



Registration of a Charge

Company name: **LLOYDS BANK PLC**

Company number: **00002065**

Received for Electronic Filing: **08/01/2018**



X6X7OVYX

Details of Charge

Date of creation: **28/12/2017**

Charge code: **0000 2065 0060**

Persons entitled: **CHELTENHAM SECURITIES 2017 LIMITED**

Brief description: **NOT APPLICABLE**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CLIFFORD CHANCE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2065

Charge code: 0000 2065 0060

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th December 2017 and created by LLOYDS BANK PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th January 2018 .

Given at Companies House, Cardiff on 10th January 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

LLOYDS BANK PLC
AS CASH DEPOSIT BANK
CHELTENHAM SECURITIES 2017 LIMITED
AS ISSUER
AND
U.S. BANK TRUSTEES LIMITED
AS TRUSTEE

CASH DEPOSIT BANK SECURITY AGREEMENT

CONTENTS

Clause	Page
1. Interpretation	1
2. Creation of Security	6
3. Release	7
4. Deposit of Collateral Securities	7
5. Replacement of Ineligible Securities	7
6. Operation of Custody Account	8
7. Reporting of Custody Income Proceeds	9
8. Voting Rights and Proceeds	10
9. Cash Deposit Bank's Representations and Undertakings	10
10. Custody Agreement	12
11. Further Assurance	12
12. Power of Attorney for Cash Deposit Bank	12
13. Power of Attorney for Issuer	13
14. Security Enforcement	14
15. Receivers and Administrators	15
16. Effectiveness of Collateral	17
17. Retention of Agreement	19
18. Expenses, Stamp Taxes, Indemnity	19
19. Application of Proceeds	19
20. Other Security Interests	20
21. Suspense Accounts	20
22. Assignments	21
23. Trustee	21
24. Miscellaneous	21
25. Notices	22
26. Incorporation of Certain Provisions of Trust Deed	23
27. Incorporation Of Certain Provisions Of Deed of Charge	23
28. Governing Law and Jurisdiction	23
Schedule 1	25
Schedule 2	27
Part 1 - CASH ACCOUNTS	27
Part 2 - SECURITIES ACCOUNT	28

THIS AGREEMENT is made by way of DEED dated 28 December 2017 and is made **BETWEEN:**

- (1) **LLOYDS BANK PLC**, a public limited company incorporated under the laws of England and Wales, with company number 00002065, having its registered office at 25 Gresham Street, London EC2V 7HN (the "**Cash Deposit Bank**", which term includes its successors and permitted assigns);
- (2) **CHELTENHAM SECURITIES 2017 LIMITED**, a limited liability company incorporated under the laws of Jersey with company number 124915, having its registered office at 44 Esplanade, St. Helier, Jersey JE4 9WG (the "**Issuer**"); and
- (3) **U.S. BANK TRUSTEES LIMITED** a limited liability company incorporated under the laws of England and Wales with limited liability whose registered office is at L5, 125 Old Broad Street, London EC2N 1AR as trustee (the "**Trustee**", which term includes its successors and permitted assigns).

BACKGROUND:

The Cash Deposit Bank enters into this Agreement in connection with the Cash Deposit Bank Agreement.

IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 **Definitions**

In this Agreement:

"Cash Account" means the cash accounts listed in Part 1 of Schedule 2 maintained by the Custodian for the account of the Cash Deposit Bank under the Custody Agreement, and any successor or replacement cash account maintained by the Custodian for the account of the Cash Deposit Bank under the Custody Agreement in respect of the Notes and notified to the Issuer and the Trustee (and, for the avoidance of doubt, shall not include the Distribution Account (as defined in the Custody Agreement)).

"Cash Deposit Bank Minimum Moody's Rating" means an unsecured senior long term credit rating by Moody's of Baa3.

"Cash Deposit Bank Minimum S&P Rating" means an unsecured senior long term credit rating by S&P of BBB-.

"Cash Deposit Bank Security Enforcement Event" means any of the following:

- (a) any failure by the Cash Deposit Bank to make any payment or repayment in respect of the Cash Deposit Account when due, which is not remedied within 15 Business Days (or such longer period as the Trustee may permit) of the Cash Deposit Bank receiving written notice of such failure;
- (b) any breach by the Cash Deposit Bank of its obligation under Clause 4.1 of this Agreement which is not remedied within 30 Business Days (or such longer

period as the Trustee may permit) of the Cash Deposit Bank receiving written notice of such breach; or

- (c) the occurrence of a Cash Deposit Bank Insolvency Event (as defined in the Cash Deposit Bank Agreement).

"Cash Deposit Bank Security Minimum Amount" means:

- (a) on any date that the Cash Deposit Bank does not have either the Cash Deposit Bank Minimum Moody's Rating or the Cash Deposit Bank Minimum S&P Rating (for the avoidance of doubt, such date would therefore occur where the Cash Deposit Bank has a credit rating such that in the table below, the Outcome (as set out in the table) would be "Yes"):

Rating of Cash Deposit Bank by Moody's	Rating of Cash Deposit Bank by S&P	Outcome
Baa3 or higher	BBB- or higher	No
Baa3 or higher	BB+ or lower	Yes
Ba1 or lower	BBB- or higher	Yes
Ba1 or lower	BB+ or lower	Yes

,an amount equal to the Adjusted Principal Balance of the Notes on such date; and

- (b) on any other date, zero.

"Collateral Cash" means each debt owed by the Custodian to the Cash Deposit Bank represented by the credit balance from time to time on the Cash Account.

"Collateral Rights" means, subject always to the provisions of Clause 8 (*Voting Rights and Proceeds*), in relation to the exercise of voting rights, all rights, powers and remedies of the Issuer or the Trustee provided by this Agreement or by law.

"Collateral Securities" means the securities from time to time recorded in and represented by the credit balance of the Securities Account.

"Collateral Securities Shortfall Amount" means, on any date, an amount equal to:

- (a) the Cash Deposit Bank Security Minimum Amount on that date; *minus*
- (b) the sum of:
 - (i) the Value of all Collateral Securities; and
 - (ii) all Collateral Cash,

held in the Custody Account at that time (prior to the deposit of any additional Collateral Securities into the Custody Account pursuant to Clause 4.2 (*Replacement of Collateral Securities*) on that date), as determined by the Cash Deposit Bank acting in a commercially reasonable manner.

"**Conditions**" means the terms and conditions of the Notes, as set out in the Trust Deed and "**Condition**" means such of the Conditions as is specified thereafter.

"**Custodian**" means the Bank of New York Mellon, London Branch.

"**Custody Accounts**" means the Securities Account and the Cash Account.

"**Custody Agreement**" means the Custody Agreement in respect of the Notes dated on or about the date hereof between the Custodian, the Issuer, the Trustee and the Cash Deposit Bank, or any replacement agreement entered into in respect of the Notes in place thereof.

"**Custody Income Proceeds**" means:

- (a) in the case of Collateral Securities which are interest-bearing, any interest paid by the issuer of such Collateral Securities;
- (b) in the case of Collateral Securities that are non-interest bearing, the amount by which the redemption amount paid by the issuer of such Collateral Securities exceeds their Implied Principal Value; and
- (c) any interest paid on or deducted from any cash balance in the Custody Account by the Custodian.

"**Downgrade Event**" means the Cash Deposit Bank does not have either the Cash Deposit Bank Minimum Moody's Rating or the Cash Deposit Bank Minimum S&P Rating (for the avoidance of doubt, the Downgrade Event would therefore occur where the Cash Deposit Bank has a credit rating such that in the table below, the Outcome (as set out in the table) would be "Yes"):

Rating of Cash Deposit Bank by Moody's	Rating of Cash Deposit Bank by S&P	Outcome
Baa3 or higher	BBB- or higher	No
Baa3 or higher	BB+ or lower	Yes
Ba1 or lower	BBB- or higher	Yes
Ba1 or lower	BB+ or lower	Yes

"Eligible Securities" means an Obligation which:

- (a) is an Obligation of any government of a country which at the relevant time of determination is a member of the Organisation for Economic Co-Operation and Development (such government an "**OECD Government**") with a credit rating by two or more credit rating agencies of no less than AA- (or an equivalent rating), that is either a direct Obligation of such OECD Government or guaranteed by such OECD Government which guarantee is unconditional but for any requirement for the beneficiary to give notice that payment is due under such guarantee or similar procedural requirement for the payment or repayment of money; or
- (b) is a prime residential-mortgage-backed Obligation of an obligor incorporated in the United Kingdom, denominated in GBP and with a credit rating by two or more credit rating agencies of no less than AA- (or an equivalent rating).

"Implied Principal Value" means in respect of any Collateral Securities an amount determined by the Cash Deposit Bank to be the lower of (i) the price paid by the Cash Deposit Bank for those Collateral Securities and (ii) the scheduled principal redemption proceeds upon maturity in respect of such Collateral Securities.

"Ineligible Securities" has the meaning given to it in Clause 5 (*Replacement of Ineligible Securities*).

"Instructions" has the meaning given to it in the Custody Agreement.

"Moody's" means Moody's Investors Service Limited.

"Obligation" means an obligation that (i) is in registered form for US federal income tax purposes and issued after 18 July 1984 (in respect of obligations of a US obligor or obligations denominated in US dollars only), (ii) is in the form of or represented by a bond, note (other than notes delivered pursuant to loans), certificated debt security or other debt security, (iii) ranks at least pari passu with the obligations of the relevant obligor that are neither subordinated by their terms (or otherwise) nor secured, (iv) is payable in an amount equal to its stated principal amount, (v) is not repayable in an amount determined by reference to any formula or index, (vi) the repayment of which is not, pursuant to the terms of such obligation, subject to any contingency, (vii) except in respect of an Obligation which does not bear interest or bears a negative rate of interest, bears interest at either a fixed rate or a floating rate that is paid on a periodic basis and is computed on a benchmark interest rate plus or minus a margin, if any, and (viii) except in respect of an Obligation which does not bear interest or bears a negative rate of interest, does not have a principal amount due at maturity that varies or that is less than the amount advanced to the relevant obligor.

"Party" means a party to this Agreement.

"Principal Redemption Proceeds" means, in respect of any redemption or other proceeds received by the Custodian into the Cash Account on behalf of the Cash

Deposit Bank, the portion of those proceeds which do not comprise Custody Income Proceeds.

"Receiver" means a receiver and manager or a receiver or administrative receiver, in each case, appointed under this Agreement.

"Related Rights" means:

- (a) any distribution (other than a distribution of interest or any other Custody Income Proceeds) paid or payable in relation to any Collateral Securities; and
- (b) any right, money or property accruing or offered at any time in relation to any Collateral Securities by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise, other than any other Custody Income Proceeds.

"S&P" means Standard & Poor's Ratings Services, part of McGraw Hill International (UK) Limited.

"Secured Obligations" means all present and future payment obligations and liabilities (whether actual or contingent) of the Cash Deposit Bank to the Issuer under this Agreement and in respect of the Cash Deposit Account under the Cash Deposit Bank Agreement and all present and future obligations and liabilities (whether actual or contingent) of the Cash Deposit Bank to the Issuer under Clause 4 of this agreement, in either case except for any obligation or liability which, if it were included, would cause that obligation or liability or any of the Security in respect thereof, to be unlawful or prohibited by any applicable law or regulation.

"Securities Account" means the securities account listed in Part 2 of Schedule 2 maintained by the Custodian for the account of the Cash Deposit Bank under the Custody Agreement, and any successor or replacement securities account maintained in respect of the Notes by the Custodian for the account of the Cash Deposit Bank under the Custody Agreement and notified to the Issuer and the Trustee.

"Security" means the security created under or pursuant to or evidenced by Clause 2 of this Agreement.

"Security Assets" means those assets of the Cash Deposit Bank which are the subject of any Security created by this Agreement.

"Security Interest" means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other arrangement having a similar effect.

"Security Period" means the period beginning on the date of this Agreement and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full.

"Trust Deed" means the trust deed dated the date hereof between the Issuer and U.S. Bank Trustees Limited.

"Value" means:

- (a) with respect to any Collateral Securities on any date, the bid price obtained by the Cash Deposit Bank; and
- (b) with respect to any cash, the amount of that cash.

1.2 **Construction**

- (a) Capitalised terms defined in the Conditions have, unless expressly defined otherwise in this Agreement, the same meaning in this Agreement.
- (b) References to this or any other agreement or document include any amendment or supplement thereto or variation thereof for the time being having effect.
- (c) References to any Party include any of its subsequent successors, transferees or assigns.
- (d) Any covenant of the Cash Deposit Bank under this Agreement (other than a payment obligation) remains in force during the Security Period and is given for the benefit of the Issuer.
- (e) If the Issuer reasonably considers that an amount paid to it or any other Secured Party under the Cash Deposit Bank Agreement is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Agreement.
- (f) Unless the context otherwise requires, a reference to a Security Asset includes:
 - (i) any part of that Security Asset; and
 - (ii) the proceeds of that Security Asset.

2. **CREATION OF SECURITY**

2.1 **Covenant to Pay**

The Cash Deposit Bank covenants with the Issuer to discharge each of the Secured Obligations on their due date in accordance with their respective terms.

2.2 **Collateral Securities and Collateral Cash**

The Cash Deposit Bank charges by way of a first fixed charge in favour of the Issuer:

- (a) all Collateral Securities and all Related Rights; and
- (b) all Collateral Cash.

2.3 **Custody Agreement**

The Cash Deposit Bank assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights, title and interest in and under the Custody Agreement (including, without limitation, its rights to require the Custodian to deliver securities

or cash to the Cash Deposit Bank or to its order and its rights in and to the Cash Account and the Securities Account) to the Issuer.

3. RELEASE

Upon the earliest to occur of:

- (a) the Issuer and the Trustee being satisfied that the Secured Obligations have been irrevocably paid or discharged in full; and
- (b) the Cash Deposit Bank Agreement being terminated and a replacement Cash Deposit Bank Agreement and Cash Deposit Bank Security Agreement having been entered into,

the Issuer shall, at the request of the Cash Deposit Bank and at the cost of the Issuer promptly release all the security granted by this Agreement without recourse to, and without any representations or warranties by, the Issuer, the Trustee or any of their nominees.

4. DEPOSIT OF COLLATERAL SECURITIES

4.1 Deposit of Collateral Securities

- (a) If a Downgrade Event occurs, the Cash Deposit Bank will, within 30 Business Days, deposit cash or Eligible Securities into the Custody Account having an aggregate Value which is not less than the Cash Deposit Bank Security Minimum Amount. On any Note Payment Date on which the Collateral Securities Shortfall Amount is greater than zero the Cash Deposit Bank will deposit additional cash or Eligible Securities into the Custody Account having an aggregate Value which is not less than the Collateral Securities Shortfall Amount.

4.2 Replacement of Collateral Securities

On any Business Day on which the proceeds of the redemption of any Collateral Securities are deposited into the Cash Account, the Cash Deposit Bank may, at its discretion, apply an amount equal to the lesser of the applicable Principal Redemption Proceeds and the Collateral Securities Shortfall Amount (without double counting any obligation to deposit additional Eligible Securities to the Custody Account pursuant to Clause 4.1 of this Agreement) to purchase additional Eligible Securities and deposit those Eligible Securities into the Custody Account. The Cash Deposit Bank shall instruct the Custodian to settle such purchase of such additional Eligible Securities on behalf of the Cash Deposit Bank in accordance with the Custody Agreement by debiting the purchase price from the Cash Account and crediting the relevant Eligible Securities to the Securities Account on a "delivery versus payment" basis, or on such other basis which is acceptable to the Trustee.

5. REPLACEMENT OF INELIGIBLE SECURITIES

On any Business Day on which the Cash Deposit Bank is notified by the Trustee (acting in accordance with an Extraordinary Resolution of the Noteholders) that any of the Collateral Securities at that time held in the Custody Account were not Eligible

Securities on the date such Collateral Securities were deposited into the Custody Account (such securities, the "**Ineligible Securities**"), the Cash Deposit Bank shall deposit additional cash or Eligible Securities (the "**Replacement Securities**") into the Custody Account having an aggregate Value which is not less than the greater of (i) the Value of the Ineligible Securities and (ii) the Collateral Securities Shortfall Amount (excluding, for this purpose, the Value of the Ineligible Securities). For the avoidance of doubt, the Cash Deposit Bank is not required to replace any Collateral Securities which were Eligible Securities on the date such Collateral Securities were deposited into the Custody Account, even if such Collateral Securities subsequently cease to be Eligible Securities.

6. OPERATION OF CUSTODY ACCOUNT

6.1 Custody Agreement

The parties agree that, as between themselves, the Custody Agreement shall be subject to this Agreement and, in the event of any inconsistency between the terms of the Custody Agreement and the terms of this Agreement, as between themselves, the terms of this Agreement shall prevail to the extent of the inconsistency.

6.2 Withdrawals from the Custody Account

Without prejudice to Clause 3 (*Release*), prior to the release of the Security constituted by this Agreement pursuant to that clause, Collateral Securities or Collateral Cash held in the Custody Account may not be withdrawn or transferred from the Custody Account by the Cash Deposit Bank without the prior written consent of the Trustee, other than in the following circumstances, in which the consent of the Trustee is not required:

- (a) on any Business Day, to permit the Cash Deposit Bank to withdraw any Collateral Cash held in the Custody Account which comprises Custody Income Proceeds;
- (b) on or after any Note Payment Date, and subject to the condition precedent that the Cash Deposit Bank has complied with its obligations under the Cash Deposit Bank Agreement on such Note Payment Date, to permit the Cash Deposit Bank to withdraw Collateral Cash or Collateral Securities having a Value equal to the amount of any Net Settlement Amount or any other amount which is payable by the Issuer out of the Cash Deposit Account (other than in redemption of the Notes) pursuant to the Transaction Documents on that Note Payment Date;
- (c) on or after any Note Payment Date, and subject to the condition precedent that the Cash Deposit Bank has complied with its obligations under the Cash Deposit Bank Agreement on such Note Payment Date, to permit the Cash Deposit Bank to withdraw Collateral Cash or Collateral Securities having a Value equal to the amount (if any) which has been paid by the Issuer in redemption of the Notes on that Note Payment Date;

- (d) on any Business Day, to permit the Cash Deposit Bank to apply the proceeds of any redemption of Collateral Securities to purchase additional Eligible Securities for deposit in the Custody Account;
- (e) where the Cash Deposit Bank is required to deposit cash or Replacement Securities into the Custody Account pursuant to Clause 5 (*Replacement of Ineligible Securities*), following receipt by the Custodian of that cash or Replacement Securities, to permit the Cash Deposit Bank to withdraw the Ineligible Securities on the same or any following Business Day; and
- (f) on any Note Payment Date on which the Collateral Securities Shortfall Amount is less than zero, to permit the Cash Deposit Bank to withdraw Collateral Cash or Collateral Securities having a Value which does not exceed the absolute value of the Collateral Securities Shortfall Amount on that Note Payment Date.

In respect of any withdrawal in accordance with this Clause 6.2, the relevant Collateral Cash or Collateral Securities shall be automatically released from the Security and the Trustee hereby agrees (at the cost of the Issuer) to take any additional step reasonably necessary to effect such release.

For the avoidance of doubt, on any Business Day, the Cash Deposit Bank may withdraw any amount held in the Distribution Account (as defined in the Custody Agreement) without the consent of the Issuer or the Trustee.

6.3 Instructions to Custodian

- (a) The Cash Deposit Bank shall give all necessary Instructions to the Custodian in accordance with the Custody Agreement to effect the deposit and/or withdrawal of Eligible Securities (including in respect of Ineligible and Replacement Securities) and/or Collateral Cash to and/or from (as the case may be) the Custody Account in accordance with this Agreement.
- (b) Following the commencement of any enforcement action by the Issuer or Trustee pursuant to Clause 14, any Instructions to withdraw or transfer any Collateral Cash or Collateral Securities from the Custody Account must be countersigned by the Trustee.

7. REPORTING OF CUSTODY INCOME PROCEEDS

- (a) The Cash Deposit Bank will, not less than five Business Days prior to each Note Payment Date, notify to the Issuer and the Trustee details of the Custody Income Proceeds which have been received or are anticipated to be received in respect of the Interest Period ending on that Note Payment Date.
- (b) The Cash Deposit Bank will deliver to the Issuer and the Trustee a copy of all notices and statements delivered by the Cash Deposit Bank to the Custodian under the Custody Agreement.

8. VOTING RIGHTS AND PROCEEDS

8.1 Voting rights and proceeds prior to an Cash Deposit Bank Security Enforcement Event

Prior to the occurrence of a Cash Deposit Bank Security Enforcement Event, the Cash Deposit Bank shall:

- (a) ensure that all principal proceeds received in respect of the Collateral Securities are deposited and held in the Cash Account in accordance with, and subject to, the Custody Agreement; and
- (b) be entitled to exercise all voting rights in relation to the Collateral Securities (and provide all instructions to the Custodian in respect of the exercise of any voting rights).

8.2 Voting rights and proceeds after an Cash Deposit Bank Security Enforcement Event

Upon the occurrence of a Cash Deposit Bank Security Enforcement Event, the Issuer (or the Trustee on its behalf) may, at its discretion and following the giving of notice to the Cash Deposit Bank, (in the name of the Cash Deposit Bank or otherwise and without any further consent or authority from the Cash Deposit Bank):

- (a) exercise (or refrain from exercising) any voting rights in respect of the Collateral Securities;
- (b) apply all proceeds received in respect of the Collateral Securities as though they were the proceeds of sale under this Agreement;
- (c) transfer the Collateral Securities and any Collateral Cash into the name of the Issuer or such nominee(s) of the Issuer as it shall require; and
- (d) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Collateral Securities in each case in the manner and on the terms the Issuer or the Trustee thinks fit, and the proceeds of any such action shall form part of the Security Assets.

9. CASH DEPOSIT BANK'S REPRESENTATIONS AND UNDERTAKINGS

9.1 Representations

The Cash Deposit Bank makes the following representations and warranties to the Issuer and the Trustee and acknowledges that the Issuer and the Trustee have become a party to this Agreement in reliance on these representations and warranties:

- (a) Status
 - (i) It is a corporation, duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

(ii) It has the power to own its assets and carry on its business as it is being conducted.

(b) Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Agreement (including any transfer of the Collateral Securities on creation or enforcement of the Security) and the Cash Deposit Bank Agreement do not and shall not conflict with:

- (i) any law or regulation applicable to it;
- (ii) its constitutional documents; or
- (iii) any agreement or instrument binding upon it,

in any way that shall have a material adverse effect on such entry, performance or transactions.

(c) Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Agreement and the Cash Deposit Bank Agreement and the transactions contemplated by this Agreement and the Cash Deposit Bank Agreement.

(d) Ownership of Collateral Securities

It is the sole beneficial or economic owner of the Collateral Securities free and clear of all security interests save as created by this Agreement or in favour of the Custodian pursuant to the Custody Agreement and has not sold or disposed of or granted any options or pre-emption rights in respect of any of its right, title and interest, in the Collateral Securities.

(e) Authorisations

All material Authorisations required or desirable:

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Agreement and the Cash Deposit Bank Agreement; and
- (ii) to make this Agreement and the Cash Deposit Bank Agreement admissible in evidence in its jurisdiction of incorporation,

have been obtained or effected and are in full force and effect.

(f) Repetition

The representations set out in Clauses (a) (*Status*) to (e) (*Authorisations*) are deemed to be made by the Cash Deposit Bank by reference to the facts and circumstances then existing on the date of this Agreement and each date

during the Security Period on which any Collateral Securities are deposited into the Custody Account.

9.2 Undertakings

The Cash Deposit Bank shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntarily or involuntarily, to sell, lease, transfer or otherwise dispose of the whole or any part of the Security Assets and will not create or permit to subsist any security interest on any part of the Security Assets or otherwise deal with any part of the Security Assets, save as may be permitted or contemplated under this Agreement and/or otherwise in favour of the Custodian pursuant to the Custody Agreement.

10. CUSTODY AGREEMENT

10.1 Preservation

The Cash Deposit Bank may not, without the prior written consent of the Trustee:

- (a) amend or waive any term of, or terminate, the Custody Agreement; or
- (b) close or transfer any Custody Account without opening a replacement Custody Account which is subject to security substantially in the same form as under this Agreement.

11. FURTHER ASSURANCE

11.1 Covenant for Further Assurance

The Cash Deposit Bank will at the cost of the Issuer do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Issuer or the Trustee may specify (and in such form as the Issuer or the Trustee may require in favour of the Issuer or its nominee(s)) for the purpose of exercising the Collateral Rights or perfecting the Security created or intended to be created in respect of the Security Assets (either hereunder or under any replacement cash deposit bank security agreement and which may include the execution by the Cash Deposit Bank of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, the Security Assets) or for the exercise of the rights, powers and remedies of the Issuer or the Trustee provided by or pursuant to this Agreement or by law in each case in accordance with the rights vested in it under this Agreement, provided that (notwithstanding the above) the Cash Deposit Bank shall be under no obligation to do any act or thing or to execute any document, if so doing would cause the Cash Deposit Bank to breach any law or regulation applicable to it or to the Security Assets.

12. POWER OF ATTORNEY FOR CASH DEPOSIT BANK

12.1 Appointment and powers

The Cash Deposit Bank by way of security irrevocably appoints the Issuer, the Trustee and any Receiver following the occurrence of a Cash Deposit Bank Security Enforcement Event, severally to be its attorney and in its name, on its behalf and as its

act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Cash Deposit Bank by this Agreement (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Security Assets);
- (b) enabling the Trustee or the Issuer to exercise, or delegate the exercise of, all or any of the Collateral Rights and other rights exercisable in accordance with this Agreement; and
- (c) enabling any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Agreement or by law.

12.2 Ratification

The Cash Deposit Bank shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

13. POWER OF ATTORNEY FOR ISSUER

13.1 Appointment and powers

The Issuer by way of security hereby irrevocably appoints the Trustee to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on, or exercise any right or power given to, the Issuer by this Agreement (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Security Assets); and
- (b) exercising any of the Collateral Rights and other rights exercisable in accordance with this Agreement.

13.2 Ratification

The Issuer shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

13.3 Issuer Indemnity

Subject to the provisions of Clause 26 (*Incorporation of certain provisions of Deed of Charge*), the Issuer agrees to defend, indemnify and hold the Trustee harmless against any and all claims, actions, losses, Liabilities, damages, costs and expenses that the Trustee or, notwithstanding Clause 24.8 (*Third Party Rights*), any of its officers, directors, employees or agents (each a "**Relevant Party**"), may sustain in connection with claims asserted at any time by third parties against any Relevant Party which results from any act taken or any omission by the Trustee pursuant to the powers of

attorney granted to the Trustee pursuant to Clauses 12.1 and 13.1 of this Agreement. The indemnities under this Clause 13.3 shall survive the termination of this Agreement and the termination of the appointment of the Trustee.

14. SECURITY ENFORCEMENT

14.1 Time for Enforcement

On and at any time after the occurrence of a Cash Deposit Bank Security Enforcement Event or if the Cash Deposit Bank requests the Issuer or the Trustee to exercise any of its powers under this Agreement, the security created by or pursuant to this Agreement shall be immediately enforceable and the Issuer (or the Trustee on its behalf) may, following written notice to the Cash Deposit Bank but without prior authorisation from any court, in its absolute discretion:

- (a) secure and perfect its title to all or any part of the Security Assets (including transferring the Security Assets into the name of the Issuer or its nominees);
- (b) enforce all or any part of the Security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold, sell, or otherwise dispose of all or any part of the Security Assets (at the time, in the manner and on the terms it thinks fit); and
- (c) whether or not it has appointed a Receiver, exercise all or any of the powers, authorisations and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Agreement) on chargees and by this Agreement on any Receiver or otherwise conferred by law on chargees or Receivers,

provided that, if the relevant Cash Deposit Bank Security Enforcement Event is no longer continuing prior to the Issuer (or the Trustee on its behalf) first taking any of the actions referred to in sub-paragraphs (a) to (c), the Security shall cease to be enforceable and no such actions may be taken by the Issuer (or the Trustee on its behalf) unless a subsequent Cash Deposit Bank Security Enforcement Event occurs and is continuing at the time such action is first taken.

14.2 Power of sale

- (a) The power of sale or other disposal conferred on the Issuer, the Trustee and on the Receiver by this Agreement shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Agreement.
- (b) The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to the exercise by the Issuer or the Trustee of its right to consolidate all or any of the Security created by or pursuant to this Agreement with any other security in existence at any time or to its power of sale.

14.3 **Chargee's liability**

Neither the Issuer, the Trustee nor any Receiver will be liable to account as mortgagee or mortgagee in possession in respect of the Security Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection with the Security Assets for which a mortgagee or mortgagee in possession might as such be liable.

14.4 **Right of Appropriation**

To the extent that any of the Security Assets constitutes "financial collateral" and this Agreement and the obligations of the Cash Deposit Bank hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226), as amended, (the "**Regulations**")), the Issuer shall have the right to appropriate all or any part of such financial collateral in or towards discharge of any Secured Obligations at such time and may exercise such right to appropriate upon giving written notice to the Cash Deposit Bank. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be the Value of the Collateral Securities determined by the Issuer or the Trustee by reference to such process as the Issuer or the Trustee may select, including independent valuation. The parties agree that the method of valuation provided for in this Agreement shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

14.5 **Statutory powers**

The powers conferred by this Agreement on the Issuer and the Trustee are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law and in the case of any conflict between the powers contained in any such Act and those conferred by this Agreement the terms of this Agreement will prevail.

15. **RECEIVERS AND ADMINISTRATORS**

15.1 **Appointment and removal**

At any time after having been requested to do so by the Cash Deposit Bank or after this Agreement becomes enforceable in accordance with Clause 14 (*Security Enforcement*), the Issuer or the Trustee may by deed or otherwise (acting through an authorised officer of the Issuer or the Trustee, as applicable), without prior notice to the Cash Deposit Bank:

- (a) appoint a Receiver of the whole or any part of the Security Assets;
- (b) remove (so far as it is lawfully able) any Receiver so appointed; and
- (c) appoint another person(s) as an additional or replacement Receiver(s).

15.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 15.1 (*Appointment and removal*) will be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of the Cash Deposit Bank which shall be solely responsible for his acts, omissions, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Issuer or the Trustee; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Issuer or the Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

15.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Issuer under the Law of Property Act 1925 (as extended by this Agreement) or otherwise and such powers shall remain exercisable from time to time by the Issuer or the Trustee in respect of any part of the Security Assets.

15.4 Powers of Receivers

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Cash Deposit Bank) have and be entitled to exercise, in relation to the Security Assets in respect of which he was appointed, and as varied and extended by the provisions of this Agreement (in the name of or on behalf of the Cash Deposit Bank or in his own name and, in each case, at the cost of the Cash Deposit Bank):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Cash Deposit Bank itself could do or omit to do;
- (d) the power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Agreement (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise any subsequent delegation or any revocation of such power, authority or discretion by the Receiver itself; and
- (e) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Cash Deposit Bank) which seem to the Receiver to be incidental or conducive to:

- (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
- (ii) the exercise of any rights, powers and remedies of the Issuer provided by or pursuant to this Agreement or by law (including realisation of all or any part of the Security Assets); or
- (iii) bringing to his hands any assets of the Cash Deposit Bank forming part of, or which when got in would be, Security Assets.

15.5 Consideration

The receipt of the Issuer, the Trustee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Issuer, the Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

15.6 Protection of purchasers

No purchaser or other person dealing with the Issuer, the Trustee or any Receiver shall be bound to inquire whether the right of the Issuer, the Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Issuer, Trustee or such Receiver in such dealings.

15.7 Discretions

Any liberty or power which may be exercised or any determination which may be made under this Agreement by the Issuer, Trustee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

16. EFFECTIVENESS OF COLLATERAL

16.1 Collateral Cumulative

The collateral constituted by this Agreement and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Issuer may at any time hold for the Secured Obligations or any rights, powers and remedies provided by law. No prior security held by the Issuer over the whole or any part of the Security Assets shall merge into the collateral constituted by this Agreement .

16.2 No Waiver

No failure to exercise, nor any delay in exercising, on the part of the Issuer, any right or remedy under this Agreement shall operate as a waiver of any such right or remedy or constitute an election to affirm this Agreement. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy of the Issuer. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

16.3 Illegality, Invalidity, Unenforceability

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

16.4 No liability

None of the Trustee, its nominee(s) or any Receiver appointed pursuant to this Agreement shall be liable by reason of (a) taking or refraining from taking any action permitted by this Agreement or (b) any neglect or default in connection with the Security Assets or (c) the taking possession or realisation of all or any part of the Security Assets, except in the case of gross negligence, fraud or wilful default upon its part.

16.5 Implied Covenants for Title

- (a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 2.2 (*Collateral Securities and Collateral Cash*) and 2.3 (*Custody Agreement*).

16.6 Continuing security

- (a) The Security from time to time constituted by this Agreement is a continuing security and will remain in full force and effect as a continuing security until released or discharged by the Issuer (with the prior written consent of the Trustee).
- (b) No part of the Security from time to time constituted by this Agreement will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

16.7 Immediate recourse

The Cash Deposit Bank waives any right it may have of first requiring the Issuer to proceed against or enforce any other rights or Security or claim payment from any person before claiming from the Cash Deposit Bank under this Agreement. This waiver applies irrespective of any law or any provision of this Agreement to the contrary.

16.8 No prejudice

The Security created by or pursuant to this Agreement and the rights, powers and remedies of the Issuer or the Trustee provided by or pursuant to this Agreement or by law shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Cash Deposit Bank or any other person by the Issuer or the Trustee or by any other thing which might otherwise prejudice the Security or any rights, powers and remedies of the Issuer or the Trustee provided by or pursuant to this Agreement or by law.

17. **RETENTION OF AGREEMENT**

The Issuer may retain this Agreement, the Security constituted by or pursuant to this Agreement and all documents relating to or evidencing ownership of all or any part of the Security Assets for a period of seven months after any discharge in full of the Secured Obligations, provided that if at any time during that seven month period a petition or application is presented for an order for the winding-up of, or the making of an administration order in respect of, the Cash Deposit Bank or any person who is entitled to do so gives written notice of its intention to appoint an administrator of the Cash Deposit Bank or files such a notice with the court or the Cash Deposit Bank commences to be wound-up voluntarily or any analogous proceedings are commenced in respect of it, the Issuer may continue to retain such Security and such documents for such further period as the Issuer may reasonably determine and the Security and such documents shall be deemed to have continued to be held as security for the Secured Obligations.

18. **EXPENSES, STAMP TAXES, INDEMNITY**

18.1 **Expenses**

The Cash Deposit Bank shall promptly on demand pay the Issuer or the Trustee the amount of all costs and expenses (including legal fees) properly incurred by the Issuer or the Trustee in connection with the negotiation, preparation and execution of this Agreement and the completion of the transactions and perfection of the security contemplated in this Agreement.

18.2 **Enforcement expenses**

The Cash Deposit Bank shall, within three business days of demand pay to the Issuer or the Trustee for all the costs and expenses (including legal fees) on a full indemnity basis incurred by it in connection with the exercise, preservation and/or enforcement of any of the rights, powers or remedies of the Issuer or the Trustee or any proceedings instituted by or against the Issuer or the Trustee as a consequence of taking or holding the Security or of enforcing any rights, powers or remedies of the Issuer or the Trustee.

18.3 **Stamp Taxes**

The Cash Deposit Bank shall pay all stamp, registration and other taxes to which this Agreement, the Security or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Issuer and the Trustee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax.

19. **APPLICATION OF PROCEEDS**

All moneys received or recovered by the Issuer, the Trustee or any Receiver pursuant to this Agreement or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied in accordance with the Applicable Priority of Payments, *provided that*, any moneys received or recovered by the Issuer, the Trustee

or any Receiver pursuant to this Agreement or the powers conferred by it in excess of the Secured Obligations shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be paid to the Cash Deposit Bank for its own account.

20. OTHER SECURITY INTERESTS

20.1 Redemption or transfer

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking security in case of exercise by the Issuer, the Trustee or any Receiver of any power of sale under this Agreement the Issuer may redeem such prior security or procure the transfer thereof to itself.

20.2 Accounts

The Issuer may settle and pass the accounts of the prior security and any accounts so settled and passed will be conclusive and binding on the Cash Deposit Bank.

20.3 Costs of redemption or transfer

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Cash Deposit Bank to the Issuer on demand together with accrued interest thereon (after as well as before judgment) at the rate from time to time applicable to unpaid sums specified in the Financial Guarantee from the time or respective times of the same having been paid or incurred until payment thereof (after as well as before judgment).

20.4 Subsequent Interests

If the Issuer at any time receives notice of any subsequent mortgage, assignment, charge or other interest affecting all or any part of the Security Assets, all payments made by the Cash Deposit Bank to the Issuer or the Trustee after that time shall be treated as having been credited to a new account of the Cash Deposit Bank and not as having been applied in reduction of the Secured Obligations as at the time when the Issuer received notice.

21. SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Issuer under this Agreement (including the proceeds of any conversion of currency) may in the discretion of the Issuer be credited to any interest bearing suspense or impersonal account maintained with any bank, building society or financial institution as it considers appropriate and may be held in such account for so long as the Issuer may think fit pending their application from time to time (as the Issuer is entitled to do in its discretion) in or towards the discharge of any of the Secured Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

22. ASSIGNMENTS

This Agreement (or any part thereof) shall not be assigned or transferred by any party without the prior written consent of the Trustee and the Cash Deposit Bank, except in the case of assignment or transfer by the Issuer by way of security to the Trustee pursuant to the Deed of Charge.

23. TRUSTEE

23.1 Better preservation and enforcement of rights

The Trustee has agreed to become a party to this Agreement for the better preservation and enforcement of its rights under the Transaction Documents and the Security Documents and shall not assume any liabilities or obligations under this Agreement unless such obligation or liability is expressly assumed by the Trustee in this Agreement. The Trustee will exercise its powers and authority under this Agreement in the manner provided for in the Trust Deed and the Deed of Charge and, in so acting, the Trustee shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Trust Deed and the other Transaction Documents.

23.2 Third party beneficiary stipulation

The Trustee shall be entitled to demand performance by any of the Parties of their respective obligations owed to any of the other Parties under, pursuant to and/or in connection with this Agreement and to otherwise invoke this Agreement against any of them.

23.3 Trustee's consent

No right or remedy provided by this Agreement is capable of being waived other than with the prior written consent of the Trustee.

24. MISCELLANEOUS

24.1 Benefit of the Agreement

The Cash Deposit Bank agrees that its obligations hereunder will be enforceable at the instance of the Issuer or the Trustee in accordance with the terms hereof on behalf of the Issuer.

24.2 Binding Nature of Agreement; Successors and Assigns

This Agreement will be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns as provided in this Agreement.

24.3 Entire Agreement

This Agreement constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter

hereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

24.4 No Modifications or Amendments

This Agreement may not be modified or amended other than by an agreement in writing executed by the parties hereto.

24.5 Conflict with Trust Deed or Deed of Charge

In the event that this Agreement requires any action to be taken with respect to any matter and the Trust Deed (including the Conditions) or the Deed of Charge requires that a different action be taken with respect to such matter, and such actions are mutually exclusive, the provisions of the Trust Deed (including the Conditions) or the Deed of Charge (as the case may be) in respect thereof will prevail.

24.6 Survival of Representations, Warranties and Indemnities

Each representation and warranty made or deemed to be made in this Agreement or pursuant hereto, and each indemnity provided for by this Agreement, will survive the termination of this Agreement.

24.7 Remedies Cumulative

Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided at law or in equity.

24.8 Third Party Rights

A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999.

25. NOTICES

25.1 All communications pursuant to this Agreement will be in writing and will be delivered at or sent by facsimile transmission or e-mail to the following addresses or to such other address as the relevant party may notify to the other parties to this Agreement in writing from time to time:

(a) if to the Issuer, to it at

Cheltenham Securities 2017 Limited
44 Esplanade
St. Helier,
Jersey JE4 9WG

Attention: The Directors
Telephone: +44 (0)1534 504000
Facsimile: +44 (0)1534 504444
E-mail: cheltenhamsecurities2017Ltd@intertrustgroup.com

(b) if to the Cash Deposit Bank, to it at

Lloyds Bank plc
10 Gresham Street
4th Floor
London
EC2V 7AE

Attention: GCT & STG Transaction Support
Facsimile: +44 207 158 3233
E-mail: pmstgmo@lloydsbanking.com

(c) if to the Trustee, to it at

U.S. Bank Trustees Limited
L5, 125 Old Broad Street
London EC2N 1AR

Attention: Anatoly Sorin / CDO Relationship Management
Email: CLO.Relationship.Management@usbank.com

25.2 Any communication so sent by letter shall take effect at the time of actual delivery, any communication so sent by facsimile transmission shall take effect upon acknowledgment of receipt by the recipient, any communication so sent by email shall take effect upon acknowledgment of receipt by the recipient (and for the avoidance of doubt, an automatically-generated "read" or "received" receipt shall not count as such acknowledgment) and any communication delivered personally shall take effect when left at the relevant address referred to in Clause 25.

26. **INCORPORATION OF CERTAIN PROVISIONS OF TRUST DEED**

The provisions of clause 36 (*Counterparts*) of the Trust Deed shall apply *mutatis mutandis* as if set out in full herein and as if references in that Clause to "Trust Deed" were references to "Agreement".

27. **INCORPORATION OF CERTAIN PROVISIONS OF DEED OF CHARGE**

The provisions of clause 26 (*Restriction on Enforcement of Security, Non-Petition and Limited Recourse*) of the Deed of Charge shall apply *mutatis mutandis* as if set out in full herein and shall survive the termination of this Agreement.

28. **GOVERNING LAW AND JURISDICTION**

28.1 **Governing Law**

This Agreement (and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this Agreement or its formation) and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

28.2 **Jurisdiction**

The courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement or any non-contractual obligation arising out of or in connection with it, and accordingly any legal action or proceedings arising out of or in connection with this Agreement or such non-contractual obligations ("**Proceedings**") may be brought in such courts. The parties hereto irrevocably submit to the jurisdiction of such courts and waive any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

28.3 **Process agent for the Issuer**

The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Intertrust (UK) Limited of 35 Great St. Helen's, London EC3A 6AP. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall promptly notify each other party to this Agreement and on the written demand of the Trustee addressed to the Issuer and delivered to the Issuer appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days of such demand, the Trustee shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer. Nothing in this paragraph shall affect the right of the Trustee to serve process in any other manner permitted by law.

THIS AGREEMENT has been executed as a deed by the parties and is delivered by them on the date specified above.

SCHEDULE 1

RELEASE NOTICE

[On letterhead of Cash Deposit Bank]

The Bank of New York Mellon, London Branch, in its capacity as Custodian
One Canada Square
London E14 5AL
ite@bnymellon.com

[insert date]

Dear Sirs,

We refer to the Cash Deposit Bank Security Agreement dated [•] 2017 between Lloyds Bank plc, Cheltenham Securities 2017 Limited and U.S. Bank Trustees Limited (the "**Agreement**"). Terms used in this letter and not defined herein shall have the meanings given to them in the Agreement.

[We hereby request *[refer to withdrawal of cash or securities]* be [paid]/[transferred] from the [Cash]/[Securities] Account to the following account:

[insert account details]

We confirm that this [withdrawal]/[transfer] complies with Clause 6.2[a]/[b]/[c]/[e]/[f] of the Agreement.]

[We hereby request that you apply the amount of GBP [•] from the Cash Account to settle the following purchase of Eligible Securities and accept receipt of those securities into the Securities Account:

[insert details of purchase]

We confirm that this settlement complies with Clause 6.2 of the Agreement.]

Yours sincerely,

[Lloyds Bank plc]

We consent to the [withdrawal]/[transfer]/[settlement] requested in this letter pursuant to Clause 6.2 of the Agreement:

[U.S. Bank Trustees Limited], in its capacity as Trustee

SCHEDULE 2

THE ACCOUNTS

PART 1- CASH ACCOUNTS

Details of Cash Account

Correspondent Bank: [REDACTED]
SWIFT: [REDACTED]
Sort Code: [REDACTED]
Account Number: [REDACTED]
Beneficiary: [REDACTED]
SWIFT: [REDACTED]
For Further account: [REDACTED]
Account Name: [REDACTED]

Details of Distribution Account

Correspondent Bank: [REDACTED]
SWIFT: [REDACTED]
Sort Code: [REDACTED]
Account Number: [REDACTED]
Beneficiary: [REDACTED]
SWIFT: [REDACTED]
For Further account: [REDACTED]
Account Name: [REDACTED]

PART 2- SECURITIES ACCOUNT

Details of Securities Account

Securities Account Name:



Securities Account Number:



SIGNATORIES

The Cash Deposit Bank

Executed as a Deed on behalf of)

LLOYDS BANK PLC)

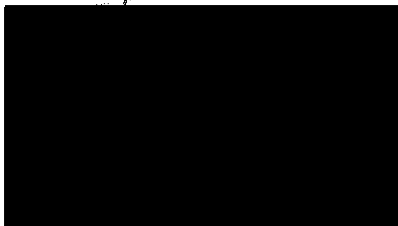
acting by:)



.....

Authorised Signatory

In the presence of:



Signature of witness

Name of witness

Address of witness

AS

The Issuer

Signed and delivered as a Deed by:

.....)

a duly authorised signatory of)

CHELTENHAM SECURITIES 2017 LIMITED

)

In the presence of:

_____ Signature of witness

_____ Name of witness

_____ Address of witness

SIGNATORIES

The Cash Deposit Bank

Executed as a Deed on behalf of)

LLOYDS BANK PLC)

acting by:)

.....

Authorised Signatory

In the presence of:

Signature of witness

Name of witness

Address of witness

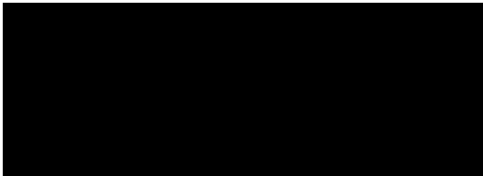
The Issuer

Signed and delivered as a Deed by:



a duly authorised signatory of

CHELTENHAM SECURITIES 2017 LIMITED



Ellen Chislett
Director

)

In the presence of:



Signature of witness

Name of witness

Address of witness

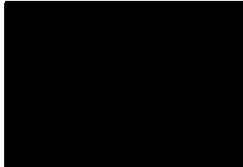
The Trustee

Executed as a Deed on behalf of)

U.S. BANK TRUSTEES LIMITED)

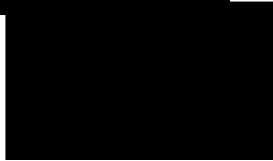
Acting by:)

Authorised Signatory



Michael Leong
Authorised Signatory

Authorised Signatory



Hanish Bhatt
Authorised Signatory