

## SCOTTISH DECLARATION OF TRUST

### DECLARATION OF TRUST

among

- (1) **CHARTER MORTGAGES LIMITED**, a company incorporated in England and Wales whose registered number is 06749495 and whose registered office is at 2 Charter Court, Broadlands, Wolverhampton, West Midlands, WV10 6TD ("**CML**")
- (2) **CHARTER COURT FINANCIAL SERVICES LIMITED**, a company incorporated in England and Wales whose registered number is 06749498 and whose registered office is at 2 Charter Court, Broadlands, Wolverhampton, West Midlands, WV10 6TD (the "**Legal Title Holder**")
- (2) **CML WAREHOUSE NUMBER 1 LIMITED**, a company incorporated in England and Wales whose registered number is 11012810 and whose registered office is at 35 Great St. Helen's, London, United Kingdom, EC3A 6AP in its capacity as Borrower (the "**Borrower**")

### WHEREAS:

- (A) Legal title to the Scottish Trust Property after mentioned is held by and vested in the Legal Title Holder.
- (B) In terms of a Mortgage Sale Agreement dated on or about 1 December 2017 and entered into among *inter alios* the Legal Title Holder, the Borrower and U.S. Bank Trustees Limited (Company Number: 2379632) (the "**Security Trustee**") (as the same may be amended, restated, novated, varied or supplemented from time to time with the consent of the parties thereto, the "**Mortgage Sale Agreement**") and Mortgage Loan Notices dated on or about the effective date of this Deed from the Legal Title Holder to CML and from CML to the Borrower, CML has agreed to sell and transfer and the Borrower has agreed to purchase *inter alia* the said Scottish Trust Property.
- (C) In implement of Clause 5.1 and 5.4 ("**Completion**") of the Mortgage Sale Agreement and pending the taking of legal title to the said Scottish Trust Property by the Borrower, the Legal Title Holder has agreed to enter into this Deed.

**NOW THEREFORE IT IS HEREBY AGREED AND DECLARED** as follows:

#### 1. INTERPRETATION

- 1.1 The master definitions schedule dated on or about 1 December 2017 made between, amongst others, the parties to this Deed (as the same may be amended, restated, novated, varied or supplemented from time to time with the consent of the parties thereto, the "**Master Definitions Schedule**") is expressly and specifically incorporated into this Deed and, accordingly, the expressions defined in the Master Definitions Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Deed, and this Deed

shall be construed in accordance with the interpretation provisions set out in clause 2 (*Interpretation*) of the Master Definitions Schedule.

1.2 In this Deed, "**Scottish Trust Property**" shall mean the Scottish Mortgage Loans and their Related Security brief particulars of which are set out in the Schedule annexed and executed as relative hereto (the "**Schedule**") all right, title, interest and benefit of the Legal Title Holder in and to each Scottish Mortgage Loan and its Related Security including for the avoidance of doubt but without limitation:

- (a) all sums of principal, interest or any other sum payable from time to time under such Mortgage Loan and the right to demand, sue for, recover, receive and give receipts for all principal moneys payable or to become payable under each such Mortgage Loan and the interest and all other sums to become due thereon or thereunder on or after or in respect of any period on or after the relevant Sale Date including all sums of interest and other sums payable (but not paid before the relevant Sale Date), in respect of any period before the relevant Sale Date and the right to demand, sue for, recover, receive and give receipts for all such sums; and
- (b) the benefit of and the right to sue on all covenants and undertakings in favour of the Legal Title Holder in respect of each such Mortgage Loan and its Related Security and the right to exercise all powers of the Legal Title Holder in relation to each such Mortgage Loan and its Related Security; and
- (c) to the extent they are assignable or the benefit thereof can be validly transferred, in and to any causes and rights of action (and the net proceeds thereof) in favour of the Legal Title Holder, present and future, against any person in connection with any report, valuation, opinion, certificate, consent or other statement of fact or opinion given in connection with any such Mortgage Loan and its Related Security or affecting any decision to make or acquire the relevant Mortgage Loan.

## 2. **DECLARATION OF TRUST**

The Legal Title Holder hereby **DECLARES** that from and after the effective date hereof it holds and shall continue to hold (to the extent not already held in trust as at the effective date hereof pursuant to any previous Scottish Declaration of Trust in favour of the Borrower but for the avoidance of doubt including the Scottish Declaration of Trust in favour of the Borrower dated on or about 17 May 2018) subject to Clause 5 below, (i) the Scottish Trust Property and (ii) the Scottish Trust Property as defined in and referred to in each previous Scottish Declaration of Trust in favour of the Borrower entered into prior to the effective date of this Deed and, in each case, its whole right, title and interest, present and future, therein and thereto in trust absolutely for the Borrower and its assignees (whether absolutely or in security) whomsoever.

## 3. **INTIMATION**

The Legal Title Holder hereby intimates to the Borrower the coming into effect of the trust hereby declared and created and the Borrower hereby acknowledges such intimation.

#### 4. **DEALINGS WITH SCOTTISH TRUST PROPERTY AND NEGATIVE PLEDGE**

The Legal Title Holder each warrants and undertakes that:

- (a) as at the effective date hereof it holds, subject to any pending registration or recording in the Registers of Scotland, legal title to the Scottish Trust Property unencumbered by any fixed or floating charge, diligence or other Security Interest;
- (b) it shall not create or agree to create any fixed or floating charge or other Security Interest over or which may attach to or affect the whole or any part of the Scottish Trust Property or otherwise dispose of the same at any time when such Scottish Trust Property or part thereof remains subject to the trust hereby created; and
- (c) it shall deal with the Scottish Trust Property (including without prejudice to the foregoing generality the calculation and setting of any interest rate applicable thereto) in accordance with the provisions of the Transaction Documents and the specific written instructions (if any) of the Borrower or its foresaids and shall take, subject to Clause 5 (*Termination of Trust*) hereof, any such action as may be necessary (including for the avoidance of doubt the raising or defending of any proceedings in any court of law whether in Scotland or elsewhere) to secure or protect the title to the Scottish Trust Property but only in accordance with the specific written instructions (if any) of the Borrower or its foresaids and (for so long as it retains any right or interest in the Scottish Trust Property) the Security Trustee.

#### 5. **TRANSFER OF TITLE**

- 5.1 The Borrower and its foresaids as beneficiaries hereunder shall have the right to call upon the Legal Title Holder to execute and deliver to the Borrower or its foresaids, subject to the terms of Clauses 2.3(a) (*Agreement for Sale and Purchase*) and 6 (*Further Assurance*) of the Mortgage Sale Agreement, valid assignments of the Scottish Trust Property or any part thereof, and that notwithstanding the winding up of the Legal Title Holder or the appointment of an administrator in respect of the Legal Title Holder or the appointment of a receiver to all or any part of the Scottish Trust Property.
- 5.2 The Legal Title Holder undertakes to the Borrower and binds and obliges itself that, upon the occurrence of any one of the Perfection Events specified in Clause 6.1(a) (*Further Assurance*) of the Mortgage Sale Agreement, the Legal Title Holder shall within twenty five Business Days of being requested by the Borrower or (as applicable) the Instructing Party provide such information as is necessary to enable the Borrower to complete Scottish Transfers (including all Schedules and annexures thereto) in relation to the whole of the Scottish Trust Property.
- 5.3 For further assuring the said rights and powers specified in this Deed, the Legal Title Holder granted a power of attorney in favour of the Borrower and the Security Trustee substantially in the applicable form set out in Schedule 6 (*Form of Originator Power of Attorney*) to the Mortgage Sale Agreement.

**6. TERMINATION OF TRUST**

- 6.1 If legal title to any part or parts of the Scottish Trust Property is taken by the Borrower in accordance with the provisions of Clause 4 (*Transfer of Title*) above (which, in the case of any Scottish Mortgage Loan, and its related Mortgage shall be constituted by the registration or recording of the title thereto in the Registers of Scotland) the trust hereby declared and created shall (but only when any of the events or transactions before stated has been completed irrevocably, validly and in full) *ipso facto* fall and cease to be of effect in respect of such part or parts of the Scottish Trust Property but shall continue in full force and effect in respect of the whole remainder (if any) of the Scottish Trust Property.

**7. CHANGE OF TRUSTEE**

Except with the prior consent in writing of the Borrower or its foresaids and (for so long as it retains any right or interest in the Scottish Trust Property) the Security Trustee, the Legal Title Holder shall not be entitled to resign office as a trustee or assume a new trustee or trustees under this Deed.

**8. VARIATION**

This Deed and the trust hereby declared and created shall not be varied in any respect without the consent in writing of the Borrower or its foresaids and (for so long as it retains any right or interest in the Scottish Trust Property) the Security Trustee.

**9. COUNTERPARTS, DELIVERY AND EFFECTIVE DATE**

- 9.1 This Deed may be executed in any number of counterparts and by each of the parties on separate counterparts.
- 9.2 Where executed in counterparts:
- (a) this Deed will not take effect until each of the counterparts has been delivered;
  - (b) each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and
  - (c) the date of delivery may be inserted in the testing clause in the space provided for the effective date of this Deed.

**10. GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the law of Scotland and each of the parties hereby prorogates the non-exclusive jurisdiction of the Scottish courts so far as not already subject thereto and waives any right or plea of *forum non conveniens* in respect of such jurisdiction.

11. **REGISTRATION**

The Parties hereto consent to the registration of these presents for preservation:

**IN WITNESS WHEREOF** these presents consisting of this and the preceding four pages together with the Schedule annexed are executed in counterpart by the parties as undemoted, with an effective date of 8 June 2018 and with the counterparts executed by Charter Court Financial Services Limited, Charter Mortgages Limited and CML Warehouse Number 1 Limited being treated as delivered on such date in such order;

**SUBSCRIBED** for and on behalf of  
**CHARTER COURT FINANCIAL SERVICES LIMITED**

at WOLVERHAMPTON

on 4 JUNE 2018

by: 

Print Name

PETER ELCOCK  
Duly Appointed Attorney DIRECTOR

Print Name

before this witness



Witness

TRACEY BEARMORE

Print Name

.....

Address

Charter Court Financial Services  
2 Charter Court  
Broadlands  
Wolverhampton  
WV10 6TD

**SUBSCRIBED** for and on behalf of  
**CHARTER MORTGAGES LIMITED**

at.....Wolverhampton.....

on.....4 JUNE 2018.....

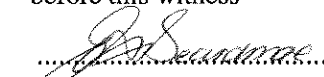
by: 

Print Name

PETER ELCOCK  
Duly Appointed Attorney DIRECTOR

Print Name

before this witness

.....

Witness

TRACEY BEARDON.....

Print Name

.....

Address

Charter Court Financial Services  
2 Charter Court  
Broadlands  
Wolverhampton  
WV10 6TD

**SUBSCRIBED** for and on behalf of the said  
**CHARTER MORTGAGE FUNDING 2018-1**  
**PLC**

at: ..... LONDON .....  
 (place)

on: ..... 04 JUNE 2018 .....  
 (date)

by:

.....  
 per pro Intertrust Directors 1 Limited, as Director

.....  
 per pro Intertrust Directors 2 Limited, as Director

Both in the presence of this witness:

.....  
 (Witness signature)

Azad Dugala

.....  
 (Full name)

35 GREAT ST. HELEN'S  
 LONDON  
 EC3A 6AP

.....  
 (Address)

**This page comprises the Schedule referred to in the foregoing Declaration of Trust among Charter Mortgages Limited and Charter Court Financial Services Limited and CML Warehouse Number 1 Limited.**

## DETAILS OF SCOTTISH MORTGAGE LOANS AND RELATED SECURITY

| 1<br>Account Number | 2<br>Borrower's Names | 3<br>Address of Secured Property | 4<br>Title number / recording country | 5<br>Date of registration / recording |
|---------------------|-----------------------|----------------------------------|---------------------------------------|---------------------------------------|
| [REDACTED]          | [REDACTED]            | [REDACTED]                       | [REDACTED]                            | [REDACTED]                            |

Reverend.  
Charter Court Financial Services Limited

*Parent work.*

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per pro Intertrust Directors 1 Limited  
Director, CML Warehouse Number 1 Limited

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per pro Intertrust Directors 2 Limited  
Director, CML Warehouse Number 1 Limited



This page comprises the Schedule referred to in the foregoing Declaration of Trust among Charter Mortgages Limited and Charter Court Financial Services Limited and CML Warehouse Number 1 Limited.


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|------------------------|-----------------------|----------------------------------|---|---|
|                        |                       |                                  |   |   |

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Charter Court Financial Services Limited

  
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per pro Intertrust Directors 1 Limited  
Director, CML Warehouse Number 1 Limited

.....  
Charter Mortgages Limited

  
.....  
per pro Intertrust Directors 2 Limited  
Director, CML Warehouse Number 1 Limited