

EXECUTION VERSION

BANK ACCOUNT AGREEMENT

31 May 2019

PRECISE MORTGAGE FUNDING 2019-1B PLC
as Issuer

and

HSBC BANK PLC
as Cash Manager

HSBC BANK PLC
as Issuer Account Bank

and

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED
as Security Trustee

ALLEN & OVERY

Allen & Overy LLP

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THIS AGREEMENT (this **Agreement**) is made on 31 May 2019

BETWEEN:

- (1) **PRECISE MORTGAGE FUNDING 2019-1B PLC** (registered number 11613167), a public limited company incorporated under the laws of England and Wales, whose registered office is at 35 Great St. Helen's, London EC3A 6AP (the **Issuer**);
- (2) **HSBC BANK PLC** (registered number 0014259), with its registered office at 8 Canada Square, London E14 5HQ (acting in its capacity as the **Cash Manager** pursuant to the Cash Management Agreement;
- (3) **HSBC BANK PLC** (registered number 0014259) is registered as a branch in the United Kingdom with its offices at 8 Canada Square, London E14 5HQ (the **Issuer Account Bank**); and
- (4) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** (registered number 0644755), a limited liability company incorporated under the laws of England and Wales whose registered office is at 8 Canada Square, London E14 5HQ8 Canada Square, London E14 5HQ (the **Security Trustee**, which expression shall include such persons and all other persons for the time being acting as security trustee or security trustees under the Deed of Charge).

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

The master definitions and construction schedule made between, amongst others, the parties hereto on or about the date hereof (as the same may be amended, varied or supplemented from time to time with the consent of the parties thereto) (the Master Definitions and Construction Schedule) is expressly and specifically incorporated into this Agreement and, accordingly, the expressions defined in the Master Definitions and Construction Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Agreement and this Agreement shall be construed in accordance with the interpretation provisions set out in Clause 2 (Interpretation and Construction) of the Master Definitions and Construction Schedule.

The following terms have the following definitions:

Applicable Law means any law or regulation including, but not limited to: (a) any domestic or foreign statute or regulation; (b) any rule or practice of any Authority, stock exchange or self regulatory organisation with which the Issuer Account Bank is bound or accustomed to comply; and (c) any agreements entered into by the Issuer Account Bank and any Authority that is customarily entered into by institutions of a similar nature; or (d) any agreements between any two or more Authorities;

Client Money Rules means FCA Rules relating to client money from time to time; and

FCA Rules means the rules established by the Financial Conduct Authority (or any relevant successor) in its handbook of rules and guidance from time to time.

2. APPOINTMENT

2.1 Appointment

- (a) The Issuer hereby appoints HSBC Bank plc whose office is at 8 Canada Square, London E14 5HQ, to be the Issuer Account Bank with respect to the Issuer Accounts and (subject to Clause 3.5 (Further Accounts)) any additional Issuer Account and as its lawful agent, in its name and on its behalf, to perform the services of the Issuer Account Bank under this Agreement.
- (b) HSBC Bank plc hereby accepts such appointment on the terms and subject to the conditions of this Agreement.

2.2 Duration

The appointment of the Issuer Account Bank under this Agreement will continue until termination under Clause 9 (Termination).

2.3 Power and Authority

The Issuer Account Bank will, subject to the terms and conditions of this Agreement, have the full power, authority and right to do or cause to be done any and all things which the Issuer Account Bank reasonably considers necessary, convenient or incidental to the performance of its services under this Agreement or any other Transaction Document unless it receives written notice to the contrary from the Issuer or the Security Trustee, as appropriate, in accordance with the terms of this Agreement.

2.4 Agent of the Issuer only

Subject to Clause 7.4 (Consequences of Enforcement Notice on Cash Manager appointment), in acting under this Agreement, the Issuer Account Bank shall act solely as an agent of the Issuer and will not assume any obligation or responsibility towards or relationship of agency or trust for or with any of the Noteholders, the Certificateholders or any other third party.

2.5 Opening of Issuer Accounts

The Issuer Account Bank confirms that the Deposit Account, the Swap Collateral Account, the Issuer Profit Account, the General Reserve Fund Account and the Class A and Class B Liquidity Reserve Fund Account have been opened in the name of the Issuer on or prior to the Closing Date and will operate in accordance with this Agreement. For the avoidance of doubt, only sterling cash may be deposited into the Swap Collateral Account and no other currencies or securities will be held in the Swap Collateral Account.

3. THE ISSUER ACCOUNTS

3.1 Instructions from the Cash Manager

- (a) Subject to Clauses 3.5 (Further Accounts), 3.6 (No Negative Balance), 7.4 (Consequences of Enforcement Notice on Cash Manager appointment) and 7.6 (Force Majeure), prior to the service of an Enforcement Notice on the Issuer, the Issuer Account Bank shall comply with any direction of the Issuer (or the Cash Manager on behalf of the Issuer) or, following the service of an Enforcement Notice, the Security Trustee, given on a Business Day to effect a payment by debiting any one of the Issuer Accounts if such direction: (i) is in writing or is given by the electronic banking service provided by the Issuer Account Bank (**HSBCnet**); (ii) otherwise complies with the relevant Account Mandate or in the case of an electronic instruction, the relevant procedures of the Issuer Account

Bank applicable from time to time; and (iii) in circumstances where the Issuer Account Bank and the Cash Manager are the same institution, are given in accordance with the relevant internal procedures of such institution. In each case, any such direction shall constitute an irrevocable payment instruction. For the avoidance of doubt and without prejudice to any of its specific obligations hereunder, the Account Bank shall have no control over any deposits or withdrawals in respect of the Issuer Accounts.

3.2 Custody Accounts

If the Issuer Account Bank agrees to act as Custody Account Bank and carry on an activity of the kind specified by article 14 (dealing in investments as principal), 21 (dealing in investments as agent) or 40 (safeguarding and administering investments) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, it will do so in accordance with its standard terms and conditions applying to the custody of investments as are in force for the time being (at the date of this Agreement as set out in Schedule 3 to this Agreement), which shall have effect subject to any contrary provisions in this Agreement.

3.3 Timing of Payment

Without prejudice to the provisions of Clause 4 (Payments), the Issuer Account Bank agrees that, prior to the service of an Enforcement Notice on the Issuer, if directed by the Issuer (or the Cash Manager on its behalf) or following the service of an Enforcement Notice, if directed by the Security Trustee, pursuant to Clause 3.1 (Instructions from the Cash Manager) to make any payment then, subject to Clauses 3.5 (Further Accounts), 3.6 (No Negative Balance) and 7.4 (Consequences of Enforcement Notice on Cash Manager appointment), it will effect the payment specified in such direction not later than the day specified for payment therein and for value on the day specified therein provided that, if any direction specifying that payment be made on the same day as the direction is given is received later than 12 noon on any Business Day or is received on any day that is not a Business Day, the Issuer Account Bank shall make such payment on a best efforts basis but no later than the commencement of business on the following Business Day for value that day.

3.4 Bank Charges

- (a) In consideration of the performance of its role under this Agreement, the Issuer shall pay to the Issuer Account Bank the fees, charges, commissions and other remuneration (plus any applicable VAT, subject to receipt of a VAT invoice), if any, as may be agreed in writing between the Issuer and the Issuer Account Bank. The Issuer shall also pay to the Issuer Account Bank all properly incurred expenses incurred by the Issuer Account Bank in connection with its services under this Agreement.
- (b) The fees and charges of the Issuer Account Bank shall be paid by the Issuer subject to and in accordance with the Priority of Payments.
- (c) The fees, commissions and expenses payable to the Issuer Account Bank for services rendered and the performance of its obligations under this Agreement shall not be abated by any remuneration or other amounts or profits receivable by the Issuer Account Bank (or to its knowledge by any of its associates) in connection with any transaction effected by the Issuer Account Bank with or for the Issuer.

3.5 Further Accounts

In the event that any further Issuer Accounts are required to be opened by the Issuer, the Issuer shall open or procure the opening of such Issuer Accounts. If it is determined at such time that such Issuer Accounts will be held with the Issuer Account Bank, then the Issuer shall deliver an Account

Mandate to the Issuer Account Bank relating to each such Issuer Account in accordance with the Issuer's obligations under this Agreement, the Cash Management Agreement and the Deed of Charge.

3.6 No Negative Balance

Notwithstanding the provisions of Clause 3.1 (Instructions from the Cash Manager), amounts shall only be withdrawn from any Issuer Account to the extent that such withdrawal does not cause the relevant Issuer Account to have a negative balance and for the avoidance of doubt, the Issuer Account Bank shall be under no obligation to monitor the Issuer Accounts for this purpose. No liability shall attach to the Issuer Account Bank if there are insufficient funds to make a payment in whole or part.

3.7 No other regulated activities

Nothing in this Agreement shall require the Issuer Account Bank to carry on an activity of the kind specified by any provision of Part II (other than Article 5 (Accepting Deposits)) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, or to lend money to the Issuer.

3.8 Issuer Account Bank's cash terms

The Issuer Accounts may only be opened by the Issuer Account Bank and used by the Issuer for the purposes contemplated by or connected to the services provided under the terms of the Transaction Documents. For the avoidance of doubt, any Issuer Account shall only be used by the Issuer for the purposes contemplated by or connected to the services provided under the terms of the Transaction Documents. The Issuer Accounts shall not be used for any purposes other than expressly contemplated by the Transaction Documents. The Issuer Accounts shall be governed by the Issuer Account Bank's standard terms and conditions for cash accounts ("the **Cash Terms**") from time to time and shall be interpreted accordingly. The Cash Terms shall apply to the Issuer Accounts as relevant and do not otherwise apply to the services provided under this Agreement. In the event of any conflict between the terms of this Agreement and the Issuer Account Bank's own Cash Terms in relation to the services, this Agreement shall prevail.

3.9 No implied duties

The Issuer Account Bank is authorised by the PRA and regulated by the FCA and the PRA. The Issuer Account Bank shall be obliged to perform only such duties as are expressly set out in this Agreement or otherwise as set out in the Transaction Documents and no implied duties or obligations of any kind (including duties or obligations of a fiduciary or equitable nature) shall be read into this Agreement in respect of the Issuer Account Bank.

3.10 No additional liability or expense

The Issuer Account Bank shall not be under any obligation to take any action under this Agreement which it expects will result in any expense or liability accruing to it, the payment of which within a reasonable time is not, in its opinion, assured to it.

3.11 Reliance on advisers

The Issuer Account Bank may consult with legal counsel or other professional advisers of its selection (subject to Clause 13 (Costs), at the expense of the Issuer) in the event of any dispute or question as to the meaning or construction of any of the provisions hereof or in connection with the performance of its duties hereunder. The Issuer Account Bank shall incur no liability and shall be

fully protected as against the Issuer in acting in accordance with the opinion and advice of such legal counsel or professional advisers.

3.12 Issuer Account Bank not responsible for Issuer's default

In the case of any default by the Issuer, the Issuer Account Bank shall have no duty or responsibility in the performance of the Issuer's obligations under the Transaction Documents.

3.13 No Default

The Issuer Account Bank may assume that no Enforcement Notice has been given and that no party to this Agreement is in breach of or in default of its obligations hereunder, unless it has actual notice to the contrary.

3.14 Compliance

The Issuer Account Bank shall be entitled to take any action or to refuse to take any action which the Issuer Account Bank regards as necessary for the Issuer Account Bank to comply with any Applicable Law, regulation or fiscal requirement, or the rules, operating procedures or market practice of any relevant stock exchange or other market or clearing system.

3.15 Several Obligations

The obligations of the Issuer Account Bank and the Cash Manager under this Agreement and any other Transaction Documents to which they are a party are several and not joint.

3.16 Reliance on communication from authorised representatives

The Issuer Account Bank shall be protected and shall incur no liability for or in respect of any action taken, omitted or suffered in reliance upon any telephone, facsimile, e-mail communication, instruction or document which it reasonably believes to be genuine and is from a person purporting to be (and whom the Issuer Account Bank believes in good faith to be) the authorised representative of the Issuer or the Cash Manager as sufficient instructions and authority of the Issuer or the Cash Manager for the Issuer Account Bank to act (and shall have no duty to ensure that any such instruction is accurate, correct, or in accordance with this Agreement). Save in the case of gross negligence, wilful default or fraud by the Issuer Account Bank, the Issuer Account Bank shall not have responsibility to any party if any instruction which should be given by the Issuer, the Cash Manager or the Security Trustee to the Issuer Account Bank under and in connection with this Agreement or the Transaction Documents, as applicable, is for any reason not received by the Issuer Account Bank or is not made at the time it should be made.

3.17 Provision of Information by the Issuer

The Issuer undertakes to the Issuer Account Bank that it will provide to the Issuer Account Bank all documentation and other information reasonably required by the Issuer Account Bank from time to time to comply with all Applicable Laws in relation to the Issuer Accounts and in order to provide the services contemplated in this Agreement forthwith upon request by the Issuer Account Bank and it will notify the Issuer Account Bank in writing within 30 days upon becoming aware or being notified of any material change in, or in the validity of, any documentation or other information previously provided to the Issuer Account Bank that affects its tax status pursuant to any Applicable Law.

3.18 Personal or Sensitive Information

- (a) The Issuer Account Bank is under no duty to ensure that funds withdrawn from any Issuer Account are actually applied for the purpose for which they were withdrawn or that any instruction is accurate, correct or in accordance with the terms of any other agreement or arrangement.
- (b) The Issuer expressly acknowledges that it is fully aware of and agrees to accept the risks of error, security and privacy issues and fraudulent activities associated with transmitting instructions through any means requiring manual intervention.

3.19 No greater duty of care

The Issuer agrees that the Issuer Account Bank shall not be under any duty to give the amounts in the Issuer Accounts held by it hereunder any greater degree of care than it gives to amounts held for its general banking customers.

4. PAYMENTS

4.1 Instructions from the Cash Manager

The Issuer Account Bank shall comply with the instructions described in Clauses 3.1 (Instructions from the Cash Manager) and 3.3 (Timing of Payment) and shall effect the payments specified in such instructions not later than the time specified for payment therein (provided that the Issuer Account Bank shall not have any liability to any person if it fails to effect timely payment due to insufficient funds standing to the credit of any relevant Issuer Accounts to which an instruction relates on the relevant date. The Issuer Account Bank shall be under no obligation to check the compliance of the Cash Manager with the provisions of Clauses 3.1 (Instructions from the Cash Manager) and 3.3 (Timing of Payment) following receipt by the Issuer Account Bank of instructions for any payment from any Issuer Account.

5. MANDATE

5.1 Signing and Delivery of the Deposit Account Mandate and Swap Collateral Account Mandate

The Issuer confirms that it has delivered to the Issuer Account Bank prior to the Closing Date a duly executed Account Mandate relating to each Issuer Account (substantially in the form set out in Schedule 1 (Form of Account Mandate)), and the Issuer Account Bank hereby confirms to the Security Trustee that each of the Deposit Account Mandate, the Swap Collateral Account Mandate, the Issuer Profit Account Mandate, the General Reserve Fund Account Mandate, the Class A and Class B Liquidity Reserve Fund Account Mandate has been provided to it, that each of the Deposit Account, the Swap Collateral Account, the Issuer Profit Account, the General Reserve Fund Account Mandate and the Class A and Class B Liquidity Reserve Fund Account Mandate is open and that each of the Deposit Account Mandate, the Swap Collateral Account Mandate, the Issuer Profit Account Mandate, the General Reserve Fund Account Mandate and the Class A and Class B Liquidity Reserve Fund Account Mandate is operative. The Issuer Account Bank acknowledges that the Deposit Account Mandate, the Swap Collateral Account Mandate, the Issuer Profit Account Mandate, the General Reserve Fund Account Mandate, the Class A and Class B Liquidity Reserve Fund Account Mandate and any other mandates delivered from time to time pursuant to the terms of this Agreement shall be subject to the terms of the Deed of Charge and this Agreement.

5.2 Amendment or Revocation

The Issuer Account Bank agrees that it shall notify the Security Trustee and the Issuer (and the Issuer shall thereby notify the Rating Agencies) as soon as is reasonably practicable and in

accordance with Clause 16 (Notices) if it receives any amendment to or revocation of any Account Mandate relating to the Issuer Accounts (other than a change of Authorised Signatory) and any such amendment or revocation (other than a change of Authorised Signatory) shall require the prior written consent of the Security Trustee. Unless such Account Mandate is revoked, the Issuer Account Bank may continue to comply with such Account Mandate (as it may from time to time be amended in accordance with the provisions of this Clause 5.2) unless it receives notice in writing (i) from the Issuer or, as the case may be, the Security Trustee to the effect that the appointment of HSBC Bank Plc as Cash Manager under the Cash Management Agreement has been terminated or (ii) from the Security Trustee to the extent that an Enforcement Notice has been served and that it shall, thereafter, act solely on the instructions of the Security Trustee. The Cash Manager shall, prior to seeking any amendments to any Account Mandate which would require the consent of the Security Trustee in accordance with this Clause 5.2, confirm to the Issuer Account Bank whether the consent of the Security Trustee has been obtained.

6. ACKNOWLEDGEMENT BY THE ISSUER ACCOUNT BANK

6.1 Restriction on Issuer Account Bank's Rights

Notwithstanding anything to the contrary in each Account Mandate, the Issuer Account Bank hereby:

- (a) waives any right it has or may hereafter acquire to combine, consolidate or merge any Issuer Account with any other Issuer Account or any other bank account of the Cash Manager, the Issuer, the Legal Title Holder, the Seller, the Security Trustee or any other person or any liabilities of the Cash Manager, the Issuer, the Legal Title Holder, the Seller, the Security Trustee or any other person to it;
- (b) agrees that it holds any amounts deposited in any Issuer Account as banker except (i) that it may not exercise any lien or, to the extent permitted by law, any set off or transfer any sum standing to the credit of or to be credited to any Issuer Account in or towards satisfaction of any liabilities to it of the Cash Manager, the Issuer, the Security Trustee or any other person owing to it and (ii) subject to Clause 18 (Interest), it shall not be liable to account to the Issuer for any interest or other amounts in respect of the amounts deposited;
- (c) agrees that it shall have recourse only to sums paid to or received by (or on behalf of) the Issuer pursuant to this Agreement or any other Transaction Document; and
- (d) acknowledges that the Issuer has, pursuant to the Deed of Charge, *inter alia*, assigned by way of security (and, to the extent not assigned, charged by way of first fixed charge) all of its rights, title, interest and benefit, present and future, in, to and under the Transaction Documents (other than the Trust Deed and the Deed of Charge) to which it is a party including all rights to receive payment of any amounts which may become payable to the Issuer thereunder and all payments received by the Issuer thereunder and all amounts standing to the credit of the Issuer Accounts to the Security Trustee.

6.2 Client Money Rules

The Issuer Account Bank holds all money standing to the credit of any Issuer Account as banker and not as trustee and as a result such money will not be held in accordance with the Client Money Rules and, in the event the Issuer Account Bank becomes insolvent, the client money distribution rules will not apply and the Issuer will not be entitled to share in any distribution under the client money distribution rules. In particular, the Issuer Account Bank will not segregate any monies from its own and shall not be liable to account to the Issuer for any profits made by the Issuer Account Bank's use as banker of such funds.

6.3 Notice of Charge and Assignment and Acknowledgement

The Issuer Account Bank agrees that promptly upon receipt of a notice of charge and assignment signed by the Issuer, in the form of notice set out in Part 1 (Notice of Charge and Assignment) of Schedule 2 (Form of Notices) hereto, the Issuer Account Bank shall sign and duly return to the Issuer, with a copy to the Security Trustee, an acknowledgement in (or substantially in) the form of acknowledgement set out in Part 2 (Acknowledgement of Notice of Charge and Assignment) of Schedule 2 (Form of Notices) hereto.

6.4 Account Statement

Unless and until directed otherwise by the Security Trustee in accordance with Clause 16 (Notices), the Issuer Account Bank shall provide each of the Issuer and the Security Trustee with a written account transaction statement on a monthly basis in respect of each Issuer Account which is held with the Issuer Account Bank through HSBCnet. In the absence or unavailability of HSBCnet, the Issuer Account Bank undertakes to provide monthly statements to such parties as the Issuer shall instruct. The Issuer Account Bank is hereby authorised by the Issuer to provide account transaction statements in respect of each Issuer Account to the Cash Manager and the Security Trustee.

7. CERTIFICATION, INDEMNITY AND TERMINATION OF CASH MANAGER APPOINTMENT

7.1 Issuer Account Bank to Comply with Cash Manager's Instructions

Unless otherwise directed in writing by the Security Trustee pursuant to Clause 7.4 (Consequences of Enforcement Notice on Cash Manager appointment), in making any transfer or payment from any Issuer Accounts in accordance with this Agreement, the Issuer Account Bank shall be entitled to act as directed by the Cash Manager pursuant to Clauses 3.1 (Instructions from the Cash Manager) and 3.3 (Timing of Payment) and to rely as to the amount of any such transfer or payment on the Cash Manager's instructions in accordance with the relevant Account Mandates and the Issuer Account Bank shall not have any liability to the Cash Manager, the Issuer or the Security Trustee for having acted on such instructions except in the case of its wilful default, fraud or gross negligence.

7.2 Issuer Indemnity

Subject to the Priorities of Payments and the Deed of Charge, the Issuer shall indemnify the Issuer Account Bank against all losses, liabilities, costs, claims, actions, damages, expenses (including any amounts in respect of Irrecoverable VAT in respect thereof) or demands (together, **Losses**) (including, but not limited to, all properly incurred costs, legal fees, charges and expenses (including any amounts in respect of Irrecoverable VAT in respect thereof) (together, **Expenses**) paid or incurred in disputing or defending any Losses) which the Issuer Account Bank may incur or which may be made against it as a result of or in connection with its appointment or the exercise of its powers or duties under this Agreement except to the extent that any Losses or Expenses result from the Issuer Account Bank's own wilful default, gross negligence or fraud or that of its officers, directors or employees, save that this indemnity shall not extend to any Tax imposed on or calculated by reference to the fees, charges, commissions or other remuneration of the Issuer Account Bank or any such fees, charges, commissions or other remuneration (if any) of the Issuer Account Bank for the operation of the Issuer Accounts or to Taxes on income, profits or gains of the Issuer Account Bank. This Clause 7.2 shall survive the termination (whether by resignation or removal) or expiry of this Agreement. For the avoidance of doubt, neither the Issuer nor Security Trustee (as applicable) shall be liable for any loss arising as a result of the wilful default, gross negligence or fraud of the Issuer Account Bank.

7.3 Liability of Issuer Account Bank

The Issuer Account Bank will only be liable to the Issuer and/or the Security Trustee for losses, liabilities, costs, expenses (including any amounts in respect of Irrecoverable VAT in respect thereof) and demands arising directly from the performance of its obligations under this Agreement suffered by or occasioned to the Issuer and/or the Security Trustee (Liabilities) to the extent that the Issuer Account Bank has been grossly negligent, fraudulent or in wilful default in respect of its obligations under this Agreement. The Issuer Account Bank shall not otherwise be responsible for any Liabilities which may result from anything done or omitted to be done by it in connection with this Agreement.

7.4 Consequences of Enforcement Notice on Cash Manager appointment

The Issuer Account Bank acknowledges that, if it receives notice in writing from the Security Trustee to the effect that (a) the Note Trustee has served an Enforcement Notice on the Issuer; or (b) that the appointment of HSBC Bank Plc as Cash Manager under the Cash Management Agreement has been terminated (but without prejudice to Clause 7.1 (Issuer Account Bank to Comply with Cash Manager's Instructions) all right, authority and power of the Cash Manager in respect of the Issuer Accounts shall be terminated and be of no further effect and the Issuer Account Bank agrees that it shall comply solely with the directions of, (i) upon receipt of a notice from the Security Trustee to the effect that the Note Trustee has served an Enforcement Notice on the Issuer, the Security Trustee; or (ii) upon receipt of a notice from the Security Trustee that the appointment of HSBC Bank Plc has been terminated, any successor cash manager appointed by the Issuer (subject to such successor cash manager having entered into an agreement with the Issuer Account Bank on substantially the same terms as this Agreement) in relation to the operation of each of the Issuer Accounts.

7.5 Issuer Account Bank not liable for consequential losses

Liabilities arising under Clauses 7.3 (Liability of Issuer Account Bank) shall be limited to the amount of the actual loss of the Issuer or Security Trustee, as applicable. Such actual loss shall be determined (i) as at the date of default of the Issuer Account Bank or, if later, the date on which the loss arises as a result of such default and (ii) without reference to any special conditions or circumstances whether or not known to the Issuer or the Security Trustee at the time of entering into this Agreement, or at the time of accepting any relevant instructions, which increase the amount of the loss. In no event shall the Issuer Account Bank be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special or consequential damages, whether or not the Issuer or the Security Trustee has been advised of the possibility of such loss or damages.

7.6 Force Majeure

The liability of the Issuer Account Bank under Clause 7.3 (Liability of Issuer Account Bank) will not extend to any claims, loss, liability, costs, expenses and damages arising through any acts, events or circumstances not reasonably within its control including:

- (a) Liabilities arising from nationalisation, expropriation or other governmental actions;
- (b) any Applicable Law, order or regulation of a governmental, supranational or regulatory body;
- (c) market conditions which prevent or materially adversely affect the execution or settlement of transactions or the value of assets;

- (d) breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems;
- (e) natural disasters or acts of God;
- (f) war, terrorism, insurrection or revolution; and
- (g) strikes or industrial action.

7.7 Investments and holding of assets

Notwithstanding any other term of this Agreement, the Issuer Account Bank shall not be liable for any claim, loss, liability, costs, expenses and/or damages arising as a result of the general risk of investment in or solely by virtue the holding of assets in any jurisdiction.

8. CHANGE OF SECURITY TRUSTEE OR ISSUER ACCOUNT BANK

8.1 Change of Security Trustee

- (a) If there is any change in the identity of the Security Trustee in accordance with the Deed of Charge, the Issuer Account Bank, the Cash Manager and the Issuer shall execute such documents and take such action as the successor security trustee and the outgoing Security Trustee may reasonably require for the purpose of vesting in the successor security trustee the rights and powers of the outgoing Security Trustee under this Agreement and releasing the outgoing Security Trustee from its future obligations under this Agreement.
- (b) It is hereby acknowledged and agreed that by its execution of this Agreement the Security Trustee shall not assume or have any obligations or liabilities to the Issuer Account Bank, the Cash Manager or the Issuer under this Agreement notwithstanding any provision herein and that the Security Trustee has agreed to become a party to this Agreement for the purpose only of taking the benefit of this Agreement and agreeing to amendments to this Agreement pursuant to Clause 27 (Amendments). Any liberty or right which may be exercised (or not exercised, as the case may be) or determination which may be made under this Agreement by the Security Trustee may be exercised (or not exercised, as the case may be) or made in the Security Trustee's absolute discretion or as directed by the Note Trustee pursuant to the Deed of Charge without any obligation to give reasons therefor and the Security Trustee shall not be responsible for any liability occasioned by so acting but subject always to the provisions of the Deed of Charge. Without prejudice to the obligations of the Issuer, neither the Security Trustee nor any receiver appointed pursuant to the Deed of Charge shall be liable to pay any amounts due under this Agreement, subject as provided in Clause 6.3 (Payments under the Cash Management Agreement, the Bank Account Agreement and the Swap Agreement) of the Deed of Charge.

8.2 Change of Issuer Account Bank

If there is any change in the identity of the Issuer Account Bank, the other parties to this Agreement shall execute such documents and take such actions as the successor issuer account bank and the outgoing Issuer Account Bank and the Security Trustee may require for the purpose of vesting in the successor issuer account bank the rights and obligations of the outgoing Issuer Account Bank and releasing the outgoing Issuer Account Bank from its future obligations under this Agreement.

8.3 Change of Cash Manager

If there is any change in the identity of the Cash Manager, the other parties to this Agreement shall execute such documents and take such actions as the successor cash manager and the outgoing Cash Manager and the Security Trustee may require for the purpose of vesting in the successor cash manager the rights and obligations of the outgoing Cash Manager and releasing the outgoing Cash Manager from its future obligations under this Agreement.

9. TERMINATION

9.1 Termination Events

The Issuer or the Cash Manager on its behalf:

- (a) may (with the prior written consent of the Security Trustee) terminate this Agreement and close the Issuer Accounts in the event that the matters specified in paragraphs (i) to (iii) (inclusive) below occur; and
- (b) shall (with the prior written consent of the Security Trustee) terminate this Agreement and close the Issuer Accounts in the event that any of the matters specified in paragraphs (iv) to (vii) (inclusive) below occur,

in each case by serving a written notice of termination on the Issuer Account Bank (with a copy to, as applicable, the Cash Manager, the Issuer and the Security Trustee) (such termination to be effective on the third Business Day following service of such notice subject as provided below) in any of the following circumstances (each an **Issuer Account Bank Termination Event**):

- (i) if a deduction or withholding for or on account of any Tax is imposed, or it appears likely that such a deduction or withholding will be imposed, in respect of the interest payable on any Issuer Accounts; or
- (ii) default by the Issuer Account Bank in the performance of its obligations under this Agreement which continues unremedied for a period of 20 Business Days after receiving notice or becoming aware of such default; or
- (iii) if the Issuer Account Bank materially breaches its obligations under this Agreement, the Deed of Charge or any other Transaction Document to which the Issuer Account Bank is a party provided the Cash Manager acting reasonably and following receipt of a Rating Agency Confirmation from each Rating Agency determines that termination of this Agreement following such breach would not adversely affect the then ratings of the Notes; or
- (iv) if the Issuer Account Bank fails to maintain the Account Bank Rating and the Issuer does not, within 60 calendar days of such occurrence, take, or procure to be taken, any of the actions referred to in Clause 9.6(a) or 9.6(b) provided that no accounts will be closed nor balances transferred sooner than 33 Business Days from the date that the Issuer Account Bank ceases to have the required Account Bank Rating; or
- (v) if the Issuer Account Bank, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in paragraph (vi) below, ceases or, through an authorised action of the board of directors of the Issuer Account Bank, threatens to cease to carry on all or substantially all of its business or the Issuer Account Bank is unable or admits inability to pay its debts as and when they fall due within the meaning of Section 123 of the Insolvency Act (on the basis that the words "proved to the satisfaction of the court" are omitted from

Section 123(1)(e) of the Insolvency Act) and Section 123(2) of the Insolvency Act (on the basis that the words "proved to the satisfaction of the court" are omitted from Section 123(2) of the Insolvency Act) (as that Section may be amended) or ceases to be an authorised institution under FSMA 2000; or

- (vi) if an order is made or an effective resolution is passed for the winding up of the Issuer Account Bank except a winding up for the purposes of or pursuant to a solvent amalgamation or reconstruction the terms of which have previously been approved in writing by the Issuer and the Security Trustee; or
- (vii) if proceedings are initiated against the Issuer Account Bank under any applicable liquidation, insolvency, bankruptcy, examinership, sequestration, composition, reorganisation (other than a reorganisation where the Issuer Account Bank is solvent) or other similar laws (including, but not limited to, presentation of a petition for an administration order) unless (except in the case of presentation of petition for an administration order) such proceedings are, in the reasonable opinion of the Issuer, being disputed in good faith with a reasonable prospect of success or an administration order is granted or an administrative receiver or other receiver, liquidator, trustee in sequestration or other similar official is appointed in relation to the Issuer Account Bank or in relation to the whole or any substantial part of the undertaking or assets of the Issuer Account Bank, or an encumbrancer takes possession of the whole or any substantial part of the undertaking or assets of the Issuer Account Bank, or a distress, execution or diligence or other process is levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Issuer Account Bank and such possession or process (as the case may be) is not discharged or otherwise ceases to apply within 30 calendar days of its commencement, or the Issuer Account Bank initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, bankruptcy, examinership, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally or takes steps with a view to obtaining a moratorium in respect of any indebtedness.

9.2 Notification of Termination Event

Each of the Issuer, the Cash Manager and the Issuer Account Bank undertakes and agrees to notify the Security Trustee in accordance with Clause 16 (Notices) promptly upon becoming aware of any Issuer Account Bank Termination Event or any event which with the giving of notice or lapse of time or certification would constitute the same pursuant to Clause 9.3 (Termination by Security Trustee).

9.3 Termination by Security Trustee

Following the service of an Enforcement Notice on the Issuer, the Security Trustee may serve a notice of termination on the Issuer Account Bank at any time.

9.4 Automatic Termination

This Agreement shall automatically terminate (if not terminated earlier pursuant to this Clause 9) on the date falling 90 days after all Secured Obligations have been irrevocably discharged in full and the balance of amounts standing to the credit of all Issuer Accounts has been reduced to zero. The Cash Manager shall as soon as is reasonably practicable send notice to the Issuer Account Bank if termination has or will occur in accordance with this Clause 9.4.

9.5 Termination by Issuer Account Bank

- (a) The Issuer Account Bank may terminate this Agreement and cease to operate any of the Issuer Accounts at any time:
- (i) on giving not less than 45 days' prior written notice (or such shorter period as may be reasonable in the circumstances where termination is due to fraud, material non compliance with the Issuer Account Bank's terms and conditions relating to the relevant Issuer Accounts or material default by the Issuer under this Agreement) thereof ending on any Business Day which does not fall on an Interest Payment Date or less than five Business Days before an Interest Payment Date to each of the other parties hereto without assigning any reason therefor other than to specify that such termination is in accordance with this paragraph (a)(i); and
 - (ii) on giving not less than 45 days' prior written notice thereof ending on any Business Day which does not fall on an Interest Payment Date or less than five Business Days before an Interest Payment Date to each of the other parties hereto if the Issuer Account Bank shall have demanded payment of its due charges or any interest and the same shall have remained unpaid for a period of one month provided that if the relevant amounts have been paid on or before the date six weeks after the date of delivery of such notice then the notice shall have no effect,

provided that in each case, such termination shall not take effect until a replacement financial institution or institutions (x) fulfilling the Account Bank Rating and (y) being a bank as defined in Section 991 of the Income Tax Act 2007 shall have entered into an agreement on terms commercially acceptable in the market, pursuant to which the substitute account bank agrees to assume and perform all the material duties and obligations of the Issuer Account Bank under this Agreement, subject to the prior approval of the Security Trustee. If, by the day falling 10 days before the expiry of any notice, such a successor replacement financial institution has not been selected, the Issuer Account Bank shall be entitled, on behalf of the Issuer, to appoint in its place a successor complying with the requirements set out in this paragraph (a) above which the Issuer and Security Trustee shall approve.

- (b) In the event of a termination and cessation of its appointment as the Issuer Account Bank pursuant to this Agreement, the Issuer Account Bank shall use reasonable efforts to assist the other parties hereto to effect an orderly transition of the banking arrangements documented hereby or thereby, except where termination is a result of fraud or material default by the Issuer under this Agreement, in which case, the Issuer Account Bank may but shall not be obligated to assist the parties hereto to effect an orderly transition and termination of the banking arrangements and termination of the banking arrangements.
- (c) In all cases, the Issuer Account Bank shall not be responsible for any costs or expenses occasioned by a termination and cessation of its appointment as the Issuer Account Bank pursuant to this Agreement.

9.6 Loss of Account Bank Ratings

If the Issuer Account Bank no longer has the Account Bank Ratings, the Issuer shall use its best endeavours to, within 60 calendar days following the first day on which such downgrade occurred, either:

- (a) close the relevant Issuer Accounts held with the Issuer Account Bank (including, for the avoidance of doubt, the Deposit Account) and use all reasonable endeavours to open replacement accounts with a financial institution (a) having all of the Account Bank Ratings

and (b) which is a "bank" for the purposes of Section 991 of the Income Tax Act 2007 with funds leaving the current Issuer Accounts not earlier than 33 Business Days after such downgrade; or

- (b) use all reasonable endeavours to obtain a guarantee of the obligations of such Issuer Account Bank under this Agreement from a financial institution having all of the Account Bank Ratings; or
- (c) take such other reasonable actions as may be required to ensure that the then current rating of the Notes are not adversely affected by the Issuer Account Bank ceasing to have all of the Account Bank Ratings.

9.7 Merger

Any corporation into which the Issuer Account Bank may be merged or converted, or any corporation with which the Issuer Account Bank may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Issuer Account Bank shall be a party, or any corporation to which the Issuer Account Bank shall sell or otherwise transfer all or substantially all of its assets shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any Applicable Laws and subject to any credit rating requirements set out in this Agreement, become the successor issuer account bank under this Agreement without the execution or filing of any paper or any further act on the part of the parties to this Agreement, unless otherwise required by the Issuer or the Security Trustee, and after the said effective date all references in this Agreement to the Issuer Account Bank shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion, consolidation or transfer shall immediately be given to the Issuer and (following delivery of an Enforcement Notice) the Security Trustee by the Issuer Account Bank.

10. FURTHER ASSURANCE

The parties hereto agree that they will co operate fully to do all such further acts and things and execute any further documents as may be necessary or reasonably desirable to give full effect to the arrangements contemplated by this Agreement.

11. DATA PROTECTION

Notwithstanding any other provision in this Agreement, the Issuer Account Bank agrees that it shall comply with any data protection law applicable to the Issuer Account Bank in connection with the performance of its obligations under this Agreement.

12. CONFIDENTIALITY

12.1 Confidentiality of Information

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

12.2 Disapplication of confidentiality provisions

The parties to this Agreement shall use all reasonable endeavours to prevent any such disclosure referred to in Clause 12.1 (Confidentiality of Information), provided that Clause 12.1 (Confidentiality of Information) shall not apply:

- (a) to the disclosure of any information to any person insofar as such disclosure is expressly permitted by this Agreement;
- (b) to the disclosure of any information already known to the recipient otherwise than as a result of entering into any of the Transaction Documents or as a result of a breach of this Clause 12;
- (c) to the disclosure of any information with the consent of all the parties hereto;
- (d) to the disclosure of any information which is or becomes public knowledge otherwise than disclosure being made in breach of this Clause 12 or as a result of the unauthorised or improper conduct of the recipient;
- (e) to the disclosure of any information:
 - (i) to any of the Rating Agencies;
 - (ii) in order to obtain the admission of the Notes to the Official List;
 - (iii) in connection with the admission of the Notes to trading on the Euronext Dublin; or
 - (iv) which is necessary or desirable to provide to prospective investors in the Notes;
- (f) to the extent that disclosure is required pursuant to any law or order of any court of competent jurisdiction or pursuant to any direction, request or requirement (whether or not having the force of law) of any central bank or any governmental or other regulatory or taxation authority (including any official bank examiners or regulators or the Euronext Dublin or the Financial Conduct Authority or the Prudential Regulation Authority);
- (g) to the extent that the recipient needs to disclose any information to any of its employees, provided that before any such disclosure, the relevant party shall make the relevant employees aware of its obligations of confidentiality under this Agreement and shall at all times procure compliance with such obligations by such employees;
- (h) to the extent that the recipient needs or wishes to disclose the same for the exercise, protection or enforcement of any of its rights under any of the Transaction Documents or, in the case of the Security Trustee, for the purpose of discharging, in such manner as it thinks fit, its duties or obligations under or in connection with the Transaction Documents in each case to such persons as require to be informed of such information for such purposes including, without prejudice to any Secured Creditor or, in the case of the Security Trustee, in connection with transferring or purporting to transfer its rights and obligations to a successor trustee;
- (i) to the disclosure of any information to an affiliate, prospective affiliate, prospective successor party and additional or successor parties on the basis that the recipient will hold such information confidential upon substantially the same terms as this Clause 12; or

- (j) to the disclosure of any information to professional advisers to, or agents of, any party to this Agreement who receive the same under a duty of confidentiality.

13. COSTS

The Issuer agrees to pay the properly incurred costs (including properly incurred legal costs and expenses and any amounts representing Irrecoverable VAT in respect thereof) of the Issuer Account Bank in connection with the negotiation and execution of any further documents and the taking of any further action to be executed or taken pursuant to Clause 8 (Change of Security Trustee or Issuer Account Bank), Clause 9 (Termination) (other than Clauses 9.1(b)(iii) to (vii)), Clause 9.4 (Automatic Termination) and Clause 10 (Further Assurance) and otherwise in connection with this Agreement (including under Clause 3.11 (Reliance on advisers)) or any amendment thereof. All amounts payable under this Clause 13 will be made in accordance with the Pre Enforcement Priority of Payments or as the case may be, the Post Enforcement Priority of Payments. The Issuer agrees to pay any and all stamp, registration and other similar documentary taxes, duties, assessments or government charges (including any interest and penalties thereon or in connection therewith) which may be payable in connection with the execution, delivery, performance and enforcement of this Agreement by the Issuer Account Bank.

14. NON PETITION

- 14.1 Each party to this Agreement hereby agrees that it will be bound by Clause 22.1 (Non-Petition in relation to the Issuer) of the Deed of Charge.
- 14.2 This Clause 14 shall survive the termination of this Agreement.

15. LIMITED RECOURSE

- 15.1 The parties to this Agreement hereby acknowledge and agree that all obligations of the Issuer to the parties to this Agreement in respect of amounts owing to the parties pursuant to this Agreement are subject to the terms of Clause 22.2 (Limited Recourse) of the Deed of Charge.
- 15.2 This Clause 15 shall survive the termination of this Agreement.

16. NOTICES

16.1 In writing

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

16.2 Changes

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

16.3 Effectiveness

Any notice or communication given under this Clause 16 (Notices) but received on a day which is not a Business Day or after 5 p.m. in the place of receipt will only be deemed to be given on the next Business Day in that place. Any notices to be given pursuant to this Agreement to any of the parties

hereto shall be sufficiently served if sent by prepaid first class post, by hand or facsimile transmission and shall be deemed to be given (in the case of facsimile transmission) when despatched, (where delivered by hand) on the day of delivery if delivered before 5 p.m. on a Business Day or on the next Business Day if delivered thereafter or on a day which is not a Business Day or (in the case of first class post) when it would be received in the ordinary course of the post.

17. LANGUAGE

- 17.1 Any notice given in connection with this Agreement must be in English.
- 17.2 Any other document provided in connection with this Agreement must be:
- (a) in English; or
 - (b) accompanied by a certified English translation. In this case, the English translation prevails unless the document is a statutory or other official document.

18. INTEREST

- 18.1 Interest shall accrue daily on the amounts standing to the credit of each Issuer Account and shall be paid or charged monthly in arrear in respect of the immediately preceding Monthly Period at a rate of interest equal to the Account Rate calculated on the basis of the actual number of days elapsed and a 365 day year or 366 in a leap year by payment for value on the same day to the relevant Issuer Account, provided that the Issuer Account Bank may, at any time, apply a new rate of interest to an Issuer Account which new rate shall be effective on a date no later than 30 Business Days after the Issuer Account Bank has given written notice to the Issuer and the Cash Manager of the same (and such new rate shall then be the relevant Account Rate).
- 18.2 On any day on which interest is payable on an Issuer Account by the Issuer Account Bank under this Agreement, the Issuer Account Bank shall pay the amount of interest then due in immediately available, freely transferable, cleared funds by no later than the close of business on that day.
- 18.3 The Issuer requests and directs and the Account Bank agrees and accepts that, unless it receives any instruction to the contrary from the Issuer (or, following the delivery of an Enforcement Notice the Security Trustee) or any other person entitled to deliver an instruction, it shall with effect from the date of this Agreement, without any further instruction, transfer to the Deposit Account the amount of interest paid in respect of each Issuer Account (other than the Deposit Account) as soon as reasonably practicable and by no later than the close of business on the Calculation Date immediately following the date on which such amounts are paid to the relevant Issuer Account.
- 18.4 The Issuer Account Bank shall be entitled to change the rate of interest on an Issuer Account, provided that the Issuer Account Bank shall give the Issuer and the Cash Manager 30 calendar days prior written notice of any such modification to the rate of interest and such rate of interest is then offered or charged by the Issuer Account Bank on similar accounts.

19. WITHHOLDING

- 19.1 All payments by the Issuer Account Bank under this Agreement shall be made in full without any deduction or withholding (whether in respect of set off, counterclaim, duties, Taxes, charges or otherwise whatsoever) unless the deduction or withholding is required by law, in which event the Issuer Account Bank shall:
- (a) ensure that the deduction or withholding does not exceed the minimum amount legally required;

- (b) pay to the relevant taxation or other authorities within the period for payment permitted by Applicable Law the full amount of the deduction or withholding. The Issuer acknowledges and agrees that the Issuer Account Bank may debit any amount held for it in satisfaction of such deduction or withholding;
- (c) furnish to the Issuer or the Security Trustee (as the case may be) within the period for payment permitted by the relevant law, either:
 - (i) an official receipt of the relevant taxation authorities involved in respect of all amounts so deducted or withheld; or
 - (ii) if such receipts are not issued by the taxation authorities concerned on payment to them of amounts so deducted or withheld, a certificate of deduction or equivalent evidence of the relevant deduction or withholding; and
- (d) account to the Issuer in full by credit to the relevant Issuer Account for an amount equal to the amount of any relief, rebate, repayment or reimbursement of any deduction or withholding which the Issuer Account Bank has made pursuant to this Clause 19 and which is subsequently received by the Issuer Account Bank.

19.2 Without prejudice to Clause 19.1, the Issuer shall remain liable for any deficiency and agrees that it shall pay any such deficiency upon notice from the Issuer Account Bank or any Authority. Neither the Issuer Account Bank nor any of its affiliates shall be required to account to any relevant taxation or other authorities for any payment for or on account of Taxes to the extent that such payment is not covered by withholding in accordance with Clause 19.1.

19.3 If the Issuer Account Bank is required to make a deduction or withholding pursuant to Clause 19.1, without prejudice to Clause 19.1(d), it shall not pay an additional amount in respect of that deduction or withholding to the Issuer.

20. TAX STATUS

20.1 The Issuer Account Bank hereby represents and warrants that it is and will continue to be a "bank" for the purposes of Section 991 of the Income Tax Act 2007, is entering into this Agreement in the ordinary course of its business for the purposes of section 878 of the Income Tax Act 2007, will pay interest pursuant hereto in the ordinary course of such business, will bring into account payments (other than deposits) made under this Agreement in computing its income for United Kingdom Tax purposes and undertakes that it will not cease to be so or to do so otherwise than as a result of the introduction of, change in, or change in the interpretation, administration or application of, any law or regulation or any practice or concession of HMRC occurring after the date of this Agreement.

20.2 The Issuer Account Bank will procure that any of its successors or assigns will provide the same representation and undertaking as to its tax status as is provided by the Issuer Account Bank in Clause 20.1.

21. OTHER INTERESTS

Any of the Issuer Account Bank, its officers, directors and employees may become the owner of, and/or acquire any interest in, any Notes and/or Residual Certificates with the same rights that it or he would have had if the Issuer Account Bank were not appointed under this Agreement, and may engage or be interested in any financial or other transaction with the Issuer, and may act on, or as depositary, trustee or agent for, any committee or body of Noteholders and/or Certificateholders or other obligations of the Issuer, as freely as if the Issuer Account Bank were not appointed under this Agreement without regard to the interests of the Issuer and shall be entitled to retain and shall not in

any way be liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

22. ENTIRE AGREEMENT

This Agreement, the schedules hereto and the Deed of Charge together constitute the entire agreement and understanding between the parties in relation to the subject matter hereof and cancel and replace any other agreement or understanding in relation thereto. The Issuer acknowledges that it has not been induced to enter into this Agreement by any representation, warranty or undertaking not expressly incorporated into it.

23. PARTIAL INVALIDITY

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

24. AGENCY

24.1 The Issuer Account Bank agrees and confirms that, unless otherwise notified by the Issuer or the Security Trustee, the Cash Manager, as agent of the Issuer, may act on behalf of the Issuer under this Agreement.

24.2 The Issuer Account Bank shall be entitled to rely upon any order, judgement, award, decision, decree, certification, demand, notice, or other written instrument including any requirement and/or request for information delivered by a person or Authority delivered to it hereunder without being required to determine its authenticity or the correctness of any fact stated therein or the validity of the service thereof. The Issuer Account Bank may act in reliance upon any instrument or signature believed by it to be genuine and may assume that any person purporting to give receipt or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorised to do so.

25. WAIVER

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

26. ASSIGNMENT

Subject as provided in or contemplated by Clauses 6.1(d) (Restriction on Issuer Account Bank's Rights), 8.2 (Change of Issuer Account Bank) and 9.5 (Termination by Issuer Account Bank):

- (a) the Issuer Account Bank may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Issuer and the Security Trustee;
- (b) the Issuer may not assign or transfer any of its rights or obligations hereunder (other than by way of security pursuant to the Deed of Charge) without the prior written consent of the Issuer Account Bank and the Security Trustee; and
- (c) the Issuer Account Bank may not act through any other branch other than the branch specified in Clause 2.1 (Appointment) of this Agreement without the prior written consent of the Issuer and the Security Trustee.

27. AMENDMENTS

Subject to Clause 25.7 (Modification to the Transaction Documents) of the Deed of Charge, any amendment, modification or variation to this Agreement may only be made with the prior written consent of each party to this Agreement.

28. RIGHTS OF THIRD PARTIES

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

29. COUNTERPARTS

This Agreement may be executed in any number of counterparts (including by facsimile), all of which, taken together, shall constitute one and the same agreement and any party to this Agreement may enter into the same by executing and delivering a counterpart (including by facsimile).

30. GOVERNING LAW

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

31. SUBMISSION TO JURISDICTION

Each party to this Agreement hereby irrevocably submits to the exclusive jurisdiction of the English courts in any action or proceeding arising out of or relating to this Agreement (including a dispute relating to any non contractual obligations arising out of or relating to this Agreement) and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined by such courts. Each party to this Agreement hereby irrevocably waives, to the fullest extent it may possibly do so, any defence or claim that the English courts are an inconvenient forum for the maintenance or hearing of such action or proceeding.

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first before written.

SCHEDULE 1

FORM OF ACCOUNT MANDATE

BANK MANDATE – [DEPOSIT ACCOUNT/ISSUER PROFIT ACCOUNT/GENERAL RESERVE FUND ACCOUNT/CLASS A AND CLASS B LIQUIDITY RESERVE FUND ACCOUNT/SWAP COLLATERAL ACCOUNT]

In accordance with the resolution of the board of the Issuer on [●] 2019, we hereby **AGREE AND AUTHORISE**:

1. The account with Sort Code [●] and Account Number [●] in the name of Precise Mortgage Funding 2019-1B PLC (the **Issuer**) held with HSBC Bank plc (the **Bank**) at 8 Canada Square, London E14 5HQ (the **[Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account]**) will be used as an account for the benefit of the Issuer.
2. The mandate given to the Bank by virtue of this document (the **Mandate**) is given on the basis that the Bank complies with the procedure set out in, and the terms of, this document.
3. Prior to receipt of a notice in writing from HSBC Corporate Trustee Company (UK) Limited (the **Security Trustee**) to the contrary, in relation to the **[Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account]**, the Bank is hereby authorised to honour and comply with all cheques, drafts, bills, payments by way of the Clearing House Automated Payment System, promissory notes, acceptances, negotiable instruments and orders expressed to be drawn, accepted, made or given and all directions given in writing or given via the electronic banking service provided by the Issuer Account Bank (**HSBCnet**) in respect of the **[Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account]**; provided that (and subject to paragraph 8 of this Mandate) any cheques, drafts, bills, promissory notes, acceptances, negotiable instruments, directions, orders, instructions and/or endorsements are to be signed by any two people listed in the separate signature list provided by the Cash Manager to the Issuer and the Issuer Account Bank together with this Mandate. The Bank is hereby authorised to act on any information given by a director of the Issuer regarding any changes to this Mandate.
4. The Authorised Signatories in respect of this Mandate and the signing rights set out under paragraph 3 may be changed by written notice to the Issuer Account Bank signed by two directors, or one director and the company secretary of the Issuer.
5. This Mandate is given on the basis that the Bank:
 - (a) acknowledges that, pursuant to a deed of charge to be entered into between *inter alios*, the Issuer and HSBC Corporate Trustee Company (UK) Limited (the **Security Trustee** and **Note Trustee**) on or about [●] 2019 (the **Deed of Charge**), the Issuer has assigned its interest in the **[Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account]** to the Security Trustee by way of security;
 - (b) prior to receipt of an Enforcement Notice from the Security Trustee, agrees to comply with the directions of the Issuer (or, pursuant to paragraph 8 of this Mandate, HSBC Bank Plc (the **Cash Manager**) as its agent) in respect of the operation of the **[Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account]** and the Bank shall be entitled to rely on any such written

direction reasonably purporting to have been given by or on behalf of Issuer or the Cash Manager without enquiry; and

- (c) upon receipt of an Enforcement Notice from the Security Trustee:
- (i) agrees to comply with the directions of the Security Trustee expressed to be given by the Security Trustee pursuant to the Deed of Charge in respect of the operation of the [Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account] and the Bank shall be entitled to rely on any such written direction reasonably purporting to have been given on behalf of the Security Trustee without enquiry; and
 - (ii) agrees that all right, authority and power of the Issuer in respect of the operation of the [Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account] shall be deemed terminated and of no further effect and the Bank agrees that it shall, upon receipt of an Enforcement Notice from the Note Trustee comply with the directions of the Security Trustee or any receiver appointed under the Deed of Charge in relation to the operation of the [Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account] unless otherwise required by operation of law or by the order or direction of a competent court or tribunal.
6. Unless and until the Bank receives notice in writing from or purporting to be from the Security Trustee to the contrary, the Bank is authorised to continue to operate the [Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account] without regard to the Security Interests pursuant to the Deed of Charge.
7. This Mandate shall be communicated to the Bank and remain in force unless and until:
- (a) a resolution amending this Mandate shall be passed by the board of directors of the Issuer and a copy certified by an authorised signatory of the Issuer, shall be received by the Bank;
 - (b) the Bank has received a notice of termination of the Bank Account Agreement from the Issuer; or
 - (c) the Bank has received notice from the Security Trustee that the Security constituted by the Deed of Charge is released by the Security Trustee.
8. The Issuer authorises the Cash Manager to instruct the Bank in relation to the [Deposit Account/Issuer Profit Account/General Reserve Fund Account/Class A and Class B Liquidity Reserve Fund Account/Swap Collateral Account] and authorises the Bank to act on those instructions in the manner set forth in the Bank Account Agreement.
9. Expressions defined in the Master Definitions and Construction Schedule made between, among others, the parties hereto on or about the date hereof (as the same may be amended, varied or supplemented from time to time) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Mandate.
10. This Mandate and any non contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of England.

Authorised Signatory

SCHEDULE 2

FORM OF NOTICES

PART 1

NOTICE OF CHARGE AND ASSIGNMENT

To: HSBC Bank plc
8 Canada Square
London E14 5HQ
(as **Issuer Account Bank**)

For the attention of: Agency & Trust

[●] 2019

Dear Sirs,

Re: **PRECISE MORTGAGE FUNDING 2019-1B PLC**

Deposit Account Number [●] (sort code: [●]) (the Deposit Account), Swap Collateral Account Number [●] (sort code: [●]) (the Swap Collateral Account), Issuer Profit Account Number [●] (sort code: [●]) (the Issuer Profit Account), General Reserve Fund Account Number [●] (sort code: [●]) (the General Reserve Fund Account) and Class A and Class B Liquidity Reserve Fund Account Number [●] (sort code: [●]) (the Class A and Class B Liquidity Reserve Fund Account)

We hereby give you notice that, by a deed of charge dated of even date herewith and made between, *inter alios*, ourselves and HSBC Corporate Trustee Company (UK) Limited (the **Security Trustee**) (the **Deed of Charge**), we:

- (a) charged by way of first fixed charge in favour of the Security Trustee all of our right, title, benefit and interest present and future in, to and under the Deposit Account, the Swap Collateral Account, the Issuer Profit Account Number, the General Reserve Fund Account and the Class A and Class B Liquidity Reserve Fund Account and any additional Issuer Account held with you and all sums of money standing to the credit thereof and all interest accruing thereon from time to time; and
- (b) assigned in favour of the Security Trustee all of our right, title, benefit and interest present and future in, to and under the bank account agreement of even date herewith between ourselves, yourselves, the Security Trustee and the Cash Manager (the **Bank Account Agreement**).

Accordingly, amounts may and shall be withdrawn from time to time from the Deposit Account, the Swap Collateral Account, the Issuer Profit Account Number, the General Reserve Fund Account and the Class A and Class B Liquidity Reserve Fund Account and any additional Issuer Account held with you in accordance with the provisions of the Bank Account Agreement and the Deed of Charge and any Swap Agreement only until such time as you receive notice in writing from the Security Trustee in which case you shall thereafter comply with all directions of the Security Trustee.

We agree that you are not bound to enquire whether the right of the Security Trustee to withdraw any monies from the Deposit Account, the Swap Collateral Account, the Issuer Profit Account Number, the General Reserve Fund Account and the Class A and Class B Liquidity Reserve Fund Account and any additional Issuer Account held with you has arisen or be concerned with (A) the propriety or regularity of the exercise

of that right or (B) notice to the contrary or (C) to be responsible for the application of any monies received by the Security Trustee. Further, we agree that you shall have no liability for having acted on instructions or the consequences thereof which on their face appear to be genuine, and which comply with the latest mandate held by you or relevant electronic banking system procedures in the case of an electronic instruction and you have no obligation whatsoever to verify the facts or matters stated in instructions.

For the avoidance of doubt, so long as you comply with this notice and the terms of the Bank Account Agreement and the Deed of Charge, you shall not be responsible to the Security Trustee for making payments in accordance with instructions given in accordance with the terms of the Bank Account Agreement and the Deed of Charge. You, as Issuer Account Bank, shall not be deemed to be a trustee for the Security Trustee of the Deposit Account, the Swap Collateral Account, the Issuer Profit Account Number, the General Reserve Fund Account and the Class A and Class B Liquidity Reserve Fund Account and any additional Issuer Account held by us with you.

Please note that the foregoing authorisations and instructions may not be revoked or varied by ourselves without the prior written consent of the Security Trustee.

Please acknowledge receipt of this notice and your acceptance of the instructions herein contained by signing two copies of the attached form of acknowledgement, returning one copy to ourselves and sending the other copy direct to the Security Trustee at 8 Canada Square, London E14 5HQ for the attention of CTLA Trustee Services Administration.

This notice of charge and assignment and any non contractual obligations arising out of or in connection with it are governed by, and construed in accordance with, the laws of England.

Yours faithfully,

for and on behalf of

PRECISE MORTGAGE FUNDING 2019-1B PLC
per pro Intertrust Directors 1 Limited, as Director

PART 2

ACKNOWLEDGEMENT OF NOTICE OF CHARGE AND ASSIGNMENT

To: Precise Mortgage Funding 2019-1B PLC
35 Great St Helen's
London EC3A 6AP
(the **Issuer**)

For the attention of: The Directors

____ [●] 2019

Dear Sirs,

Re: PRECISE MORTGAGE FUNDING 2019-1B PLC

Deposit Account Number [●] (sort code: [●]) (the Deposit Account), Swap Collateral Account Number [●] (sort code: [●]) (the Swap Collateral Account), Issuer Profit Account Number [●] (sort code: [●]) (the Issuer Profit Account), General Reserve Fund Account Number [●] (sort code: [●]) (the General Reserve Fund Account) and Class A and Class B Liquidity Reserve Fund Account Number [●] (sort code: [●]) (the Class A and Class B Liquidity Reserve Fund Account)

We acknowledge receipt of your letter dated ____ [●] 2019, a copy of which is attached (the **Letter**). Words and expressions defined in the Letter have the same meanings herein.

In consideration of your agreeing to maintain the Deposit Account, the Swap Collateral Account, the Issuer Profit Account Number, the General Reserve Fund Account and the Class A and Class B Liquidity Reserve Fund Account with us, we now agree and confirm to the Security Trustee that for so long as the instructions in the Letter are not revoked (by operation of law or otherwise) we accept and will comply with the authorisations and instructions contained in the Letter and will not accept or act upon any instructions contrary thereto unless the same shall be in writing signed by the Security Trustee.

We confirm that any additional Issuer Account you as Issuer open with us will be operated subject to and in accordance with the terms of the Bank Account Agreement.

This acknowledgement and any non contractual obligations arising out of or in connection with it are governed by, and construed in accordance with, the laws of England.

Yours faithfully,

for and on behalf of
HSBC BANK PLC

SCHEDULE 3
CUSTODY ACCOUNT STANDARD TERMS AND CONDITIONS

Standard Custody Terms and Conditions

HSBC Bank plc



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Custody Terms and Conditions

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Custody Terms and Conditions

This Agreement governs the provision by the Custodian of Custody Services.

1. Definitions and Interpretation

In this Agreement, the words and expressions used shall have the meaning set out in Appendix 1 unless the context otherwise requires.

2. Appointment

2.1. The Client appoints and selects the Custodian, for the provision of the Custody Services, on the terms of this Agreement and the Custodian accepts such appointment.

2.2. [Reserved]

2.3. [Reserved]

2.4. The Client agrees to give to the Custodian before the first delivery of Property to the Custodian, as per the constitutional documents of the Client:

- (a) where required by the Custodian, a copy of a resolution of the board of directors or equivalent of the Client:
 - (i) approving the terms of, and the transactions contemplated by, this Agreement and resolving that it execute this Agreement; and
 - (ii) authorising a specified person or persons to execute this Agreement on its behalf; and
- (b) a specimen of the signature of each person authorised by the resolution referred to in paragraph (a) above.

2.5. The Custodian is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. It appears on the UK's financial services register with firm reference number 114216. The Client acknowledges that the Custodian will treat the Client as a professional client for the purposes of the Rules. The Client acknowledges that it may request a different categorisation and such classification may affect the level of protection it receives. If the Client is aware that it no longer meets the criteria to be classified as a professional client, it must notify the Custodian immediately in writing.

2.6. The Client agrees that even where the Client is entering into this Agreement on behalf of any other person whose identity has been disclosed to the Custodian, the Custodian shall be entitled to treat the Client as its only client for the purposes of the FCA Rules.

3. Duties of the Custodian

3.1. The Custodian is instructed to and shall establish and maintain a Custody Account and a Cash Account.

3.2. The Custodian shall exercise the standard of care that a professional custodian would observe in the performance of its Custody Services under this Agreement.

- 3.3. The Custodian's (or any of its Affiliates') duties and responsibilities are limited to the performance of the Custody Services, and its other duties set out in this Agreement, in accordance with the terms of this Agreement. Any additional duties or functions which the Client wishes a member of the HSBC Group to perform on behalf of the Client (**Additional Services**), such as the provision of agency securities lending services, will be subject to agreement and further documentation between the Client and the relevant member of the HSBC Group.
- 3.4. The Client acknowledges that an Instruction or contract or transaction may give rise to the Custodian effecting a transaction on the Client's behalf, including (but not limited to) dealing with collective investment schemes, fractional entitlements, odd lots and the sale of rights in respect of Corporate Actions and, to that extent, the Custodian's other duties under this Agreement may include execution of such transactions. Where this is the case, the Custodian shall provide the Client with Best Execution where, and to the extent so required by the FCA Rules. The Custodian does not, however, hold itself out as providing a service of buying and selling securities or contractually based investments and its assessment of the relevant importance of execution factors may differ from those of a specialist broker, in particular due to the characteristics of the order. Where applicable, the Custodian's execution policy will be made available through the Custodian's website, details of which are in Appendix 3. The Client hereby consents to such execution policy. In particular, the execution policy provides for the possibility that client orders and other transactions may be executed outside of a regulated market or a multilateral trading facility or organised trading facility. Where applicable, the Client hereby expressly consents to the execution of transactions outside of a regulated market or a multilateral trading facility or organised trading facility.
- 3.5. Where the Custodian agrees to execute an order pursuant to this Agreement, or in the course of performing Additional Services, the Custodian may aggregate orders for the Client with those orders of other customers and of its employees and of associates of the Custodian and their employees. By aggregating a Client's orders with those of other customers the Custodian must reasonably believe that it is unlikely that the aggregation would work overall to the disadvantage of those customers. However, the effect of the aggregation may operate on some occasions to the Client's disadvantage in relation to a particular Instruction.
- 3.6. **No management or tax or investment advice:** Under this Agreement, the Custodian does not hold itself out as providing a service of buying and selling securities or contractually based investments and does not provide tax or investment advice. The Custodian is not acting under this Agreement as manager or investment adviser to the Client, and responsibility for decisions related to the selection, acquisition and disposal of the Property or cash in any Overseas Cash Account remains with the Client and/or the Manager at all times.
- 3.7. **Further action required by the Client:** To enable the Custodian to assume and continue to carry out its duties under this Agreement, the Client agrees to complete such transfers, mandates or other documents and do such acts and things as shall be within its power from time to time required by the Custodian to bring the Property under its control and deal with it as custodian at the commencement of or at any time during the term of this Agreement provided that the Custodian may, in its absolute discretion, decline to accept (in whole or in part) any Instruction to hold Property. The Client shall provide the Custodian, from time to time and in a timely manner, with information and proof (copies or originals) as to (i) the Client's tax status, residence and beneficial ownership (ii) the ultimate beneficial owner of the Securities, (iii) any Authorised Representative, and (iv) any other information as the Custodian reasonably requests in order for the Custodian or any agent to achieve compliance with the requirements of governmental or regulatory authorities, applicable law and market requirements. The Client shall provide the Authorities, from time to time and in a timely manner, with information and proof (copies or originals) as to (i) the Client's tax status, residence and beneficial ownership and (ii) the ultimate beneficial owner of the Securities (iii) any Authorised Representative, and (iv) any other information as the Authorities reasonably request in order to achieve compliance with the requirements of governmental or regulatory authorities, applicable law and market requirements.

- 3.8. **Compliance with the Rules:** The Custodian is entitled to take any action or to refuse to take any action which the Custodian, in its absolute discretion, regards as necessary for the Custodian to comply with the Rules.

4. **Securities and Use of Sub-Custodians**

- 4.1. The Custodian may appoint and replace Sub-Custodians as part of its safekeeping of the Securities and shall exercise reasonable care in the selection, monitoring and continued appointment of such Sub-Custodians. The Custodian will notify the Client of all Sub-Custodians appointed by the Custodian with which Securities are held from time to time.
- 4.2. The Custodian will seek to take the necessary steps to ensure that Sub-Custodians identify in their records that the Securities (together with the securities of other clients of the Custodian) belong to clients of the Custodian. The consequences for the Client of the insolvency of a Sub-Custodian will depend on local insolvency laws and the effective segregation of client assets by the Sub-Custodian. This may result in the Securities being exposed to additional risks, as outlined in Appendix 3.
- 4.3. The Custodian is authorised in its discretion to hold Securities with Sub-Custodians in omnibus accounts and to accept delivery of Securities in the same number, class, denomination and issue as those originally deposited with the Sub-Custodian. This may result in the Securities being exposed to additional risks, as outlined in Appendix 3.
- 4.4. The Client acknowledges that where the Custodian delegates the safe custody of Securities to a Sub-Custodian the settlement, legal and regulatory requirements in the relevant overseas jurisdictions may be different from those in the jurisdiction of the Custodian. This may result in the Securities being exposed to additional risks, as outlined in Appendix 3.
- 4.5. The Custodian has policies and procedures in place with respect to the resolution of discrepancies and the treatment of shortfalls in accordance with FCA CASS Rules. In summary and for information purposes only, the policies provide that where the Custodian has determined it is responsible for a shortfall, or the Custodian cannot conclude that another person is responsible for a shortfall, the Custodian will segregate a sufficient number of its own assets to cover the value of such a shortfall. Such assets will be held on trust in accordance with FCA CASS Rules. For the avoidance of doubt, the trust assets do not include any income, entitlements or surplus proceeds accruing or arising in respect of such assets, which shall be paid to the Custodian.
- 4.6. The Client will deliver or procure the delivery of the Securities to the Custodian or as the Custodian may direct at the Client's expense and risk and in the manner and accompanied by such documents as the Custodian may require.
- 4.7. The Custodian will identify in its records that the Securities belong to the Client (unless otherwise agreed with and instructed by the Client). The records of the Custodian will indicate that the Securities do not belong to the Custodian or any other client of the Custodian and are segregated on the Custodian's books and records from the assets of the Custodian and its other clients.
- 4.8. Although the Custodian will not pool the Securities with the Custodian's own securities, the Custodian may pool the Securities with securities held for its other clients in an omnibus securities account at a Sub-Custodian (where used) or Clearing System. Where pooling takes place:
- (a) the Client shall be treated as the beneficial owner of such proportion of the relevant securities as the number of its Securities bears to the total number of securities held;
 - (b) the Custodian has no obligation to redeliver the Securities originally deposited but shall redeliver securities of the same number, class, denomination and issue as the Securities originally deposited; and
 - (c) this may result in the Securities being exposed to additional risks, as outlined in Appendix 3.

- 4.9. Documents evidencing title to Securities in physical form (other than documents of title in bearer form) will be held in the physical possession of the Custodian or by a Sub-Custodian, a Clearing System or their agents or at the Custodian's reasonable discretion or as otherwise agreed from time to time. The Custodian shall not hold Securities in bearer form except where otherwise agreed with the Client in a particular case and on terms to be separately agreed.
- 4.10. The Custodian will determine in its reasonable discretion whether to accept and/or continue to accept, for custody in the Custody Account, Securities of any kind.

5. Cash

- 5.1. The Custodian shall hold Cash in the Cash Account as banker and not as a trustee or fiduciary.
- 5.2. Cash Accounts and, where permitted by this Agreement, Overseas Cash Accounts may only be opened by the Custodian and used by the Client for purposes contemplated by or connected to the Custody Services provided under the terms of this Agreement. For the avoidance of doubt, any Cash Account and/or Overseas Cash Account, opened with Affiliated Sub-Custodians, shall only be used by the Client for the purposes contemplated by or connected to the Custody Services provided under the terms of this Agreement. Any Cash Account and/or Overseas Cash Accounts, opened with Affiliated Sub-Custodians, shall not be used for any other purposes other than expressly contemplated by this Agreement. Any Cash Account and any Overseas Cash Account, opened with Affiliated Sub-Custodians, shall be governed by the Custodian's or the Affiliated Sub-Custodian's, as the case may be, standard terms and conditions for cash accounts (the **Cash Terms**) as notified to the Client from time to time and shall be interpreted accordingly. The Cash Terms shall apply to the Cash Accounts and any Overseas Cash Accounts as relevant and do not otherwise apply to the Custody Services provided under this Agreement. In the event of any conflict between the terms of this Agreement and the Custodian's own Cash Terms in relation to the Custody Services this Agreement shall prevail.
- 5.3. If the Custodian receives Cash in a currency other than a currency in which one of the cash accounts comprising the Cash Account is denominated, and unless the Custodian has received Instructions to the contrary, the Custodian shall convert the amount received into the Default Currency in accordance with Clause 10 and credit a Cash Account denominated in the Default Currency with the conversion proceeds.
- 5.4. The Custodian will determine in its reasonable discretion whether to accept, for deposit in the Cash Account, Cash in any currency.
- 5.5. The Custodian may open Overseas Cash Accounts on behalf of the Client.
- 5.6. The Client hereby acknowledges and agrees that the Overseas Cash Accounts are opened and operated by the Custodian as agent for the Client and cash balances in such Overseas Cash Accounts are held by the relevant Sub-Custodian or other account bank solely for the Client (or an underlying client of the Client where applicable). The parties acknowledge and agree that the Custodian has no ownership or other interest in respect of sums standing to the credit of any Overseas Cash Accounts, and that the Custodian does not act as a banker, nor is it subject to the FCA Client Money Rules in relation to sums standing to the credit of any Overseas Cash Accounts. Such Overseas Cash Accounts may be subject to foreign exchange restrictions or other regulatory restrictions which restrict payments into and out of the Overseas Cash Account or operation and administration of the Overseas Cash Account, of which the Client should make itself aware. The Custodian shall owe the Client no obligations in relation to Overseas Cash Accounts save as set out in this Agreement.
- 5.7. The Custodian and Client will set up arrangements so that statements of Overseas Cash Accounts are sent directly to the Custodian. The Custodian will forward statements relating to Overseas Cash Accounts from Sub-Custodians or other account banks to the Client.

6. Settlement and Income

- 6.1. The Custodian will attend to the settlement of transactions upon Instructions on the basis of either contractual settlement day accounting or actual settlement day accounting. The Custodian is only obliged to endeavour to arrange settlement of any transaction if:
- (a) in the case of a purchase transaction or other transaction requiring the payment of monies:
 - (i) the Client has made sufficient cleared funds available to enable the Custodian to effect settlement; or
 - (ii) where the Custodian, in its absolute discretion, agrees to provide a previously arranged overdraft or other credit facilities sufficient to meet the amount of the relevant payments; and
 - (b) in the case of a sale transaction, the Custodian is holding sufficient Securities free from encumbrances to enable it to effect settlement on the Client's behalf.
- 6.2. Unless otherwise agreed by the Custodian, the Custodian will credit Securities to the Custody Account upon receipt of the Securities by final settlement determined in accordance with the practices of the relevant market.
- 6.3. The Custodian shall notify the Client if the Custodian does not act on any Instruction because the Client has insufficient Securities or Cash.
- 6.4. The Client hereby agrees and consents to the Custodian using the Securities for the account of another client of the Custodian and vice versa. However, the Custodian may only do so (or permit a Sub-Custodian or Clearing System to do so) in connection with facilitating timely settlement of securities trades, when securities are held in omnibus account structures, and the Custodian may not and shall not use the Client's Securities for its own account or for account of a Sub-Custodian or Clearing System and no Custody Account on the books of the Custodian or a Sub-Custodian shall hold Securities which are beneficially owned by the Custodian or such Sub-Custodian, as the case may be.
- 6.5. In circumstances where the Custodian has received Instructions (or is authorised under this Agreement to make any delivery or payment under a standing Instruction) that would result in the delivery of Securities or payment of Cash in any currency where there are insufficient cleared funds or Securities available, the Custodian may in its discretion: (i) execute the Instruction in full (and the Client shall be indebted to the Custodian in respect of the resulting negative balance of Securities or Cash) (ii) make partial deliveries or payments consistent with market practice; (iii) fulfil a subsequently received Instruction to the extent of then available Securities or Cash held for the Client; or (iv) suspend or delay acting on any Instruction until it receives the required Securities or Cash.
- 6.6. Where the Custodian in its absolute discretion advances funds to enable a transaction to be completed, the Custodian shall (in addition to its rights under Clauses 12, 14 and 15) be entitled to charge interest (at such rate communicated to the Client by the Custodian from time to time) on sums made available to enable the transaction to be completed.
- 6.7. The Custodian will collect and process Income for the Client and may deduct from Income received such sums on account of Tax which in the reasonable opinion of the Custodian are required to be deducted or withheld or for which the Custodian is liable or accountable under the law or practice of any relevant revenue authority in any jurisdiction. Income will be credited to the Client after deduction or withholding as applicable from time to time.
- 6.8. Where settlement is effected on the basis of contractual settlement day accounting or Income is credited on the contractual payment date:

- (a) the Custodian may reverse with back value to the contractual settlement or payment date applied any entry relating to such contractual settlement or payment where the Custodian determines that the relevant transaction has failed or is likely to fail for any reason;
- (a) the Custodian shall inform the Client of each such reversal; and
- (b) the Client acknowledges that prior to actual settlement or receipt of Income by the Custodian (as the case may be), the Client will:
 - (i) be indebted to the Custodian for any amounts advanced by the Custodian in respect of contractual settlement or on the contractual payment date (as the case may be); and
 - (ii) have no entitlement to the delivery of purchased Securities which are awaiting receipt until they have actually been received by the Custodian or a Sub-Custodian.

6.9. The Custodian may also at any time:

- (a) reverse any provisional entries (including reversals necessary to reflect adjustments by a Sub-Custodian or Clearing System to its records as a result of bad deliveries) made by the Custodian to the Cash Account or the Custody Account; and
- (b) reverse any erroneous entries made by the Custodian to the Cash Account or the Custody Account; and
- (c) authorise any third party to reverse any erroneous or provisional entries in an Overseas Cash Account (including reversals necessary to reflect adjustments to records as a result of bad deliveries).

Such reversals will be back-dated to the date upon which the final or correct entry (or no entry) should have been recorded.

6.10. All entries relating to the settlement of transactions and to Income shall be regarded as provisional until such time as they can no longer be adjusted by a Sub-Custodian, Clearing System, issuer of the relevant Securities, relevant third party or otherwise.

6.11. Unless the Custodian has received Instructions to the contrary, the Custodian is authorised to execute in the Client's name without reference to the Client such ownership documentation and other certificates as may be required to obtain payment of Income.

7. Corporate Actions

7.1. The Custodian undertakes to use reasonable efforts to provide the Client in a timely manner with information which is in the possession of the Custodian and which the Custodian reasonably believes to be relevant which is received by the Custodian in the English language in its capacity as Custodian relating to Corporate Actions, Income or voting rights in respect of the Securities. The Custodian accepts no responsibility for the accuracy or completeness of any such information provided to the Client or the Manager by the Custodian. For the avoidance of doubt, the Custodian is not required to research or communicate to the Client all Rules in respect of the Securities which are applicable to or imposed by the relevant issuer or the relevant market.

7.2. Entitlements to shares and any other benefits including cash proceeds arising from Corporate Actions or otherwise will be distributed amongst the clients for whom the Custodian holds the securities which have been pooled in the same proportions as the respective holdings of clients of the Custodian who have given identical instructions (which will be deemed to have been given in the case of mandatory Corporate Actions) in connection with the relevant Corporate Action in relation to their holdings of the pooled securities. If a distribution would otherwise require the allocation of a fraction of an asset or unit of currency to the Client and there is an option for cash in lieu, the Custodian shall be entitled to credit to the Cash Account or Overseas Cash Account an amount which the Custodian calculates to be the value of the fractional entitlement in lieu of allocating such entitlement to the Client. In the event that

there is no option for cash in lieu and the Custodian is unable to credit the Client the amount of cash representing the Client's fractional entitlement (if any), the Client agrees to relinquish its interest in such fractional entitlements to the Custodian. The Custodian may donate to a charity of its choice, or pay the same into a court or other Authority or as otherwise permitted by applicable law.

- 7.3. The Client shall be responsible for making any decisions relating to any Corporate Action and for instructing the Custodian to act. The Custodian shall use reasonable efforts to comply with only timely Instructions, as these time lines are communicated from time to time to the Client by the Custodian, relating to Corporate Actions. All voting rights in respect of the Securities will be exercisable by the Client and may only be exercisable by the Custodian in accordance with Instructions. Unless the Custodian, in its absolute discretion, agrees to exercise the voting rights on behalf of the Client in accordance with timely Instructions to do so, the Custodian or its agent will provide shareholder voting services and complete proxies as agreed between the parties from time to time. The Client acknowledges that in some markets the Custodian may be required to vote all Securities of a particular issue for all of its clients in the same way and may not be able to effect split voting without regard to any Instruction.

8. Delegation

- 8.1. The Custodian is authorised by the Client to delegate from time to time any of its duties under this Agreement to Delegates selected by the Custodian on the following basis:
- (a) the Custodian will exercise due skill, care and diligence in the selection, appointment and periodic review of its Delegates (other than Clearing Systems) in accordance with the Rules, except for Delegates which have not been selected by the Custodian itself;
 - (b) the Custodian may, in accordance with the Rules delegate the safe custody of Property (other than Cash), to a Sub-Custodian to hold on behalf of the Custodian on such terms as such Sub-Custodian may require and subject to any Rule in the jurisdictions where the Sub-Custodian is located and/or holds Securities;
 - (c) the Custodian will notify the Client of all Sub-Custodians appointed by the Custodian with which Securities are held from time to time; and
 - (d) the extent of the Custodian's liability for the acts and omissions of Delegates is set out in Clause 13.
- 8.2. **Use of Clearing Systems:** The Custodian (and its agents or other Delegates) may hold Securities with a Clearing System which it considers to be appropriate.
- 8.3. The Client acknowledges that, where Securities are held with a Sub-Custodian or other third party (including a Clearing System) outside the jurisdiction of the Custodian, the settlement, legal and regulatory requirements in the relevant overseas jurisdictions may be different from those in the location of the Custodian. The rights of the Client relating to those Securities may differ accordingly and, in particular, there may be different practices for the separate identification of Securities. This may result in the Securities being exposed to additional risks, as outlined in Appendix 3.

9. Registration and Recording of Securities

- 9.1. Although generally the Custodian will record Securities on its own books in accordance with Clause 4 the Custodian may register or record registrable Securities in such names as the Custodian considers to be appropriate and which are permitted by the Rules (including, without limitation, the Client or a nominee company which is controlled by the Custodian or its Affiliates) from time to time provided that:
- (a) registrable Securities will only be registered and recorded in the name of a third party (other than a nominee company which is controlled by the Custodian, its Affiliates, a recognised investment exchange or a Sub-Custodian) where the Custodian is prevented from registering or recording

legal title in the name of the Client, or such a nominee, the relevant Securities are subject to the law or market practice of a jurisdiction outside the jurisdiction of the Custodian and the Custodian has taken reasonable steps to determine that it is in the Client's best interests to register or record the Securities in that way, or it is not feasible to do otherwise, because of the nature of the applicable law or market practice; and

- (b) the Custodian will only register or record registrable Securities in its name where the Custodian is prevented from registering or recording legal title in the name of the Client, a nominee or a third party, the relevant Securities are subject to the law or market practice of a jurisdiction outside the jurisdiction of the Custodian and the Custodian has taken reasonable steps to determine that it is in the Client's best interest to register or record the Securities in that way, or it is not feasible to do otherwise, because of the nature of the applicable law or market practice.

9.2. [Reserved]

9.3. If the Custodian agrees to hold Securities registered in a name which the Client has specified in Instructions to the Custodian, the consequences of such registration are at the Client's sole risk. In such cases the Securities will be held on separate terms that the Custodian will provide to the Client and the Custodian will not offer services in relation to administration of the Securities. These Securities will be identified in the Client's SWIFT and paper statements as securities that are safekept.

10. Foreign Exchange Transactions and Mandatory FX Currencies

10.1. The Custodian shall effect custody-related spot foreign exchange transactions (**FX Transactions**) for the Client either on Instructions, where set out in this Agreement or as the Custodian in its absolute discretion may think fit either before or after termination of this Agreement in accordance with the following:

- (a) in respect of currencies for which Cash Accounts are offered, the Custodian shall effect FX Transactions as principal at the Custodian's own prevailing rates of exchange;
- (b) in respect of currencies for which Overseas Cash Accounts are offered, the Custodian shall transmit FX Transactions as agent for the Client to the relevant local Sub-Custodian or account bank which will execute the FX Transactions as principal at its own prevailing rates of exchange.

10.2. The Client will only give Instructions to the Custodian to effect FX Transactions for proper commercial purposes, such as in connection with the settlement of a transaction, and not for investment or speculative purposes only. This Clause 10 applies solely to FX Transactions and not to forward contracts and other foreign exchange derivative transactions which may be undertaken by a member of the HSBC Group on such additional terms as shall be agreed with such member of the HSBC Group.

10.3. For certain currencies, as notified by the Custodian from time to time, the Custodian may not provide relevant local-currency denominated account services under either Cash Accounts or Overseas Cash Accounts (**Mandatory FX Currencies**). Where the Client requires facilities for the payment or receipt of cash denominated in any such currency either:

- (a) to fund a Securities purchase or Corporate Action; or
- (b) as proceeds of a Securities sale or Corporate Action;

the Client's entitlements to Cash shall be as provided for in this Clause 10.

10.4. The Custodian will reflect relevant Cash entitlements of the Client in a Cash Account at all times but such Cash entitlements of the Client shall only ever be denominated in the Default Currency or the currency in which the Client has credit available and has designated as the currency which should be used as the basis of an FX Conversion Trade (as defined below).

- 10.5. In order to facilitate this, the Client must in all cases involving Mandatory FX currencies enter into a deliverable foreign exchange transaction (an **FX Conversion Trade**) with the Custodian as follows:
- (a) where the FX Conversion Trade is for the Client to purchase Mandatory FX Currency (in the case of Clause 10.3(a) above) to satisfy a payment obligation of the Client to a third party, the FX Conversion Trade shall be settled:
 - (i) for the Custodian, by its payment to that third party on account of the Client in the relevant Mandatory FX Currency, and such payment by the Custodian shall constitute discharge by the Custodian of its delivery obligation under the FX Conversion Trade;
 - (ii) for the Client, by the Custodian's debit of the Client's Cash Account in the relevant currency; and
 - (iii) subject to timings and such other terms and provisions as are specified by the Custodian from time to time.
 - (b) where the FX Conversion Trade is for the Client to convert an anticipated receipt of Mandatory FX Currency from a third party into a currency which the Client is capable of holding in a Cash Account (in the case of Clause 10.3(b) above), the FX Conversion Trade shall be settled:
 - (i) for the Client, by the Custodian's receipt of an amount in the Mandatory FX Currency in the Custodian's own account with a local custodian (a **Local Nostro Account**), which shall constitute discharge by the Client of its delivery obligation to the Custodian under the FX Conversion Trade;
 - (ii) for the Custodian, by the immediate creation of a debt claim of the Client against the Custodian which constitutes a deposit in the Default Currency and which shall be credited by the Custodian to the Cash Account, with the value of this deposit being determined as the amount due to the Client in such currency under the FX Conversion Trade; and
 - (iii) subject to timings and such other terms and provisions as are notified by the Custodian from time to time.
- 10.6. The Client must put in place Instructions, in accordance with Clause 10, to the Custodian authorising the conclusion of FX Conversion Trades for the Mandatory FX Currencies in which it wishes to transact in accordance with these provisions and such other requirements as the Custodian may specify from time to time.
- 10.7. In circumstances where Clause 10.3 applies, the Client's entitlements are against the Custodian only and the Client has no interest or entitlement in, or any recourse to the Local Nostro Account or amounts standing to the credit of it from time to time.

11. Instructions and Other Communications

- 11.1. The Client may give Instructions to the Custodian in such manner and in accordance with such procedures and timings, in each case in the English language, as the Custodian may specify from time to time.
- 11.2. The Custodian shall be under no duty to challenge or make any enquiries concerning the validity of Instructions, which the Custodian may regard as definitive unless the Custodian declines to act on them pursuant to Clause 11.3. The Custodian may act on an Instruction where the Custodian believes the Instruction contains sufficient information to enable it to act.
- 11.3. Notwithstanding anything in this Clause 11, the Custodian may (and where the Custodian has delegated any of its duties to a Sub-Custodian, the Custodian may authorise the Sub-Custodian to) without any liability on its part:
- (a) act on what the Custodian or the Sub-Custodian reasonably believes such Instructions to mean;

- (b) decline to act on Instructions where to do so would, in the reasonable opinion of the Custodian or the Sub-Custodian, involve the Custodian or the Sub-Custodian in acting contrary to any Rules or other duty of the Custodian or the Sub-Custodian;
- (c) in its absolute discretion (but with no duty to do so) decline to act on Instructions where such Instructions are not of the nature or in the form customarily used by the Client, the Manager or their Authorised Representatives and are not in writing, are incomplete, unclear, ambiguous and/or in conflict with other Instructions received by the Custodian or are believed by the Custodian or the Sub-Custodian on reasonable grounds to have been inaccurately transmitted or not to be genuine;
- (d) in its absolute discretion decline to act on Instructions where to do so would result in an unauthorised overdraft or debit balance on the Client's account; or
- (e) in its absolute discretion decline to act on Instructions to issue, defend or conduct court or other legal proceedings (including, without limitation, an actual or prospective class action) on behalf of the Client or in respect of any Property,

provided that in any case where the Custodian or the Sub-Custodian declines to act on Instructions, the Custodian will notify the Client of such decision as soon as reasonably practicable (except where to do so would be contrary to any Rules).

- 11.4. In the absence of or delay in receiving Instructions or other communication from the Client in response to a request, the Custodian is authorised to act or refrain from acting as it may deem expedient in the best interests of the Client.
- 11.5. In certain securities markets, securities deliveries and payments may not be or are not customarily made simultaneously. Accordingly, notwithstanding the Client's Instruction to deliver Securities against payment or to pay for Securities against delivery, the Custodian may make or accept payment for or delivery of Securities at such time and in such form and manner as is in accordance with relevant local law and practice or with the customs prevailing in the relevant market.
- 11.6. The Custodian shall be entitled to accept and act upon any communications, including Instructions, provided by an Authorised Representative. The Client confirms that each Authorised Representative is authorised to perform all acts on behalf of the Client in connection with any Custody Account or Cash Account, Securities or Cash, or otherwise in connection with this Agreement.
- 11.7. Each of the Client and/or the Manager (as the case may be) shall provide the Custodian, in a format acceptable to the Custodian, with a list (as may be amended from time to time) of the names, specimen signatures and authority levels of its Authorised Representatives. The Custodian shall be entitled to rely on such list(s) until the Custodian has received Notice otherwise from the Client (in relation to the Client's Authorised Representatives) or the Manager (in relation to the Manager's Authorised Representatives), as the case may be. In the absence of receipt of any notification from the Client specifying any limitations on the authority of the Manager and its Authorised Representatives under this Agreement, the Custodian may rely on the Instructions and other communications from and with the Authorised Representatives of the Manager in relation to all matters relating to this Agreement as though such persons were Authorised Representatives.
- 11.8. If the Client appoints a new or additional Manager, the Client shall give not less than ten Business Days' prior Notice of such appointment to the Custodian.
- 11.9. Unless the Custodian has received conflicting Instructions, the Custodian may without reference to the Client:
 - (a) receive Income on Securities;

- (b) exchange Securities where the exchange is purely administrative including, without limitation, exchanging temporary Securities for definitive Securities and exchanging warrants or other documents evidencing title to Securities for the actual Securities;
- (c) deposit securities with a Clearing System; and
- (d) perform all such other ancillary acts which the Custodian may reasonably consider to be necessary or desirable to carry out any Instructions, perform the Custody Services or exercise the Custodian's rights under this Agreement.

11.10. Each party may monitor and/or record its telephone conversations with the other and/or their Authorised Representatives. All recordings are the property of the recording party and may be used in evidence in any Proceedings brought under Clause 36.

12. Lien and Rights of Set-Off

- 12.1. In addition to any lien, rights of set-off and any other rights to which the Custodian may be entitled under any applicable law, the Client grants and the Custodian shall have a general lien over the Property in respect of all sums properly due and payable to it by the Client (whether actual, contingent, present or future) under the terms of this Agreement or other obligations of any kind owed to the Custodian (whether in its capacity as Custodian or otherwise) or to any of its Affiliates by the Client. Notwithstanding any other provision of this Agreement, and without prejudice to any right or power which the Custodian might have otherwise than under this Agreement, the Custodian shall not be obliged to act upon Instructions (including the delivery of any Property to any person) and may withhold redelivery to the Client or to the Client's order of any or all Property until all the amounts due and owing to the Custodian have been paid in full.
- 12.2. Without prejudice to any other right or remedy which the Custodian or any of its Affiliates may have under the terms of this Agreement or otherwise, the Custodian is entitled to appropriate, sell, transfer or assign or otherwise realise the value of all or any part of the Property in such manner and at such price as the Custodian may deem expedient without being responsible for any Liability the Client may suffer as a result and to apply the net proceeds thereof in or towards payment or discharge of any of the obligations described in Clause 12.1.
- 12.3. **Clearing system interests in the assets:** Where a Clearing System or Sub-Custodian is involved in relation to Client assets, such Clearing System or Sub-Custodian may have a security interest or lien over, or a right of set-off in relation to, the relevant Client assets under the Rules. The Client hereby instructs the Custodian on a standing basis that it may hold Client assets with a Clearing System or Sub-Custodian even though the Clearing System or Sub-Custodian may have a security interest or lien over, or right of set-off in relation to, the relevant Client assets.
- 12.4. **Set-off:** Without prejudice to any rights the Custodian may have under applicable law, the Custodian shall have the right at any time without notice to combine and/or consolidate all or any of the Client's accounts maintained with the Custodian or any Affiliate of the Custodian in such manner as the Custodian may determine and may, without prior notice to the Client, set off any payment obligation owed to it under the terms of this Agreement or other obligations of any kind owed to the Custodian (whether in its capacity as Custodian or otherwise) or to any of its Affiliates by the Client against any payment obligation (whether actual, contingent, present or future) owed by it to the Client regardless of the place of payment or currency of either obligation (and for such purpose may make any currency conversion necessary at current market rates as determined by the Custodian at its sole discretion) whether or not relating to or arising under this Agreement. If any obligation is unliquidated or unascertained, the Custodian may set off an amount estimated by it in good faith to be the amount of that obligation.
- 12.5. The Client undertakes not to create or permit to subsist any encumbrance or security interest over any of the Property without the Custodian's written consent.

13. Liability of the Custodian

- 13.1. The Custodian shall not be liable or responsible for any Liability (including, but not limited to, any Liability arising from negligence) which occurs as a result of:
- (a) an act or failure to act by the Custodian, or any Sub-Custodian which is an Affiliate of the Custodian, that may arise directly or indirectly in connection with this Agreement, other than any Liability to the Client which is caused directly by the negligence, fraud or wilful default of the Custodian or such Sub-Custodian;
 - (b) an act or failure to act by any other Delegate, in connection with this Agreement, other than any Liability to the Client which is caused directly by the failure of the Custodian to comply with its duties under Clause 8.1(a);
 - (c) an act or failure to act by the Custodian or an Affiliate taking any action or refraining to take any action it reasonably determines is required to comply with, or to mitigate an adverse result under, any Tax Rule and the Custodian shall not be personally liable for any taxes or duties payable on or in respect of any Property or any tax reclaims;
 - (d) an act or failure to act by any Clearing System, investment exchange, broker, issuer, transfer agent, registrar or other third party or any defect, error, inaccuracy, breakdown or delay in any product or service provided to the Custodian by any third party service provider;
 - (e) an act or failure to act by any Sub-Custodian or other account bank in relation to any Overseas Cash Account, including in relation to an Insolvency Event or other failure of such Sub-Custodian or other account bank;
 - (f) the provision of the Custody Services by the Custodian in accordance with the instructions (or on what the Custodian reasonably believes such instructions to mean) of the Client or Authorised Representative including where such instructions are incomplete, unclear or ambiguous and/or where conflict with other Instructions and market practice or, in any other case, unless due to the negligence, fraud or wilful default of the Custodian or any other person appointed by it or their respective officers or employees or agents;
 - (g) any failure by the Custodian to perform any of its obligations if such performance would in the reasonable opinion of the Custodian result in the Custodian being in breach of any Rules which are applicable to it;
 - (h) any Force Majeure Event or country specific risks including: (i) any action by any governmental authority; and (ii) a country's financial infrastructure and practices;
 - (i) any inaccuracy, error or delay (whether as a result of deliberate action or otherwise) in any pricing or valuation information provided by pricing agents, pricing sources (including, without limitation pricing models provided by any person including, without limitation, by the manager, administrator or valuation agent of any collective investment scheme into which the Client invests;
 - (j) any inaccuracy, error or delay (whether as a result of deliberate action or otherwise) in information (including, without limitation, pricing or valuation information) provided to the Custodian by or for the Client, the Manager, or any person associated with, or appointed by, the Client or the Manager (including any broker, market maker or intermediary or any other third party service provider); or
 - (k) the failure by the Client or the Manager, as the case may be, to adhere to any investment objective, investment policy, investment restrictions, borrowing restrictions, operating guidelines or other restrictions applicable to the Client or any of the clients of the Client.
- 13.2. The Custodian shall have no duty to insure, verify or evidence the title, authenticity or validity of the Property and, in jurisdictions restricting foreign ownership of Property, the Custodian shall have no duty to ascertain the nationality of the owner of Property or that Property deposited is approved for foreign ownership.

- 13.3. Under no circumstances shall the Custodian be liable to, or be required to indemnify, the Client or any Person for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive or consequential damages, or for other indirect losses arising in connection with this Agreement and whether or not such Liability is foreseeable and even if the Custodian has been advised or was aware of the possibility of such Liability.
- 13.4. The Custodian's Liability shall be limited to an amount which equals the lesser of (i) the Client's actual loss and (ii) the market value of any Securities held by the Custodian on the date of default of the Custodian or, if later, the date on which the Liability arises as a result of such default), but in each case without reference to any special conditions or circumstances known to the Custodian at the time of entering into the Agreement, or accepting any Instructions which increase the amount of the Liability.
- 13.5. Nothing in this Agreement will limit or exclude a party's liability for any liability which cannot be limited or excluded by applicable law.
- 13.6. Nothing in this Agreement shall (nor shall be construed to) exclude or restrict any duty or liability which the Custodian may have to the Client under the Rules or any related regulatory system.
- 13.7. The Custodian accepts the same level of responsibility to the Client for any nominee company controlled by the Custodian, or any nominee company controlled by an Affiliate of the Custodian, as it does for itself with respect to any requirements of the Rules.
- 13.8. In acting under this Agreement, the Custodian shall act solely as a custodian of the Client and will not assume any obligation or responsibility towards or relationship of agency (except as expressly contemplated in this Agreement) or trust or any duty of care under common law relating to custody of the Property and its administration for or with any third party.
- 13.9. The Client agrees that it shall bear all risks and expenses associated with investing in Securities or holding Cash denominated in any currency.
- 13.10. The Custodian may obtain the advice of legal advisers and other experts with respect to any questions relating to its duties and responsibilities, the advice or opinion of such advisers or experts shall constitute full and complete authorisation and protection with respect to anything done, suffered or omitted by it in conformity with such advice.

14. Fees, Expenses and Interest

- 14.1. The Client agrees to pay all fees and other amounts payable to the Custodian (including all other expenses incurred by the Custodian or any other person appointed by it in the provision of the Custody Services) under this Agreement in accordance with the Custodian's fees and charges and the method and timing of payment (as amended from time to time by 30 days' prior written notice to the Client). Where the Client requests Custody Services for which fees have not been agreed in advance, the Custodian will apply its Default Fees.
- 14.2. The Client hereby undertakes to the Custodian that all monies payable by the Client to the Custodian under this clause shall be made without set-off, counterclaim, deduction or withholding unless compelled by law in which event the Client will pay such additional amounts (including but not limited to Taxes) as will result in the receipt by the Custodian of the amounts which would otherwise have been payable by the Client to the Custodian under this clause in the absence of any such set-off, counterclaim, deduction or withholding.
- 14.3. All Cash held in a Cash Account shall bear or charge interest at the prevailing deposit interest rate (whether negative or positive) as offered by the Custodian from time to time. Interest shall be credited to or debited from a Cash Account in accordance with the Custodian's usual procedures for crediting or debiting interest. All cash held in an Overseas Cash Account shall bear or charge interest at the

prevailing deposit rate (whether negative or positive) as offered by the relevant third-party Sub-Custodian or account bank. Interest shall be credited to or debited from an Overseas Cash Account in accordance with the relevant third-party Sub-Custodian or account bank's usual procedures for crediting or debiting interest.

15. Indemnification of the Custodian

- 15.1. Without prejudice to any other right of indemnity to which the Custodian is entitled under applicable law, but subject to Clause 13.1, the Client shall indemnify on a full indemnity basis and hold harmless the Custodian and any Affiliates and keep the Custodian and any Affiliates indemnified on a full indemnity basis against all direct or indirect Liabilities and Costs to which it, or a nominee company controlled by it, may be or become subject or which may be incurred by it in the discharge or purported discharge of any of its functions under this Agreement or in respect of any other matter or thing done or omitted in any way relating to this Agreement (including all Liabilities and Costs incurred in disputing or defending any of the foregoing), except to the extent resulting from the Custodian's or Affiliate's negligence, wilful default or fraud.
- 15.2. This indemnity shall continue notwithstanding the termination of this Agreement.

16. Representations and Warranties

- 16.1. **General:** Each party represents and warrants to the other party on a continuing basis from the date that this Agreement is entered into that:
- (a) it is duly incorporated, established or constituted (as the case may be) and validly existing under the laws of its country of incorporation, establishment or constitution (as the case may be);
 - (b) it has and will continue to have full authority and legal capacity under its constitutional or organisational documents to enter into this Agreement;
 - (c) it has obtained all necessary and appropriate governmental or other regulatory body consents to enter into this Agreement and disclosed such consents to the other party; and
 - (d) this Agreement constitutes its legal, valid and binding obligation, enforceable in accordance with its terms.
- 16.2. **Client:** The Client further represents and warrants to the Custodian on a continuing basis from the date that this Agreement is entered into that:
- (a) otherwise than as disclosed by the Client to the Custodian in writing, the Client is the beneficial owner of the Securities;
 - (b) if the Client is not the beneficial owner of any Securities, it has full power and authority to enter into and implement this Agreement in respect of those Securities on behalf of the beneficial owner and the Custodian may deal only with the Client (as principal), and hold the Client liable, as if the Client were such beneficial owner;
 - (c) if the Client is not the beneficial owner of the Securities:
 - (i) the Client has established appropriate policies and procedures to verify and record the identity of its underlying clients;
 - (ii) the Client has completed appropriate "know your customer" and anti-money laundering checks on each underlying client;
 - (iii) each underlying client has agreed that its Property may be held subject to the Custodian's lien and the other rights and security interests described in this Agreement;
 - (iv) any information relating to the underlying clients provided by the Client to the Custodian is and shall continue to be complete, true and accurate until otherwise notified in writing by the Client to the Custodian;

- (v) the rights and obligations of the parties under this Agreement shall not be affected by any other agreement or relationship between the Client and any other person; and
 - (vi) the signing, delivery or performance of this Agreement and the giving of Instructions does not and will not contravene or constitute a default under any law or regulation by which the Client or any of its assets is bound or affected;
- (d) the Securities are and will remain during the term of this Agreement free of mortgage, charge, pledge, lien, right of set-off or any security interests, encumbrances and claims whatsoever in favour of a third party except, as provided in this Agreement, it is entitled to grant a general lien in Clause 12, to deal with the Property or cash in any Overseas Cash Account in the manner contemplated by this Agreement, and to borrow and enter into foreign exchange transactions.

16.3. The representations and warranties set out in this Clause 16 shall survive the signing and delivery of this Agreement and the parties will be deemed to repeat them each time Property is deposited with the Custodian and each time Instructions are given and acted upon and in the case of the representations and warranties set out in Clause 16.2(d) at all times when any obligations of any kind are owed by the Client to the Custodian (whether in its capacity as Custodian or otherwise) or to any of its Affiliates.

17. Interests of the Custodian and its Affiliates

The Custodian and any of its Affiliates may effect transactions in which the Custodian or its Affiliates or another client of the Custodian or its Affiliates has, directly or indirectly, a material interest or a relationship of any description with another party which involves or may involve a potential conflict with the Custodian's duty to the Client. The Custodian will ensure that such transactions are effected on terms which are not materially less favourable to the Client than if the conflict or potential conflict had not existed. The Custodian's Conflicts of Interest Policy, a description of which is available through the Custodian's website <http://www.gbm.hsbc.com/financial-regulation/mifid/policies-disclosures>, or such other website as notified to the Client by the Custodian, sets out the types of actual or potential conflicts of interest which affect the Custodian's business and provides details of how these are managed. For the purposes of this Clause 17, **Conflicts of Interest Policy** shall mean the Custodian's policy for dealing with identification and management of conflicts of interest in accordance with the Rules.

18. Auditors

18.1. The Custodian will at the request of the Client or the Manager and subject to reasonable prior notice permit the Client's auditors to have access during normal business hours to its premises, book-keeping and other records to examine any matter relating to the Custody Services, provided that the Custodian may at its discretion restrict access to the extent that it will prejudice the Custodian's security arrangements or its duty of confidentiality to its other clients.

19. Statements and other Information

19.1. The Custodian will prepare Statements at least every quarter or at such other (more regular) frequency as may be agreed in writing by the Custodian and the Client. The value of assets shown on the Statements will be determined by the Custodian using information received from reputable published sources and/or the Custodian's reasonable judgement.

19.2. The Client is recommended to examine each Statement promptly on receipt and notify the Custodian as soon as reasonably practicable of any errors and discrepancies.

19.3. The Custodian will provide the Client with such information about the Property as the Client may request in writing from time to time, in accordance with the Rules. The Custodian will have no obligation to forward to the Client any other information received by the Custodian in relation to the Property other than as set out in this Clause 19.

- 19.4. The Custodian has no duty to disclose to the Client any information in the possession of the Custodian or any Affiliate of the Custodian which might indicate that Instructions received by the Custodian may not be in the best interests of the Client.

20. Complaints

- 20.1. All formal complaints by the Client should in the first instance be sent to the Head of Compliance or the Client Service Manager, as applicable at the Custodian's address for Notices.
- 20.2. Further details relating to the complaints management process are contained in Appendix 3.

21. Disclosure of Information and Data Protection

- 21.1. The parties will treat information about each other, the Property and the Custody Services (**Confidential Information**) as confidential and will not, without the other party's prior written consent or authority, disclose to any third party the Confidential Information except in the following circumstances (in which case the Confidential Information may be disclosed to third parties, including Affiliates of the relevant party):
- (a) by the Custodian, where necessary to perform the Custodian's obligations under this Agreement; or
 - (b) where the disclosing party is under a legal or regulatory obligation to disclose such Confidential Information, where the law permits it to do so or where the disclosing party has been requested to do so by any legal, regulatory, governmental or fiscal body in any jurisdiction.
- 21.2. Relevant Data Protection terms are outlined in Appendix 3.

22. Provision, Updating and Communication of Tax Documentation

- 22.1. The Client shall within ten Business Days of a written request by the Custodian provide the Custodian with such Tax Documentation as the Custodian reasonably requests in connection with any Tax Rule applicable to the Client, the Custodian or its Affiliates. The Client shall notify the Custodian and provide relevant updated Tax Documentation as soon as reasonably practicable, and in any event no more than 30 days following a material change in the validity of, or information contained in, any Tax Documentation that the Client previously provided to the Custodian.
- 22.2. The Custodian and its Affiliates may provide Tax Documentation received from the Client or any underlying Client, and may request and shall receive Tax Documentation relating to the Client or any underlying Client from the Client, any underlying Client, any Delegate or any other Person receiving payments for the account of, or making payments to, the Client, any underlying Client or the Custodian for the account of the Client, to relevant Tax Authorities or any other Person if the Custodian or Affiliate reasonably determines that any such action is required by, or would mitigate an adverse result under, any Tax Rule (including, without limitation, the application of a Deduction in respect of Taxes, the reporting of information, or the closing, transferring or blocking of an account).
- 22.3. The Custodian has authority to communicate with any Tax Authorities including for reporting purposes and, where relevant, and in compliance with any applicable Tax Rule, withhold and/or make payment of any taxes or duties payable in respect of the Property.

23. Compliance with Tax Rules

- 23.1. Taxes are the responsibility of the Client and the Client agrees that Taxes shall be paid by the Client. The Custodian will deduct or withhold for or on account of Taxes from any payment for the account of or to the Client if required by any applicable law including, but not limited to: (i) statute or regulation; (ii) a requirement of any legal, governmental or regulatory authority; or (iii) an agreement entered into by

the Custodian and any governmental authority or between any two or more governmental authorities (applicable law as used in this sentence may be domestic or foreign). The Client acknowledges that the Custodian may debit any amount available in any balance held for the Client and apply such Cash in satisfaction of Taxes. The Custodian will timely pay the full amount debited or withheld to the relevant governmental authority in accordance with the applicable law as provided in this Clause. If any Taxes become payable with respect to any prior credit to the Client by the Custodian, the Client acknowledges that the Custodian may debit any balance held for the Client in satisfaction of such prior Taxes. The Client shall remain liable for any deficiency and agrees that it shall pay it upon notice from the Custodian or any governmental authority. If Taxes are paid by the Custodian or any of its Affiliates, the Client agrees that it shall promptly reimburse the Custodian for such payment to the extent not covered by withholding from any payment or debited from any balance held for the Client. The provisions of this Clause 23.1 shall survive the termination of this Agreement.

- 23.2. The Custodian and its Affiliates may take or refrain from taking any action which the Custodian or the Affiliate reasonably determines it is required by any Tax Rule to take or refrain from taking, including without limitation:
- (a) reporting to Tax Authorities any information, including without limitation Tax Documentation, relating to the Client, its direct or indirect owners or account holders; or
 - (b) closing, transferring or blocking the Client's accounts. Neither the Custodian nor any Affiliate shall be required to increase any payment in respect of which it makes any such Deduction or otherwise compensate the Client or any other Person for that Deduction.

24. Financial Crime Compliance

In connection with the HSBC Group's commitment to comply with all applicable sanctions regimes, the Custodian and any affiliate or subsidiary of the Custodian may take any action in its sole and absolute discretion that it considers appropriate to comply with any law, regulation, request of a public or regulatory authority, any agreement between any member of HSBC Group and any government authority or any HSBC Group policy that relates to the prevention of fraud, money laundering, terrorism, tax evasion, evasion of economic or trade sanctions or other criminal activities (collectively the **Relevant Requirements**). Such action may include, but is not limited to:

- (a) screening, intercepting and investigating any transaction, instruction or communication, including the source of, or intended recipient of, funds;
- (b) delaying or preventing the processing of instructions or transactions or the Custodian's or any Delegate's performance of its obligations under this Agreement;
- (c) the blocking of any payment; or
- (d) requiring the Client to enter into a financial crime compliance representations letter from time to time in a form and substance acceptable to the HSBC Group.

Where possible and permitted, the Custodian will endeavour to notify the Client of the existence of such circumstances. To the extent permissible by law, neither the Custodian nor any member of the HSBC Group will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest / however it arose) or damage suffered by any party arising out of, or caused in whole or in part by, any actions that are taken by the Custodian, any Delegate or any other member of the HSBC Group to comply with any Relevant Requirement.

25. ERISA

- 25.1. Notwithstanding any other provisions contained in this Agreement, the Client acknowledges and confirms that (1) the Custodian has not, and as a result of the Custody Services will not, provide any fiduciary advice or recommendations to the Client, its fiduciaries or the Manager or any of their Affiliates; (2) the Custodian shall, in no circumstances, be required to undertake any action that could possibly characterise the Custodian as a fiduciary, as defined in Section 3(21) of ERISA, of the Client

or any Plan whose assets are invested in the Client; (2) neither the Custodian nor any of its employees exercise any discretion or control with respect to the management or disposition of the assets of the Client; (3) neither the Custodian nor any of its employees have any duty or obligation to ensure that the Client or its fiduciary comply with ERISA (including but not limited to sections 404(b), 406 and 412) or Section 4975 of the Code; and (4) generally, neither the Custodian nor any of its employees have any duties or obligations under ERISA or Section 4975 of the Code with respect to the Client or its investors or beneficiaries.

- 25.2. The Client shall promptly notify the Custodian in writing if it reasonably expects that the assets of the Client will constitute the assets of any Plan, within the meaning of the Plan Asset Regulations.

26. Amendment

- 26.1. Subject to Clause 26.2, this Agreement may only be amended by the written agreement of the parties.
- 26.2. Where changes in market practice and/or legal or regulatory requirements necessitate a change or changes in the manner in which the Custodian can provide the Custody Services, this Agreement may be amended by the Custodian giving at least ten Business Days' Notice to the Client unless it is impracticable in the circumstances to do so and such amendments shall take effect from the date specified in the Notice.

27. Assignment or Transfer

Neither party may assign or transfer its rights, obligations or duties under this Agreement or any part thereof without the prior written consent of the other party which may be withheld or given in the absolute discretion of that other party, provided that the Client hereby consents to the assignment or transfer of the benefit and burden of this Agreement by the Custodian to an Affiliate of the Custodian subject to the Custodian giving the Client not less than 20 Business Days' Notice of such assignment or transfer unless it is impracticable in the circumstances to do so. Any successor in interest of the Custodian and the Client respectively shall be bound by this Agreement.

28. Termination

- 28.1. **Termination:** Subject to Clause 28.2, this Agreement may only be terminated by either party giving 30 days' Notice to the other party.
- 28.2. A party may terminate this Agreement with immediate effect by giving Notice to the other party (the **Defaulting Party**) should any of the following occur to the Defaulting Party:
- (a) it has committed a material breach of the terms of this Agreement and has not remedied the specified breach (if the breach is capable of being remedied) within 30 days of Notice being served on it by the non-defaulting party specifying the breach which must be remedied; or
 - (b) an Insolvency Event has occurred in relation to the Defaulting Party.
- 28.3. Following termination of this Agreement under Clauses 28.1 or 28.2, the Custodian shall cease to provide all Custody Services (a **Termination of Agreement**).
- 28.4. Each party shall immediately notify the other party on becoming aware that it is or may become subject to an Insolvency Event.
- 28.5. A Termination of Agreement shall be without prejudice to the completion of transactions entered into but not completed prior to termination. Following a Termination of Agreement, the Custodian will continue to hold the Property on the terms of this Agreement until the Property is delivered to the Client (or such other person as specified in Instructions). If by the termination date the Client has not given Instructions to deliver any Securities or Cash, the Custodian shall continue to safekeep such Securities

and/or Cash until the Client provides Instructions to effect a free delivery of such Security or Cash. In such circumstances the Custodian will provide no other services with regard to any such Securities except to collect and hold any distributions of Securities or Cash.

- 28.6. Following a Termination of Agreement, Default Fees shall be applied and such fees will be calculated up to the later of the delivery of the Property to the Client (or such other person as specified in Instructions) or the expiry of any notice period and will be payable (together with any value added tax) on or before the proposed day of delivery of the Property. The Custodian is not required to undertake such delivery until its fees have been paid in full. All remedies under the Agreement shall survive the Termination of Agreement.
- 28.7. Subject to the completion of transactions entered into but not completed prior to termination, and the exercise by the Custodian of its rights under this Agreement or any applicable law, the Custodian will as soon as reasonably practicable after a Termination of Agreement or a Withdrawal of Service deliver to the Client (or such other person as specified in Instructions) the Property held at the date of the Termination of Agreement or the Withdrawal of Service.
- 28.8. The rights and obligations contained in Clauses 3.8, 6.8, 12, 13, 14, 23 and 36 shall survive the termination of this Agreement.
- 28.9. In the event that there is no movement in the Custody Account held by the Custodian for the Client for a period of 12 years (in relation to Securities), excluding any asset servicing carried on by the Custodian, in the absence of instructions from the Client or an Authorised Representative and where the Custodian is unable to contact the Client having made reasonable attempts to do so, if permissible under the laws of the Custodian's jurisdiction, the Custodian may transfer such Securities or the liquidation proceeds to a registered charity of the Custodian's choice or pay the same into a court or other Authority as permitted by applicable law. In these circumstances the Custodian will still be liable to pay these balances to the Client on presentation of a valid claim.

29. Withdrawal of Custody Services

- 29.1. **Withdrawal of Custody Services:** The Custodian reserves the right to suspend the Custody Services upon 30 days' Notice (a **Withdrawal of Service**).
- 29.2. **Withdrawal of Market:** The Custodian reserves the right to suspend or withdraw any of the Custody Services in relation to a particular market as soon as reasonably practicable (a **Withdrawal of Market**).
- 29.3. The Custodian shall notify the Client as soon as reasonably practicable if the circumstances in question cease so as to enable the Custodian to resume the provision of the relevant Custody Service(s).
- 29.4. Where such Custody Services are suspended and/or markets are withdrawn or suspended, each shall be a **Withdrawn Service** and/or **Withdrawn Market**, as applicable. All Custody Services other than **Withdrawn Services** or **Withdrawn Markets** shall continue and the terms of this Agreement shall continue to apply as applicable. A list of markets that Custody Services are provided to by the Custodian shall be communicated to the Client from time to time.
- 29.5. A **Withdrawal of Service** and/or **Withdrawal of Market** shall be without prejudice to the completion of transactions entered into but not completed prior to termination. Following a **Withdrawal of Service** and/or **Withdrawal of Market** the Custodian will continue to hold the Property on the terms of this Agreement until the Property is delivered to the Client (or such other person as specified in Instructions). If by the date of a **Withdrawal of Service** and/or a **Withdrawal of Market** the Client has not given Instructions to deliver any Securities or Cash, the Custodian shall continue to safekeep such Securities and/or Cash until the Client provides Instructions to effect a free delivery of such Securities or Cash. In such circumstances the Custodian will provide no other services with regard to any such Securities except to collect and hold any Cash distributions.

30. Instruction in the Event of Insolvency

Where an Insolvency Event occurs in relation to the Client, the Client shall ensure new Authorised Representatives are appointed to give Instructions where relevant. For the avoidance of doubt where there is no Authorised Representative, the Custodian will have sole discretion without liability (except where prevented by law) over whether to act on any Instruction.

31. Severance

The invalidity, illegality, unenforceability (in whole or in part) or termination (in part) of any of the terms of this Agreement in any jurisdiction shall not affect the validity, legality and enforceability of the remaining terms or the other parts of such terms (as applicable) in the relevant jurisdiction or any of the terms of this Agreement in any other jurisdiction.

32. Previous Agreements

This Agreement supersedes all previous agreements in writing between the parties in relation to the appointment of the Custodian as the Client's custodian.

33. Waiver

No concession, indulgence, waiver, forbearance or single or partial exercise of any right or remedy by a party shall prevent that party from enforcing any right or remedy (whether under the terms of this Agreement or otherwise) in relation to a continuing or subsequent breach of or default under this Agreement.

34. Third Party Rights

This Agreement does not confer a benefit on any person who is not a party to it. A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms

35. Notices

35.1. All Notices shall be in writing in the English language and shall be delivered by hand, registered or recorded delivery post (airmail if outside of the Custodian's jurisdiction), facsimile or courier to the addresses and facsimile numbers set out in Appendix 2 or to such other address as either party may from time to time designate by Notice duly given in accordance with this Clause 35.1.

35.2. In the absence of evidence to the contrary, a Notice shall be deemed to have been received:

- (a) if delivered by hand, at the time of delivery if it is delivered during the normal business hours of the addressee on a Business Day and, if not, on the next following Business Day;
- (b) if delivered by facsimile, at the time receipt is confirmed under Clause 35.3; and
- (c) if delivered by post or courier, when the addressee signs to take delivery.

35.3. A party delivering a Notice by facsimile shall telephone the addressee during the normal business hours of the addressee to confirm receipt of the Notice.

36. Governing Law and Jurisdiction

36.1. This Agreement and any non-contractual obligations arising out of or in connection with this Agreement and the relationship between the parties will be governed by and construed in accordance with English law and the parties agree for the benefit of each other that the courts of England and Wales shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement or the Property (including a dispute regarding the existence, validity or termination of this

Agreement or the consequences of its nullity and disputes which are contractual or non-contractual in nature, such as claims in tort, for breach of statute or regulation or otherwise) and that accordingly any suit, action or proceedings (together **Proceedings**) so arising may be brought in such courts.

- 36.2. Clause 36.1 is for the benefit of the Custodian and, as a result, the Client acknowledges that Clause 36.1 does not prevent the Custodian from taking any Proceedings in any other courts with jurisdiction. To the extent allowed by law, the Custodian may take concurrent Proceedings in any number of jurisdictions.
- 36.3. For the benefit of the Custodian, the Client irrevocably agrees:
- (a) to waive any sovereign or other immunity to which it or its assets may now or hereafter be entitled, and any objection which it may now or hereafter have to the laying of the venue of any Proceedings in such courts and any claim that such Proceedings have been brought in an inconvenient or inappropriate jurisdiction or forum; and
 - (b) that it will raise no objection to or take any other step to prevent or obstruct the enforcement in the courts of another jurisdiction of a judgment in any Proceedings brought in the courts of England and Wales.
- 36.4. Where the Client is not incorporated, established or constituted in England and Wales, the Client appoints the process agent specified in Appendix 2 as the Client's agent to receive on the Client's behalf service of court process. If such process agent ceases to be the Client's process agent, the Client shall promptly appoint a replacement process agent in England and Wales and notify the Custodian of its name and address.

Appendix 1

Definitions

1. In this Agreement, the following words and expressions shall have the following meanings unless the context otherwise requires:

Affiliate	means, in respect of any company, a legal entity from time to time (1) in which the relevant company (or one of its holding or subsidiary companies, or a subsequent holding or subsidiary company of such entity) owns at least 10% or more of the shares or (2) over which the relevant company (or one of its holding or subsidiary companies, or a subsequent holding or subsidiary company of such entity) exercises management control, regardless of its shareholding in such entity.
Agreement	means this custodian agreement between the Custodian and the Client and any appendix, side letter or other document which states that it forms part of the custodian agreement between the Custodian and the Client, as any of such documents are amended from time to time and which taken together constitute the terms of the custodian agreement.
Authorised Representative(s)	means such officers, employees or agents of the Client or the Manager as the Client or the Manager (as the case may be) may authorise or appoint either alone or with others, as specified by the Client or the Manager (as the case may be), to act on its behalf in the giving of Instructions to and communicating with the Custodian and the performance of any other acts, discretions or duties on its behalf under this Agreement including all persons specified by the Client or Manager as permitted users of any other agreed electronic communication system. Such persons will continue to be Authorised Representatives until such time as the Custodian receives and has reasonable time to act upon Instruction from the Client (or its agent) that any such person is no longer an Authorised Representative.
Authority	means any nation, any political subdivision thereof, whether state or local, any international organisation, and any agency, authority, instrumentality, judicial or administrative, regulatory body, law enforcement body, securities or futures exchange, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.
Best Execution	means obtaining the best possible result for a client when executing orders as described in COBS 11.2.1 of the FCA Rules (as amended from time to time).
Business Day	means any day other than a Saturday, a Sunday or a bank holiday or an official non working day (which may include adverse weather conditions such as a typhoon or black rain) in the country of the Custodian and, in relation to anything done or to be done by reference to a market outside of the Custodian's, any day on which that market is normally open for business if that day is also a business day in the country of the Custodian.
Cash	means any cash whether representing capital or income in any currency (whether arising out of or in connection with the Securities or otherwise) held by the Custodian on behalf of the Client pursuant to this Agreement which, for the avoidance of doubt, excludes cash in any Overseas Cash Account.
Cash Account	means one or more cash accounts in the name of the Client (or another name

requested by the Client that is acceptable to the Custodian) opened in the books of the Custodian which, for the avoidance of doubt, excludes cash in any Overseas Cash Account.

Clearing System	means any generally recognised market clearance facility, settlement system, dematerialised book entry system, centralised custodial depository, foreign exchange settlement system or similar facility, system or depository.
Code	means the United States Code.
Corporate Action	means any corporate action event including, without limitation, any events concerning takeovers, other offers or capital reorganisations, bonus issues, stock repurchase plans, redemptions, exchanges, tender offers or similar matters and the exercise of conversion and subscription rights relating to the Securities to which the Client is entitled and any other mandatory and voluntary corporate action event agreed between the parties from time to time that requires discretionary action by the beneficial owner of the Security, but does not include rights with respect to class action litigation or proxy voting.
Costs	means reasonable costs, expenses and fees (including reasonable legal fees but excluding the Custodian's own operating costs and expenses associated with the provision of the Custody Services) arising directly from the performance of the Custody Services or otherwise in connection with this Agreement.
Custody Account	means one or more custody accounts in the name of the Client opened in the books of the Custodian.
Custody Services	means the global Custody Services governed by this Agreement including, without limitation, the global Custody Services specified in Clause 3 of the Custody Terms to be provided by the Custodian to the Client in respect of the Property.
Deduction	means a deduction or withholding in respect of Taxes.
Default Currency	means local currency.
Default Fees	means the Custodian's standard fees as communicated to the Client by the Custodian from time to time.
Delegate	means a person to whom the duties of the Custodian may be delegated under Clause 8 of the Custody Terms including (without limitation) agents, sub-contractors, nominees, Sub-Custodians and any sub-delegates.
ERISA	means the United States Employee Retirement Income Security Act of 1974, as amended, and any successor thereto, and the regulations promulgated and rulings issued thereunder.
FCA or Financial Conduct Authority	means the UK Financial Conduct Authority, whose registered office is at 12 Endeavour Square, London E20 1JN, or any successor regulator which may regulate the provision of the Custody Services.

FCA CASS Rules	means the client assets rules of the FCA Rules.
FCA Client Money Rules	means the client money rules of the FCA Rules.
FCA Rules	means the rules in force from time to time made by the FCA under the Financial Services and Markets Act 2000.
Force Majeure Event	means any event beyond the reasonable control of the Custodian including, but not limited to, any change to the Rules, breakdown or failure or interruption of communication or computer facilities, malfunction of equipment or software, acts of war or of God, civil strife or terrorism, nationalisation, expropriation or other governmental action, or action by a central bank (including their regulatory agencies) or threat of such action by any such authority or government, postal or other strikes or similar industrial action, regulation of the banking or securities industry, exchange or currency controls or restrictions, devaluations or fluctuations or currency redenomination, the failure of any relevant Delegate, central securities depository, exchange, Sub-Custodian, Clearing System and/or broker for any reason to perform its obligations, and availability of Securities or Cash or market conditions which prevent the transfer of Property or the execution of Securities transactions or affect the value of Property.
HSBC Group	means HSBC Holdings plc together with its subsidiary undertakings from time to time.
Income	means dividends, interest payments and other entitlements accruing to the Client in respect of the Property.
Insolvency Event	means the making of a bankruptcy order, the presentation of a winding-up petition which is not withdrawn or dismissed within 30 days, the making of a winding-up order or passing of a winding-up resolution, the appointment of an administrator or receiver, an insolvent reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) or the occurrence of any similar or analogous insolvency event in any jurisdiction.
Instructions	means instructions in relation to the Property or cash in the Overseas Cash Account received by the Custodian and given or purporting to have been given by the Client or a Manager or their respective Authorised Representatives via such media as shall be permitted by Clause 11 in these Custody Terms including (but without limitation) all instructions received by the Custodian by authenticated SWIFT message or any other agreed electronic communication system and/or any default or standing instruction put in place by the Client relating to the Custody Account, the Cash Account or any Overseas Cash Account.
Liability	means any loss, liability, damage, cost, charge, claim, demand, expense, failure or delay in the performance of its obligations under this Agreement or otherwise, penalties, fines, judgment, action, proceeding or other liability whatsoever (whether actual or contingent and including, without limitation, reasonable attorneys', accountants', consultants' or experts' fees and disbursements including, without limitation, in respect of Taxes, Tax Rules duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses.
Manager	means such manager, adviser or other person appointed from time to time by the

Client and notified to the Custodian by the Client as being authorised to communicate with the Custodian and to perform acts, discretions or duties on the Client's behalf under this Agreement.

Notices	means all notices, notifications, approvals, consents and formal communications to be given by a party to the other party under the terms of this Agreement but excluding Instructions and day-to-day communications on operational and other related matters.
Overseas Cash Account	means any cash account, provided under the Custody Services, in the name of the Client (or, where so agreed, an underlying client of the Client) opened by the Custodian with a third party Sub-Custodian or account bank as agent for the Client (including a cash account with any Affiliate of the Custodian but excluding cash accounts set up with a branch of the Custodian).
Person	means any individual, corporation, company, voluntary association, partnership, joint venture, trust, limited liability company, unincorporated organisation or Authority, and, in the case of a fund or other entity organised with series, compartments, segregated portfolios or similar arrangements, each such subdivision.
Plan	means an "employee benefit plan" within the meaning of Section 3(3) of ERISA or a "plan" within the meaning of Section 4975 (e)(1) of the Code.
Plan Asset Regulations	means United States Department of Labor Regulation at 29 CFR section 2510.3-101, as modified by Section 3(42) of ERISA.
PRA or Prudential Regulation Authority	means UK Prudential Regulation Authority, whose registered office is at 8 Lothbury, London EC2R 6DA, or any successor regulator which may regulate the Custodian in the UK.
Property	means Cash and Securities and any other property of any kind from time to time held by the Custodian for the Client pursuant to this Agreement.
Rules	means the rules or regulations of any Clearing System, the rules, operating procedures or market practice of any relevant stock exchange or market, any statute, law, regulation (including, without limitation, the rules in force from time to time made by the relevant regulatory authority), ordinance, rule, judgment, order, decree, permit, concession, grant, franchise, licence, agreement (whether concluded voluntarily or involuntarily), directive, requirement of, or other governmental restriction or any similar binding form of decision of or determination by or with, or any binding interpretation or administration of any of the foregoing by or with, any Authority, whether now or hereafter in effect.
Securities	means any safe custody investments and custody assets (as such terms are defined in the rules in force from time to time made by the FCA) including but not limited to shares, stocks, debentures, derivatives, bonds, warrants, securities, shares or units or other interests in collective investment schemes or managed accounts, or other similar property or any other such investments, whether in certificated or uncertificated form, and/or assets as may be agreed between the Custodian and the Client from time to time (including evidence of, title to and all rights in respect of such safe custody investments and custody assets) held by the Custodian for the Client pursuant to this Agreement.

Statement	means a statement of account providing details of the Property as at the date of the statement.
Sub-Custodian	means a sub-custodian (other than a Clearing System) which is a custodian appointed by the Custodian from time to time to hold securities on its behalf in different jurisdictions and includes any Affiliated Sub-Custodian to which the Custodian delegates any of its duties under Clause 3.1 of the Custody Terms.
Tax Documentation	means, without limitation, authorisations, waivers, forms, documentation and other information relating to Taxes, including without limitation the status of any Person or its direct or indirect owners or account holders in respect of Taxes.
Tax Rule	means any tax, levy, impost, duty or other charge or withholding of a similar nature, and any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same.
Taxes	means any tax, levy, impost, duty or other charge or withholding of a similar nature, and any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same.

2. Words importing the singular will include the plural and vice versa, words importing the masculine gender will include the feminine and neuter genders and vice versa, and words importing persons will include, without limitation, partnerships, trusts and bodies corporate and vice versa.
3. The headings of the Clauses of this Agreement are inserted for reference purposes only and do not affect the interpretation of any of the provisions to which they relate.
4. Any reference in this Agreement to legislation or subordinate legislation is to such legislation or subordinate legislation at the date hereof and as amended and/or re-enacted and/or succeeded and/or replaced from time to time.

Appendix 2

Notices

To the Client

Facsimile

To a process agent to receive notices on behalf of the Client

Facsimile

To the Custodian

HSBC Bank plc
HSBC Securities Services
8 Canada Square
London
E14 5HQ

Facsimile +44 345 587 0429

Appendix 3

Additional Regulatory Terms

These Additional Regulatory Terms together with the main body of the Agreement, set out additional terms on which the Custodian shall arrange the provision of the Custody Services.

1. Interpretation

1.1. The terms used in the Additional Regulatory Terms Appendix shall have the following meaning:

“Client Personal Data” means Personal Data in respect of which the Client is primarily responsible and/or accountable under Data Protection Legislation.

“Compliance Activity” means any activity performed by the Custodian or any other member of the HSBC Group considered appropriate, acting reasonably, to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of financial crime, international and national guidance, relevant HSBC Group procedures and/or the direction of any public, regulatory or industry body relevant to any member of the Group, where **Compliance Obligations** means obligations of any member of the HSBC Group to comply with: (a) laws or international guidance and the Custodian’s mandatory policies or procedures, (b) any demand from regulatory authorities or reporting, regulatory trade reporting, disclosure or other obligations under the laws or (c) any laws requiring the Custodian to verify the identity of its clients.

“Custodian Personnel” means any person employed or engaged by the Custodian or any member of the HSBC Group who is wholly or partly engaged in the provision of goods or services or otherwise in the performance of any part of this Agreement.

“Data Protection Legislation” means all applicable laws and regulations relating to the processing of Personal Data, including, national legislation implementing the Data Protection Directive (Directive 95/46/EC) and the Directive on Privacy and Electronic Communications (Directive 2002/58/EC), the GDPR, and any other laws and regulations implementing, derogating from or made under them, in each case as amended or re-enacted and in force from time to time.

“Data Protection Supervisory Authorities” means all governmental, statutory or regulatory bodies and any other competent authorities in any jurisdiction having responsibility for the regulation or governance of Data Protection Legislation, and **“Data Protection Supervisory Authority”** means any of them.

“Data Subject” means the term and meaning given to it under GDPR.

“GDPR” means the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC as may be amended or re-enacted and in force from time to time.

“Personal Data” means the term and meaning given to it under GDPR.

“Personal Data Breach” means the accidental or unlawful destruction, loss, alteration, corruption, unauthorised disclosure of, or access to, Client Personal Data transmitted, stored or otherwise processed by or on behalf of the Custodian or any other member of the HSBC Group.

“processing” means the term and meaning given to it under GDPR.

2. Supplemental to the Agreement

- 2.1 These Additional Regulatory Terms are supplemental to, and shall be read in conjunction with, the Agreement. Where there is a conflict between the terms of the Agreement and the terms of these Additional Regulatory Terms, the terms of the Agreement shall prevail, except in relation to any regulatory requirements covered by these Additional Regulatory Terms.

3. Information about the Custody Services

- 3.1 In certain circumstances, the Custodian is required to assess whether a proposed transaction is appropriate for the Client. In those circumstances, the Custodian will assume that the Client has the necessary experience and knowledge in order to understand the risks involved. Where the Custodian is not required to assess the appropriateness of a product or a service, it will not do so and the Client will not have the benefit of the corresponding protections under the Rules.

4. Risk warnings

- 4.1 A notice of risks related to the Securities in respect of which the Custodian provides its Custody Services is available at <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/policies-disclosures> or such other website as notified to the Client from time to time. The Client should read the notice carefully.

5. Best execution and client order handling

- 5.1 As per Clause 3.4 of the Agreement the Client has been provided with the Custodian’s execution policy and the Client has consented to that policy. Information in relation to the Custodian’s current execution policy is available at <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/policies-disclosures>, or such other website as notified to the Client from time to time.
- 5.2 By continuing to use the Custodian to provide the Custody Services, the Client is deemed to consent to any Custody Services provided to the Client in relation to relevant Securities being subject to the Custodian’s execution policy as amended from time to time.

6. Safeguarding of assets and Custody

This section contains important information concerning the safeguarding of assets.

- 6.1 The Agreement sets out the basis on which the Custodian holds the Securities. The way in which the Securities are held may affect the applicable protections. The Client should therefore be aware of the terms set out in this Clause 5 in addition to the terms of the Agreement.
- 6.2 Where the Custodian has the right to appoint a third party to hold Securities, the Securities may not be subject to the same protections as if held directly by the Custodian. In particular, the Client should be aware that:

- 6.2.1. The Custodian may deposit the Securities with a third party who may hold those Securities in an omnibus account. Such third party (including clearing systems) may have a security, interest, lien or right of set-off (together a **Third Party Security Interest**) to the extent required by the applicable law in the jurisdiction in which the Securities are held. Details of the types of Third Party Security Interests that may be held by third parties are available on <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/third-party-security-interests>.

In the event that there are insufficient Securities to meet the claims of all persons holding Securities in that account, the Client may not recover some or all of its Securities. The manner in which a shortfall will be dealt with may vary in accordance with applicable law and regulation. If the Securities are disposed of to recover debts unrelated to the Client, the Custodian may only have an unsecured claim against the third party on the Client's behalf and the Client will be exposed to the risk that any securities, cash or other property received from the third party are insufficient to satisfy the Client's claim.

- 6.2.2. Where Securities are held with a Sub-Custodian or other third party (including a Clearing System) outside the jurisdiction of the Custodian, they may be subject to different settlement, legal and regulatory requirements. In particular, the Client should note that:
- 6.2.2.1. it may not be possible under applicable law for such Securities to be separately identifiable from the proprietary securities of the Custodian, the Sub-Custodian or the third party. This may result in the Securities not being as well protected as if the Securities were identifiable as belonging to the Client individually;
- 6.2.2.2. the Securities may not be subject to the same protections in the event of the insolvency or any other analogous proceedings of the third party, as they would if they were held in the jurisdiction of the Custodian. The Custodian may only have an unsecured claim against the third party on behalf of the Client and the Client will be exposed to the risks that the securities, cash or any other property received by the Custodian to satisfy the Client's claim and the claims of all other relevant clients is insufficient to satisfy the Client's claim and the claims of all other relevant clients. The manner in which a shortfall will be dealt with may vary in accordance with applicable law and regulation. In such circumstances the Custodian will always credit Income on the date of actual receipt of cleared funds.
- 6.2.3. The Custodian will not delegate to a third party in a third country that does not regulate the holding and safekeeping of assets unless (i) the nature of the Securities or of the investment services connected with the Securities requires it; or (ii) the Client has requested that the Custodian deposits the Securities with a third party in that country.

7. Recording and monitoring of communications

- 7.1. In certain circumstances, communications in relation to the Custody Services provided by the Custodian to the Client under the Agreement (including emails, voicemail, online chat conversations, telephone calls and website usage records) as well as paper correspondence such as envelopes or packages may be monitored, recorded or inspected (as appropriate) using monitoring devices or other technical or physical means. The monitoring of communications may take place where deemed necessary for purposes permitted by law from time to time, including without limitation to record evidence of business transactions and so as to ensure compliance with the Custodian's regulatory obligations and its policies and procedures.
- 7.2. As required by any applicable law or regulatory requirements, the Custodian will always record telephone conversations and electronic communications that result in transactions or that may result in transactions in Securities.
- 7.3. Where the Custodian is required to record communications under the Rules, a copy of the recording of the communications referred to in Clause 6.1 above will be made available to the Client on request for a period of five years from the date of the communication. The Custodian's regulator may request that

the Custodian retain certain or specific records for longer than five years and, if it does, the records retained as a result of such request will be available to the Client for a period of up to seven years.

- 7.4. Any telephone conversations and electronic communications that are recorded in accordance with this Clause 6 may be recorded without use of a warning tone or other notification.
- 7.5. All recordings and other records shall be and remain the sole property of the Custodian. The Custodian may use such recordings and other records as evidence in court or other proceedings.

8. Complaints

- 8.1. As a professional client, the Client may have no right to make a complaint to the Financial Ombudsman Service. Further details of the complaints handling process, including information about the Custodian's complaints management policy and the contact details of the Custodian's complaints management function, are available on request.
- 8.2. Notwithstanding Clause 7.1, if the Client is an eligible complainant (as defined in the Rules) the Client may have the right to refer its complaint to the Financial Ombudsman Service. The Financial Ombudsman Service is a free and independent statutory dispute-resolution scheme for financial services. Details of who are eligible complainants can be obtained from the Financial Ombudsman Service. The Financial Ombudsman Service's website is at <http://www.financial-ombudsman.org.uk> and they can be contacted at:

The Financial Ombudsman Service

Exchange Tower

London E14 9SR

Email: complaint.info@financial-ombudsman.org.uk

Telephone: 0800 0234 567 or 0300 1239 123

9. Compensation

- 9.1. The Custody Services provided by the Custodian may be covered by a deposit or investment protection scheme, established by law, to provide compensation if a financial firm is unable to meet its liabilities to clients. This protection is only available to certain types of clients and is subject to certain limits, which are reviewed from time to time. For the most up-to-date amounts, or for further details of the relevant schemes, please contact the Custodian or the relevant scheme.
- 9.2. Depositor Compensation Scheme:
- 9.2.1. The Custodian is a participant in the Financial Services Compensation Scheme (the **FSCS**) in the United Kingdom. The FSCS depositor compensation scheme is available to eligible claimants. You can obtain further up-to-date information regarding the compensation provided by the FSCS (including the amounts covered and eligibility to claim) on request from the Custodian or from the FSCS (www.fscs.org.uk).
- 9.2.2. Compensation for deposits held by the Custodian as deposit taker is available for claims for eligible deposits. For further details, please refer to the following website address <http://www.gbm.hsbc.com/financial-regulation/market-structure/dgsd> or such other website as notified to the Client from time to time.
- 9.3. Investor Compensation Scheme:

- 9.3.1. The FSCS also operates the United Kingdom investor compensation scheme, which can pay compensation in respect of protected “investment business” where there is an eligible claim.
- 9.3.2. If the Client has eligible claims under the FSCS’s investor compensation scheme, such claims are subject to maximum limits on compensation, as published from time to time on the FSCS’s website.
- 9.3.3. The Client can obtain further up-to-date information on request from the Custodian or from the FSCS (www.fscs.org.uk) about the compensation provided by the FSCS (including the amounts covered and eligibility to claim).

10. Inducements

- 10.1. In the course of providing services to the Client and where permitted by applicable law or regulatory requirements, the Custodian may pay or receive fees, commissions or non-monetary benefits to and from an Affiliate or other third party where permitted by the Rules.
- 10.2. The Custodian will provide the Client with separate disclosure of the essential arrangements relating to such fees, commissions or non-monetary benefits where it is required to do so under applicable law or regulatory requirements.

11. Disclosure of Information and Data Protection

- 11.1. In relation to the Parties’ rights and obligations under this Agreement, the Parties agree that, in respect of Client Personal Data, the Client is the “controller” and the Custodian is the “processor” as defined in the Data Protection Legislation
- 11.2. If the Custodian receives, obtains, creates or otherwise processes Client Personal Data pursuant to or in connection with the Agreement, the Custodian shall to the extent required by Data Protection Legislation:
 - 11.2.1 on behalf of the Client, carry out Personal Data processing activities reasonably necessary for the performance of its obligations under this Agreement (the **Processing Purposes**) and in processing Personal Data comply with all Instructions of the Client in relation to any such Client Personal Data, such Instructions of the Client to include the Processing Purposes. In the event that a legal requirement prevents the Custodian from complying with such Instructions of the Client or if, in the Custodian’s opinion, the Client’s Instructions infringe the Data Protection Legislation (a **Processing Conflict**), the Custodian shall not be obliged to carry out the data processing affected by the Processing Conflict and shall, unless such legal requirement prohibits it from doing so, inform the Client of the relevant legal requirement before carrying out further processing activities in respect of the affected Client Personal Data;
 - 11.2.2 comply with all Data Protection Legislation applicable to it;
 - 11.2.3 ensure that any Custodian Personnel that have access to the Client Personal Data are given access to the extent necessary to perform their obligations under this Agreement and only after the relevant Custodian Personnel have been informed of the confidential nature of the Client Personal Data and such Custodian Personnel are bound by a duty of confidentiality;
 - 11.2.4 maintain and provide to the Client upon reasonable request and as soon as reasonably practicable, an accurate, up-to-date written record of processing activities carried out in respect of Personal Data (**Processing Record**), such Processing Record containing such information and being in such format as to meet the requirements of Data Protection Legislation;

11.2.5 provide reasonable co-operation and assistance to the Client (taking into account the nature of the processing undertaken by the Custodian and the information available to the Custodian) in order to assist the Client to comply with the obligations of articles 32 - 36 of the GDPR and the Client's obligations to respond to the exercise of Data Subject rights under the Data Protection Legislation;

11.2.6 implement all reasonable and appropriate technical and organisational measures to safeguard Client Personal Data against unauthorised, accidental or unlawful access, processing, loss, damage or destruction in accordance with the relevant Data Protection Legislation (including such measures as are required by article 32 of the GDPR), and the Custodian's and/or HSBC Group's information technology security standards and policies as the same may be communicated by the Custodian from time to time (where applicable);

11.2.7 without undue delay on becoming aware of a Personal Data Breach, notify the Client of such Personal Data Breach or if any complaint is made relating to Client Personal Data. The Custodian will provide reasonable co-operation and assistance to the Client in relation to such Client Personal Data Breach or complaint including, by:

- (a) allowing the Client reasonable access to the relevant Client Personal Data and such other records relevant to the Agreement as they shall reasonably require;
- (b) assisting the Client to comply with its mandatory notifications to Data Protection Supervisory Authorities and/or affected individuals; and
- (c) if the notification event concerns a Personal Data Breach, taking all reasonable steps to mitigate or avoid the impact of such breach on the Client;

11.2.8 notify the Client in writing:

- (a) without undue delay if it receives a request, demand, enquiry or complaint from or on behalf of an individual in relation to the exercise of their rights in respect of their Personal Data; or
- (b) without undue delay if it received a request, demand, enquiry or complaint from a Data Protection Supervisory Authority in relation to Client Personal Data or compliance with Data Protection Legislation;

and shall, in either case, provide all reasonable co-operation and assistance to the Client in respect of the same; and

11.2.9 permit, without undue delay, subject to the Client agreeing to confidentiality obligations reasonably satisfactory to the Custodian and the Client or a third party auditor appointed by the Client, to access, audit and inspect the Custodian's premises, records, Custodian Personnel and systems relating to the performance of this Agreement as may be required in order to establish whether the Custodian has complied with its obligations under this clause. The Client shall bear the costs of such audit.

11.3. The Client agrees that the Custodian shall be entitled to transfer Client Personal Data outside the European Economic Area where:

11.3.1 The recipient has entered into an agreement with the client (or, in respect of sub-processor, an agreement with the custodian to which the client is a third party beneficiary) containing the standard contractual clauses for the transfer of Personal Data from data controllers in the EU to data processors in jurisdictions outside the European Economic Area, adopted by the European Commission pursuant to decision 2010/87/EU, as amended or replaced from time to time; or

- 11.3.2 The recipient is located in a country in respect of which the European Commission has issued a finding of the adequacy of the protection of Personal Data; or
- 11.3.3 The Custodian is able to demonstrate to the Client's reasonable satisfaction that the transfer otherwise satisfies the requirements of the Data Protection Legislation.
- 11.4 Where the Custodian cannot comply with the requirements under clause 11.3 in relation to the transfer of Personal Data outside of the EEA, the Custodian may only transfer Client Personal Data outside of the EEA on the Instructions of the Client.
- 11.5 The Client agrees that the Custodian shall be entitled to allow a third party to process the Client Personal Data, provided that:
- 11.5.1 The Custodian shall ensure that the third party is bound to comply with the same data protection obligations under this clause 11 as if it was the Custodian; and
- 11.5.2 The Custodian shall remain liable to the Client for that third party's compliance with this clause 11.
- 11.6 Where the Custodian cannot comply with the requirements under clause 11.5, the Custodian shall not disclose any Client Personal Data to any third party, nor allow any third party to process the Client Personal Data, unless the Client has given prior written consent (which, for the avoidance of doubt, may be given by way of the rights and obligations imposed on the Custodian in this Agreement). Unless explicitly stated otherwise, any consent provided by the Client shall be deemed to be a general consent that is not limited to a specific third party.
- 11.7 On termination of this Agreement or any part of it, the Custodian will (at the Custodian's option) promptly return to the Client or securely and permanently destroy all Client Personal Data and all copies thereof (except to the extent that the Custodian is required by the Rules to retain copies of the Client Personal Data in accordance with the Rules or the Custodian's and/or HSBC Group's internal retention policies).
- 11.8 The Custodian will at the Client's cost, provide the Client upon request with such information as the Client reasonably requires to evidence compliance with applicable Data Protection Legislation, including for the purpose of any audit or inspection being carried out by or on behalf of the Client or a Data Protection Supervisory Authority.
- 11.9 The Parties acknowledge and agree that, where and to the extent that the Custodian acts as a data controller in processing Client Personal Data for any purpose reasonably connected with this Agreement, including in connection with compliance activity:
- (a) the Custodian shall do so in compliance with Data Protection Legislation;
- (b) such processing may involve the disclosure of Personal Data to third parties, including the Custodian's affiliates and service providers acting under appropriate obligations of confidentiality, in any case either within or outside the European Economic Area; and
- (c) the Client warrants and represents on an on-going basis that: (i) the Custodian is entitled to process Client Personal Data for any purpose set out in or reasonably connected with this Agreement, including Compliance Activity; (ii) the Client has taken, and will take from time to time, all steps required by Data Protection Legislation to permit the on-going processing of such Personal Data by the Custodian; (iii) as far as the Client is aware, the Custodian's processing of such Client Personal Data as set out herein will not cause the Custodian to breach any Data Protection Legislation; and (iv) any Client Personal Data provided by the Client is accurate and up-to-date.

SIGNATORIES

SIGNED by)
PRECISE MORTGAGE FUNDING 2019-1B PLC)
as Issuer)
per pro Intertrust Directors 1 Limited, as Director)



SIGNED for and on behalf of)
HSBC BANK PLC,)
ACTING THROUGH ITS UK BRANCH)
as Cash Manager)
acting by its duly authorised Attorney)

SIGNED for and on behalf of)
HSBC BANK PLC)
as Issuer Account Bank)
acting by its duly authorised Attorney)

SIGNED for and on behalf of)
HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED)
in its role as Security Trustee)
acting by its duly authorised Attorney)

SIGNATORIES

SIGNED by)
PRECISE MORTGAGE FUNDING 2019-1B PLC)
as Issuer)
per pro Intertrust Directors I Limited, as Director)

SIGNED for and on behalf of)
HSBC BANK PLC,)
ACTING THROUGH ITS UK BRANCH)
as Cash Manager)
acting by its duly authorised Attorney)

SIGNED for and on behalf of)
HSBC BANK PLC)
as Issuer Account Bank)
acting by its duly authorised Attorney)

SIGNED for and on behalf of)
HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED)
in its role as Security Trustee)
acting by its duly authorised Attorney)

