

**EXECUTION VERSION**

# **SERVICING AGREEMENT**

12 July 2019

**CANTERBURY FINANCE NO. 1 PLC**  
as Issuer

and

**ONESAVINGS BANK PLC**  
as Servicer and Seller

and

**CITICORP TRUSTEE COMPANY LIMITED**  
as Security Trustee

and

**CSC CAPITAL MARKETS UK LIMITED**  
as Back-Up Servicer Facilitator

**ALLEN & OVERY**

**Allen & Overy LLP**

0102719-0000011 ICM:30136601.10

## CONTENTS

Clause	Page
1. Definitions and Interpretation .....	1
2. Appointment of the Servicer .....	2
3. The Services .....	4
4. Payments, Accounts, Ledgers .....	8
5. Liability of the Servicer and Issuer .....	12
6. Services Non-Exclusive .....	14
7. Mortgage Rate .....	14
8. written off loans .....	14
9. Further Advances, Porting and Product Switching .....	14
10. Redemption of Mortgages .....	15
11. Repurchase of Loans and Their Related Security .....	15
12. Servicing Fees .....	16
13. Costs and Expenses .....	17
14. Information .....	17
15. Loan Files and Title Deeds .....	19
16. Insurance .....	20
17. Consumer Credit Activities and consumer buy-to-let activities .....	21
18. Data Protection .....	21
19. Warranties and Covenants .....	23
20. Regulation .....	26
21. Termination .....	26
22. Back-Up Servicer Facilitator .....	29
23. Limited Recourse/Non-Petition .....	29
24. Further Assurances .....	30
25. No Partnership .....	30
26. Payments .....	30
27. Notices .....	31
28. Language .....	31
29. Assignment .....	31
30. Amendments .....	32
31. Waiver .....	32
32. Confidentiality and Announcements .....	32
33. Security Trustee .....	33
34. Rights of Third Parties .....	34
35. Partial Invalidity .....	34
36. Agency .....	34
37. Counterparts .....	34
38. Governing Law .....	34
39. Submission to Jurisdiction .....	34

Schedule	Page
1. Servicer Power of Attorney.....	35
2. Servicer Report .....	38
Part 1      Form of Monthly Servicer Report .....	38
Part 2      Form of Quarterly Servicer Report.....	39
Signatories.....	40

**THIS SERVICING AGREEMENT** (this **Agreement**) is made on 12 July 2019

**BETWEEN:**

- (1) **CANTERBURY FINANCE NO. 1 PLC** (registered number 11464086), whose registered office is at Level 37, 25 Canada Square, Canary Wharf, London E14 5LQ (in its capacity as the **Issuer**);
- (2) **ONESAVINGS BANK PLC** (company number 07312896), a company incorporated under the laws of England and Wales, whose registered office is at Reliance House, Sun Pier, Chatham, Kent ME4 4ET (in its capacities as the **Servicer** and the **Seller**);
- (3) **CITICORP TRUSTEE COMPANY LIMITED** (registered number 235914), a company incorporated under the laws of England and Wales whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB (the **Security Trustee**); and
- (4) **CSC Capital Markets UK Limited** (registered number 10780001), a private limited company incorporated under the laws of England and Wales, whose principal office is at Level 37, 25 Canada Square, Canary Wharf, London E14 5LQ (the **Back-Up Servicer Facilitator**).

**WHEREAS:**

- (A) The Issuer has agreed to purchase the Portfolio on the Closing Date from the Seller pursuant to the Mortgage Sale Agreement.
- (B) The Servicer carries on the business of, *inter alia*, executing payment transfers from borrowers to lenders of the sums due under loans, debt collection and providing related incidental administrative services to lenders.
- (C) The Issuer and the Seller (in its capacity as legal title holder of the Loans and their Related Security) wish to appoint the Servicer to service the Loans and their Related Security acquired by the Issuer pursuant to the Mortgage Sale Agreement and the Servicer wishes to accept the terms of such appointment and to service the Loans and their Related Security, subject to and upon the terms of this Agreement.

**IT IS HEREBY AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 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, including the Recitals hereto 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.

## **2. APPOINTMENT OF THE SERVICER**

### **2.1 Appointment of the Servicer**

- (a) Subject to Clause 2.3 (Limited Authority) and paragraph (b) below, with effect from the Closing Date until termination pursuant to Clause 21 (Termination), the Issuer and the Seller (in its capacity as legal title holder) hereby appoint the Servicer in accordance with this Agreement to be the Issuer's and, as applicable, the Seller's agent to provide the Services in accordance with the terms of this Agreement, to service the Loans and their Related Security, to exercise the Issuer's and the Seller's rights, powers and discretions under and in relation to the Loans and their Related Security and to perform the obligations of the Issuer and the Seller in relation to the Loans and their Related Security.
- (b) Subject to Clause 2.3 (Limited Authority), with effect from the Closing Date until termination pursuant to Clause 21 (Termination), the Issuer and the Seller (in its capacity as legal title holder) hereby appoint the Servicer in accordance with this Agreement to be the Issuer's and, as applicable, the Seller's agent to provide the Services in accordance with the terms of this Agreement, to service the Loans and their Related Security in connection with any Further Advances and/or Product Switches, including (without limitation) to accept applications from, or make offers to, relevant Borrowers for Further Advance and/or Product Switches and perform all associated functions and the Seller's duties in connection with any Further Advance and/or Product Switch. The Servicer hereby agrees that its obligations by virtue of this Clause 2.1(b) shall be on the terms and subject to the conditions of this Agreement and the Mortgage Sale Agreement.
- (c) The Seller hereby also appoints the Servicer to operate the Collection Account in accordance with the terms of this Agreement.
- (d) The Servicer hereby accepts the appointments by the Issuer and, as applicable, the Seller under paragraphs (a) and (b) above subject to the terms and conditions of this Agreement.
- (e) The Security Trustee consents to the appointment of the Servicer on the terms of and subject to the conditions of this Agreement.
- (f) In its dealings with the underlying Borrowers, the Servicer will, whilst the legal title to the Loans and their Related Security is held by the Seller, act under the trading name of "Kent Reliance" or such other brand as the Seller may use from time to time and act on the Issuer's and/or the Seller's behalf (as applicable) subject to the terms set out herein.
- (g) For the avoidance of doubt and in connection with the rights, powers and discretions conferred under this Clause 2.1, the Servicer shall have the full power, authority and right to do or cause to be done any and all things to be done in relation to the Loans and their Related Security, provided however, that neither the Issuer nor its directors shall be required or obliged at any time to enter into any transaction or to comply with any directions which the Servicer may give with respect to the operating and financial policies of the Issuer.

### **2.2 Grant of Authority to Servicer**

On the date of this Agreement, the Issuer shall execute:

- (a) the Servicer Power of Attorney in favour of the Servicer; and
- (b) such other written authorisations, mandates and instruments as are reasonably necessary to enable the Servicer to perform its obligations under this Agreement, including its obligations

in relation to the registration and discharge of the Mortgages and the operation by the Servicer of the Collection Account,

and on the termination of this Agreement, the Servicer agrees to return to the Issuer the Servicer Power of Attorney and any written authorisations, mandates and instruments provided to it under this Clause 2.2.

### **2.3 Limited Authority**

- (a) The Servicer shall have no authority by virtue of this Agreement to act for or represent the Issuer or the Seller as agent or otherwise save in respect of those functions and duties which it is authorised to perform and discharge by this Agreement and for the period during which this Agreement so authorises it to perform and discharge those functions and duties.
- (b) The Servicer shall have no authority by virtue of this Agreement or the Servicer Power of Attorney to:
  - (i) enter into any indemnity on behalf of the Issuer or the Seller unless it has received the prior written authority of the Issuer or the Seller respectively; or
  - (ii) incur any liability on behalf of the Issuer or the Seller unless such liability is incurred in accordance with this Agreement or with the prior written consent of the Security Trustee.

### **2.4 Servicer Authority Incidental to Exercise of Rights**

In connection with the rights, powers and discretions conferred under the provisions of this Clause 2, during the continuance of its appointment hereunder, the Servicer shall, acting as a Reasonable, Prudent Residential Mortgage Servicer and subject to the terms and conditions of this Agreement, the relevant Mortgage Conditions and the Mortgage Sale Agreement, have the full power, authority and right to do or cause to be done any and all things which it reasonably considers necessary, convenient or incidental to the servicing of the Loans and their Related Security or the exercise of such rights, powers and discretions.

### **2.5 The Servicer not to Determine the Issuer's Policies**

During the continuance of the Servicer's appointment under this Agreement, in performing the Services:

- (a) the Servicer shall not act and may not be obliged to act in a manner contradictory to the provisions of the Servicing Policy; and
- (b) the Issuer, the Seller and the Servicer recognise that the obligations and responsibilities of the Servicer shall, unless otherwise specified herein, be of an administrative nature only and that neither the Issuer nor its directors shall be required or obliged at any time to comply with any advice or directions which the Servicer may give with respect to the operating and financial policies of the Issuer and the Servicer hereby acknowledges that all powers to determine such policies (including the determination of whether or not any particular policy is for the benefit of the Issuer) are, and shall at all times remain, vested in the Issuer and its directors and none of the provisions of this Agreement shall be construed in a manner inconsistent with this provision.

## **2.6 Direction of the Security Trustee**

Notwithstanding the other provisions of this Agreement, the Servicer will act solely upon the direction of the Security Trustee upon the Security Trustee notifying the Servicer that an Enforcement Notice has been served on the Issuer.

## **2.7 Appointment conditional upon issuance of the Notes**

The appointment of the Servicer pursuant to Clause 2.1 (Appointment of the Servicer) is conditional upon the issue of the Notes and Certificates having taken place and shall take effect upon and from the Closing Date automatically without any further action on the part of any person.

## **2.8 Power of Attorney and Authorisations from the Seller**

If the Seller ceases to be the Servicer, the Seller must promptly execute:

- (a) a power of attorney in favour of the Servicer, in substantially the form set out in Schedule 1 (Servicer Power of Attorney); and
- (b) such other written authorisations, mandates and instruments as are reasonably necessary to enable the Servicer to perform its obligations under this Agreement, including its obligations in relation to the registration and discharge of the Mortgages and (if applicable) the operation by the Servicer of the Collection Account.

## **3. THE SERVICES**

### **3.1 Duties/Standard of Servicer**

The duties of the Servicer shall be the provision of the Services. The primary function of the Servicer shall be to collect monies from the bank accounts of the Borrowers or otherwise and to pay such amounts or to ensure such amounts are transferred to the Collection Account held with the Collection Account Bank. Without prejudice to any express provision of this Agreement relating to the Services (and subject always to Clause 3.7) the Servicer will at all times during the term of this Agreement service the Loans and their Related Security and perform the Services and all related functions in all material respects in the same manner as would a Reasonable, Prudent Residential Mortgage Servicer in accordance with the applicable provisions of the FSMA and the FCA rules and shall devote sufficient competent resources to providing the Services.

### **3.2 Perfection of the Sale of Loans and their Related Security to the Issuer**

Subject to Clause 6 (Perfection of the Sale) of the Mortgage Sale Agreement:

- (a) within 20 Business Days of the Servicer being notified that a Perfection Event has occurred, the Servicer shall execute or procure the execution of the transfers referred to in Clause 5 (Perfection of the Sale) of the Mortgage Sale Agreement or, if requested by the Issuer, shall provide sufficient information to enable the Issuer to do so;
- (b) upon the Seller being required by the Issuer to complete the transfer of the Loans and their Related Security pursuant to Clause 5 (Perfection of the Sale) of the Mortgage Sale Agreement, the Servicer shall do or procure the doing of all or any of the acts, matters or things (including, for the avoidance of doubt, those acts, matters or things referred to in Clause 5 (Perfection of the Sale) of the Mortgage Sale Agreement) on behalf of the Seller or, if requested by the Issuer, shall provide sufficient information to enable the Issuer to do so; and

- (c) the Servicer undertakes not to take any actions that would result in the legal transfer of the Loans and their Related Security to the Issuer except as provided in this Agreement and Clause 6 (Perfection of the Sale) of the Mortgage Sale Agreement.

### **3.3 No obligation to monitor Loans**

The Servicer shall be under no obligation to monitor the compliance of Loans and their Related Security with the Loan Warranties. If, however, the Servicer, through performing the Services under this Agreement, becomes aware of any fact or circumstance which, in its opinion and acting reasonably, may have a material adverse effect on any Loan or Loans (including the breach of any Loan Warranty) and its Related Security, or otherwise becomes aware of the breach of any Loan Warranty in respect of any Loan and its Related Security comprised in the Portfolio, it will inform the Issuer and the Seller of such fact or circumstance as soon as reasonably practicable of becoming so aware (and, in any event, before the later to occur of: (i) 15 Business Days of becoming aware of such event or fact, and (ii) for so long as the Seller is the Servicer, on the date that the immediately following Servicer Report is due).

### **3.4 Documents**

The Servicer shall:

- (a) use all reasonable endeavours to ensure that all documents, correspondence and information in its possession or control or held by a third party to the order of the Servicer pursuant to Clause 3.6(c) relating to the Loans and their Related Security (whether in machine readable or hard copy form) including Title Deeds (if any) and the Loan Files are:
  - (i) other than in relation to any documents, correspondence and information held by a storage agent appointed under Clause 3.6(c), at all times held to the order of the Issuer and the Security Trustee or (following the delivery of an Enforcement Notice) as the Security Trustee shall otherwise direct and the Seller hereby consents to the Servicer holding such documents, correspondence and information in the manner contemplated in this paragraph (i);
  - (ii) stored in such manner so that they are readily identifiable and are not likely to be confused with documents relating to other loans which are held or serviced by the Servicer or any third party and in the case of Title Deeds, procure that these are stored in safe, secure and fire-protected conditions;
  - (iii) in respect of documents being held by third parties, held on terms that would be acceptable to a Reasonable, Prudent Residential Mortgage Servicer; and
- (b) subject to Clause 20 (Regulation), shall not release any Title Deeds in its possession other than to the Borrower on repayment in full of the relevant Loan, to such Borrower's solicitor on receipt of the relevant solicitor's undertaking in suitable form, or to a storage agent appointed in accordance with Clause 3.6(c), provided that nothing in this paragraph (b) shall prevent the Servicer from releasing any relevant documentation related to the Loans (including Title Deeds) in its possession to appointed solicitors in connection with any litigation proceedings.

### **3.5 Discretion of the Servicer**

- (a) The Issuer acknowledges that a residential mortgage loan servicer generally exercises discretion in the servicing process and that in exercising such discretions and in otherwise making decisions with respect to Loans and their Related Security, the Servicer may exercise such discretion as would be



exercised by a Reasonable, Prudent Residential Mortgage Servicer in the servicing of loans having similar characteristics to the Loans and generally serviced by it, so long as such discretion is exercised in connection with the provision of the Services in accordance with this Agreement.

- (b) Where a conflict arises between the terms upon which the Services are defined under Clauses 3.4 (Documents) to 4.2 (Collection and Transfer of Moneys) inclusive and the Servicing Policy, the provisions contained in the Servicing Policy shall prevail.

### **3.6 Delegation of Services**

- (a) The Servicer may sub-contract or delegate the performance of all or any of its powers and obligations under this Agreement provided that (but subject to **clauses 3.6(b) and 3.6(c) below**):
  - (i) where the arrangements involve or may involve the receipt by the sub-contractor or delegate of monies belonging to the Issuer and/or the Security Trustee respectively which, in accordance with this Agreement, are to be paid into the Deposit Account, the sub-contractor or delegate has executed a declaration in form and substance acceptable to the Issuer and the Security Trustee that any such monies held by it or to its order are held on trust for the Issuer and/or the Security Trustee respectively and will be paid forthwith into the Deposit Account in accordance with the terms of this Agreement and any other applicable Transaction Document;
  - (ii) any such sub-contractor or delegate has executed a written waiver of any Security Interest arising in connection with such delegated Services (to the extent that such Security Interest relates to the Portfolio or any amount referred to in (i) above);
  - (iii) the relevant sub-contractor or delegate will maintain requisite licences, approvals, authorisations and consents necessary to enable it to fulfil its obligations under or in connection with any such arrangement; and
  - (iv) neither the Issuer nor the Security Trustee shall have any liability for any costs, fees, charges or expense payable to or incurred by such sub-contractor or delegate as arising from the entering into, amendment or the termination of any such arrangements.
- (b) The restriction in Clause 3.6(a)(i) shall not apply to the engagement by the Servicer (acting as a Reasonable, Prudent Residential Mortgage Servicer in deciding to enter into such engagement) of any solicitor, arrears counsellor, valuer, surveyor, estate agent, asset manager, receiver, LPA receiver, bailiff, property management agent or other professional adviser in respect of services normally provided by such persons (excluding, for the avoidance of doubt, any engagement or services, as the case may be, relating to the servicing of the Loans and their Related Security other than on a loan by loan basis) whom or which a Reasonable, Prudent Residential Mortgage Servicer would be willing to appoint in respect of loans having similar characteristics to the Loans and generally serviced by it.
- (c) The Servicer may appoint a storage agent for Title Deeds and Loan Files, provided that:
  - (i) it shall notify the Issuer of such appointment or change in appointment within four Business Days of the appointment or change in appointment being made;
  - (ii) such storage agent is a person with whom a Reasonable, Prudent Residential Mortgage Servicer would be willing to appoint as a storage agent in respect of loans having similar characteristics to the Loans and generally serviced by it; and
  - (iii) such storage agent is a person that will hold the Title Deeds and the Loan Files to the order of the Issuer.

and at the Closing Date the Issuer agrees that such storage will be undertaken by Chatham Archive & Document Storage Company Limited.

- (d) Subject to Clauses 3.6(e) and 3.7 below, notwithstanding any sub-contracting or delegation of any of its powers and obligations under this Agreement:
    - (i) the Servicer shall remain responsible for the performance of its obligations under this Agreement, insofar as the obligations relate to the services so sub-contracted to the relevant party;
    - (ii) the performance or non-performance or the manner of performance of any such third party of any of the Services shall not affect the Servicer's obligations under this Agreement; and
    - (iii) any breach by a delegate or any such third party of any obligation of the Servicer under this Agreement shall be treated as a breach of this Agreement by the Servicer.
  - (e) If the Servicer did act as a Reasonable, Prudent Residential Mortgage Servicer in the appointment of an entity under Clauses 3.6(b) and 3.6(c) and acts as such in the maintenance of the appointment of such entity:
    - (i) the Servicer shall be released and discharged from any liability hereunder; and
    - (ii) any breach by a delegate or any such third party of any obligation under this Agreement shall not be treated as a breach of this Agreement by the Servicer.
- 3.7 In determining whether the Servicer acted as a Reasonable, Prudent Residential Mortgage Servicer:
- (a) the Issuer and the Security Trustee agree that the Servicer shall be under no obligation to monitor or supervise the functions of any sub-contractor or delegate appointed under Clauses 3.6(b) and 3.6(c) and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations; and
  - (b) only such matters relating to the relevant sub-contractor or delegate that is within the Servicer's actual knowledge will be taken into account.
- 3.8 Where the Servicer services any Regulated Mortgage Contract within the meaning of MCOB, in performing its obligations under this Agreement and in servicing the Loans and their Related Security it will observe the requirements of MCOB.
- 3.9 If requested by the Issuer, the Servicer shall, within 14 days of them becoming publicly available, deliver to the Issuer two copies of its annual audited balance sheet, profit and loss account and directors' report together with any other documents annexed thereto.
- 3.10 The Servicer may, from time to time and at its own cost and without the consent of any other party to this Agreement, make any modifications to the Servicing Policy in accordance with the standard of a Reasonable, Prudent Residential Mortgage Servicer.
- 3.11 The Servicer will, from time to time and at its own cost and without the consent of any other party to this Agreement, make such modifications to the Servicing Policy necessary to comply with any applicable mandatory legislative or regulatory requirements and will notify the Issuer and the Security Trustee promptly on becoming aware of such requirements. The Servicer will make the necessary modifications to the Servicing Policy as soon as reasonably practicable but in any event in time to comply with any statutory or regulatory timings.

- 3.12 Where the Servicer has made a material change to the Servicing Policy pursuant to Clauses 3.10 or 3.11, the Servicer will send written notice of any such change to the Issuer, the Seller (where the Servicer is not also OSB) and the Security Trustee promptly after making such change.
- 3.13 In relation to any legislative requirements that affects the Seller as legal title holder of the Loans and their Related Security, the Servicer and the Seller shall consult as to the most appropriate action to be taken by the Servicer to ensure that the Seller will continue to comply with all legal and regulatory requirements applicable to it.
- 3.14 The Servicer will deliver reports on the Loans and their Related Security to the Issuer at the times and in the manner required by the Servicing Policy and substantially in the form of Schedule 2 (Servicer Report). If the FCA requires additional reports or reports in a different format, the Servicer will produce such additional reports or reports in a different format and use its best endeavours to provide such reports within the time period specified by the FCA.
- 3.15 Notwithstanding anything to the contrary in this Agreement, the Servicer (acting on behalf of the Seller or the Issuer) shall not take or omit to take any action, including without limitation offering or making a Further Advance and/or Product Switch, if such action or omission would result in the Issuer or the Security Trustee arranging or advising in respect of, administering or entering into a Regulated Mortgage Contract or agreeing to carry on any of these activities, if the Issuer or the Security Trustee would be required to be authorised under the FSMA to do so.

#### **4. PAYMENTS, ACCOUNTS, LEDGERS**

##### **4.1 Collection Account**

- (a) The Servicer hereby confirms that the Collection Account has been established in the name of the Seller with the Collection Account Bank and is operative. The Servicer accepts that it is responsible to the Issuer in respect of its operation of the Collection Account and warrants that it will reimburse the Issuer for any loss the Issuer suffers as a result of the Servicer or any officer, director or employee of the Servicer operating the Collection Account fraudulently or in a grossly negligent manner or in wilful default of the terms of this Agreement. The Servicer undertakes that it will at all times arrange for the safe storage of all unused cheques in its possession which relate to the Collection Account.
- (b) On each Business Day, the Servicer shall transfer all Collections in respect of the Loans and/or their Related Security standing to the credit of the Collection Account that are available to be withdrawn at that time to the Deposit Account.

##### **4.2 Collection and Transfer of Moneys**

Without prejudice to the Servicing Policy, and subject to compliance with any applicable laws, regulations and guidance (including MCOB in relation to any Regulated Mortgage Contracts) the Servicer will use its reasonable endeavours to recover all amounts due under or in connection with any Loan on behalf of the Issuer including taking all necessary steps to collect by direct debit where a Borrower permits such collection and complying with all requirements from time to time of the Direct Debiting Scheme.

##### **4.3 Enforcement of Mortgages**

To the extent that any amount cannot be collected from any Borrower and the Servicer is unable to undertake its primary obligation to collect such amounts, the Loan will be passed to the special servicing team of the Servicer who will undertake debt collections activities in addition to the cash

management activities outlined above. The Servicer will, in relation to any default by a Borrower under or in connection with a Loan, comply with the Enforcement Procedures or, to the extent that the Enforcement Procedures are not applicable having regard to the nature of the default in question, take such action as complies with the standard of a Reasonable, Prudent Residential Mortgage Servicer providing debt collection services in respect of such default, provided that:

- (a) the Servicer shall only become obliged to comply with the Enforcement Procedures (to the extent applicable) or to take action as aforesaid after it has become aware of the default; and
- (b) it is acknowledged by the Issuer that mortgage servicers generally exercise discretion in pursuing their respective enforcement procedures and that the Servicer may exercise such discretion as would be exercised by a Reasonable, Prudent Residential Mortgage Servicer in applying the Enforcement Procedures to any particular defaulting Borrower or taking action as referred to above or in enforcing any relevant guarantee but without prejudice to the provisions of Clause 4.4 (Sums Received in the Accounts); and
- (c) the Servicer may exercise forbearance or take such other action in accordance with the practice of a Reasonable, Prudent Residential Mortgage Servicer in relation to the recovery of amounts from Borrower(s) and/or the relevant Property.

#### **4.4 Sums Received in the Accounts**

- (a) The Servicer shall procure that, so far as it may be able, Revenue Receipts and Redemption Receipts arising in relation to the Loans will be paid directly into the Collection Account including:
  - (i) all interest received under the Loans and any costs or other amounts received under the Loans (including in any such case amounts recovered on enforcement of rights against any Borrower, the Property or their other property or assets);
  - (ii) all scheduled repayments of principal under the Loans;
  - (iii) all amounts received on redemption of Loans;
  - (iv) all unscheduled repayments of principal under the Loans;
  - (v) any amount received by or on behalf of the Issuer pursuant to any applicable Third Party Buildings Policy or other insurance policy referencing all or any of the Loans and/or all or any of the Borrowers; and
  - (vi) any other amounts whatsoever received on behalf of the Issuer (or, following the service of an Enforcement Notice, the Security Trustee).
- (b) The Servicer hereby undertakes that in connection with and during the terms of its appointment as Servicer under this Agreement in its capacity as Collection Account Trustee, it shall operate the Collection Account in accordance with terms of the Collection Account Declaration of Trust.
- (c) If any amount in relation to the Loans and/or their Related Security is deducted from the Collection Account as a result of (i) any amount not being received in the Collection Account in cleared funds or being otherwise recalled or (ii) any fees and charges due to the Collection Account Bank under the Collection Account Declaration of Trust, which causes a debit balance to arise on the Collection Account (the debit balance being an **Overdraft**) and has not been otherwise paid to the Collection Account Bank in accordance with the terms of the Collection Account Declaration of Trust (including the notice and acknowledgement given by and from the Collection Account Bank in accordance with the terms thereof), then the Servicer may as soon as it becomes aware of the

Overdraft, request from the Cash Manager at close of business on the relevant Business Day, that an amount equal to the outstanding Overdraft be transferred from the Deposit Account to the Collection Account (as applicable) to reduce the Overdraft to zero, subject to sufficient funds standing to the credit of the Issuer Account being available at that time for that purpose.

#### **4.5 Replacement of Collection Account Bank**

- (a) The Servicer shall monitor the Collection Account Bank for any Insolvency Event and confirms that in the event of the occurrence of an Insolvency Event of the Collection Account Bank, the Servicer shall, as directed by the Issuer or, following the service of an Enforcement Notice, the Security Trustee and as agreed in writing by the Seller, terminate the appointment of the Collection Account Bank immediately upon the giving of notice to it and assist the Seller in opening one or more replacement Collection Account in the name of the Seller with a financial institution which:
  - (i) is approved in writing by the Issuer and the Security Trustee;
  - (ii) is a bank as defined in Section 991 of the Income Tax Act 2007; and
  - (iii) is of reputable standing,

as soon as reasonably practicable and in any event within 30 calendar days.

- (b) In the event a replacement collection account is opened, the Servicer shall procure that (i) all Direct Debit Mandates are transferred to such replacement collection account, (ii) all Monthly Instalments made by a Borrower under a payment arrangement other than the Direct Debiting Scheme are made to such replacement collection account from the date on which the replacement collection account is opened, and (iii) all amounts standing to the credit of the Collection Account are transferred to the replacement collection account promptly after such replacement collection account is opened.

#### **4.6 Withdrawals and Transfers**

- (a) The Servicer may instruct the Cash Manager, on any date and with or without prior notice to the Issuer, to withdraw amounts from the Deposit Account to pay, in accordance with the terms of the Cash Management Agreement to the person entitled, any Third Party Amounts.
- (b) The Issuer will on each Interest Payment Date reimburse, in accordance with the Pre-Enforcement Revenue Priority of Payments, or as the case may be, on any date in accordance with the Post-Enforcement Priority of Payments, the Servicer for all reasonable out-of-pocket costs, expenses and charges (including any amounts representing Irrecoverable VAT in respect thereof) (including any such costs, expenses or charges not reimbursed to the Servicer on any previous Interest Payment Date) properly incurred and evidenced by the Servicer in the performance of the Services and which would not be recoverable under the terms of the applicable Loans in respect of which such costs, expenses and charges are incurred and the Servicer shall upon written request supply the Issuer with a copy of a valid VAT invoice issued by the person making the supply to which such costs, expenses and/or charges relate. Such out-of-pocket costs, expenses and charges shall include (but shall not be limited to):
  - (i) any Security Protection Expenses;
  - (ii) any expenses incurred in relation to the perfection of the sale of the Loans and their Related Security to the Issuer in accordance with Clause 3.2 (Perfection of the Sale of Loans and their Related Security to the Issuer);

- (iii) any amounts incurred in relation to the storage of Loan Files and Title Deeds under Clause 3.6(c);
  - (iv) any amounts incurred in relation to the delivery of Loan Files and Title Deeds under Clause 15.2 (Delivery of documents);
  - (v) any amounts incurred in relation to any mortgage shortfall recovery work;
  - (vi) any costs properly incurred through a third party appointed in the normal course of providing the services for which it has been appointed in accordance with Clause 3.7(b);
  - (vii) any amounts incurred in relation to the registration of the transfers of the Mortgages into the name of the Issuer at the Land Registry (including the costs and disbursements of solicitors appointed by the Servicer and any fees of the Land Registry, together with any fees charged by the Servicer for oversight of the process);
  - (viii) the cost of any insurance premiums relating to insurances put in place on behalf of the Issuer or the Seller in connection with the Portfolio (including where such insurance is in the name of the Seller as legal title holder) such as the Properties in Possession Cover and Failure to Insure Cover (where this is a global policy in relation to a number of loans serviced by the Servicer, some of which comprise part of the Portfolio and some of which do not, the Issuer shall only reimburse the Servicer for a pro rata proportion of such costs representing the Portfolio);
  - (ix) any amounts incurred in relation to the administration of the Block Insurance Policies and annual checks with Borrowers completed by the Servicer in connection therewith (where this is a global policy in relation to a number of loans serviced by the Servicer, some of which comprise part of the Portfolio and some of which do not, the Issuer shall only reimburse the Servicer for a pro rata proportion of such amounts representing the Portfolio);
  - (x) any amounts incurred in relation to obtaining or refreshing a credit data report in respect of a Borrower, or in connection with usage of information contained in such credit data report; and
  - (xi) any amounts incurred in connection with any claim by the Servicer against its solicitors or agents for professional negligence in relation to one or more Loans (and where such claim is in relation to a number of loans serviced by the Servicer, some of which comprise part of the Portfolio and some of which do not, the Issuer shall only reimburse the Servicer for a pro rata proportion of such amounts representing the Portfolio).
- (c) Where any cost, charge or expense (for the purposes of this paragraph (c), a **Cost**) is to be reimbursed by the Issuer pursuant to Clause 4.6(b) and that Cost is for VAT purposes incurred by the Servicer as agent for the Issuer (excluding where the Servicer acts as agent for the Issuer and is treated as receiving and making the supply pursuant to Section 47(3) of VATA, or equivalent VAT legislation), the obligation of the Issuer to reimburse the Servicer for the Cost pursuant to Clause 4.6(b) shall be an obligation to reimburse the Servicer for the full amount of any VAT element of the Cost (rather than only any Irrecoverable VAT, as provided by Clause 4.6(b)) and the Servicer shall use its reasonable endeavours to procure that the person making the supply provides the Issuer with a valid VAT invoice in respect thereof.

#### **4.7 Records**

- (a) Subject to Clause 4.7(b), the Servicer shall keep and maintain records, on a Loan by Loan basis on a Computer System where possible, for the purposes of identifying amounts paid by each Borrower,

any amount due by a Borrower and the balance from time to time outstanding on a Borrower's account and such other records as are required by the Servicing Policy, provided that, at all times the Servicer shall identify separately all records and amounts, including:

- (i) all moneys received or paid by the Servicer in respect of the Loans or otherwise on behalf of the Issuer into the relevant Collection Account or otherwise;
  - (ii) all Title Deeds to the extent held by the Servicer;
  - (iii) all Loan Files; and
  - (iv) any other records whatsoever, including information stored electronically, in respect of the Loans.
- (b) The Servicer shall provide Loan Files and other records in respect of the Loans and their Related Security to the Issuer or as it shall direct from time to time in the manner and at the times provided for in the Servicing Policy or as requested by the Issuer.

#### **4.8 Trust**

If the Servicer receives any money whatsoever arising from the Loans or any Related Security therefor (including from any contract of insurance), which money belongs to the Issuer or is to be paid to the Issuer but has not been deposited into the relevant Collection Account, it will hold such money on trust for the Issuer and shall forthwith upon its receipt thereof pay the same in accordance with Clause 4.4 (Sums Received in the Accounts) into the Deposit Account.

### **5. LIABILITY OF THE SERVICER AND ISSUER**

#### **5.1 Servicer not Liable**

The Servicer and its directors, officers, employees or agents shall not be liable in respect of any liabilities or loss suffered or incurred, whether direct or consequential, by the Issuer as a result of:

- (a) any incomplete or inaccurate information on which it would be usual for a prudent person in the position of the Servicer to rely including information from the Issuer, the Borrowers, valuers, solicitors, mortgage lenders, employers and credit reference agencies;
- (b) any action properly taken by the Servicer at the request of the Issuer;
- (c) default in payment by any Borrower or other obligor under any Loan or its Related Security due to circumstances beyond the control of the Servicer;
- (d) any negligent or fraudulent act, error or omission of any surveyor, valuer, solicitor, broker, accountant or other professional or agent instructed by the Servicer on behalf of the Issuer if Clause 3.6(e) applies; or
- (e) any tax (or any interest or penalties with respect thereto or arising from a failure to pay tax) required to be paid by the Issuer,

except where such liabilities or losses are suffered or incurred as a result of any fraud, Gross Negligence or wilful default of the Servicer or its directors, officers, employees or agents. For the purposes of this Clause 5, **Gross Negligence** means any act or omission of the Servicer which falls below the level of care and skill that could reasonably be expected of a prudent party, in circumstances where that act, conduct or omission (as applicable) also shows a deliberate and/or

manifestly careless or reckless disregard of potential consequences of such act or omission on the interests of another party and could reasonably be expected to cause significant prejudice to the interests of that other party.

## **5.2 Force Majeure**

- (a) To the extent that the Servicer has, if applicable, complied with its obligations under Clause 3.1 (Duties/Standard of Servicer) and under Clause 5.2(b) and its covenant under Clause 19.3 (Covenants of Servicer) and its disaster recovery plan, the Servicer shall not be liable to the Issuer in respect of failure from time to time to service the Loans and Related Security if the failure:
  - (i) arises from any computer or information technology system failure, breakdown or delay, in each case, outside the control of the Servicer; or
  - (ii) is attributable to the occurrence of a Force Majeure Event.
- (b) If affected by any of the events set out in Clause 5.2(a) above, the Servicer shall:
  - (i) provide the other parties to this Agreement with full written details of the nature and extent of the event in question;
  - (ii) use all reasonable endeavours to avoid or minimise the consequences of the event in question and carry out its obligations and duties in such other ways as may be reasonably practicable; and
  - (iii) use its reasonable endeavours to resume performance of the suspended obligation and in the meantime must continue to perform the remainder of its obligations to the best of its ability.

## **5.3 Limit to Servicer's Liability**

Notwithstanding anything contained in this Agreement, but subject to paragraph (b) below, the Servicer's liability in contract, tort (including negligence or breach of statutory or regulatory duty) or otherwise howsoever, and whatever the cause thereof, arising by reason of or in connection with this Agreement:

- (a) shall be limited to £2,000,000 in aggregate for so long as the Servicer is appointed under this Agreement; and
- (b) shall not include any claim for any increased costs and expenses, loss of profit, business, contracts, revenues or anticipated savings or for any special indirect or consequential damage of any nature whatsoever.

The Servicer's limitation of liability set out in this Clause 5.3 shall not apply in respect of any liability arising as a result of the fraud, wilful default or Gross Negligence of the Servicer.

## **5.4 Issuer's indemnity**

The Issuer shall fully and continually indemnify the Servicer from and against any losses, Liabilities, claims, expenses (including, without limitation, any amounts in respect of Irrecoverable VAT in relation thereto) or damages which the Servicer sustains or incurs or which may be brought or established against the Servicer by any person including any Relevant Regulator and which in any case arise out of or in relation to or by reason of the Servicer providing the Services (including, for the avoidance of doubt, applying any applicable tariff of charges to any Borrower and/or Loan and the taking of any step in connection with any arrears/possession) except where the relevant losses,



Liabilities, claims, expenses or damages arise by reason of the Servicer's fraud, wilful default or Gross Negligence (or that of its officers, directors or employees) in the performance of its obligations under this Agreement by the Servicer. The indemnity pursuant to this clause 5.4 shall not include any claim for any increased costs and expenses, loss of profit, business, contracts, revenues or anticipated savings or for any special indirect or consequential damage of any nature whatsoever.

## **6. SERVICES NON-EXCLUSIVE**

Nothing in this Agreement shall prevent the Servicer from rendering to others services similar to those provided for in this Agreement.

## **7. MORTGAGE RATE**

7.1 Subject to the terms of the Mortgage Sale Agreement, the Seller and the Issuer (as applicable) hereby grants the Servicer full right, liberty and authority from time to time, in accordance with the relevant Mortgage Conditions, to set take all steps which are necessary to set the Standard Variable Rate (including publishing any notice which is required in accordance with the Mortgage Conditions to effect such change in the Standard Variable Rate) to a rate not less than Compounded Daily SONIA as at the previous Interest Determination Date plus 3 per cent., and for these purposes if Compounded Daily SONIA is less than zero, Compounded Daily SONIA, shall be deemed to be zero.

7.2 The Servicer shall take the steps rendered necessary by the relevant Mortgage Conditions and applicable law (including the Guidance Note on Interest Variation Terms issued by the Office of Fair Trading in February 2000, the Statement of Good Practice on fairness of terms in consumer contracts issued by the FSA in May 2005 and any successor guideline or applicable additional guidelines) to bring each change in Standard Variable Rates to the attention of the relevant Borrowers. Any change in the Standard Variable Rates shall be notified by the Servicer in writing to the Issuer and (where the Seller is not the Servicer) the Seller as soon as reasonably practicable and the Servicer shall, as soon as reasonably practicable thereafter, notify the relevant Borrower of any changes in the Monthly Instalments in relation to the relevant Loans. The Servicer shall bear all costs arising in relation to such notification of a change in the Standard Variable Rates in relation to the relevant Loans up to (and excluding) the date on which the perfection of the sale of the Loans and their Related Security to the Issuer is completed, in accordance with Clause 6 of the Mortgage Sale Agreement. For the avoidance of doubt, the Issuer shall bear all costs arising in relation to such notification of a change in the Standard Variable Rates in relation to the relevant Loans from (and including) the date on which the perfection of the sale of the Loans and their Related Security to the Issuer is completed.

## **8. WRITTEN OFF LOANS**

Where the Servicer determines that a Loan is a Written Off Loan, the Servicer shall notify the Seller and the Issuer in writing not later than the Monthly Pool Date following the Monthly Period in which such determination was made of the details of such Written Off Loan.

## **9. FURTHER ADVANCES, PORTING AND PRODUCT SWITCHING**

9.1 Unless the Servicer is the same entity as the Seller, the Servicer (on behalf of and as agent of the Seller) shall not accept an application for a Further Advance and/or a Product Switch without first having received confirmation in writing from the Seller (in form and substance satisfactory to the Servicer) that the Seller will repurchase the relevant Loan and its Related Security from the Issuer (subject to Clause 8 (Warranties and Repurchase by the Seller) of the Mortgage Sale Agreement) at a date not later than the 6th Business Day immediately following the end of the Monthly Period in which such Further Advance and/or Product Switch is made.

- 9.2 Subject to complying with the terms of Clause 9.1, where the Servicer accepts an application for a Further Advance and/or a Product Switch, the Servicer shall notify the Seller (where the Servicer is not the Seller) and the Issuer in writing not later than one Business Days prior to the Monthly Test Date following the Monthly Period in which such Further Advance and/or Product Switch occurred of the details of such Further Advance and/or Product Switch.
- 9.3 Notwithstanding Clause 9.2, subject to complying with the terms of Clause 9.1, the Servicer, on behalf of and as agent for the Seller may accept applications from Borrowers for Further Advances and/or Product Switches, in accordance with the procedures relating to Further Advances or Product Switches, as applicable, contained in the Seller's Lending Policy which would be acceptable to a Reasonable, Prudent Residential Mortgage Lender and further provided that to do so would not cause the Issuer or the Security Trustee to contravene the FSMA (or any other applicable law or regulations).
- 9.4 The Seller is and shall at all times remain solely responsible for funding any application for a Further Advance made by a Borrower and, for the avoidance of doubt, the Servicer shall not be required to advance monies to the Seller or to a Borrower in order to fund such Further Advance in any circumstances whatsoever.
- 9.5 For the avoidance of doubt, where the Servicer accepts any application for a Further Advance and/or Product Switch contemplated by this Clause 9, it shall do so pursuant to its appointment under this Agreement.
- 9.6 The Servicer undertakes with the Issuer and the Security Trustee that it shall not make any offer for a Port or otherwise agree to any requested Port.

## **10. REDEMPTION OF MORTGAGES**

### **10.1 Discharge**

Upon repayment in full of all sums in relation to any Loan, the Servicer is hereby authorised by the Issuer, the Seller and the Security Trustee to execute a receipt or discharge or relevant Land Registry Form DS1 for the Mortgage relevant to such Loan and any such other or further instrument or deed or satisfaction regarding such Mortgage and/or any other Related Security in respect of such Loan as it considers to be necessary or advisable, to implement an Electronic Notification of Discharge to the Land Registry and to release the relevant Title Deeds to the person or persons entitled thereto.

### **10.2 Entitlement**

The Servicer undertakes that prior to any actual release by it of the relevant Title Deeds it will take appropriate steps to satisfy itself that the relevant Title Deeds are being released to the person or persons entitled thereto.

## **11. REPURCHASE OF LOANS AND THEIR RELATED SECURITY**

### **11.1 Transfer or Assignment**

- (a) The Seller shall inform the Servicer, the Issuer and the Security Trustee of any transfer or assignment of any Loan and its Related Security to the Seller or the Seller pursuant to the terms of the Mortgage Sale Agreement at least four Business Days prior to the relevant transfer date (or such other date as may be agreed by the Issuer and the Seller).

- (b) If the Issuer is required to deliver a Loan Repurchase Notice to the Seller pursuant to the terms of the Mortgage Sale Agreement, the Servicer agrees to deliver such Loan Repurchase Notice on behalf of the Issuer in accordance with the terms of the Mortgage Sale Agreement.

## **11.2 Execution**

In connection with any transfer or assignment referred to in Clause 11.1 (Transfer or Assignment), the Servicer shall:

- (a) execute all necessary documents (including all transfers and assignments) on behalf of the Issuer to effect such transfer; and
- (b) take all other necessary action in accordance with the provisions of the Servicing Policy to effect such transfer to the Seller in accordance with the terms of the Mortgage Sale Agreement.

## **11.3 Costs and Expenses**

All reasonable costs, expenses and charges necessarily incurred (including any amounts representing Irrecoverable VAT in respect thereof) by the Servicer in the performance of its obligations pursuant to Clause 11.2 (Execution) shall be for the account of the Issuer as referred to in Clause 13 (Costs and Expenses).

## **12. SERVICING FEES**

### **12.1 Payment**

- (a) In consideration for providing Services other than the items at Clause 19.3(n) below (the **EMIR Services**), as to which see Clause 12.1(e) below, being the cash management and incidental administration element of the Services and carrying out the duties and obligations set out in this Agreement, the Issuer shall pay to the Servicer a fee of up to an aggregate amount calculated on the basis of the number of days elapsed in each calendar month over a 365 day year (or over a 366 day year in a leap year), by applying a rate of 0.20 per cent. per annum on the aggregate Current Balance of the Loans (excluding any Enforced Loans) on the Collection Period Start Date at the start of the immediately preceding Collection Period (the **Servicer Fee**).
- (b) Any sum (or other consideration) payable (or provided) by the Issuer to the Servicer pursuant to this Agreement shall be deemed to be inclusive of VAT, if any, chargeable on any supply for which such sum (or other consideration) is the consideration (in whole or in part) for VAT purposes and Section 89 of VATA shall not apply to affect the amount of such sum (or other consideration) payable (or provided).
- (c) The Servicer Fee is payable quarterly in arrear on each Interest Payment Date in the manner contemplated by and in accordance with the Pre-Enforcement Revenue Priority of Payments or, as the case may be, the Post-Enforcement Priority of Payments.
- (d) For the avoidance of doubt, the Servicer shall also be entitled to the costs and expenses in accordance with Clause 13 (Costs and Expenses)
- (e) The Issuer and the Servicer hereby acknowledge and agree that no fee shall be payable by the Issuer to the Servicer in respect of the EMIR Services.

## **12.2 Effect of Termination**

Upon termination of this Agreement, the Servicer shall be entitled to payment in respect of accrued but unpaid Servicer Fees up to the date of the termination of this Agreement save in circumstances where this Agreement has been terminated due to the inability of the Servicer to perform its duties pursuant to Clause 5.2 (Force Majeure) in which case the Servicer Fee shall cease to accrue on the date that the related services are no longer provided under this Agreement.

## **12.3 Fees Payable by Borrowers**

For the avoidance of doubt, any administrative fees payable by the Borrowers in connection with their Loans shall be for the account of the Servicer and may be withdrawn from the Deposit Account by the Servicer in accordance with clause 4.6 of the Cash Management Agreement.

## **13. COSTS AND EXPENSES**

### **13.1 VAT**

Except as provided otherwise in this Agreement, any reference to fees and expenses (including out of pocket expenses) incurred by a person shall be deemed to include an amount representing Irrecoverable VAT in respect thereof.

### **13.2 Costs and Expenses**

13.3 The Issuer will on each Interest Payment Date reimburse the Servicer for all reasonable out-of-pocket costs, expenses and charges (including any amounts representing Irrecoverable VAT in respect thereof) properly incurred by the Servicer in the performance of the Services (to the extent not reimbursed to the Servicer on any previous Interest Payment Date) in accordance with Clause 4.6(b).

- (a) The Servicer will use reasonable endeavours to recover from the relevant Borrowers all costs and expenses incurred by the Servicer which are properly recoverable from those Borrowers under the relevant Mortgage Conditions, in accordance with the standards of a Reasonable, Prudent Residential Mortgage Servicer.

## **14. INFORMATION**

### **14.1 Access**

The Servicer shall permit the Issuer, the Seller (if the Servicer is not the Seller) and the Security Trustee (and, with the Servicer's prior written approval to any of its Appointees), its duly authorised representatives and its auditors (external and internal) and its regulators during normal business hours and upon reasonable notice to have full access to all books of record and account relating to the administration of the Loans and their Related Security, the provision of the Services and related matters and shall permit such person or persons to conduct audits, due diligence or other reasonable inspections ancillary thereto or to prepare reports.

### **14.2 Further Information**

- (a) Without prejudice to the provision of the Services and the Servicing Policy, the Servicer agrees with the Issuer that it shall prepare and deliver to the Issuer and (if the Servicer is not the Seller) the Seller such further information and/or reports, whether in writing or otherwise, as the Issuer and/or the Seller may reasonably request from time to time, upon reasonable prior notice of the information required and the form to be delivered, including, without prejudice to the generality of the foregoing,

such information as the Issuer and/or the Seller reasonably requests in order for it to comply with (i) any supervisory or regulatory requirement of the FCA or for (ii) the supervisory or regulatory requirements of any other tax, supervisory or regulatory authority to which the Issuer and/or the Seller is from time to time subject.

Notwithstanding the above, the Servicer will maintain the relevant books and records to enable it to provide, at any time (but no more than six times per calendar year), the reports specified in paragraph (a) above for a period of up to six years after the termination of this Agreement upon the Issuer or (if the Servicer is not the Seller) the Seller providing written notice to the Servicer at least seven Business Days prior to the date upon which the report relates (the **Relevant Date**). The Servicer shall deliver such reports to the Issuer and/or the Seller (if the Servicer is not the Seller) (as applicable) by the close of business on the second Business Day after the Relevant Date. Any further request by the Issuer and/or the Seller to provide any such reports will be provided upon such prior notice, delivery time and subject to payment of an additional fee to be agreed by the Issuer (or following the delivery of an Enforcement Notice, the Security Trustee) and/or the Seller (as applicable) and the Servicer at such time.

#### **14.3 Servicer Report and Loan File Information**

- (a) The Servicer shall, (in the case of any month in which an Interest Payment Date falls) on the 10th Business Day of each month or (in the case of any month in which no Interest Payment Date falls) on the 4th Business Day of each month, deliver to the Seller, the Cash Manager, the Issuer and the Security Trustee the Servicer Report substantially in the form set out in Schedule 2 (Servicer Report) hereto.
- (b) The Servicer shall, (in the case of any month in which an Interest Payment Date falls) on the 10th Business Day of each month or (in the case of any month in which no Interest Payment Date falls) on the 4th Business Day of each month, make available on such website as is agreed between the Servicer, the Cash Manager and the Issuer from time to time loan level data for the purposes of the Bank of England's Discount Window Facility.
- (c) The Servicer shall, as soon as possible, inform the Cash Manager of any amounts to be paid to the Seller as a Third Party Amount.
- (d) In relation to any requests from a Borrower to recalculate a Loan following an overpayment by the Borrower of £499.99 or less in respect of that Loan, the Servicer shall be entitled to make all necessary adjustments to reflect the allocation of such overpayment amounts and include such adjustments in the Servicer Report for that Monthly Period.

#### **14.4 Reporting and information under the Securitisation Regulation**

- (a) The Issuer appoints the Servicer to perform certain of the Issuer's obligations as the responsible entity pursuant to Article 7(2) of the Securitisation Regulation, the corresponding implementing measures from time to time, any official guidance in relation thereto and any replacement legislation in force and applicable to the Issuer from time to time in respect of any relevant Notes issued by the Issuer.
- (b) The Servicer shall:
  - (i) publish the Investor Report in accordance with clause 8.3 of the Cash Management Agreement;
  - (ii) publish on a quarterly basis certain loan-by-loan information in relation to the Portfolio in respect of the relevant Collection Period (the **SR Data Tape**) as required by and in

accordance with Article 7(1)(a) of the Securitisation Regulation which shall be provided (i) as at the date of this Agreement and prior to the relevant technical standards being prepared under the Securitisation Regulation, in the form of the standardised template set out in Annex 1 of the Delegated Regulation (EU) No 2015/3 as required by Article 43(8) of the Securitisation Regulation; and (ii) following the technical standards required under the Securitisation Regulation coming into effect (the **RTS Effective Date**), in the manner required by such technical standards.

- (c) The reports set out above shall be published on the EuroABS website at <https://www.euroabs.com/IH.aspx?d=12476>, being a website which conforms with the requirements set out in Article 7(2) of the Securitisation Regulation (or such other website which may be available for such purpose and notified by the Servicer to the Issuer, the Cash Manager, the Security Trustee, the Note Trustee, each Rating Agency, the Noteholders and the Certificateholders from time to time).
- (d) The Servicer shall publish on the EuroABS website at <https://www.euroabs.com/IH.aspx?d=12476> (or such other website which may be available for such purpose and notified by the Servicer to the Issuer, the Cash Manager, the Security Trustee, the Note Trustee, each Rating Agency, the Noteholders and the Certificateholders from time to time):
  - (i) any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) as applicable, of the Securitisation Regulation without delay. Such information will also be made available, on request, to potential holders of the Notes; and
  - (ii) within 15 days of the issuance of the Notes, copies of the Transaction Documents and this Prospectus.
- (e) The Servicer shall make the information referred to in this Clause 14.4 available to the holders of any of the Notes, relevant competent authorities and, upon request, to potential investors in the Notes.
- (f) Following the RTS Effective Date, the Issuer, the Servicer and (if required and in respect of any changes in relation to the Investor Report only) the Cash Manager shall (i) consult in good faith regarding the reporting contemplated under Article 7 of the Securitisation Regulation and may agree in writing any changes to the form, content, method of distribution and frequency of the Investor Report and SR Data Tape to ensure compliance with the requirements of Article 7 of the Securitisation Regulation. If any changes are agreed, the Issuer, the Servicer and the Cash Manager may enter for these purposes into any amendment agreement to the Servicing Agreement and/or the Cash Management Agreement as the case may be.

## **15. LOAN FILES AND TITLE DEEDS**

### **15.1 Security Interest**

The Servicer acknowledges that any Loan Files and Title Deeds in its possession or held to its order from time to time for whatever reason are held to the order of the Issuer and the Security Trustee or, (following the delivery of an Enforcement Notice) as the Security Trustee shall otherwise direct and the Servicer irrevocably waives any rights or lien or other Security Interest which it might have herein or to which it might at any time be entitled. In the event of an inconsistency between any instructions relating to the Loan Files and Title Deed of the Issuer and any instructions relating to the Loan Files and Title Deed of the Security Trustee, the instructions of the Security Trustee shall prevail to the extent of the inconsistency.

## **15.2 Delivery of documents**

Each of the Issuer and the Security Trustee agrees and acknowledges that:

- (a) it will not request the Servicer to deliver up the Loan Files and/or Title Deeds in its possession relating to the Loans and their Related Security except:
  - (i) following the termination of the appointment of the Servicer;
  - (ii) where required pursuant to any legal requirement or the requirement of any tax, supervisory or regulatory body to which the Issuer or the Security Trustee (as applicable) is subject to from time to time; or
  - (iii) upon the Issuer or the Security Trustee providing the Servicer with ten Business Days prior written notice,

and in each case, the Issuer agrees to pay the reasonable costs incurred by the Servicer in connection with such delivery; and

- (b) the Servicer shall not be in breach of its obligations under this Agreement to the extent that the Servicer is unable to perform the relevant obligations solely by virtue of the fact that the Servicer has complied with a request from the Issuer or the Security Trustee to deliver up any documents to the Issuer or the Security Trustee or any other person in circumstances where the Servicer requires such documents, deeds or instruments in order to perform the relevant obligations provided that the Servicer has used all reasonable endeavours to retrieve such documents and notifies the Issuer or the Security Trustee (as applicable) that it requires such documents in order to perform the relevant obligations. If these circumstances apply, the Servicer shall deliver copies of the relevant documents to the Issuer and/or the Security Trustee (as applicable) when possible.

## **16. INSURANCE**

### **16.1 Administration**

The Servicer will administer, to the standards of a Reasonable, Prudent Residential Mortgage Servicer, the arrangements for any insurance to which the Issuer is a party or in which it has an interest and which relate to the Loans.

### **16.2 Buildings Insurance**

- (a) On the date of each Loan and subsequently as required to ensure compliance with any contingency insurance, the Servicer will use reasonable endeavours to ensure that the Property which is the subject of that Loan is insured under a comprehensive insurance policy of the type a Reasonable, Prudent Residential Mortgage Servicer would expect to be in place against all risks usually covered by such a comprehensive insurance policy with such reasonable level of excess for the relevant Property (or if more than one the aggregate of all such Properties) to its full reinstatement value.
- (b) The Servicer shall maintain Failure to Insure Cover.

### **16.3 Avoidance or Termination**

The Servicer shall not knowingly take any action or omit to take any action which would result in the avoidance or termination of any applicable Third Party Buildings Policy or would reduce the amount payable on any claim thereunder. The Servicer shall use reasonable endeavours to keep in

full force and effect each Third Party Buildings Policy (or another policy providing equivalent cover) in relation to any Loan and associated Property to which it applies other than assuming any liability for the premium thereon.

#### **16.4 Required Action**

The Servicer shall take such action in relation to the Third Party Buildings Policies as would a Reasonable, Prudent Residential Mortgage Servicer and pay premiums due and payable under any applicable Third Party Buildings Policy in order that the cover provided by such Third Party Buildings Policy shall not lapse. Any costs incurred by the Servicer shall be paid by the Issuer in accordance with Clause 13 (Costs and Expenses).

#### **16.5 Block Insurance Policies**

The Servicer will on behalf of the Issuer and the Seller maintain the Block Insurance Policies in the name of the Seller. The Issuer shall reimburse the Servicer for the pro rata share of the costs of any Block Insurance Policies to the extent such Block Insurance Policy relates to the Loans.

### **17. CONSUMER CREDIT ACTIVITIES AND CONSUMER BUY-TO-LET ACTIVITIES**

The Servicer and the Seller represent that as at the date hereof each has obtained, and that hereafter will maintain, all appropriate authorisations, permissions, interim permissions and authorities (if any) required under the FSMA to carry on relevant consumer credit activities and buy-to-let activities in England and Wales to enable it to perform its obligations under this Agreement.

### **18. DATA PROTECTION**

#### **18.1 Compliance with Data Protection Laws**

Subject to the remaining provisions of this Clause 18:

- (a) the Servicer and the Controller Party shall, and Servicer shall make all reasonable efforts to ensure that each of its subcontractors shall, comply with Data Protection Laws in connection with this Agreement;
- (b) the Servicer shall promptly assist the Controller Party to enable it to comply with its obligations under Data Protection Laws; and
- (c) without prejudice to the terms of the Agreement, the Servicer is responsible for keeping records of the processing activities and demonstrating compliance with data protection principles, on behalf of the Servicer and the Controller Party.

#### **18.2 Independent Controllers**

- (a) To the extent that the Servicer processes Personal Data, each party agrees that, for the purposes of compliance with Data Protection Laws, each party is an independent controller and, independently of the other party, determines the purposes for which and the manner in which the Personal Data is, or is to be, processed.
- (b) The Servicer shall, to the extent permitted by Data Protection Laws, deal promptly and in good faith with all reasonable and relevant enquiries from the Controller Party relating to its processing of the Personal Data.



### **18.3 Notification to Borrowers**

- (a) Notwithstanding Clause 18.1(a), the Servicer shall provide fair processing information, on behalf of the Servicer and the Controller Party, to all Data Subjects whose Personal Data is provided to Servicer and processed in performance of the Services.

### **18.4 Employees**

The Servicer shall ensure that Personal Data shall only be accessible to its personnel to the extent necessary to properly perform its duties in relation to the processing of Personal Data under this Agreement, who are informed of its confidential nature and the security procedures relating to it, and who are subject to a contractual or statutory obligation to maintain its confidentiality.

### **18.5 Rights of data subjects**

- (a) If a data subject makes a written request to the Servicer or the Controller Party to exercise any of his or her rights to access, rectification, erasure, restriction or object to processing of Personal Data, or to data portability, the Servicer shall take all necessary action in good faith to respond to such request in accordance with applicable deadlines and information requirements under Data Protection Laws, on behalf of itself and the Controller Party (as applicable).

### **18.6 Purposes limitation**

The Servicer and the Controller Party agree that the Servicer will only process Personal Data for the purposes of servicing and managing the Loans and their Related Security, and will only disclose the Personal Data to a third party in relation to such purposes, except where it is under a legal requirement to disclose pursuant to Applicable Law or where required by a Data Protection Authority or Authority. The Servicer shall, to the extent permitted by Applicable Laws, give the Controller Party written notice of any such legal requirement to disclose, promptly after becoming aware of that requirement.

### **18.7 Security Measures**

Without prejudice to the terms of this Agreement, each party shall implement appropriate technical, physical and organisational security measures to protect the Personal Data against accidental or unlawful destruction, loss, alteration, unauthorised disclosure or access, and against all other forms of unlawful processing, including but not limited to, collection or further processing.

### **18.8 Communicating with Data Protection Authorities**

The Servicer shall, to the extent permitted by Applicable Law, promptly, and in any event within 24 hours, notify the Controller Party and take all action to address the issues raised in any complaint, notice or communication from a Data Protection Authority which relates directly or indirectly to either party's: (i) processing of Personal Data; or (ii) a potential failure to comply with Data Protection Laws in relation to the Personal Data and, in each case in consultation and subject to written approval from the Controller Party, shall provide a response to the Data Protection Authority.

### **18.9 Disclosure of Personal Data**

The Servicer shall not disclose Personal Data to third parties other than:

- (a) in connection with the purposes described in Clause 18.6,

- (b) to its employees, agents and subcontractors who are engaged in the Processing of the Personal Data; or
- (c) pursuant to Applicable Law or where required by a Data Protection Authority or any other Authority,

and in the case of (c) above, the Servicer shall, to the extent permitted by Applicable Laws, give the Controller Party written notice of any requirement to disclose, promptly after becoming aware of that requirement.

#### **18.10 Personal Data Breach**

Upon becoming aware of:

- (a) a Personal Data Breach;
- (b) any breach of this Clause 18;
- (c) any breach by it of Data Protection Laws (including any enforcement proceeding against it or any notification of any Personal Data Breach to a Data Protection Authority under Data Protection Law),

in each case in relation to its processing of Personal Data pursuant to this Clause 18, the Servicer shall:

- (i) promptly, and in any event within 24 hours, notify the Controller Party of the breach;
- (ii) promptly take adequate remedial measures;
- (iii) gather information, carry out a risk assessment and take all reasonable steps to mitigate any adverse effects of any such breach;
- (iv) where reasonably practicable to do so, consult the Controller Party (including to consider the Controller Party's suggestions) before releasing or publishing any filing, communication, notice, press release or report concerning the breach, save that it may disclose a breach to the extent required by Applicable Law; and
- (v) bear all its own costs and expenses incurred as a result of any action and steps undertaken pursuant to this Clause 18, including any requirement to notify the breach to a Data Protection Authority and to communicate the breach to Data Subjects.

18.11 In this Clause 18 (Data Protection), capitalised terms that are used but are not defined in this Agreement or the Master Definitions and Construction Schedule shall be given the meaning under applicable Data Protection Laws, including (without limitation) Data Controller, Personal Data Breach, Personal Data and Data Subject.

### **19. WARRANTIES AND COVENANTS**

#### **19.1 Warranties of Servicer**

The Servicer hereby warrants for the benefit of the Issuer that in connection with this Agreement:

- (a) it is a public limited company duly incorporated, validly existing and registered under the laws of England with power, capacity and authority to enter into this Agreement and to exercise its rights and perform its obligations under this Agreement and all corporate and

other action required to authorise the execution of this Agreement and its performance of its obligations under this Agreement has been duly taken;

- (b) the obligations expressed to be assumed by it in this Agreement are legal and valid obligations binding on it in accordance with the terms of this Agreement if the obligations expressed to be assumed by the other party in this Agreement are legal and valid obligations binding on it in accordance with the terms of this Agreement and enforceable in accordance with its terms; and
- (c) it has not taken any corporate action nor to its knowledge have any other steps been taken or legal proceedings been started against it for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrator or administrative receiver of it or of any or all of its assets or revenues.

## **19.2 Warranties of Issuer**

The Issuer hereby warrants for the benefit of the Servicer that:

- (a) it is a public limited company duly incorporated, validly existing and registered under the laws of England with power, capacity and authority to enter into this Agreement and to exercise its rights and perform its obligations under this Agreement and all corporate and other action required to authorise the execution of this Agreement and its performance of its obligations under this Agreement has been duly taken;
- (b) the obligations expressed to be assumed by it in this Agreement are legal and valid obligations binding on it in accordance with the terms of this Agreement if the obligations expressed to be assumed by the other party in this Agreement are legal and valid obligations binding on it in accordance with the terms of this Agreement and enforceable in accordance with its terms; and
- (c) it has not taken any corporate action nor to its knowledge have any other steps been taken or legal proceedings been started against it for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrator or administrative receiver of it or of any or all of its assets or revenues.

## **19.3 Covenants of Servicer**

The Servicer hereby covenants with and undertakes to the Issuer (without prejudice to any of its specific obligations under this Agreement) that:

- (a) it will service the Loans and their Related Security sold by the Seller to the Issuer as if the same had not been sold to the Issuer but had remained with the Seller in accordance with the Servicer's servicing, arrears and enforcement policies and procedures applicable to the Seller's loans from time to time as they apply to those Loans;
- (b) it will give such time and attention and exercise such skill, care and diligence in the performance of the Services and the other obligations contained in this Agreement and will provide those Services and perform such other obligations to the same standard as a Reasonable, Prudent Residential Mortgage Servicer;
- (c) it will comply with any proper orders and instructions which the Issuer may from time to time give to it in accordance with the provisions of this Agreement;

- (d) as at the date of this Agreement it has and it will keep in force all approvals, authorisations, permissions, consents and licences required in order properly to service the Loans and their Related Security and to perform or comply with its obligations under this Agreement, and to prepare and submit all necessary applications and requests for any further approvals, authorisations, permissions, registrations, consents and licences required in connection with the performance of the Services under this Agreement and in particular any necessary notification under the Data Protection Act and any authorisation and permissions under the FSMA;
- (e) it will not knowingly fail to comply with any applicable legal and regulatory requirements in the performance of the Services;
- (f) it will notify the Issuer upon becoming aware of any legal proceedings being taken against it or of any judgment or decree being given against it in any proceedings, which would, in each case materially and adversely affect its ability to perform its obligations under this Agreement;
- (g) it will make all payments required under this Agreement to be made by it on the due date for payment in Sterling (or as otherwise required under the Transaction Documents) in immediately available funds for value on such day without any set-off (including in respect of fees owed to the Servicer) except any deductions required by law (or as expressly permitted under this Agreement);
- (h) it will service the Loans and their Related Security with due and proper regard to the principles and procedures set out in this Agreement and the Servicing Policy;
- (i) in servicing the Loans and their Related Security it will maintain such back up Computer Systems as would a Reasonable, Prudent Residential Mortgage Servicer (and the Servicer agrees to supply the Issuer and (where the Servicer is not OSB) the Seller with details of its back up facilities and disaster recovery contingency plans when reasonably requested by the Issuer or the Seller (as applicable));
- (j) it will notify the Issuer, the Security Trustee and (where the Servicer is not OSB) the Seller within 14 days of any notification by the auditors (internal or external) of the Servicer of any developments at the Servicer which will have a material adverse effect on the Servicer's ability to perform its obligations under this Agreement and the steps, if any, to be (or required to be) taken to remedy any such event;
- (k) it will not without the prior written consent of the Security Trustee amend or terminate any of the Transaction Documents save in accordance with their terms;
- (l) it will deliver to the Issuer, the Security Trustee, the Back-Up Servicer Facilitator and (where the Servicer is not OSB) the Seller as soon as reasonably practicable but in any event within five Business Days of becoming aware thereof a notice of any Servicer Termination Event (as defined below) or any event which with the giving of notice or lapse of time or certification would constitute the same; and
- (m) it will make any determinations required to be made by the Issuer under the Swap Agreement and will notify the Cash Manager and the Swap Provider upon making such determinations;
- (n) it will, on behalf of the Issuer:

- (i) perform any Portfolio Reconciliation Risk Mitigation Techniques (as such term is defined in the PDD Protocol (as defined in the Swap Agreement)) as may be required in accordance with the requirements of EMIR; and
  - (ii) perform any Dispute Resolution Risk Mitigation Techniques (as such term is defined in the PDD Protocol (as defined in the Swap Agreement)) as may be required in accordance with the requirements of article 11(1) of EMIR and the terms of the Swap Agreement and any other relevant swap transaction; and
- (o) it belongs in the UK for VAT purposes with respect to the performance of the Services,

provided that the Servicer will not commit any act or omission in relation to any Mortgage Loan or its Related Security or the relevant Borrower that would require the Issuer to hold any authorisation or permission under the FSMA.

## 20. REGULATION

The Issuer acknowledges that the Servicer has an overriding obligation to ensure Borrowers in arrears are treated fairly and in accordance with all applicable laws, regulations and regulatory guidance and that such obligation will take precedence ahead of any other obligation of it under this Agreement. The Servicer shall not be liable to the Issuer for any performance or non-performance of the Services to the extent that the Servicer is seeking to meet its overriding obligations to ensure Borrowers are treated fairly and/or in accordance with applicable law, regulation or regulatory guidance.

Notwithstanding any other provision of this Agreement, the Servicer will be under no obligation to carry out any of the Services nor act upon any other decisions or instructions given by the Issuer at any time if and to the extent that the actions of the Servicer would, or would be likely to:

- (a) have an adverse effect on the legal authorisations of the Servicer and/or the Seller;
- (b) have an adverse effect on the Servicer's and/or the Seller's relationship with the FCA;
- (c) contravene the obligations of the Servicer and/or the Seller under any laws and regulations; or
- (d) adversely affect the Servicer's rating as a servicer with any of the Rating Agencies (to the extent that it is rated by any of those Rating Agencies at such time).

## 21. TERMINATION

### 21.1 Servicer Termination Events

Subject to the prior written consent of the Security Trustee, the Issuer may, by notice in writing to the Servicer (with a copy to the Security Trustee and the Back-Up Servicer Facilitator), terminate the Servicer's appointment under this Agreement if any of the following events (each a **Servicer Termination Event**) occurs and is continuing:

- (a) the Servicer defaults in the payment on the due date of any payment due and payable by it under this Agreement and such default continues unremedied for a period of 35 Business Days after:
  - (i) where the failure to pay has arisen other than as a result of a Disruption Event, upon the earlier of the Servicer becoming aware of such default and the receipt by the

Servicer of written notice from the Issuer or (after the delivery of an Enforcement Notice) the Security Trustee, as the case may be, (with a copy to the Back-Up Servicer Facilitator) requiring the same to be remedied; or

- (ii) where the failure to pay has arisen as a result of a Disruption Event, the cessation of the Disruption Event or, if earlier, 60 Business Days following the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Issuer or (after the delivery of an Enforcement Notice) the Security Trustee, as the case may be, (with a copy to the Back-Up Servicer Facilitator) requiring the same to be remedied;
- (b) the Servicer defaults in the performance or observance of any of its other covenants and obligations under this Agreement, which failure in the reasonable opinion of the Issuer (prior to the delivery of an Enforcement Notice) or the opinion of the Security Trustee (after the delivery of an Enforcement Notice) is materially prejudicial to the interests of the Noteholders, and the Servicer does not remedy that failure within 35 Business Days after the earlier of the Servicer becoming aware of the failure or of receipt by the Servicer of written notice from the Issuer or (after the delivery of an Enforcement Notice) the Security Trustee, as the case may be, (with a copy to the Back-Up Servicer Facilitator) requiring the Servicer's non-compliance to be remedied;
- (c) an Insolvency Event occurs in relation to the Servicer; or
- (d) it becomes unlawful in any applicable jurisdiction for the Servicer to perform any of its obligations as contemplated by this Agreement provided that this does not result or arise from compliance by the Servicer with any instruction from the Issuer or the Security Trustee,

then the Issuer (subject to the prior written consent of the Security Trustee) may at once or at any time thereafter while such default continues by notice in writing to the Servicer (with a copy to the Security Trustee and the Back-Up Servicer Facilitator) terminate its appointment as Servicer under this Agreement with effect from a date (not earlier than the date of the notice) specified in the notice. In determining whether to provide or withhold consent to the termination of the Servicer by the Issuer, the Security Trustee shall have regard to factors it deems to be relevant (including for this purpose, the availability of a substitute servicer and the effect (including any potential regulatory implications) on the Issuer of not having a servicer in place at any time). Upon the termination of the Servicer as servicer under this Agreement, the Issuer shall use its reasonable endeavours to appoint a substitute servicer that satisfies the conditions set forth in Clause 21.2 (Voluntary Resignation).

## **21.2 Voluntary Resignation**

The Servicer may voluntarily resign by giving not less than three months' written notice to the Security Trustee, the Issuer and the Back-Up Servicer Facilitator (or such shorter time as may be agreed between the Servicer, the Issuer, the Security Trustee and the Back-Up Servicer Facilitator), provided that:

- (a) a substitute servicer shall be appointed, such appointment to be effective not later than the date of such termination;
- (b) such substitute servicer is qualified to act as such under the FSMA and has the requisite experience of servicing residential mortgage loans in the United Kingdom and its appointment is made with the prior written consent of the Issuer and the Security Trustee;

- (c) such substitute servicer enters into a servicing agreement with the Issuer on terms commercially acceptable in the market, pursuant to which the substitute servicer agrees to assume and perform all the material duties and obligations of the Servicer under this Agreement; and
- (d) (if Notes remain outstanding) the then current ratings of the Notes are not adversely affected as a result thereof, unless the Noteholders (the Noteholders acting by way of an Extraordinary Resolution) otherwise agree.

### **21.3 Scheduled termination of the appointment of the Servicer**

The appointment of the Servicer, unless previously terminated in accordance with Clause 21.1 (Servicer Termination Events) or Clause 21.2 (Voluntary Resignation), as the case may be, shall terminate with immediate effect on the date on which the Issuer has no further interest in any Loan or Related Security and all Secured Obligations have been irrevocably discharged in full.

### **21.4 Delivery of Documents and Records**

In accordance with Clause 15.2 (Delivery of documents), if the appointment of the Servicer is terminated or the Servicer resigns, the Servicer must deliver to the Issuer or the Security Trustee (or as the Issuer or the Security Trustee shall direct in writing and, in the event of a conflict between directions from the Issuer and directions from the Security Trustee, the directions from the Security Trustee shall prevail) the Title Deeds and Loan Files relating to the Loans in the possession of the Servicer and other documents relating to the Loans and their Related Security.

### **21.5 Post Termination**

When the appointment of the Servicer terminates, the Servicer shall: forthwith deliver (and in the meantime hold on trust for, and to the order of, the Issuer and the Security Trustee or, following the delivery of an Enforcement Notice, as the Security Trustee shall otherwise direct) to the Issuer or the Security Trustee (or as the Issuer or the Security Trustee shall direct in writing and, in the event of a conflict between directions from the Issuer and directions from the Security Trustee, the directions from the Security Trustee shall prevail): (a) all Loan Files, Title Deeds, insurance policies, books of account, papers, records, registers, correspondence and documents in its possession or under its control relating to the affairs of or belonging to the Issuer or the Loans and their Related Security (whether the same are in machine readable or hard copy form), any moneys then held by the Servicer on behalf of the Issuer and/or the Security Trustee and any other assets of the Issuer and/or the Security Trustee and shall take such further action in relation thereto as the Issuer or the Security Trustee may reasonably direct (and in the event of a conflict between directions from the Issuer and directions from the Security Trustee, the directions of the Security Trustee shall prevail), and (b) all relevant information contained on computer records in the form of magnetic tape, together with details of the layout of the files encoded on such magnetic tapes, in common industry format or other agreed format to enable the Issuer or such other party on its behalf to continue to service the Loans and their Related Security. The Servicer shall co-operate with and provide every assistance to the Issuer or its nominee for the purposes of provision of data, explaining the file layouts and the format of the magnetic tapes, or other agreed format, generally.

### **21.6 Transfer of Servicing**

The Issuer and the Servicer acknowledge that (a) following the delivery of a notice of resignation by the Servicer pursuant to Clause 21.2 (Voluntary Resignation) but prior to the resignation of the Servicer being effected or (b) following the termination of the appointment of the Servicer pursuant to Clause 21.1 (Servicer Termination Events), the Issuer (with the assistance of the Back-Up Servicer Facilitator) will appoint a substitute servicer. The Security Trustee will have regard to the

interests of the Noteholders and, where no Notes and Certificates are outstanding to the interests of the Secured Creditor, in determining whether to consent to the termination of the appointment of the Servicer or the appointment of a substitute servicer. The Servicer undertakes that it will co-ordinate with the Issuer, the Back-Up Servicer Facilitator and any substitute servicer and use all reasonable endeavours to ensure that they have access to the Servicer's Computer Systems and data files to enable the Issuer or the substitute servicer to carry out its appointment as Servicer of the Loans and the Related Security and the Servicer will, if so requested by the Issuer in writing, continue to provide any necessary services until completion of the transfer or for six months after termination whichever is the lesser period. For clarity, the Issuer and the Servicer agree that the Servicer shall be paid its usual fees and reasonable out of pocket expenses in respect of such services during this transfer period.

21.7 Neither the Note Trustee nor the Security Trustee is obliged to act as servicer in any circumstances.

## **22. BACK-UP SERVICER FACILITATOR**

- (a) With effect from the Closing Date until termination of the appointment of the Servicer pursuant to Clause 21 (Termination), the Issuer hereby appoints the Back-Up Servicer Facilitator in accordance with this Agreement to be the Issuer's agent to provide certain services as set out in paragraph (d) below (if required) in relation to the facilitation of a substitute servicer.
- (b) The Back-Up Servicer Facilitator hereby accepts the appointment by the Issuer under paragraph (a) above subject to the terms and conditions of this Agreement.
- (c) The Security Trustee consents to the appointment of the Back-Up Servicer Facilitator on the terms of and subject to the conditions of this Agreement.
- (d) If the Servicer's appointment is terminated in accordance with Clause 21 (Termination), the Back-Up Servicer Facilitator shall use best efforts to identify, on behalf of the Issuer, and assist the Issuer in the appoint of a suitable substitute servicer in accordance with the terms of this Agreement.
- (e) The Issuer shall pay to the Back-Up Servicer Facilitator in consideration for its assumption of such role and for any services provided by it pursuant to this Agreement, a fee (the **Back-Up Servicer Facilitator Fee**) (which shall be inclusive of any VAT), as specified in the Back-Up Servicer Facilitator Fee Letter, which shall comprise:
  - (i) an annual fee; and
  - (ii) if the Back-Up Servicer Facilitator is required to take action pursuant to this Agreement, all out-of-pocket charges and all properly incurred costs and reasonable expenses of the Back-Up Servicer Facilitator (which shall include legal fees and fees to be charged by the Back-Up Servicer Facilitator based on its then prevailing hourly rates) incurred in connection with such action (including any Irrecoverable VAT in respect thereof),

and shall be paid to the Back-Up Servicer Facilitator semi-annually in advance on each relevant Interest Payment Date in the manner contemplated by and in accordance with the Pre-Enforcement Revenue Priority of Payments or, as the case may be, the Post-Enforcement Priority of Payments.

## **23. LIMITED RECOURSE/NON-PETITION**

### **23.1 Non Petition**

- (a) 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.



- (b) This Clause 23.1 shall survive the termination of this Agreement.

### **23.2 Limited Recourse**

- (a) 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.
- (b) This Clause 23.2 shall survive the termination of this Agreement.

### **24. FURTHER ASSURANCES**

- (a) Each of the Issuer, the Servicer and the Seller agrees that it will co-operate fully to do all such further acts and things and execute any further documents as may be necessary or desirable in order to give full effect to the arrangements contemplated by this Agreement and for enforcing all powers, authorities and discretions hereby or by law conferred on the Servicer.
- (b) Prior to the delivery of an Enforcement Notice, in the event that the funds available to the Issuer for such purpose in accordance with the applicable Priority of Payments on any Interest Payment Date in accordance with such Priority of Payments, are not sufficient to satisfy in full the aggregate amount payable to the Servicer by the Issuer on such Interest Payment Date, then the amount to be paid to the Servicer on such Interest Payment Date shall be reduced by the amount of the shortfall and such shortfall shall (subject always to the provisions of this Clause 24(b)) be payable on the immediately succeeding Interest Payment Date in accordance with the relevant Priorities of Payments.
- (c) Each of the Seller and the Servicer agrees that it will not:
- (i) set off or purport to set off any amount which the Issuer is or will become obliged to pay to it under any of the Transaction Documents against any amount from time to time standing to the credit of, or to be credited to, the Collection Account or any other account prior to transfer to the Collection Account or any other account, as appropriate; or
  - (ii) make or exercise any claims or demands, any rights of counterclaim or any other equities against, or withhold payment of, any and all sums of money which may at any time and from time to time be standing to the credit of the Collection Account or any other account.
- (d) Notwithstanding any other provisions of this Agreement, all obligations to, and rights of, the Issuer under or in connection with this Agreement (other than its obligations under Clauses 0 and 23 (Limited Recourse/Non-Petition)) shall automatically terminate upon the discharge in full of all amounts owing by it under the Transaction Documents, provided that this shall be without prejudice to any claims in respect of such obligations and rights arising on or prior to such date.

### **25. NO PARTNERSHIP**

It is hereby acknowledged and agreed by the parties that nothing in this Agreement shall be construed as giving rise to any partnership between any of the parties.

### **26. PAYMENTS**

- 26.1 All payments to be made pursuant to this Agreement shall be made in Sterling (unless otherwise required under the Transaction Documents) in immediately available funds and shall be deemed to be made when they are received by the payee. The payer of any such payments shall procure the remittance of all sums by telegraphic transfer to such accounts as the payee shall specify in writing at least two Business Days prior to the date of such payment.

- 26.2 If any payment is not made on the due date (being the date of demand) such payment shall carry interest from the due date of payment until actual payment at the rate of 2% per annum above Compounded Daily SONIA.

## **27. NOTICES**

### **27.1 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, email 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.

### **27.2 Changes**

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

### **27.3 Effectiveness**

Any notice or communication given under this Clause 27 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, email, 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, (in the case of email) when received or (in the case of first class post) when it would be received in the ordinary course of the post.

### **27.4 Disclosure to the Rating Agencies**

The Servicer shall, as soon as practicable following receipt of a request in writing from any of the Rating Agencies, provide such Rating Agency with a copy of any notice, written information or report sent or made available by the Servicer to the Secured Creditors except to the extent that such notice, information or report contains information which is confidential to third parties or which the Servicer is otherwise prohibited from disclosing to such Rating Agency.

## **28. LANGUAGE**

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

## **29. ASSIGNMENT**

Subject as provided in or contemplated by Clause 21 (Termination):

- (a) the Servicer may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Issuer and the Security Trustee; and
- (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 Servicer and the Security Trustee.

### **30. AMENDMENTS**

Subject to Clauses 3.12 (Notice and Acknowledgement) and 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.

### **31. 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.

### **32. CONFIDENTIALITY AND ANNOUNCEMENTS**

#### **32.1 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.

#### **32.2 Disapplication of confidentiality provisions**

The parties to this Agreement shall use all reasonable endeavours to prevent any such disclosure referred to in Clause 32.1 (Confidentiality of information), provided that Clause 32.1 (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 32;
- (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 32 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 any 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 Central Bank);
- (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 professional advisers to, or agents of, any party to this Agreement who receive the same under a duty of confidentiality; or
- (j) to the disclosure of any information disclosed to a 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 32.

### **33. SECURITY TRUSTEE**

- 33.1 If there is any change in the identity of the Security Trustee or any additional Security Trustee is appointed in accordance with the Deed of Charge, the parties to this Agreement shall execute such documents and take such action as such successor or additional Security Trustee and the outgoing Security Trustee may reasonably require for the purpose of vesting in such successor or additional Security Trustee the rights and obligations of the outgoing Security Trustee under this Agreement and releasing the outgoing Security Trustee from any future obligations under this Agreement.
- 33.2 The Security Trustee has agreed to become a party to this Agreement for the better preservation and enforcement of its rights under this Agreement but shall not assume any obligations or liabilities to the Seller, the Servicer or the Issuer hereunder. Any liberty or right which may be exercised or any determination which may be made under this Agreement by the Security Trustee may be exercised or made in the Security Trustee's absolute discretion 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 terms of the Deed of Charge.
- 33.3 All the provisions of the Deed of Charge and the Trust Deed relating to the exercise by the Security Trustee of its powers, trusts, authorities, duties, rights and discretions shall apply, *mutatis mutandis*, to the discharge by the Security Trustee of its powers, trusts, authorities, duties, rights and discretions under this Agreement.

- 33.4 For the avoidance of doubt, and 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 Clauses 12 (Servicing Fees) and 13 (Costs and Expenses).
- 33.5 The Security Trustee shall not have any duty to monitor or supervise the performance by the Servicer of its duties and obligations under this Agreement or any other Transaction Document (and the Security Trustee shall be entitled to assume that the Servicer is performing its duties and obligations thereunder until it has actual knowledge to the contrary) nor shall the Security Trustee be in any way liable for any liability suffered by any party hereto or any other party resulting from the acts or omissions of the Servicer or any of its agents, sub-contractors, representatives or delegates in the discharge of any of the duties and obligations the Servicer is obliged to perform as the agent of, among others, the Security Trustee.

#### **34. RIGHTS OF THIRD PARTIES**

A person who is not a party to this Agreement has no rights 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 that Act.

#### **35. 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.

#### **36. AGENCY**

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

#### **37. 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).

#### **38. 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.

#### **39. 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

### SERVICER POWER OF ATTORNEY

**THIS POWER OF ATTORNEY** is made on [●] 2019.

**BY:**

- (1) **CANTERBURY FINANCE NO. 1 PLC** (registered number 11464086) whose registered office is at Level 37, 25 Canada Square, London E14 5LQ (the **Issuer**);  
  
in favour of
- (2) **ONESAVINGS BANK PLC** (company number 07312896) whose registered office is at Reliance House, Sun Pier, Chatham, Kent, ME4 4ET (the **Servicer**).

**WHEREAS:**

- (A) By virtue of a servicing agreement dated on or about the Closing Date and made between, *inter alios*, the Issuer and the Servicer (the **Servicing Agreement**) provision was made for the execution by the Issuer of this Power of Attorney.
- (B) Words and phrases in this Power of Attorney shall (save where expressed to the contrary) have the same meanings respectively as the words and phrases in the Master Definitions and Construction Schedule made between, amongst others, the parties hereto on or about the Closing Date (as the same may be amended, varied or supplemented from time to time with the consent of the parties to the Master Definitions and Construction Schedule) and this Power of Attorney shall be construed in accordance with the interpretation provisions set out in Clause 2 (Interpretation and Construction) of the Master Definitions and Construction Schedule.

**NOW THIS DEED WITNESSETH** as follows:

1. **THE ISSUER HEREBY APPOINTS THE SERVICER** to be its true and lawful attorney for it and in its name to do all or any of the following acts and things:
  - (a) executing all documents necessary for the purpose of discharging a relevant Loan comprised in the Portfolio which has been repaid in full and any Related Security or for the sale of a relevant Property as mortgagee or as heritable creditor;
  - (b) executing all documents and implementing all notifications or registrations of discharge to the Land Registry necessary for the purpose of releasing a Mortgage in accordance with the terms of the Servicing Agreement;
  - (c) executing all documents and doing all such acts and things which in the reasonable opinion of the Servicer are necessary or desirable for the efficient provision of the Services under the Servicing Agreement;
  - (d) exercising all rights, powers and discretion of the lender under the relevant Loans and their Related Security; and
  - (e) subject to Clause 3.6 (Delegation of Services) of the Servicing Agreement, appointing any delegate as its attorney and on its behalf, and in the Issuer's own name or the attorney's name, for all or any of the above purposes,

provided that, for the avoidance of doubt, these powers of attorney shall not authorise the Servicer to sell any of the relevant Loans by way of portfolio sale or otherwise and/or their Related Security (other than the sale of Loans to third party debt collection agents in enforcement scenarios in accordance with the Enforcement Procedures), except as specifically authorised in the Transaction Documents (including repurchases of Loans by the Seller in accordance with the Mortgage Sale Agreement). For the avoidance of doubt, the Issuer shall not be liable or responsible for the acts of the Servicer or any failure by the Servicer to act under or in respect of these powers of attorney, save where such liability or responsibility is imposed under the Servicing Agreement.

2. The Issuer hereby agrees at all times to ratify and confirm the aforementioned acts which any attorney or substitute shall lawfully do or cause to be done under concerning or pursuant to this Power of Attorney.
3. No purchaser or other person shall be bound or concerned to see or enquire whether any deed, documentation, act or thing done or executed by the Servicer pursuant to this Power of Attorney was duly authorised by the Issuer.
4. This Power of Attorney shall, unless expressly revoked or terminated in writing by the Issuer, continue in full force and effect until such time as the appointment of the Servicer as servicer is terminated.
5. This Power of Attorney is governed by and shall be construed in accordance with English Law.

**EXECUTED and DELIVERED as a DEED by** )  
**CANTERBURY FINANCE NO. 1 PLC** )  
as Issuer )  
acting by two directors )  
 )  
per pro CSC Directors (No. 1) Limited )  
 )  
 )  
per pro CSC Directors (No. 2) Limited )



**SCHEDULE 2**  
**SERVICER REPORT**  
**PART 1**  
**FORM OF MONTHLY SERVICER REPORT**

# **Canterbury Finance No.1 plc - Reporting pack**

Date

	Date	
	£	Count
Mortgage Pool		
<i>Live</i>		
<i>Redeemed</i>		
Accounts in Arerars		
<b>Cash received</b>		
<b>Cash Allocated:</b>		
Principal		
Contract Interest		
Non-Contract Interest		
Fees		
Expenses		
ERC Interest		
Cash allocated for redemptions		
Cash allocated for mortgage payments		
No cash allocated to accounts		
<b>Cash Allocated</b>		
Buyback Amount		

A 197 Bank Recociliation - 16351924			
Date	212105	Nostros bank balance A	
Date	212110	Nostros current account 130001 C	
	212115	Un-cleared payments	
	212120	Nostro suspense control	
		<b>Cashbook Balance</b>	<b>0.00</b>
<b>Funds cleared in bank not reconciled on Phoebus</b>			
	a	Payments	0.00
	b	Receipts	0.00
	c = (b-a)		<b>0.00</b>
<b>Funds Accounted for in Phoebus not cleared in Bank</b>			
	d	Receipts	
	e	Payments	
	f=(d-e)	<b>Items on Phoebus not on statement</b>	
		Uncleared Payments	
		Suspense Control	
		Calculated Balance as per bank Statement	<b>0.00</b>
		<b>Balance per bank Statement</b>	<b>0.00</b>
		<b>Difference</b>	<b>0.00</b>

R850: Structured trial balance

System date: 31/05/2019

Divisions: S1

GBP GBP

Levels: 123456789

Period: 5

Prepared on

24/05/2019

06:54:44

Code	Parent	Type	Description	Value	Previous Month	MVMT/Diffs
212105	212000	C	Nostros bank balance A		-	-
212110	212000	C	Nostros current account 130001 C		-	-
212115	212000	C	Un-cleared payments		-	-
212120	212000	C	Nostro suspense control		-	-
212150	212000	T	Nostros funder account		-	-
212160	212000	T	End of day trs - Nostros current a/c		-	-
240202	240200	C	Residential - Capital		-	-
240206	240200	C	Residential - Arrears		-	-
240208	240200	C	Residential - Fees non-interest bearing		-	-
240210	240200	C	Residential - Fees interest bearing		-	-
480004	480001	T	Cash received post transfer		-	-
480007	480001	T	Other movements post transfer		-	-
480140	480100	T	K1 suspense inter-division posting		-	-
514292	514290	T	Res contract int rec'ble applied		-	-
514294	514290	T	Res contract int rec'ble accrued		-	-
514298	514290	T	Res daily interest rec'ble applied		-	-
514304	514290	T	Res daily interest paid		-	-
				-	-	-
			Balance Sheet	-	-	-
			P&L	-	-	-
			<b>Reconciliation</b>	-	-	-

Balance using transaction date 31/05/2019

System date 31/05/2019

Account	Name	Designator	Division	Currency	Bank balance GL 212105	Misc bank fees GL 212107	Current account GL 212110	Uncleared items GL 212115	Suspense items GL 212120	Un-reconciled value in bank balance	Un-cleared receipts in bank balance	Cleared funds available
16351924	COMPANY 22223		S1	GBP	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
	<b>Total</b>		<b>S1</b>	<b>GBP</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>			
16351924	COMPANY 22223		S1	GBP								
	Reconciled balance to bank				£0.00							
	Items not reconciled to bank:											
	495723	23/05/2019 Direct debits										
	495759	24/05/2019 Direct debits										
	495794	25/05/2019 Direct debits										
	495835	26/05/2019 Direct debits										
	495875	27/05/2019 Direct debits										
	495915	28/05/2019 Direct debits										
	495955	29/05/2019 Direct debits										
	495991	30/05/2019 Direct debits										
	496035	31/05/2019 Direct debits										
	<b>Total</b>				<b>£0.00</b>							

[illegible]

0				0.00				0.00		0		0		0		0.00		0		0		0		0		0		0		0	
130001GBP Nostros																															
S1 Division S1																															
S1		EXEC		130001GBP		16351924		COMPANY 22223		0		0.00		0		0		0.00		0		0		0		0		0		0	
1												0.00		0		0		0.00		0		0		0		0		0		0	
ACCESS=[ACCT003]												0.00		0		0		0.00		0		0		0		0		0		0	



<b>Account type total</b>		0.00	0	0	0	0.00	0	0	0	0	0	0	0	0.00	0.00	0	0
S1 Division S1																	
130001GBP Nostros																	
A 1 212105 Nostros bank balance A																	
B 2 212107 Nostros misc fees B																	
C 3 212110 Nostros current account 130001 C																	
D 4 212115 Un-cleared payments																	
E 5 212120 Nostro suspense control																	
EXEC 16351924 COMPANY 22223		0	0	0.00	0	0	0	0	0	0	0	0	0	0.00	0.00	0	0
<b>Account ty</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]



[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]



[illegible]

Compiled on 24/05/2019 06:54:22 : System date 31/05/2019 - User Processing Machine

Mortgage division	Loan identification	Legacy account number	Advance amount	Amount of loan (Interest only)	Repayment method	Remaining term	Mortgage type	Rate type	Current base rate
----------------------	------------------------	--------------------------	-------------------	-----------------------------------	---------------------	-------------------	------------------	--------------	----------------------

Margin over base rate	Contract rate	Current monthly instalment	Payment date
--------------------------	------------------	-------------------------------	-----------------

[illegible]

Reference	Source Worksheet	Column	Purpose/ Information	Calculation	Glossary
1	R771	Mortgage Division	Confirms the mortgage pool identify on the operating system		Sub AccountsPrincipal, Arrears, Fees Interest Bearing, fees Non-Interest Bearing and Expenses
2	R771	Loan Identification	Confirms the individual mortgage account number on the mortgage pool		CMIContractual Monthly Instalment
3	R771	Legacy Account Number	Confirms the individual legacy mortgage account number on the mortgage pool		ERCEarly Repayment Charge
4	R771	Total Receipts in Period Applied	Total amount of cash that has been allocated to the account in this period		Interest TimingRolling difference between the CMI and daily interest (interest on no. of days in the month)
5	R771	Uncleared Redemptions c/f	Amount of cash received that is a redemption that has not been processed as a redemption as at the end of the period		UnallocatedNot allocated to a sub account
6	R771	Unallocated Receipts b/f	Cash received from previous periods that was not allocated to the individual mortgage account sub accounts		
7	R771	Mortgage Receipts Cleared in Period	Amount of cash received that is due to the contractual interest and if a repayment mortgage, principal amount as well		
8	R771	Redemptions Cleared in Period	Amount of cash received that has paid down the principal (partial or redemption)		
9	R771	Total Cash Cleared in Period	Total amount of cash that has been allocated to the account in this period		
10	R771	Cash Allocated to Principal in Period	Total amount of cash that has been applied to Principal in the period		
11	R771	Cash Allocated to Contract Interest in Period	Total amount of cash that has been applied to Contract Interest in the period		
12	R771	Cash Allocated to Non-contract Interest in Period	Total amount of cash that has been applied to Non-Contract Interest in the period		
13	R771	Cash Allocated to Fees in Period	Total amount of cash that has been applied to Fees in the period		
14	R771	Cash Allocated to Expenses in Period	Total amount of cash that has been applied to Expenses in the period		
15	R771	Cash Allocated to Principal Arrears in Period	Total amount of cash that has been applied to Principal Arrears in the period		
16	R771	Cash Allocated to ERC Interest in Period	Total amount of cash that has been applied to ERC in the period		
17	R771	Principal Balance b/f	Customer Principal balance as at the beginning of the period		
18	R771	Principal Due	Amount of Principal Due in the period (applied to the mortgage)		
19	R771	Principle introduced	Amount of Principal introduced to the loan in the month (i.e. retention or further advance)		
20	R771	Cleared Funds Allocated to Principal	Amount of cash received that has been allocated to the Principal in the period		
21	R771	Principal Write Off	Amount of Principal that has been written off in the period		
22	R771	Principal Balance c/f	Customer Principal balance as at the end of the period	22 = (17+18+19+20+21)	
23	R771	Interest Arrears b/f	Customer Interest Arrears balance as at the beginning of the period		
24	R771	Contract Interest Due in Period	Amount of Contractual Interest Due in the period (applied to the mortgage)		
25	R771	Cleared Funds Allocated to Contract Interest	Amount of cash received that has been allocated to Contractual Interest in the period		
26	R771	Interest Write Off	Amount of Contractual Interest that has been written off in the period		
27	R771	Interest Arrears c/f	Customer Interest Arrears balance as at the end of the period	27 = (23+24+25+26)	
28	R771	Non contract interest b/f	Customer Non-Contract Interest balance as at the beginning of the period		
29	R771	Non contract interest due in the period	Amount of Non-Contract Interest Due in the period (applied to the mortgage)		
30	R771	Cleared funds allocated to non-contract interest	Amount of cash received that has been allocated to Non-Contract Interest in the period		
31	R771	Non contract interest write-off	Amount of Contractual Interest that has been written off in the period		
32	R771	Non-contract interest c/f	Customer Non-Contract Interest balance as at the end of the period	32 = (28+29+30+31)	
33	R771	Fees Balance b/f	Customer Fees balance as at the beginning of the period		
34	R771	Fees Due In Period	Amount of Fees Due in the period (applied to the mortgage)		
35	R771	Cleared Funds Allocated Fees Charged	Amount of cash received that has been allocated to Fees in the period		
36	R771	Fees Write Off	Amount of Fees that have been written off in the period		
37	R771	Fees Balance c/f	Customer Fees balance as at the end of the period	37 = (33+34+35+36)	
38	R771	Expenses Balance b/f	Customer Expense balance as at the beginning of the period		
39	R771	Expenses Due in Period	Amount of Expenses Due in the period (applied to the mortgage)		
40	R771	Cleared Funds Allocated to Expenses Charged	Amount of cash received that has been allocated to Expenses in the period		
41	R771	Expenses Write Off	Amount of Expenses that have been written off in the period		
42	R771	Expenses Balance c/f	Customer Expenses balance as at the end of the period	42 = (38+39+40+41)	
43	R771	Principal Arrears Balance b/f	Customer Principal Arrears balance as at the beginning of the period		
44	R771	Principal Arrears Due in Period	Amount of Principal Arrears Due in the period (applied to the mortgage)		
45	R771	Cleared Funds Allocated to Principal Arrears	Amount of cash received that has been allocated to the Principal Arrears in the period		
46	R771	Principal Arrears Write Off	Amount of Principal Arrears that has been written off in the period		
47	R771	Principal Arrears Balance c/f	Customer Principal Arrears balance as at the end of the period	47 = (43+44+45+46)	
48	R771	Early Redemption Interest b/f	Customer ERC balance as at the beginning of the period		
49	R771	Early Redemption Interest Due in Period	Amount of ERC Due in the month (applied to the mortgage)		
50	R771	Cleared Funds Allocated to Early Redemption Interest	Amount of cash received that has been allocated to ERC in the period		
51	R771	Early Redemption Interest Write Off	Amount of ERC that has been written off in the period		
52	R771	Early Redemption Interest c/f	Customer ERC balance as at the end of the period	52 = (48+49+50+51)	
53	R771	Interest timing b/f	Interest timing as at the beginning of the period		
54	R771	Interest timing c/f	Interest timing as at the end of the period	54 = (53+59)	
55	R771	Current Balance b/f	Individual mortgage accounts balance as at the beginning of the period		
56	R771	Balance introduced	Amount of Principal introduced to the loan in the month (i.e. retention or further advance)		
57	R771	Total Cash Received	Total amount of cash received in this period		
58	R771	Total Expenses, Interest and Fees Charged	Total amount applied to the mortgage account for Expenses, Interest and Fees		
59	R771	Interest timing movement balance	Interest timing movement in the month (i.e. difference between 1/12 and 365 days)		
60	R771	Total Write Off	Total amount written off on the loan		
61	R771	Current balance c/f	Individual mortgage accounts balance as at the end of the period	61 = (55+56+57+58+59+60)	
62	R771	Redemption Date	If loan has redeemed, the date of the redemption received		
63	R771	Redemption Paid	The amount of redemption monies received on total		
64	R771	Account Balance at Redemption	The balance of the loan as at redemption		
65	R771	Redemption Funds Balance	The balance of the cash paid towards interest in the redemption month and the ERC		
66	R771	Repossession Date	If loan has been repossessed, the date of the property being repossessed		
67	R771	Repossession Funds	Monies received since the property has been repossessed		
68	R771	Account Balance at Repossession	The individual mortgage account number's account balance as at the date of repossession		
69	R771	Repossession Funds Balance	Balance after property repossessed and all cash receipts (i.e. account balance at repossession-repossession funds)		
70	R771	Arrears Balance	Current end of month arrears balance		
71	R771	Months in Arrears	Number of months in arrears (Arrears balance divided by CMI)		
72	R772	Account number	Confirms the individual mortgage account number on the mortgage pool		
73	R772	Transaction amount	Amount of the transaction that has been posted between end of month and EOD 3 WD's post month end		
74	R772	Transaction narrative	Description of the transaction - linked to TRCD code		
75	R772	Effective date	Date the transaction has been applied to the customer account		
76	R772	Actual date posted	Actual date the transaction was posted onto the system		
77	R772	TRCD code	Transaction code		

78 R772	Waterfall code	Waterfall code - depicts where the transaction has been allocated
79 R772	Waterfall code description	Waterfall description of where the transaction has been allocated
80 R773	Mortgage division	Confirms the mortgage pool identify on the operating system
81 R773	Loan identification	Confirms the individual mortgage account number on the mortgage pool
82 R773	Legacy account number	Confirms the individual legacy mortgage account number on the mortgage pool
83 R773	Advance amount	Confirms the original loan advance amount
84 R773	Amount of loan (Interest only)	If Interest Only loan what is the amount of the loan
85 R773	Repayment method	Whether the loan is an Interest Only (I) or Capital Repayment (C) account
86 R773	Remaining term	Number of months remaining on the term of the mortgage
87 R773	Mortgage type	Confirms the type of mortgage (i.e. Discount, Fixed, Variable)
88 R773	Rate type	Rate applicable after the term of the Fixed period (SVR = Variable)
89 R773	Current base rate	Base rate applicable to the individual mortgage account
90 R773	Margin over base rate	Interest rate above the baes rate on the individual mortgage account
91 R773	Contract rate	This is the calculated rate of Current Base Rate + Margin Over Base Rate
92 R773	Current monthly instalment	The current monthly instalment for the account (CMI), based on the last recalculation
93 R773	Payment date	The date of the last payment of CMI received
94 TB	Nostros current account 130001 C	Bank items that have been posted to mortgage/ nominal accounts but not yet reconciled
95 TB	Un-cleared payments	Bank items that have yet to clear - i.e. unrepresented cheques (refunds to customers)
96 TB	Nostros funder account	Bank items that have been transferred from the Collections Account to the Deposit Account
97 TB	Residential - Capital	Mortgage Capital balance
98 TB	Residential - Arrears	Mortgage Arrears (Cash) balance
99 TB	Residential - Fees interest bearing	Mortgage Interest Bearing Fees balance
100 TB	Cash received post transfer	Cash received from transfer of loans up to the date the loans were transferred
101 TB	Other movements post transfer	Other movements from transfer of loans up to the date the loans were transferred
102 TB	K1 suspense inter-division posting	Intere divisional balance - at day 1 this is the total loan balance movement
103 TB	Res contract int rec'ble applied	Interest applied to the mortgage accounts
104 TB	Res daily interest rec'ble applied	Interest applied to the mortgage accounts
105 TB	Res daily interest paid	Interest applied to the mortgage accounts
106 TB	Post contract variation fees	Other fees, i.e. references, duplicate statement, administration charges etc.
107 TB	Redemption fees	Interest incurred on the redemption of the mortgage
108 TB	Upfront Income Released Credit	Amounts that have been credited on closure of accounts being redeemed - i.e. over paid (tolerance of less than £1)
109 TB	Arrangement fees	Fees incurred for making a product switch, a new arrangement for a product
110 TB	Bank charges received - other	Bank charges incurred
111 TB	Penalty interest	Early Rdemption charges
112 TB	Collection fees	Fees incurred for redeeming the loan - i.e. mortgage exit fee
113 TB	Write offs	Amounts written off on closure of accounts being redeemed
114 R512	Account number	Confirms the individual mortgage account number on the mortgage pool
115 R512	Customer	Confirms the individual mortgage account customer name(s)
116 R512	Net exposure	Current net exposure of the individual mortgage (i.e. current balance owing by the customer)
117 R512	Accrual b'fwd	n/a
118 R512	Interest applied	Total Interest applied to the mortgage account
119 R512	Interest adjustment	n/a
120 R512	Charge for the year	Interest charge to the account in the current financial year
121 R512	Accrual c/fwd	n/a
122 R512	Contract int accrual c/f	n/a
123 R512	Cr int appl tax yr	n/a
124 R512	Tax deducted on int	n/a
125 R512	Dr int appl in tax yr	Contract and Non-Contract Interest Applied and Received on the mortgage
126 R512	Tax cr in tax yr	n/a
127 R517	Acc No	Confirms the individual mortgage account number on the mortgage pool
128 R517	Customer	Confirms the individual mortgage account customer name(s)
129 R517	Designator	Confirms the individual mortgage account security address
130 R517	Balance	Total gross balance of the individual mortgage account
131 R517	Sub-acc 1	Current Principal (Capital) balance, also known as sub account A
132 R517	Sub-acc 3	Current Arrears (cash) balance, also known as sub account C. All cash gets initially posted to this sub account
133 R517	Sub-acc 4	Current Principal (Capital) balance, also known as sub account A
134 R517	Sub-acc 5	Current Principal (Capital) balance, also known as sub account A
135 R532	ACCT010 (AcctNo)	Confirms the individual mortgage account number on the mortgage pool
136 R532	ACCT013 (Customer)	Confirms the individual mortgage account customer name(s)
137 R532	ACCT014 (Designator)	Confirms the individual mortgage account security address
138 R532	A (1)	Current Principal (Capital) balance, also known as sub account A
139 R532	C (3)	Current Arrears (cash) balance, also known as sub account C. All cash gets initially posted to this sub account
140 R532	D (4)	Current Principal (Capital) balance, also known as sub account A
141 R532	E (5)	Current Principal (Capital) balance, also known as sub account A
142 R532	Gross (exposure)	Total gross balance of the individual mortgage account
143 R532	Net (exposure)	Total net balance of the individual mortgage account
144 R532	Accrued interest	Current contract interest accrual balance
145 R532	Contract int accrual	Current non-contract interest accrual balance
146 R115	Bank balance GL212105	Bank balance (i.e. items reconciled to bank balance (statement) and items unreconciled to bank blaance)
147 R115	Misc bank fees GL212107	Bank fees and charges
148 R115	Current account GL212110	Bank items that have been posted to mortgage/ nominal accounts but not yet reconciled
149 R115	Uncleared items GL212115	Items that have yet to clear (unrepresented cheques)
150 R115	Suspense items GL212120	Bank items residing on suspense
151 Data File	Division	Confirms the mortgage pool identify on the operating system
152 Data File	AcctNo	Confirms the individual mortgage account number on the mortgage pool
153 Data File	MIA	Number of months in arrears (Arrears balance divided by CMI)
154 Data File	Arrears	Current Arrears (cash) balance as at the month end
155 Data File	Capital	Current Capital balance as at the month end

156 Data File	FeesBalance	Current Fees balance as at the month end
157 Data File	CMI	Current Monthly Instalment as at the month end
158 Data File	CompDate	Completion Date of the individual mortgage
159 Data File	MatDate	Maturity date of the individual mortgage
160 Data File	Term	Initial term of the mortgage
161 Data File	RemainTerm	Remaining term of the mortgage as at the month end
162 Data File	Indexed Valuation	An indexed valuation of the property as at the month end
163 Data File	balance	Current month end balance due as at the month end
164 Data File	CurrentLTV	Current LTV balance based on the indexation valuation
165 Data File	ADDR035	Postcode of the Security address
166 Data File	Region	The region of the security address (i.e. South East)
167 Data File	LastPmtAmt	Amount of the last payment received on the individual mortgage account
168 Data File	LastPmtDate	Date of the last payment received on the individual mortgage account
169 Data File	Tot_Pmts	Total payments received in the period
170 Data File	IntOnlyAmt	n/a
171 Buyback File	MvmtType	Reason for buyback (either; Further Advance, Product Switch or Shortfall)
172 Buyback File	AcctNo	Confirms the individual mortgage account number on the mortgage pool
173 Buyback File	TransDate	Date of Transaction that triggered the Mvmt Type
174 Buyback File	Curr_ME_Balance	Balance of the account as at the month end the Mvmt Type took place
175 Buyback File	MonthEndDate	Date of the Curr_ME_Balance
176 Buyback File	ShortfallAcctNo	If Mvmt Type is a Shortfall, then the Shortfall account number
177 Buyback File	FurtherAdvanceAcctNo	If Mvmt Type is a Further Advance, then the Further Advance account number
178 Buyback File	AmountOFFurtherAdvance	The Loan Amount of the Further Advance

## **FORM OF QUARTERLY SERVICER REPORT**



# **Canterbury Finance No.1 plc - Reporting pack**

Date

	Date	
	£	Count
Mortgage Pool		
<i>Live</i>		
<i>Redeemed</i>		
Accounts in Arerars		
<b>Cash received</b>		
<b>Cash Allocated:</b>		
Principal		
Contract Interest		
Non-Contract Interest		
Fees		
Expenses		
ERC Interest		
Cash allocated for redemptions		
Cash allocated for mortgage payments		
No cash allocated to accounts		
<b>Cash Allocated</b>		
Buyback Amount		

A 197 Bank Recociliation - 16351924			
Date	212105	Nostros bank balance A	
Date	212110	Nostros current account 130001 C	
	212115	Un-cleared payments	
	212120	Nostro suspense control	
		<b>Cashbook Balance</b>	<b>0.00</b>
<b>Funds cleared in bank not reconciled on Phoebus</b>			
	a	Payments	0.00
	b	Receipts	0.00
	c = (b-a)		<b>0.00</b>
<b>Funds Accounted for in Phoebus not cleared in Bank</b>			
	d	Receipts	
	e	Payments	
	f=(d-e)	<b>Items on Phoebus not on statement</b>	
		Uncleared Payments	
		Suspense Control	
		Calculated Balance as per bank Statement	<b>0.00</b>
		<b>Balance per bank Statement</b>	<b>0.00</b>
		<b>Difference</b>	<b>0.00</b>

R850: Structured trial balance

System date: 31/05/2019

Divisions: S1

GBP GBP

Levels: 123456789

Period: 5

Prepared on

24/05/2019

06:54:44

Code	Parent	Type	Description	Value	Previous Month	MVMT/Diffs
212105	212000	C	Nostros bank balance A		-	-
212110	212000	C	Nostros current account 130001 C		-	-
212115	212000	C	Un-cleared payments		-	-
212120	212000	C	Nostro suspense control		-	-
212150	212000	T	Nostros funder account		-	-
212160	212000	T	End of day trs - Nostros current a/c		-	-
240202	240200	C	Residential - Capital		-	-
240206	240200	C	Residential - Arrears		-	-
240208	240200	C	Residential - Fees non-interest bearing		-	-
240210	240200	C	Residential - Fees interest bearing		-	-
480004	480001	T	Cash received post transfer		-	-
480007	480001	T	Other movements post transfer		-	-
480140	480100	T	K1 suspense inter-division posting		-	-
514292	514290	T	Res contract int rec'ble applied		-	-
514294	514290	T	Res contract int rec'ble accrued		-	-
514298	514290	T	Res daily interest rec'ble applied		-	-
514304	514290	T	Res daily interest paid		-	-
				-	-	-
			Balance Sheet	-	-	-
			P&L	-	-	-
			<b>Reconciliation</b>	-	-	-

Balance using transaction date 31/05/2019

System date 31/05/2019

Account	Name	Designator	Division	Currency	Bank balance GL 212105	Misc bank fees GL 212107	Current account GL 212110	Uncleared items GL 212115	Suspense items GL 212120	Un-reconciled value in bank balance	Un-cleared receipts in bank balance	Cleared funds available
16351924	COMPANY 22223		S1	GBP	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
	<b>Total</b>		<b>S1</b>	<b>GBP</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>			
16351924	COMPANY 22223		S1	GBP								
	Reconciled balance to bank				£0.00							
	Items not reconciled to bank:											
	495723	23/05/2019 Direct debits										
	495759	24/05/2019 Direct debits										
	495794	25/05/2019 Direct debits										
	495835	26/05/2019 Direct debits										
	495875	27/05/2019 Direct debits										
	495915	28/05/2019 Direct debits										
	495955	29/05/2019 Direct debits										
	495991	30/05/2019 Direct debits										
	496035	31/05/2019 Direct debits										
	<b>Total</b>				<b>£0.00</b>							



0				0.00				0.00		0		0		0		0.00		0		0		0		0		0		0		0	
130001GBP Nostros																															
S1 Division S1																															
S1		EXEC		130001GBP		16351924		COMPANY 22223		0		0.00		0		0		0.00		0		0		0		0		0		0	
1												0.00		0		0		0.00		0		0		0		0		0		0	
ACCESS=[ACCT003]												0.00		0		0		0.00		0		0		0		0		0		0	

Account type total		0.00	0	0	0	0.00	0	0	0	0	0	0	0.00	0.00	0	0
S1 Division S1																
130001GBP Nostros																
A	1 212105 Nostros bank balance A															
B	2 212107 Nostros misc fees B															
C	3 212110 Nostros current account 130001 C															
D	4 212115 Un-cleared payments															
E	5 212120 Nostro suspense control															
	EXEC 16351924 COMPANY 22223	0	0	0.00	0	0	0	0	0	0	0	0	0.00	0.00	0	0
Account ty	1	0	0	0.00	0	0	0	0	0	0	0	0	0.00	0.00	0	0



[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]



[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]



Compiled on 24/05/2019 06:54:22 : System date 31/05/2019 - User Processing Machine

Mortgage division	Loan identification	Legacy account number	Advance amount	Amount of loan (Interest only)	Repayment method	Remaining term	Mortgage type	Rate type	Current base rate
----------------------	------------------------	--------------------------	-------------------	-----------------------------------	---------------------	-------------------	------------------	--------------	----------------------

Margin over base rate	Contract rate	Current monthly instalment	Payment date
--------------------------	------------------	-------------------------------	-----------------

[illegible]

Reference	Source Worksheet	Column	Purpose/ Information	Calculation	Glossary
1	R771	Mortgage Division	Confirms the mortgage pool identify on the operating system		Sub AccountsPrincipal, Arrears, Fees Interest Bearing, fees Non-Interest Bearing and Expenses
2	R771	Loan Identification	Confirms the individual mortgage account number on the mortgage pool		CMIContractual Monthly Instalment
3	R771	Legacy Account Number	Confirms the individual legacy mortgage account number on the mortgage pool		ERCEarly Repayment Charge
4	R771	Total Receipts in Period Applied	Total amount of cash that has been allocated to the account in this period		Interest TimingRolling difference between the CMI and daily interest (interest on no. of days in the month)
5	R771	Uncleared Redemptions c/f	Amount of cash received that is a redemption that has not been processed as a redemption as at the end of the period		UnallocatedNot allocated to a sub account
6	R771	Unallocated Receipts b/f	Cash received from previous periods that was not allocated to the individual mortgage account sub accounts		
7	R771	Mortgage Receipts Cleared in Period	Amount of cash received that is due to the contractual interest and if a repayment mortgage, principal amount as well		
8	R771	Redemptions Cleared in Period	Amount of cash received that has paid down the principal (partial or redemption)		
9	R771	Total Cash Cleared in Period	Total amount of cash that has been allocated to the account in this period		
10	R771	Cash Allocated to Principal in Period	Total amount of cash that has been applied to Principal in the period		
11	R771	Cash Allocated to Contract Interest in Period	Total amount of cash that has been applied to Contract Interest in the period		
12	R771	Cash Allocated to Non-contract Interest in Period	Total amount of cash that has been applied to Non-Contract Interest in the period		
13	R771	Cash Allocated to Fees in Period	Total amount of cash that has been applied to Fees in the period		
14	R771	Cash Allocated to Expenses in Period	Total amount of cash that has been applied to Expenses in the period		
15	R771	Cash Allocated to Principal Arrears in Period	Total amount of cash that has been applied to Principal Arrears in the period		
16	R771	Cash Allocated to ERC Interest in Period	Total amount of cash that has been applied to ERC in the period		
17	R771	Principal Balance b/f	Customer Principal balance as at the beginning of the period		
18	R771	Principal Due	Amount of Principal Due in the period (applied to the mortgage)		
19	R771	Principle introduced	Amount of Principal introduced to the loan in the month (i.e. retention or further advance)		
20	R771	Cleared Funds Allocated to Principal	Amount of cash received that has been allocated to the Principal in the period		
21	R771	Principal Write Off	Amount of Principal that has been written off in the period		
22	R771	Principal Balance c/f	Customer Principal balance as at the end of the period	22 = (17+18+19+20+21)	
23	R771	Interest Arrears b/f	Customer Interest Arrears balance as at the beginning of the period		
24	R771	Contract Interest Due in Period	Amount of Contractual Interest Due in the period (applied to the mortgage)		
25	R771	Cleared Funds Allocated to Contract Interest	Amount of cash received that has been allocated to Contractual Interest in the period		
26	R771	Interest Write Off	Amount of Contractual Interest that has been written off in the period		
27	R771	Interest Arrears c/f	Customer Interest Arrears balance as at the end of the period	27 = (23+24+25+26)	
28	R771	Non contract interest b/f	Customer Non-Contract Interest balance as at the beginning of the period		
29	R771	Non contract interest due in the period	Amount of Non-Contract Interest Due in the period (applied to the mortgage)		
30	R771	Cleared funds allocated to non-contract interest	Amount of cash received that has been allocated to Non-Contract Interest in the period		
31	R771	Non contract interest write-off	Amount of Contractual Interest that has been written off in the period		
32	R771	Non-contract interest c/f	Customer Non-Contract Interest balance as at the end of the period	32 = (28+29+30+31)	
33	R771	Fees Balance b/f	Customer Fees balance as at the beginning of the period		
34	R771	Fees Due In Period	Amount of Fees Due in the period (applied to the mortgage)		
35	R771	Cleared Funds Allocated Fees Charged	Amount of cash received that has been allocated to Fees in the period		
36	R771	Fees Write Off	Amount of Fees that have been written off in the period		
37	R771	Fees Balance c/f	Customer Fees balance as at the end of the period	37 = (33+34+35+36)	
38	R771	Expenses Balance b/f	Customer Expense balance as at the beginning of the period		
39	R771	Expenses Due in Period	Amount of Expenses Due in the period (applied to the mortgage)		
40	R771	Cleared Funds Allocated to Expenses Charged	Amount of cash received that has been allocated to Expenses in the period		
41	R771	Expenses Write Off	Amount of Expenses that have been written off in the period		
42	R771	Expenses Balance c/f	Customer Expenses balance as at the end of the period	42 = (38+39+40+41)	
43	R771	Principal Arrears Balance b/f	Customer Principal Arrears balance as at the beginning of the period		
44	R771	Principal Arrears Due in Period	Amount of Principal Arrears Due in the period (applied to the mortgage)		
45	R771	Cleared Funds Allocated to Principal Arrears	Amount of cash received that has been allocated to the Principal Arrears in the period		
46	R771	Principal Arrears Write Off	Amount of Principal Arrears that has been written off in the period		
47	R771	Principal Arrears Balance c/f	Customer Principal Arrears balance as at the end of the period	47 = (43+44+45+46)	
48	R771	Early Redemption Interest b/f	Customer ERC balance as at the beginning of the period		
49	R771	Early Redemption Interest Due in Period	Amount of ERC Due in the month (applied to the mortgage)		
50	R771	Cleared Funds Allocated to Early Redemption Interest	Amount of cash received that has been allocated to ERC in the period		
51	R771	Early Redemption Interest Write Off	Amount of ERC that has been written off in the period		
52	R771	Early Redemption Interest c/f	Customer ERC balance as at the end of the period	52 = (48+49+50+51)	
53	R771	Interest timing b/f	Interest timing as at the beginning of the period		
54	R771	Interest timing c/f	Interest timing as at the end of the period	54 = (53+59)	
55	R771	Current Balance b/f	Individual mortgage accounts balance as at the beginning of the period		
56	R771	Balance introduced	Amount of Principal introduced to the loan in the month (i.e. retention or further advance)		
57	R771	Total Cash Received	Total amount of cash received in this period		
58	R771	Total Expenses, Interest and Fees Charged	Total amount applied to the mortgage account for Expenses, Interest and Fees		
59	R771	Interest timing movement balance	Interest timing movement in the month (i.e. difference between 1/12 and 365 days)		
60	R771	Total Write Off	Total amount written off on the loan		
61	R771	Current balance c/f	Individual mortgage accounts balance as at the end of the period	61 = (55+56+57+58+59+60)	
62	R771	Redemption Date	If loan has redeemed, the date of the redemption received		
63	R771	Redemption Paid	The amount of redemption monies received on total		
64	R771	Account Balance at Redemption	The balance of the loan as at redemption		
65	R771	Redemption Funds Balance	The balance of the cash paid towards interest in the redemption month and the ERC		
66	R771	Repossession Date	If loan has been repossessed, the date of the property being repossessed		
67	R771	Repossession Funds	Monies received since the property has been repossessed		
68	R771	Account Balance at Repossession	The individual mortgage account number's account balance as at the date of repossession		
69	R771	Repossession Funds Balance	Balance after property repossessed and all cash receipts (i.e. account balance at repossession-repossession funds)		
70	R771	Arrears Balance	Current end of month arrears balance		
71	R771	Months in Arrears	Number of months in arrears (Arrears balance divided by CMI)		
72	R772	Account number	Confirms the individual mortgage account number on the mortgage pool		
73	R772	Transaction amount	Amount of the transaction that has been posted between end of month and EOD 3 WD's post month end		
74	R772	Transaction narrative	Description of the transaction - linked to TRCD code		
75	R772	Effective date	Date the transaction has been applied to the customer account		
76	R772	Actual date posted	Actual date the transaction was posted onto the system		
77	R772	TRCD code	Transaction code		

78 R772	Waterfall code	Waterfall code - depicts where the transaction has been allocated
79 R772	Waterfall code description	Waterfall description of where the transaction has been allocated
80 R773	Mortgage division	Confirms the mortgage pool identify on the operating system
81 R773	Loan identification	Confirms the individual mortgage account number on the mortgage pool
82 R773	Legacy account number	Confirms the individual legacy mortgage account number on the mortgage pool
83 R773	Advance amount	Confirms the original loan advance amount
84 R773	Amount of loan (Interest only)	If Interest Only loan what is the amount of the loan
85 R773	Repayment method	Whether the loan is an Interest Only (I) or Capital Repayment (C) account
86 R773	Remaining term	Number of months remaining on the term of the mortgage
87 R773	Mortgage type	Confirms the type of mortgage (i.e. Discount, Fixed, Variable)
88 R773	Rate type	Rate applicable after the term of the Fixed period (SVR = Variable)
89 R773	Current base rate	Base rate applicable to the individual mortgage account
90 R773	Margin over base rate	Interest rate above the baes rate on the individual mortgage account
91 R773	Contract rate	This is the calculated rate of Current Base Rate + Margin Over Base Rate
92 R773	Current monthly instalment	The current monthly instalment for the account (CMI), based on the last recalculation
93 R773	Payment date	The date of the last payment of CMI received
94 TB	Nostros current account 130001 C	Bank items that have been posted to mortgage/ nominal accounts but not yet reconciled
95 TB	Un-cleared payments	Bank items that have yet to clear - i.e. unrepresented cheques (refunds to customers)
96 TB	Nostros funder account	Bank items that have been transferred from the Collections Account to the Deposit Account
97 TB	Residential - Capital	Mortgage Capital balance
98 TB	Residential - Arrears	Mortgage Arrears (Cash) balance
99 TB	Residential - Fees interest bearing	Mortgage Interest Bearing Fees balance
100 TB	Cash received post transfer	Cash received from transfer of loans up to the date the loans were transferred
101 TB	Other movements post transfer	Other movements from transfer of loans up to the date the loans were transferred
102 TB	K1 suspense inter-division posting	Intere divisional balance - at day 1 this is the total loan balance movement
103 TB	Res contract int rec'ble applied	Interest applied to the mortgage accounts
104 TB	Res daily interest rec'ble applied	Interest applied to the mortgage accounts
105 TB	Res daily interest paid	Interest applied to the mortgage accounts
106 TB	Post contract variation fees	Other fees, i.e. references, duplicate statement, administration charges etc.
107 TB	Redemption fees	Interest incurred on the redemption of the mortgage
108 TB	Upfront Income Released Credit	Amounts that have been credited on closure of accounts being redeemed - i.e. over paid (tolerance of less than £1)
109 TB	Arrangement fees	Fees incurred for making a product switch, a new arrangement for a product
110 TB	Bank charges received - other	Bank charges incurred
111 TB	Penalty interest	Early Rdemption charges
112 TB	Collection fees	Fees incurred for redeeming the loan - i.e. mortgage exit fee
113 TB	Write offs	Amounts written off on closure of accounts being redeemed
114 R512	Account number	Confirms the individual mortgage account number on the mortgage pool
115 R512	Customer	Confirms the individual mortgage account customer name(s)
116 R512	Net exposure	Current net exposure of the individual mortgage (i.e. current balance owing by the customer)
117 R512	Accrual b'fwd	n/a
118 R512	Interest applied	Total Interest applied to the mortgage account
119 R512	Interest adjustment	n/a
120 R512	Charge for the year	Interest charge to the account in the current financial year
121 R512	Accrual c/fwd	n/a
122 R512	Contract int accrual c/f	n/a
123 R512	Cr int appl tax yr	n/a
124 R512	Tax deducted on int	n/a
125 R512	Dr int appl in tax yr	Contract and Non-Contract Interest Applied and Received on the mortgage
126 R512	Tax cr in tax yr	n/a
127 R517	Acc No	Confirms the individual mortgage account number on the mortgage pool
128 R517	Customer	Confirms the individual mortgage account customer name(s)
129 R517	Designator	Confirms the individual mortgage account security address
130 R517	Balance	Total gross balance of the individual mortgage account
131 R517	Sub-acc 1	Current Principal (Capital) balance, also known as sub account A
132 R517	Sub-acc 3	Current Arrears (cash) balance, also known as sub account C. All cash gets initially posted to this sub account
133 R517	Sub-acc 4	Current Principal (Capital) balance, also known as sub account A
134 R517	Sub-acc 5	Current Principal (Capital) balance, also known as sub account A
135 R532	ACCT010 (AcctNo)	Confirms the individual mortgage account number on the mortgage pool
136 R532	ACCT013 (Customer)	Confirms the individual mortgage account customer name(s)
137 R532	ACCT014 (Designator)	Confirms the individual mortgage account security address
138 R532	A (1)	Current Principal (Capital) balance, also known as sub account A
139 R532	C (3)	Current Arrears (cash) balance, also known as sub account C. All cash gets initially posted to this sub account
140 R532	D (4)	Current Principal (Capital) balance, also known as sub account A
141 R532	E (5)	Current Principal (Capital) balance, also known as sub account A
142 R532	Gross (exposure)	Total gross balance of the individual mortgage account
143 R532	Net (exposure)	Total net balance of the individual mortgage account
144 R532	Accrued interest	Current contract interest accrual balance
145 R532	Contract int accrual	Current non-contract interest accrual balance
146 R115	Bank balance GL212105	Bank balance (i.e. items reconciled to bank balance (statement) and items unreconciled to bank blaance)
147 R115	Misc bank fees GL212107	Bank fees and charges
148 R115	Current account GL212110	Bank items that have been posted to mortgage/ nominal accounts but not yet reconciled
149 R115	Uncleared items GL212115	Items that have yet to clear (unrepresented cheques)
150 R115	Suspense items GL212120	Bank items residing on suspense
151 Data File	Division	Confirms the mortgage pool identify on the operating system
152 Data File	AcctNo	Confirms the individual mortgage account number on the mortgage pool
153 Data File	MIA	Number of months in arrears (Arrears balance divided by CMI)
154 Data File	Arrears	Current Arrears (cash) balance as at the month end
155 Data File	Capital	Current Capital balance as at the month end

156 Data File	FeesBalance	Current Fees balance as at the month end
157 Data File	CMI	Current Monthly Instalment as at the month end
158 Data File	CompDate	Completion Date of the individual mortgage
159 Data File	MatDate	Maturity date of the individual mortgage
160 Data File	Term	Initial term of the mortgage
161 Data File	RemainTerm	Remaining term of the mortgage as at the month end
162 Data File	Indexed Valuation	An indexed valuation of the property as at the month end
163 Data File	balance	Current month end balance due as at the month end
164 Data File	CurrentLTV	Current LTV balance based on the indexation valuation
165 Data File	ADDR035	Postcode of the Security address
166 Data File	Region	The region of the security address (i.e. South East)
167 Data File	LastPmtAmt	Amount of the last payment received on the individual mortgage account
168 Data File	LastPmtDate	Date of the last payment received on the individual mortgage account
169 Data File	Tot_Pmts	Total payments received in the period
170 Data File	IntOnlyAmt	n/a
171 Buyback File	MvmtType	Reason for buyback (either; Further Advance, Product Switch or Shortfall)
172 Buyback File	AcctNo	Confirms the individual mortgage account number on the mortgage pool
173 Buyback File	TransDate	Date of Transaction that triggered the Mvmt Type
174 Buyback File	Curr_ME_Balance	Balance of the account as at the month end the Mvmt Type took place
175 Buyback File	MonthEndDate	Date of the Curr_ME_Balance
176 Buyback File	ShortfallAcctNo	If Mvmt Type is a Shortfall, then the Shortfall account number
177 Buyback File	FurtherAdvanceAcctNo	If Mvmt Type is a Further Advance, then the Further Advance account number
178 Buyback File	AmountOFFurtherAdvance	The Loan Amount of the Further Advance

## SIGNATORIES

**EXECUTED and DELIVERED as a DEED by  
CANTERBURY FINANCE NO. 1 PLC**  
as Issuer  
acting by two directors

per pro CSC Directors (No. 1) Limited

per pro CSC Directors (No. 2) Limited

**EXECUTED and DELIVERED as a DEED by  
ONESAVINGS BANK PLC**

as Servicer and Seller  
acting by its attorney

in the presence of this witness

Witness Signature:

Full Name:

Address:

**EXECUTED and DELIVERED as a DEED by  
CITICORP TRUSTEE COMPANY LIMITED**

as Security Trustee  
acting by its delegated signatory

**EXECUTED and DELIVERED as a DEED by  
CSC Capital Markets UK Limited**

as Back-Up Servicer Facilitator  
acting by

Director

~~Director/Secretary~~

## SIGNATORIES

**EXECUTED and DELIVERED as a DEED by** )  
**CANTERBURY FINANCE NO. 1 PLC** )  
as Issuer )  
acting by two directors )  
 )  
per pro CSC Directors (No. 1) Limited )  
 )  
 )  
 )  
per pro CSC Directors (No. 2) Limited )

**EXECUTED and DELIVERED as a DEED by** )  
**ONESAVINGS BANK PLC** )  
 )  
as Servicer and Seller )  
acting by its attorney )

in the presence of this witness )

Witness Signature: )

Full Name: )

Address: )

NATALIJA RADCENKO  
ALLEN & OVERY LLP  
ONE BISHOPS SQUARE  
LONDON E1 6AD  
[www.allenoverly.com](http://www.allenoverly.com)

**EXECUTED and DELIVERED as a DEED by** )  
**CITICORP TRUSTEE COMPANY LIMITED** )  
as Security Trustee )  
acting by its delegated signatory )

**EXECUTED and DELIVERED as a DEED by** )  
**CSC Capital Markets UK Limited** )

as Back-Up Servicer Facilitator )  
acting by )

Director )

Director/Secretary )





## SIGNATORIES

**EXECUTED and DELIVERED as a DEED by** )  
**CANTERBURY FINANCE NO. 1 PLC** )  
as Issuer )  
acting by two directors )  
 )  
per pro CSC Directors (No. 1) Limited )  
 )  
 )  
 )  
per pro CSC Directors (No. 2) Limited )  
 )

**EXECUTED and DELIVERED as a DEED by** )  
**ONESAVINGS BANK PLC** )  
 )  
as Servicer and Seller )  
acting by its attorney )  
 )  
in the presence of this witness )  
 )  
Witness Signature: )  
 )  
Full Name: )  
 )  
Address: )  
 )

**EXECUTED and DELIVERED as a DEED by** )  
**CITICORP TRUSTEE COMPANY LIMITED** )  
as Security Trustee )  
acting by its delegated signatory )

 David Mares  
Director

**EXECUTED and DELIVERED as a DEED by** )  
**CSC Capital Markets UK Limited** )  
 )  
as Back-Up Servicer Facilitator )  
acting by )  
 )  
Director )  
 )  
Director/Secretary )