

ACKNOWLEDGMENT OF THE ORIGINATOR ACCOUNT BANK

From: Barclays Bank PLC
1 Churchill Place
London E14 5HP
(the **Originator Account Bank**)

To: Charter Court Financial Services Limited
2 Charter Court
Broadlands
Wolverhampton
West Midlands WV10 6TD
(the **Originator** and the **Trustee**)

Cc: Charter Mortgage Funding 2018-1 plc
35 Great St. Helen's
London EC3A 6AP
(the **2018-1 New Beneficiary**)

U.S. Bank Trustees Limited
125 Old Broad Street
Fifth Floor
London EC2N 1AR
(the **2018-1 New Beneficiary Security Trustee**)

8 June 2018

Dear Sirs/Madam

We acknowledge receipt of the notice dated 8 June 2018 and addressed to us by the Originator (a copy of which is attached). Terms used in that notice have the same meaning herein.

We acknowledge and agree to the provisions of such notice and in addition we represent and undertake to the Originator, the 2018-1 New Beneficiary, and the 2018-1 New Beneficiary Security Trustee the following:

- (a) that, save as constituted pursuant to any Deed of Charge, no Security Interest exists in our favour on, over or with respect to the Non-DD Collection Account or the monies standing to the credit thereof;
- (b) that we have no right at any time to pay, set off (except to the extent of the Originator Trust Share) or transfer any of the amounts standing to the credit of the Non-DD Collection Account in or towards satisfaction of any obligations or Liabilities which the Originator (in any capacity) has or may have to the Originator Account Bank (under any guarantee, document or other Security Interest for the payment or repayment of monies, actual or contingent) other than:
 - (i) where, any amount credited to the Non-DD Collection Account has not been received as cleared funds or has otherwise been recalled in which case the Originator Account Bank may debit the Non-DD Collection Account for the amount not received as cleared funds or otherwise recalled; and
 - (ii) any fees and charges due to the Originator Account Bank in respect of the Non-DD Collection Account, in which case the Originator Trust Share shall be reduced until it is zero, following which the Issuer Beneficiary Trust Share of each Issuer Beneficiary shall be

reduced pro rata in accordance with the Issuer Beneficiary Trust Share as a percentage of the Trust Property,

provided that if we debit an amount pursuant to this paragraph (b) and there is a debit balance on the Non-DD Collection Account which arises by virtue of such amount being deducted (a **Resulting Overdraft**), then to the extent that such liability is not settled by any funds subsequently paid into the Non-DD Collection Account within one Business Day (including by virtue of the Originator Account Bank's right to debit the CCFS Account to maintain the Minimum Balance), the relevant Issuer Beneficiary shall be liable to the Originator Account Bank in respect of such Resulting Overdraft (and the Originator and the Issuer Beneficiaries undertake to promptly inform the Originator Account Bank on request of the identity of the Issuer Beneficiary to which the Resulting Overdraft (or part thereof) relates), provided that where the Originator has opened a separate DD collection account in respect of the Receivables of an Issuer Beneficiary, the amount to be paid to the Originator Account Bank in respect of any Resulting Overdraft to the extent applicable to such Receivables of an Issuer Beneficiary shall be paid subject to and in accordance with the transaction documents entered into by such Issuer Beneficiary and, in respect of the 2018-1 New Beneficiary, shall be paid in accordance with the terms of the collection account agreement dated on or about the date hereof (the **Collection Account Agreement**);

- (c) that we shall not combine, consolidate or merge the Non-DD Collection Account with any other account;
- (d) that we shall not exercise any lien and shall give notice to the Originator, the 2018-1 New Beneficiary and the 2018-1 New Beneficiary Security Trustee of any attempt to enforce any Security Interest by any other person in respect of the Non-DD Collection Account;
- (e) that we acknowledge that the Non-DD Collection Account is a trust account of the Trustee and that the amounts standing to the credit of the Non-DD Collection Account are beneficially owned by Precise Mortgage Funding No. 1 plc, Precise Mortgage Funding 2014-1 plc, Precise Mortgage Funding 2014-2 plc, Precise Mortgage Funding 2015-1 plc, Precise Mortgage Funding 2015-2B plc, Precise Mortgage Funding 2015-3R plc, Precise Mortgage Funding 2017-1B plc, Charter Mortgage Funding 2017-1 plc, CML Warehouse Number 1 Limited, Precise Mortgage Funding 2018-1B plc, Precise Mortgage Funding 2018-2B plc, the 2018-1 New Beneficiary, any New Beneficiary and the Originator (in its capacity as beneficiary) in their respective shares;
- (f) that the 2018-1 New Beneficiary will, on or about the date hereof, assign and/or charge pursuant to a deed of charge dated on or about the date hereof between, *inter alios*, the 2018-1 New Beneficiary and the 2018-1 New Beneficiary Security Trustee all of its right, title, interest and benefit, present and future, in the Non-DD Collection Account Trust hereunder, including its beneficial interest created in the Non-DD Collection Account by the Non-DD Collection Account Declaration of Trust, to the 2018-1 New Beneficiary Security Trustee as security for, *inter alia*, the 2018-1 New Beneficiary's obligations under the Notes (as defined in a master definitions and construction schedule dated on or about the date hereof between, *inter alios*, the 2018-1 New Beneficiary and the 2018-1 New Beneficiary Security Trustee);
- (g) that no notice has been received by us that any third party (other than the beneficiaries of the Non-DD Collection Account Declaration of Trust) has or will have any right or interest whatsoever in, or has made or will be making any claim or demand or taking any action whatsoever against, the Non-DD Collection Account or the monies standing to the credit thereof and if, after the date hereof, we receive any such notice, we shall, save to the extent we are prohibited by law, give written notice thereof to the 2018-1 New Beneficiary, copied to the 2018-1 New Beneficiary Security Trustee; and
- (h) following the receipt by us of an Enforcement Notice we will act only on the instructions of each Security Trustee of each Issuer Beneficiary (acting jointly or through an agent acting on behalf of

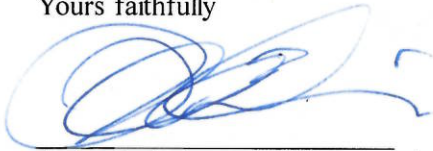
each Security Trustee) and from such date we will not act on the instructions of yourselves in respect of the operation of the Non-DD Collection Account.

The Originator Account Bank represents and warrants, for the benefit of the Issuer, that, as at the date hereof and on a continuing basis, it is a bank for the purposes of Section 991 of the Income Tax Act 2007 and payments of interest are made in the ordinary course of its business within the meaning of section 878 of the Income Tax Act 2007.

You agree and acknowledge that:

- (a) we may rely on any notice, instruction, direction, communication or other document or information believed by us to be genuine and correct which have been signed or communicated by the person by who it purports to be signed and communicated and we shall not be liable for the consequences such as we have no obligation whatsoever to verify the facts or matters stated therein as true and correct (including, without limitation, as to whether a Security Trustee is entitled to act as agent of each Security Trustee), including whether the terms of any agreement between the Originator and yourself have been complied with or the making of any enquiry as to whether a security interest has become enforceable;
- (b) we shall not be obliged to comply with any instructions received if due to circumstances which are not within our direct control, we are unable to comply with such instructions or to comply with those instructions should breach a court order or be contrary to applicable law or regulations; and
- (c) nothing will deem Barclays Bank PLC to be a trustee or other fiduciary with respect to the Non-DD Collection Account and the relationship of Barclays Bank PLC to the Originator shall be that of banker and accountholder only.

Yours faithfully



Authorised signatory for and on behalf of
Barclays Bank PLC

Acknowledged and agreed

Charter Mortgage Funding 2018-1 plc
per pro Intertrust Directors 1 Limited, as Director

EXECUTION VERSION

each Security Trustee) and from such date we will not act on the instructions of yourselves in respect of the operation of the Non-DD Collection Account.

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Authorised signatory for and on behalf of
Barclays Bank PLC

Acknowledged and agreed



Charter Mortgage Funding 2018-1 plc
per pro Intertrust Directors 1 Limited, as Director

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Chris Yates
Authorised Signatory
U.S. Bank Trustees Limited


David Harnett
Authorised Signatory

Authorised signatory for and on behalf of
Charter Court Financial Services Limited

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U.S. Bank Trustees Limited



Authorised signatory for and on behalf of
Charter Court Financial Services Limited