

CONFORMED COPY

DATED 29 JANUARY 2004

MORTGAGE TRUST LIMITED

MTL DECLARATION OF TRUST

Lovells

F2/MGL/BJC/1570364.04
0400M/65344

THIS MTL DECLARATION OF TRUST is made 29 January 2004

BY:

MORTGAGE TRUST LIMITED (registered number 2048895) whose registered office is at St Catherine's Court, Herbert Road, Solihull, West Midlands B91 3QE ("**Mortgage Trust**").

WHEREAS:

- (A) Mortgage Trust operates the RBS Trust Accounts on behalf of itself.
- (B) Immediately after the execution of this MTL Declaration of Trust:
 - (a) Mortgage Trust, Mortgage Trust Services, the Issuer, the Trustee, the Account Bank and RBS intend to enter into the Bank Agreement; and
 - (b) Mortgage Trust, Mortgage Trust Services, the Issuer, the Trustee and Arianty intend to enter into the Servicing Agreement.
- (C) Under the Bank Agreement, the Servicer will operate the RBS Trust Accounts for the Issuer in addition to Mortgage Trust.
- (D) In connection with the Servicing Agreement, Mortgage Trust desires to establish the trust declared and contained below.

THIS DEED WITNESSES:

1. **INTERPRETATION**

- 1.1 The Master Definitions Schedule signed by Lovells and Weil, Gotshal & Manges for identification purposes on 29 January 2004 (as amended, varied or supplemented from time to time) is incorporated into this document and the expressions defined in the Master Definitions Schedule (as amended, varied or supplemented from time to time) shall, except where the context otherwise requires and except where otherwise defined in this MTL Declaration of Trust, bear the same meanings in this document.
- 1.2 In this Deed the following words and expressions have the meanings set opposite them:

"General Property" at any time the total amount standing to the credit of the RBS Trust Accounts;

"Specific Property" at any time an amount equal to the aggregate of all amounts which have been credited to the RBS Trust Accounts and which are derived from assets beneficially owned by Mortgage Trust after the date this MTL Declaration of Trust is executed;

"Trust Period" the period beginning on the date of this MTL Declaration of Trust and ending on the first to occur of the following:

- (a) the date which is 80 years from the date of this MTL Declaration of Trust; and

- (b) such date as Mortgage Trust shall by deed declare, with the prior written consent of the Trustee to be the date of expiry of the Trust Period, being not earlier than the date of such deed,

and the perpetuity period applicable to this MTL Declaration of Trust is the period of 80 years from the date of this MTL Declaration of Trust.

2. THE RBS TRUST ACCOUNTS TRUST

2.1 MORTGAGE TRUST HEREBY DECLARES AGREES AND GIVES NOTICE that it shall hold the General Property UPON TRUST for the duration of the Trust Period absolutely for Mortgage Trust and the Issuer and any other person who is beneficially entitled to funds on the RBS Trust Accounts at any time (together the "**RBS Trust Accounts Beneficiaries**" and separately a "**RBS Trust Accounts Beneficiary**") in the proportions specified below.

2.2 Mortgage Trust shall from time to time hold UPON TRUST absolutely for each RBS Trust Accounts Beneficiary such proportion of the General Property as the amounts derived from assets beneficially owned by such RBS Trust Accounts Beneficiary at any time and standing to the credit of the RBS Trust Accounts shall at that time bear to the General Property at that time.

2.3 For the purpose of clause 2.2, the amounts derived from the assets beneficially owned by each RBS Trust Accounts Beneficiary shall at any time be all amounts which have been paid into the relevant RBS Trust Accounts in respect of those assets, together with interest (if any) attributable to such amounts and any other amounts standing to the credit of the RBS Trust Accounts which any agreement expressly provides are to be transferred to or to the order of such RBS Trust Accounts Beneficiary, less previous transfers from the RBS Trust Accounts to or to the order of such RBS Trust Accounts Beneficiary.

2.4 Mortgage Trust confirms that it has:

- (a) no right or title to or interest or benefit in the General Property other than in respect of the Specific Property, save in its capacity as trustee; and
- (b) no right at any time to set off or transfer any of the General Property other than in respect of the Specific Property in or towards satisfaction of any of the liabilities of any RBS Trust Accounts Beneficiary or of RBS to Mortgage Trust or of any of the liabilities of Mortgage Trust to any person.

3. TERMINATION AND REMOVAL

The statutory power of appointing a new or additional trustee applies to this MTL Declaration of Trust.

4. GOVERNING LAW

This MTL Declaration of Trust shall be governed by, and construed in accordance with, English law.

5. NOTICES

Each communication to be made under this MTL Declaration of Trust shall be made in writing but, unless otherwise stated, may be made by facsimile or letter. Any

communication or document to be made or delivered by one person to another under this MTL Declaration of Trust shall (unless that other person has by fifteen days' written notice to the first person specified another address) be made or delivered to that other person at the address identified in clause 2 of the Master Definitions Schedule and shall be deemed to have been made or delivered when despatched (in the case of any communication made by facsimile) or (in the case of any communication made by letter) when left at that address or (as the case may be) ten days after being deposited in the post postage prepaid in an envelope addressed to it at that address PROVIDED always that any communication or document deemed made or delivered on a day which is not a Business Day shall be deemed to have been so made or delivered on the next following Business Day.

IN WITNESS whereof this MTL Declaration of Trust has been executed and delivered on the day and year first before written.

Executed as a deed by)	
<u>Adem Mehmet</u>)	
for and on behalf of)	
Mortgage Trust Limited)	/s/ <u>Adem Mehmet</u>
under a power of attorney dated)	
<u>21 January 2004</u>)	
in the presence of: <u>Michael Lorraine</u>)	