“*financial institutions*”)) purchasing for their own account or for resale, or (b) are acquiring the Notes through foreign branches of United States financial institutions and who hold the Notes through such United States financial institutions on the date hereof (and in either case (a) or (b), each such United States financial institution has agreed, on its own behalf or through its agent, that we may advise the Issuer or the Issuer’s agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) is owned by United States or foreign financial institutions for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and to the further effect that United States or foreign financial institutions described in clause (iii) above (whether or not also described in clause (i) or (ii)) have certified that they have not acquired the Notes for purposes of resale directly or indirectly to a United States person within the United States or its possessions.

If the Notes are of the category contemplated in Section 230.903(c)(3) of Regulation S under the Securities Act 1933, as amended (the “*Act*”) then this is also to certify with respect to such principal amount of Notes set forth above that we have received in writing, by tested telex or by electronic transmission, from our Member Organisations entitled to a portion of such principal amount, certifications with respect to such portion, substantially to the effect set forth in the Trust Deed.

We further certify (i) that we are not making available herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) any portion of the Global Note except as set forth herein and (ii) that as of the date hereof we have not received any notification from any of our Member Organisations to the effect that the statements made by such Member Organisations with respect to any portion of the part submitted herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) are no longer true and cannot be relied upon as of the date hereof.

As used herein, “*United States*” means the United States of America (including the States of the District of Columbia); and its “*possessions*” include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

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<sup>1</sup> Complete as appropriate

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Dated: [            ], 20[    ]<sup>1</sup>

Yours faithfully

Euroclear Bank S.A./N.V.  
as Operator of the Euroclear System

or

Clearstream Banking, société anonyme

By: .....

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<sup>1</sup> To be dated no earlier than the Exchange Date

Exhibit B

Certificate Incorporated by Reference to  
Certificate of Clearing System

First Flexible No.5 plc

£[ ] ,000,000<sup>1</sup>

Class [A]/[M]/[B]<sup>1</sup> Mortgage Backed Floating Rate Notes due 2034 (the "Notes")

This is to certify that as of the date hereof, and except as set forth below, the above-captioned Notes held by you for our account (i) are owned by person(s) that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("**United States person(s)**"), (ii) are owned by United States person(s), that (a) are foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(v)) ("**financial institutions**") purchasing for their own account or for resale, or (b) are acquiring the Notes through foreign branches of United States financial institutions and who hold the Notes through such United States financial institutions on the date hereof (and in either case (a) or (b), each such United States financial institution hereby agrees, on its own behalf or through its agent, that you may advise the Issuer or the Issuer's agent that it will comply with the requirements of Section 1.165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) are owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and in addition if the owner of the Notes is a United States or foreign financial institution described in Clause (iii) above (whether or not also described in Clause (i) or (ii)) this is to further certify that such financial institution has not acquired the Notes for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

If the Notes are of the category contemplated in Section 230.903(c)(3) of Regulation S under the Securities Act of 1933, as amended (the "**Act**") then this is also to certify that, except as set forth below, (i) in the case of debt securities, the Notes are beneficially owned by (a) non-U.S. person(s) or (b) U.S. person(s) who purchased the Notes in transactions which did not require registration under the Act; or (ii) in the case of equity securities, the Notes are owned by (x) non-U.S. person(s) (and such person(s) are not acquiring the Notes for the account or benefit of U.S. person(s)) or (y) U.S. person(s) who purchased the Notes in a transaction which did not require registration under the Act. If this certification is being delivered in connection with the exercise of warrants pursuant to Section 230.902(m) of Regulation S under the Act, then this is further to certify that, except as set forth below, the Notes are being exercised by and on behalf of non-U.S. person(s). As used in this paragraph the term "**U.S. person**" has the meaning given to it by Regulation S under the Act.

As used herein, "**United States**" means the United States of America (including the States of the District of Columbia); and its "**possessions**" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

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<sup>1</sup> Complete as appropriate

We undertake to advise you promptly by tested telex on or prior to the date on which you intend to submit your certification relating to the Notes held by you for our account in accordance with your operating procedures if any applicable statement herein is not correct on such date, and in the absence of any such notification it may be assumed that this certification applies as of such date.

This certification excepts and does not relate to £[ ] of such interest in the above Notes in respect of which we are not able to certify and as to which we understand exchange and delivery of Definitive Notes (or, if relevant, exercise of any rights of collection of any interest) cannot be made until we do so certify.

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Date: .....20[ ]<sup>1</sup>

Name of Person Making Certification

by: .....

As, or as agent for, the  
beneficial owner(s) of the  
Notes to which the  
certificate relates.

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<sup>1</sup> To be dated no earlier than 15 days prior to the Exchange Date

**IN WITNESS** whereof the Issuer has caused this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note to be signed manually by a person duly authorised on its behalf.

**First Flexible No.5 plc**

By: .....  
(Duly authorised)

**CERTIFICATE OF AUTHENTICATION**

This is the Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note referred to in, and entitled to the benefits of, the above-mentioned Trust Deed.

**JPMORGAN CHASE BANK**  
as Principal Paying Agent (without recourse, warranty or liability)

By: .....  
Authorised Signatory

Issued in London, England on 11 June 2002

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<sup>1</sup> Complete as appropriate

**THE FIRST SCHEDULE**

**TO THE FORM OF TEMPORARY GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTE**

**PAYMENTS OF PRINCIPAL AND/OR INTEREST ON THE  
CLASS [A]/[M]/[B]<sup>1</sup> NOTES**

The following payments of principal and/or interest in respect of the Class [A]/[M]/[B]<sup>1</sup> Notes represented by this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note have been made:-

Date made	Amount of principal due and payable	Amount of interest due and payable	Amount of principal paid	Amount of interest paid	Principal Amount Outstanding following a payment of principal	Notation made by or on behalf of the Paying Agent
	£	£	£	£	£	
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

<sup>1</sup> Complete as appropriate

**THE SECOND SCHEDULE**

**TO THE FORM OF TEMPORARY GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTE**

**EXCHANGE FOR PERMANENT GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTES**

The following exchanges of a part of this Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note for a Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note have been made:-

Date made	Amount of decrease in Principal Amount Outstanding of this Temporary Global Class [A]/[M]/[B] <sup>1</sup> Note	Principal Amount Outstanding of this Temporary Global Class [A]/[M]/[B] <sup>1</sup> Note following such decrease	Notation made by or on behalf of the Paying Agent
	£	£	£
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

<sup>1</sup> Complete as appropriate



## SCHEDULE 2

### FORM OF PERMANENT GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTE

**ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1377(a) OF THE INTERNAL REVENUE CODE.**

ISIN: [For Class A Notes: XS0149246125/For Class B Notes: XS0149246711/For Class M Notes: XS0149246554]<sup>1</sup>

#### **First Flexible No.5 plc**

(Incorporated with limited liability under the laws of England and Wales)

### PERMANENT GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTE

representing

**£[ ] ,000,000<sup>1</sup> Class [A]/[M]/[B]<sup>1</sup> Mortgage Backed  
Floating Rate Notes due 2034**

This Note is a Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note without interest coupons in respect of a duly authorised issue of Class [A]/[M]/[B]<sup>1</sup> Notes of First Flexible No.5 plc (the “**Issuer**”), designated as specified in the title hereof (the “**Notes**”), limited to the aggregate principal amount of

[ ] Pounds Sterling (£[ ] ,000,000)<sup>1</sup>

and constituted by a Trust Deed dated 11 June 2002 (the “**Trust Deed**”) between the Issuer and JPMorgan Chase Bank as trustee (the trustee for the time being thereof being herein called the “**Trustee**”). References herein to the Conditions (or to any particular numbered Condition) shall be to the Terms and Conditions of the Notes (or that particular one of them) set out in Schedule 4 to the Trust Deed but with the deletion therefrom of those provisions which are applicable only to Notes in definitive form. Terms and expressions defined in the Trust Deed and the Conditions shall bear the same meanings when used herein. The bearer hereof shall be bound by, and deemed to have notice of, all the provisions of the Trust Deed and the Conditions.

The Notes represented by this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note were originally represented by a Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note. Unless such Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note was exchanged in whole on the issue hereof, such Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note may be further exchanged, on the terms and conditions set out therein, for this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note. If any such exchange occurs following the issue hereof, the Principal Paying Agent shall endorse the Second Schedule hereto to reflect the increase in the aggregate Principal Amount Outstanding of this Permanent Global Class

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<sup>1</sup> Complete as appropriate

[A]/[M]/[B]<sup>1</sup> Note due to each such exchange, whereupon the Principal Amount Outstanding hereof shall be increased for all purposes by the amount so exchanged and endorsed.

Upon any cancellation of the Notes represented by this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note, the Principal Paying Agent shall, on behalf of the Issuer, enter on the First Schedule hereto, a notation of the principal amount of such cancelled Notes and the principal amount hereof shall be reduced for all purposes by the principal amount of the Notes so cancelled.

If the Issuer becomes obliged to issue Definitive Notes pursuant to Clause 3.7 to 3.11 of the Trust Deed, this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note will be exchangeable in whole but not in part at the offices of the Principal Paying Agent at Trinity Tower, 9 Thomas More Street, London E1W 1YT (or such other place outside the United States of America, its territories, its possessions and other areas subject to its jurisdiction as the Trustee may agree) upon the request of the bearer hereof for Definitive Notes only on and subject to the terms and conditions set out in the Trust Deed. The Issuer shall procure that the Principal Paying Agent shall issue and deliver, in full exchange for this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note, Definitive Notes in bearer form each with a denomination of £10,000 with interest coupons and Talons exchangeable for further interest Coupons and, if necessary, further talons attached as will ensure that neither loss nor gain of interest shall accrue to the bearer thereof. If the Issuer fails to meet its obligations to issue Definitive Notes, this shall be without prejudice to the Issuer's obligations with respect to the Notes under the Trust Deed and this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note.

The Issuer hereby promises to pay to the bearer hereof the principal amount shown as outstanding in the fourth column of the Second Schedule hereto (or such part thereof as may become repayable pursuant to the Conditions) on such date(s) as the said principal amount (or part thereof) may become repayable in accordance with the Conditions and the Trust Deed and to pay interest in arrear on each Interest Payment Date (as defined in Condition 4) on the Principal Amount Outstanding of the Notes represented by this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note at rates determined in accordance with Condition 4 all subject to and in accordance with the Conditions and the Trust Deed.

Upon any payment of principal and/or interest on the Notes due to be made hereunder or any payment made in connection with the cancellation of any of the Notes details of such payment shall be endorsed by or on behalf of the Issuer on the First Schedule hereto in accordance with the provisions of the Agency Agreement (as defined in the Trust Deed) and, in the case of payments of principal and payments made in connection with cancellation of any of the Notes, the Principal Amount Outstanding hereof shall be reduced for all purposes by the amounts so paid and endorsed.

Upon any exchange of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note for a Definitive Note or Notes, the Principal Amount Outstanding hereof so exchanged shall be endorsed by or on behalf of the Issuer on the Second Schedule hereto, whereupon the Principal Amount Outstanding hereof shall be reduced to nil for all purposes. On an exchange of the whole of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note, this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note shall be surrendered to the Principal Paying Agent.

Claims in respect of principal and interest in respect of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate relevant date.

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<sup>1</sup> Complete as appropriate

The holder shall (unless this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each £10,000 in principal amount of the original Principal Amount Outstanding of the relevant Definitive Notes of which this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note may be exchanged.

Notices in respect of the Notes represented by this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note need not be published in accordance with the Conditions but may be given (and shall be deemed given) by delivery of copies of such notices (where this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note is held by common depositary for Euroclear and Clearstream, Luxembourg) to Euroclear and Clearstream, Luxembourg for communication by them to entitled accountholders. In respect of any notice which can be given in accordance with the Conditions by way of a Relevant Screen, such notice may be given on the Relevant Screen notwithstanding that the Notes are represented by this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note.

This Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note is transferable by delivery.

All payments of amounts payable and paid to the bearer of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note shall be valid and, to the extent of the sums so paid, sufficient to satisfy and discharge the liability for the monies payable hereon and on the relevant Definitive Notes and Coupons.

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

This Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note is governed by, and shall be construed in accordance with, the laws of England.

**IN WITNESS** whereof the Issuer has caused this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note to be signed manually by a person duly authorised on its behalf.

**FIRST FLEXIBLE NO.5 plc**

By: .....  
(Duly authorised)

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<sup>1</sup> Complete as appropriate

**CERTIFICATE OF AUTHENTICATION**

This is the Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note referred to in, and entitled to the benefits of, the above-mentioned Trust Deed.

**JPMORGAN CHASE BANK**

as Principal Paying Agent (without recourse, warranty or liability)

By: .....

Authorised Signatory

Issued in London, England on 11 June 2002

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<sup>1</sup> Complete as appropriate

**THE FIRST SCHEDULE**

**TO THE FORM OF THE PERMANENT GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTE**

**PAYMENTS OF PRINCIPAL AND/OR INTEREST ON THE  
CLASS [A]/[M]/[B]<sup>1</sup> NOTES**

The following payments of principal and/or interest in respect of the Class [A]/[M]/[B]<sup>1</sup> Notes represented by this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note have been made:

Date Made	Amount of principal due and payable	Amount of interest due and payable	Amount of principal paid	Amount of interest Paid	Principal Amount Outstanding following payment of principal and cancellation	Notation by or on behalf of the Paying Agent
	£	£	£	£	£	£
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

<sup>1</sup> Complete as appropriate



**THE SECOND SCHEDULE**

**TO THE FORM OF THE PERMANENT GLOBAL CLASS [A]/[M]/[B]<sup>1</sup> NOTE**

**INCREASE IN VALUE, DECREASE IN VALUE AND EXCHANGES FOR DEFINITIVE CLASS [A]/[M]/[B]<sup>1</sup> NOTES**

The aggregate Principal Amount Outstanding of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note, subject to any notation in the First Schedule, is shown by the latest entry made by or on behalf of the Principal Paying Agent in the fourth column below.

The following increases in value consequent upon exchanges of the Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note and a decrease in value consequent upon exchange of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note for Definitive Class [A]/[M]/[B]<sup>1</sup> Notes have been made.

<b>Date made</b>	<b>Amount of increase in Principal Amount Outstanding of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note due to exchanges of the Temporary Global Class [A]/[M]/[B]<sup>1</sup> Note<sup>2</sup> for this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note</b>	<b>Amount of decrease in Principal Amount Outstanding of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note<sup>2</sup></b>	<b>Principal Amount Outstanding of this Permanent Global Class [A]/[M]/[B]<sup>1</sup> Note following such exchange</b>	<b>Notation made by or on behalf of the Paying Agent</b>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

<sup>1</sup> Complete as appropriate

<sup>2</sup> State whether (i) reduction following redemption of Notes; or (ii) exchange for Definitive Notes

<sup>2</sup> State whether (i) reduction following redemption of Notes; or (ii) exchange for Definitive Notes





SCHEDULE 3

PART A

FORM OF DEFINITIVE CLASS A NOTE

ON THE FRONT

ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) and 1377(a) OF THE INTERNAL REVENUE CODE.

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[0,000/00,000]      ISIN XS[      ]      [SERIES] [Serial No.]

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**First Flexible No.5 plc**  
(Incorporated with limited liability under  
the laws of England and Wales)

£[      ]<sup>1</sup> **Class A Mortgage Backed Floating Rate Notes due 2034**

The issue of the Class A Notes was authorised by a resolution of the Board of Directors of First Flexible No.5 plc (the “**Issuer**”) passed on 29 May 2002.

This Note forms one of a series of Notes constituted by a Trust Deed (the “**Trust Deed**”) dated 11 June 2002 made between the Issuer and JPMorgan Chase Bank as trustee for, *inter alia*, the holders of the Notes and issued to bearer with a denomination of £10,000 each with interest coupons and talons exchangeable for further interest coupons and further talons attached.

The Issuer for value received and subject to and in accordance with the Class A Conditions endorsed hereon hereby promises to pay to the bearer on the Interest Payment Date (as defined in Class A Condition 4(b) endorsed hereon) falling in June 2034 (or on such earlier date as the principal sum hereunder mentioned (or part thereof) (subject to such adjustment downwards (with the deletion of such interest coupons evidencing such adjustment) as may be necessary to such principal sum so as to ensure that the Issuer repays no greater principal sum hereunder than the actual principal amount received by the Issuer in respect thereof on the Issue Date) may become repayable in accordance with the said Class A Conditions) the principal sum of:-

£[      ]<sup>1</sup>

together with interest on the Principal Amount Outstanding (as defined in Condition 5 endorsed hereon) of this Note at rates determined in accordance with the said Class A Conditions payable

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<sup>1</sup> Complete as appropriate

at the end of each calendar month in arrear on each Interest Payment Date and together with such other amounts (if any) as may be payable, all subject to and in accordance with the said Conditions and the provisions of the Trust Deed.

This Note is transferable by delivery.

Neither this Note nor any of the coupons or talons appertaining hereto shall become valid for any purpose unless and until the Certificate of Authentication herein has been signed by an authorised signatory of JPMorgan Chase Bank as Principal Paying Agent.

**IN WITNESS** whereof this Note has been executed on behalf of the Issuer.

**FIRST FLEXIBLE NO.5 plc**

By: .....  
Director

By: .....  
Director

Date as of [        ]  
Issued in London, England.

**CERTIFICATE OF AUTHENTICATION**

This Note is one of the Notes referred to in the within-mentioned Trust Deed.

**JPMORGAN CHASE BANK**  
as Principal Paying Agent (without recourse, warranty or liability)

By: .....  
Authorised Signatory

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[On the back]

**Terms and Conditions of the Class A Notes**

[Take in Schedule 4 to the Trust Deed and insert a grid for the marking down of all payments of principal]

PART B

FORM OF DEFINITIVE CLASS M NOTE

ON THE FRONT

ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) and 1377(a) OF THE INTERNAL REVENUE CODE.

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[0,000/00,000]      ISIN XS[      ]      [SERIES]    [Serial No.]

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**First Flexible No.5 plc**  
(Incorporated with limited liability under  
the laws of England and Wales)

£[      ] **Class M Mortgage Backed Floating Rate Notes due 2034**

The issue of the Class M Notes was authorised by a resolution of the Board of Directors of First Flexible No.5 plc (the "Issuer") passed on 29 May 2002.

This Note forms one of a series of Notes constituted by a Trust Deed (the "Trust Deed") dated 11 June 2002 between the Issuer and JPMorgan Chase Bank as trustee for, *inter alia*, the holders of the Notes and issued to bearer with a denomination of £10,000 each with interest coupons and talons exchangeable for further interest coupons and further talons attached.

The Issuer for value received and subject to and in accordance with the Class M Conditions endorsed hereon hereby promises to pay to the bearer on the Interest Payment Date (as defined in Class M Condition 4(b) endorsed hereon) falling in June 2034 (or on such earlier date as the principal sum hereunder mentioned (or part thereof) (subject to such adjustment downwards (with the deletion of such interest coupons evidencing such adjustment) as may be necessary to such principal sum so as to ensure that the Issuer repays no greater principal sum hereunder than the actual principal amount received by the Issuer in respect thereof on the Issue Date) may become repayable in accordance with the said Class M Conditions) the principal sum of:-

£[      ]<sup>1</sup>

together with interest on the Principal Amount Outstanding (as defined in Condition 5 endorsed hereon) of this Note at rates determined in accordance with the said Class M Conditions payable at the end of each calendar month in arrear on each Interest Payment Date and together with such other amounts (if any) as may be payable, all subject to and in accordance with the said Conditions and the provisions of the Trust Deed.

This Note is transferable by delivery.

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<sup>1</sup> Complete as appropriate

Neither this Note nor any of the coupons or talons appertaining hereto shall become valid for any purpose unless and until the Certificate of Authentication herein has been signed by an authorised signatory of JPMorgan Chase Bank as Principal Paying Agent.

**IN WITNESS** whereof this Note has been executed on behalf of the Issuer.

**FIRST FLEXIBLE NO.5 plc**

By: .....  
Director

By: .....  
Director

Date as of [            ]  
Issued in London, England.

**CERTIFICATE OF AUTHENTICATION**

This Note is one of the Notes referred to in the within-mentioned Trust Deed.

**JPMORGAN CHASE BANK**  
as Principal Paying Agent (without recourse, warranty or liability)

By: .....  
Authorised Signatory

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[On the back]

**Terms and Conditions of the Class M Notes**

[Take in Schedule 4 to the Trust Deed and insert a grid for the marking down of all payments of principal]

SCHEDULE 3

PART C

FORM OF DEFINITIVE CLASS B NOTE

ON THE FRONT

ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) and 1377(a) OF THE INTERNAL REVENUE CODE.

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[0,000/00,000] ISIN XS[ ] [SERIES] [Serial No.]

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**First Flexible No.5 plc**  
(Incorporated with limited liability under  
the laws of England and Wales)

£[ ]<sup>1</sup> **Class B Mortgage Backed Floating Rate Notes due 2034**

The issue of the Class B Notes was authorised by a resolution of the Board of Directors of First Flexible No.5 plc (the "Issuer") passed on 18 July 2001.

This Note forms one of a series of Notes constituted by a Trust Deed (the "Trust Deed") dated 11 June 2002 made between the Issuer and JPMorgan Chase Bank as trustee for, *inter alia*, the holders of the Notes and issued to bearer with a denomination of £10,000 each with interest coupons and talons exchangeable for further interest coupons and further talons attached.

The Issuer for value received and subject to and in accordance with the Class B Conditions endorsed hereon hereby promises to pay to the bearer on the Interest Payment Date (as defined in Class B Condition 4(b) endorsed hereon) falling in June 2034 (or on such earlier date as the principal sum hereunder mentioned (or part thereof) (subject to such adjustment downwards (with the deletion of such interest coupons evidencing such adjustment) as may be necessary to such principal sum so as to ensure that the Issuer repays no greater principal sum hereunder than the actual principal amount received by the Issuer in respect thereof on the Issue Date) may become repayable in accordance with the said Class B Conditions) the principal sum of:-

£[ ]<sup>1</sup>

together with interest on the Principal Amount Outstanding (as defined in Condition 5 endorsed hereon) of this Note at rates determined in accordance with the said Class B Conditions payable at the end of each calendar month in arrear on each Interest Payment Date and together with such

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<sup>1</sup> Complete as appropriate

other amounts (if any) as may be payable, all subject to and in accordance with the said Conditions and the provisions of the Trust Deed.

This Note is transferable by delivery.

Neither this Note nor any of the coupons or talons appertaining hereto shall become valid for any purpose unless and until the Certificate of Authentication herein has been signed by an authorised signatory of JPMorgan Chase Bank as Principal Paying Agent.

**IN WITNESS** whereof this Note has been executed on behalf of the Issuer.

**FIRST FLEXIBLE NO.5 plc**

By: .....  
Director

By: .....  
Director

Date as of [            ]  
Issued in London, England.

**CERTIFICATE OF AUTHENTICATION**

This Note is one of the Notes referred to in the within-mentioned Trust Deed.

**JPMORGAN CHASE BANK**  
as Principal Paying Agent (without recourse, warranty or liability)

By: .....  
Authorised Signatory

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[On the back]

**Terms and Conditions of the Class B Notes**

[Take in Schedule 4 to the Trust Deed and insert a grid for the marking down of all payments of principal]



**SCHEDULE 3**

**PART D**

**FORM OF [CLASS [A]/[M]/[B]]<sup>1</sup> INTEREST COUPON**

ON THE FRONT:

**ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1377(a) OF THE INTERNAL REVENUE CODE**

**FIRST FLEXIBLE NO.5 plc**

Coupon No.

£[ ] Class [A]/[M]/[B]]<sup>1</sup> Mortgage Backed  
Floating Rate Notes due 2034

FRN - interest payment

This Coupon is payable to bearer (subject to the Conditions endorsed on the Note to which this Coupon relates, which shall be binding upon the holder of this Coupon whether or not it is for the time being attached to such Note) at the specified office of the Principal Paying Agent set out on the reverse hereof (or any further or other Paying Agents or specified offices duly appointed or nominated and notified to the Noteholders).

If the Note to which this Coupon relates shall have become due and payable before the maturity date of this Coupon, this Coupon shall become void and no payment shall be made in respect of it. This Coupon may, in certain circumstances, only be payable on surrender of this Note to which this Coupon appertains.

No.

0000000 ISIN NUMBER Series

Serial No.

[Class A Notes XS0149246125<sup>1</sup>]  
[Class M Notes XS0149246554]  
[Class B Notes XS0149246711]

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<sup>1</sup> Complete as appropriate

On the back of the Coupons:

**PRINCIPAL PAYING AGENT**

**JPMORGAN CHASE BANK  
Trinity Tower  
9 Thomas More Street  
London  
E1W 1YT**

**SCHEDULE 3**

**PART E**

**FORM OF [CLASS A]/[CLASS M]/[CLASS B]<sup>1</sup> TALON FOR FURTHER INTEREST  
COUPONS**

On the front:

**FIRST FLEXIBLE NO.5 plc**

**£[ ] Class [A]/[M]/[B]<sup>1</sup> Mortgage Backed Floating Rate Notes due 2034**

After the Interest Payment Date (as defined in the Conditions endorsed on the Note to which this Talon appertains) falling in [ ], [ ] further Interest Coupons and a further Talon for Interest Coupons appertaining to such Note will, subject to the said Class [A]/[M]/[B]<sup>1</sup> Conditions, be issued at the specified office of any of the Paying Agents set out on the reverse hereof (and/or such other or further Paying Agents and/or specified offices as may from time to time be duly appointed and notified to the Noteholders) upon production and surrender of this Talon.

If the Note to which this Talon relates shall have become due and payable before the production and surrender of this Talon, this Talon shall become void and no issue of further Interest Coupons and a further Talon shall be made in respect of it.

No: .....

FRN – interest payment

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<sup>1</sup> Complete as appropriate

On the back of the Talons:

**PRINCIPAL PAYING AGENT**

**JPMORGAN CHASE BANK  
Trinity Tower  
9 Thomas More Street  
London  
E1W 1YT**

**SCHEDULE 4**

**TERMS AND CONDITIONS OF THE CLASS A NOTES, THE CLASS M NOTES AND  
THE CLASS B NOTES**

THE TERMS AND CONDITIONS OF THE CLASS A NOTES, THE CLASS M NOTES AND  
THE CLASS B NOTES APPEAR OVERLEAF.

## SCHEDULE 5

### PROVISIONS FOR MEETINGS OF NOTEHOLDERS

1 *Definitions:* In this Schedule the following expressions have the following meanings unless the context otherwise requires.

**“Basic Terms Modification”** means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes;
- (b) to reduce the amount of principal or interest payable on any date in respect of the Notes;
- (c) to alter the Rate of Interest applicable to the Notes;
- (d) to effect any exchange, conversion or substitution contemplated by paragraph 15(b);
- (e) to change the currency in which amounts due in respect of the Notes are payable (other than pursuant to a redenomination approved by the Trustee in accordance with Condition 15);
- (f) to alter the priority of redemption of the Notes;
- (g) to vary or modify the security constituted by or for the Notes;
- (h) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (i) to amend this definition;

**“Block Voting Instruction”** means, in relation to any Meeting, a document issued by a Paying Agent:

- (a) certifying that certain specified Notes (the **“deposited Notes”**) have been deposited with such Paying Agent (or to its order at a bank or other depository) and will not be released until the earlier of:
  - (i) the conclusion of the Meeting; and
  - (ii) the surrender to such Paying Agent, not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the deposited Notes and notification thereof by such Paying Agent to the Issuer and the Trustee;
- (b) certifying that the depositor of each deposited Note or a duly authorised person on its behalf has instructed the relevant Paying Agent that the votes attributable to such deposited Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

(c) listing the total number, the aggregate Principal Amount Outstanding and (if in definitive form) the serial numbers of the deposited Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and

(d) authorising a named individual or individuals (each a “**Proxy**”) to vote in respect of the deposited Notes in accordance with such instructions;

“**Chairman**” means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 10(b);

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

“**Meeting**” means a meeting of the Class A Noteholders or the Class M Noteholders or Class B Noteholders as the case may be, (whether originally convened or resumed following an adjournment);

“**Notes**” and “**Noteholders**” shall mean, in connection with a meeting of Class A Noteholders, “**Class A Notes**” and “**Class A Noteholders**” respectively and in connection with a meeting of Class M Noteholders, “**Class M Notes**” and “**Class M Noteholders**” respectively and in connection with a meeting of Class B Noteholders, “**Class B Notes**” and “**Class B Noteholders**” respectively;

“**Relevant Fraction**” means:

(a) for all business other than voting on an Extraordinary Resolution, one-tenth;

(b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, three-quarters; and

(c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, three-quarters,

PROVIDED THAT in the case of a Meeting which has resumed after adjournment for want of a quorum it means:

(A) for all business, other than voting on an Extraordinary Resolution relating to a Basic Terms Modification, the fraction of the aggregate Principal Amount Outstanding of the Notes which is represented or held by the Voters actually present at the Meeting; and

(B) for voting on any Extraordinary Resolution relating to a Basic Term Modification, one-quarter;

“**Voter**” means, in relation to any Meeting, the bearer of a Voting Certificate or the bearer of a definitive Note who produces such definitive Note at the Meeting; and

“**Voting Certificate**” means, in relation to any Meeting, a certificate issued by a Paying Agent stating that:

(a) certain specified Notes (the “**deposited Notes**”) have been deposited with such Paying Agent (or to its order at a bank or other depository) and will not be released until the earlier of:

(i) the conclusion of the Meeting; and

(ii) the surrender of such certificate to such Paying Agent; and

(b) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the relevant Notes.

**2** *Issue of Voting Certificates and Block Voting Instructions:* The holder of a Note may obtain a Voting Certificate from any Paying Agent or require any Paying Agent to issue a Block Voting Instruction by depositing such Note with such Paying Agent not later than 48 hours before the time fixed for the relevant Meeting. A Voting Certificate, Block Voting Instruction or form of proxy shall be valid until the release of the deposited Notes to which it relates. So long as a Voting Certificate, Block Voting Instruction or form of proxy is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction or form of proxy) shall be deemed to be the holder of the Notes to which it relates for all purposes in connection with the Meeting. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note. A Proxy need not be a Noteholder.

**3** *References to deposit/release of Notes:* Where Notes are held in Euroclear or Clearstream, Luxembourg (whether in global or definitive form), references to the deposit, or release, of Notes shall be construed in accordance with the usual practices of Euroclear and Clearstream, Luxembourg.

**4** *Validity of Block Voting Instructions:* A Block Voting Instruction shall be valid only if it is deposited at such place as the Trustee designates at least 48 hours before the time fixed for the relevant Meeting or the Chairman decides otherwise before the Meeting proceeds to business. If the Trustee requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Trustee shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

**5** *Convening of Meeting:* The Issuer or the Trustee may convene a Meeting at any time, and the Trustee shall be obliged to convene a Meeting of the relevant Noteholders (subject to its being indemnified to its satisfaction against the proper costs and expenses occasioned thereby) upon the request in writing of holders of not less than one-tenth of the aggregate Principal Amount Outstanding of the Class A Notes or Class M Notes or Class B Notes or in respect of a joint meeting of each relevant class of Notes (as the case may be). Every Meeting shall be held on a date, and at a time and place, approved by the Trustee.

**6** *Notice:* At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the holders of the Notes and to the Paying Agents (with a copy to the Issuer or, where the Meeting is convened by the Issuer, the Trustee) in accordance with Condition 14. The notice shall set out the full text of any resolutions to be proposed and shall state that such Notes may be deposited with, or to the order of, any Paying Agent for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting.

**7** *Quorum:* The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the aggregate Principal Amount Outstanding of the Class A Notes (in the case of a meeting of Class A Noteholders), Class M Notes (in the case of a Meeting of the Class M Noteholders), Class B Notes (in the case of a Meeting of the Class B Noteholders), or in respect of a joint meeting each relevant class of Notes PROVIDED THAT so long as at least the Relevant Fraction of the aggregate Principal Amount Outstanding of the Class



A Notes, Class M Notes, Class B Notes or relevant classes of Notes, as the case may be, is represented by a Global Note, a single Proxy representing the holder thereof shall be deemed to be two Voters for the purpose of forming a quorum. No business shall be transacted at any Meeting unless the requisite quorum is present at the commencement of business.

**8** *Adjournment for want of quorum:* If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

(a) in the case of a Meeting requested by Noteholders, it shall be dissolved, unless the Trustee directs that the same shall be adjourned and therefore the provisions of paragraph 8(b) shall apply; and

(b) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairman determines (with the approval of the Trustee (if present at the Meeting)); provided that:

(i) the Meeting shall be dissolved if the Issuer and the Trustee so agree; and

(ii) no Meeting may be adjourned more than once for want of a quorum.

**9** *Notice following adjournment:* Paragraph 6 shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

(a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements, including but not limited to the Relevant Fraction applicable thereto, which will apply when the Meeting resumes at the adjourned hearing thereof.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason. The provisions of Paragraph 7 shall apply *mutatis mutandis* to an adjourned meeting as it applies to the initial Meeting.

**10** *Participation and Chairman:*

(a) Only Voters, representatives of the Issuer and the Trustee, the financial advisers of the Issuer and the Trustee and the legal counsel to the Issuer, the Trustee and such advisers may attend and speak at a Meeting.

(b) Some person (who may but need not be a Noteholder) nominated in writing by the Trustee shall be entitled to take the chair at every such meeting but if no nomination is made or if at any meeting the person nominated shall not be present within fifteen minutes after the time appointed for holding the meeting the Noteholders present shall choose one of their number to be Chairman.

**11** *Show of hands:* Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded by any person who is entitled to be present at such a meeting before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed (or not passed) by a particular majority or rejected shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

**12** *Poll:* A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Trustee or one or more Voters representing or holding not less than one fiftieth of the aggregate Principal Amount Outstanding of the Class A Notes (in the case of a meeting of Class A Noteholders) or Class M Notes (in the case of a meeting of Class M Noteholders) or Class B Notes (in the case of a meeting of Class B Noteholders) or (in respect of a joint meeting) each relevant class of Notes. The poll may be taken immediately or after such adjournment as the Chairman directs. Any poll demanded at any Meeting on the election of a Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business.

**13** *Votes:* Every Voter shall have:

(a) on a show of hands, one vote; and

(b) on a poll, one vote in respect of each £[10,000] original Principal Amount Outstanding of Notes which are represented or held by him.

Without prejudice to the terms of any Block Voting Instruction or form of proxy, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way. In the case of a voting tie, the Chairman shall have a casting vote.

**14** *Validity of votes by Proxies:* Any vote by a Proxy in accordance with the relevant Block Voting Instruction or form of proxy shall be valid even if such Block Voting Instruction or form of proxy or any instruction pursuant to which it was given has been amended or revoked, PROVIDED THAT neither the Trustee at its registered office nor the Chairman has been notified in writing of such amendment or revocation at least 24 hours before the time fixed for the relevant Meeting.

**15** *Powers:* A Meeting shall have power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any person:

(a) to approve any proposal by the Issuer for any alteration, abrogation, variation or compromise of, or arrangement in respect of, the obligations of the Issuer to the holders of the Notes or the rights of the Noteholders against the Issuer;

(b) to approve the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, stocks, debentures, debenture stock, bonds or other obligations or securities of the Issuer or any other person;

(c) to approve the substitution of any person for the Issuer as principal obligor under the Notes;

(d) to waive any breach or authorise any proposed breach by the Issuer of its obligations under these presents in respect of the Notes or any act or omission which might otherwise constitute an Event of Default in respect of the Notes;

(e) to remove the Trustee;

(f) to approve the appointment of a new Trustee;

(g) to authorise the Trustee (subject to its being indemnified to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(h) to give any other authorisation, direction or approval which is required to be given by Extraordinary Resolution;

(i) to appoint any persons as a committee or committees to represent the interests of the holders of the Notes and to confer upon such committee or committees any powers which the such Holders could themselves exercise by Extraordinary Resolution; and

(j) to approve any alteration to the provisions of the Trust Deed, Deed of Charge or any of the Transaction Documents (unless the modification is approved by the Trustee pursuant to the terms of Clause 20.2 of this Trust Deed) which shall be proposed by the Issuer and/or the Trustee;

PROVIDED THAT:

(i) no Extraordinary Resolution involving a Basic Terms Modification passed by the Class B Noteholders shall be effective unless (a) the Trustee is of the opinion that it will not be materially prejudicial to the interests of the Class M Noteholders and the Class A Noteholders or (b) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders (provided that there are Class A Notes then outstanding) and the Class M Noteholders (provided that there are Class M Notes then outstanding);

(ii) no Extraordinary Resolution involving a Basic Terms Modification passed by the Class M Noteholders shall be effective unless (a) the Trustee is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders and the Class B Noteholders or (b) it is sanctioned by an Extraordinary Resolution of Class A Noteholders (provided that there are Class A Notes then outstanding) and the Class B Noteholders (provided that there are Class B Notes then outstanding);

(iii) no other Extraordinary Resolution of the Class B Noteholders shall be effective unless (a) the Trustee is of the opinion that it will not be materially prejudicial to the interests of the Class M Noteholders and the Class A Noteholders or (b) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders (provided that there are Class A Notes then outstanding) and the Class M Noteholders (provided that there are Class M Notes then outstanding);

(iv) no other Extraordinary Resolution of the Class M Noteholders shall be effective unless (a) the Trustee is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders or (b) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders or (c) none of the Class A Notes remains outstanding;

(v) no Extraordinary Resolution of the Class A Noteholders involving a Basic Terms Modification shall be effective unless it is also sanctioned by an Extraordinary Resolution of each class of the Class M Noteholders and the Class B Noteholders.

**16** *Binding Effect:* Subject to the provisos to paragraph 15 above, any resolution passed at a Meeting of the Noteholders duly convened and held in accordance with this Trust Deed shall be binding upon all the Noteholders of such class or classes (as the case may be) whether present or not present at such Meeting and whether or not voting and upon all Couponholders and any resolution passed at a meeting of the Class A Noteholders duly convened and held as aforesaid shall also be binding upon all the Class M Noteholders and the Class B Noteholders (to the extent that such resolution, if given effect to, would not adversely effect any rating given to the Class M Notes or the Class B Notes by Fitch and S&P) and the holders of the Coupons appertaining

thereto, and all of the Class M Noteholders and the Class B Noteholders and Couponholders shall be bound to give effect to such resolution accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of the voting on any resolution duly considered by the Noteholders shall be published (at the cost of the Issuer) in accordance with Condition 14 by the Issuer within 14 days of such result being known provided that the non-publication of such notice shall not invalidate such resolution.

**17** *Minutes:* The Issuer or failing the Issuer, the Trustee shall provide a minute book in which minutes of each Meeting shall be made. The Chairman shall sign the minutes, which shall be conclusive evidence of the proceedings recorded therein.

**18** *Written Resolutions:* A resolution in writing signed by or on behalf of the Noteholders who for the time being are entitled to receive notice of a Meeting in accordance with the provisions herein contained shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a Meeting of such Noteholders duly convened and held in accordance with the provisions herein contained. Such resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such Noteholders.

**19** *Joint Meetings:* Where appropriate, joint meetings of the Class A Noteholders and/or Class B Noteholders and/or Class M Noteholders may be held to consider the same resolution and/or, as the case may be, the same Extraordinary Resolution and the provisions of this Schedule shall apply *mutatis mutandis* thereto,

PROVIDED THAT:

(i) no Extraordinary Resolution involving a Basic Terms Modification shall be effective unless (a) the Trustee is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders or (b) it is sanctioned by an Extraordinary Resolution of Class A Noteholders (provided that Class A Notes are then outstanding) or (c) if no Class A Notes are then outstanding, it is sanctioned by an Extraordinary Resolution of the Class M Noteholders (provided that Class M Notes are then outstanding) or (d) if no Class M Notes are then outstanding, it is sanctioned by an Extraordinary Resolution of the Class B Noteholders (provided that Class B Notes are then outstanding); and

(ii) no Extraordinary Resolution of a joint meeting shall be effective unless (a) the Trustee is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders or Class M Noteholders or the Class B Noteholders or (b) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders and by an Extraordinary Resolution of the Class M Noteholders and by an Extraordinary Resolution of the Class B Noteholders or (c) none of the Class A Notes, Class M Notes or Class B Notes remains outstanding.

**20** *Further Regulations:* Subject to all other provisions contained in this Trust Deed, the Trustee may without the consent of the Noteholders prescribe such further regulations regarding the holding of meetings of Noteholders, attendance and voting thereat as the Trustee may, at its sole discretion, determine.



EXECUTED as a DEED by )  
**FIRST FLEXIBLE NO.5 plc** )  
acting under a power of attorney dated 30/5/02 )  
in the presence of E. SWAN )

A.W. VAUGHAN

EXECUTED as a DEED by )  
**JPMORGAN CHASE BANK** )  
acting by a duly authorised signatory )

REMI BOLA