

EXECUTION VERSION

**THIRD AMENDED AND RESTATED MORTGAGE SALE
AGREEMENT**

14 DECEMBER 2021

**LEEDS BUILDING SOCIETY
as Seller**

and

**LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP
as LLP**

and

**DEUTSCHE TRUSTEE COMPANY LIMITED
as Security Trustee**

ALLEN & OVERY

Allen & Overy LLP

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THIS THIRD AMENDED AND RESTATED MORTGAGE SALE AGREEMENT (this **Agreement**) is made on 14 December 2021

BETWEEN:

- (1) **LEEDS BUILDING SOCIETY**, a building society incorporated under the Building Societies Act 1986 (as amended) of England and Wales acting in its capacity as the "**Seller**";
- (2) **LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP** (partnership number OC340174), a limited liability partnership incorporated under the laws of England and Wales whose registered office is at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (referred to herein as the "**LLP**"); and
- (3) **DEUTSCHE TRUSTEE COMPANY LIMITED**, incorporated under the laws of England and Wales whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB, acting in its capacity as the "**Security Trustee**" (which expression shall include such company and all other persons or companies for the time being acting as security trustee pursuant to the Deed of Charge).

WHEREAS:

- (A) The Seller carries on the business of, *inter alia*, originating mortgage loans to individual borrowers secured on residential properties in England, Wales, Scotland and Northern Ireland.
- (B) The Seller has agreed to sell and the LLP has agreed to purchase certain of the mortgage loans referred to in Recital A together with the benefit of the related security for the same on the terms and subject to the conditions set out in this Agreement.
- (C) The parties to this Agreement have agreed to amend and restate the terms of the Principal Agreement (as defined below) on the date hereof as set out herein.

IT IS HEREBY AGREED as follows:

1. DEFINITION AND CONSTRUCTION

- 1.1 The master definitions and construction agreement made between the parties to the Transaction Documents on or about 2 October 2008 as amended and restated on 2 October 2009, on 5 October 2010, on 15 December 2011, on 27 December 2012, 9 December 2013, 12 December 2019, 16 November 2020, on 15 December 2020 and on 14 December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, including on the date hereof) (the "**Master Definitions and Construction Agreement**") is expressly and specifically incorporated into this Agreement and, accordingly, the expressions defined in the Master Definitions and Construction Agreement 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 of the Master Definitions and Construction Agreement.
- 1.2 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Transaction Documents are, so far as applicable, incorporated herein.
- 1.3 The Initial Portfolio and any schedule of New Loans attached to any New Portfolio Notice and any schedule of Additional Loan Advances attached to any Additional Loan Advance Notice may be

provided in a document stored upon electronic media (including, but not limited to, a CD-ROM) in a format acceptable to the LLP and the Security Trustee (each acting reasonably).

- 1.4 The Standard Documentation contained in or identified as Exhibit 1 to this Agreement may be provided in a document stored upon electronic media (including, but not limited to, a CD-ROM) in a format acceptable to the LLP and the Security Trustee (each acting reasonably).
- 1.5 This Agreement amends and restates the Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009 and 15 December 2020 between the parties hereto (the "**Principal Agreement**"). As of the date of this Agreement, any future rights or obligations (excluding such obligations accrued to the date of this Agreement) of a party under the Principal Agreement shall be extinguished and shall instead be governed by this Agreement.

2. SALE AND PURCHASE OF INITIAL PORTFOLIO

2.1 Subject to the fulfilment of the conditions set out in Clauses 2.2 and 3.1 and compliance with the Eligibility Criteria set out in Clause 4.4 on or before the First Transfer Date, in consideration of the Initial Purchase Price which will be satisfied by a combination of:

- (a) the cash payment (if any) made by, or on behalf of the LLP to the Seller from the proceeds of the Term Advance made on the First Transfer Date and converted into Sterling at the relevant rate specified in any Covered Bond Swap Agreement entered into in respect thereof (which shall be paid in accordance with Clause 3.3); and/or
- (b) the Seller being treated as having made a Capital Contribution in Kind to the LLP in an amount equal to the difference between the True Balance of the mortgage loans which it is proposed will comprise the Initial Portfolio and will be sold by the Seller as at the First Transfer Date and the cash payment (if any) made by the LLP pursuant to Clause 2.1(a) above; and
- (c) Deferred Consideration,

the Seller hereby agrees to sell to the LLP with full title guarantee (or, in the case of Scottish Loans and their Related Security comprised in the Initial Portfolio, with absolute warrandice or, in the case of the Northern Irish Loans and their Related Security comprised in the Initial Portfolio, as beneficial owner), all its right, title, interest and benefit in the Initial Portfolio on the later of the Effective Date and the First Transfer Date and (in the case of the Effective Date) immediately following the release of the Initial Portfolio from the CCA Trust (so far as comprised therein) and its assignment and/or transfer to the Seller pursuant to Clause 2.8 and each Additional Loan Advance and Product Switch pursuant to any Loan comprising the Initial Portfolio on the later of the Effective Date and the date thereof.

2.2 The obligation of the Seller under Clause 2.1 shall be subject to and conditional upon:

- (a) the issue by the Issuer of the Series 1 Covered Bonds on the First Issue Date and the borrowing by the LLP of the corresponding Term Advances under the Intercompany Loan Agreement;
- (b) the Seller having made a Capital Contribution in Kind to the LLP in an amount equal to the amount referred to in Clause 2.1(b) above; and
- (c) the Transaction Documents having been executed and delivered by the parties thereto on or before the Programme Date or, in the case of any Transaction Documents which are to be executed immediately after the First Issue Date, the same having been executed and being available for delivery and none of the parties knowing of any reason why the same should not be delivered immediately thereafter.

- 2.3 The LLP hereby agrees to pay to the Seller as part of the Deferred Consideration any and all Early Repayment Charge Receipts received by the LLP in respect of the Loans included in the Initial Portfolio **PROVIDED THAT**, if the Servicer determines that any proceeds from Loans in respect of which Early Repayment Charges are payable are the subject of a trust pursuant to Clause 6 (Trust of Monies), the Seller, the LLP and the Security Trustee agree that the benefit of any Early Repayment Charges payable under such Loan shall, on the date of payment to the Seller of the related Early Repayment Charge Receipts, be released from such trust.
- 2.4 For the avoidance of doubt and in respect of any Loan in the Initial Portfolio to a Borrower, no Loan will be sold to the LLP in accordance with this Clause 2 unless all other Loans (including Additional Loan Advances) to the relevant Borrower secured on the same Property are also sold to the LLP in accordance with this Clause 2.
- 2.5 The sale by the Seller of any Loans and their Related Security comprised in the Initial Portfolio to the LLP shall not include any transfer of an obligation under such Loan including any obligation to make a Further Advance (if any), or any other such obligation relating to payment of funds to a Borrower in respect of such Loans which obligation shall at all times, and notwithstanding the sale of such Loans and their Related Security to the LLP, remain an obligation of the Seller. The Seller shall pay to the LLP from time to time any Capitalised Interest associated with an Authorised Underpayment made by a Borrower. In addition, the Seller will indemnify the LLP against any shortfall in Principal Receipts or Revenue Receipts occurring due to the Borrower exercising a right of set-off against the Seller.
- 2.6 Notwithstanding any other provision of this Agreement, if the LLP has not obtained a licence pursuant to the CCA prior to the First Transfer Date, the Seller shall not sell any right, title, interest and benefit in the Initial Portfolio on the First Transfer Date or in any New Portfolio on any subsequent Transfer Date occurring prior to the Effective Date or in any Additional Loan Advance or Product Switch in respect thereof and instead hereby declares and agrees to hold all rights, title, interest and benefit in the English Loans and the Northern Irish Loans and their Related Security comprising the Initial Portfolio and such New Portfolio and any Additional Loan Advance or Product Switch in respect thereof as bare trustee for the LLP (for the same consideration as would have been payable for the sale of the Initial Portfolio or such New Portfolio and any Additional Loan Advance or Product Switch in respect thereof pursuant to Clauses 2.1 and 4.1 (as applicable)). Unless expressly provided otherwise, the terms and conditions relating to the sale of the Initial Portfolio or such New Portfolio and any Additional Loan Advance or Product Switch in respect thereof (as applicable) shall apply *mutatis mutandis* to such declaration of trust) (the "**CCA Trust**") until the LLP delivers written notice to the Seller in accordance with Clause 2.8 (at which time the provisions of Clause 2.8 shall apply immediately). The Seller and the LLP acknowledge and agree that the CCA Trust shall not apply to any Scottish Loans or their Related Security and that the Scottish Loans and their Related Security comprised in the Initial Portfolio or such New Portfolio and any Additional Loan Advance or Product Switch in respect thereof shall be held solely under and on the terms of the relevant Scottish Declaration of Trust declared pursuant to Clauses 3.1(a)(vii) or 4.8(a)(iv) (as applicable).
- 2.7 Until the LLP delivers written notice to the Seller in accordance with Clause 2.8, any references herein to the sale, transfer, assignation or assignment (or equivalent expression) on the First Transfer Date or the Transfer Date for a New Portfolio or other date on which any Additional Loan Advance or Product Switch in respect thereof is made (as applicable) shall be deemed to refer to such English Loans and Northern Irish Loans and their Related Security and any Additional Loan Advance or Product Switch in respect thereof being held upon the CCA Trust (or, as applicable, such Scottish Loans and their Related Security and any Additional Loan Advance or Product Switch in respect thereof being held pursuant to the relevant Scottish Declaration of Trust) under and on the terms of Clause 2.6. Any references herein to the repurchase of any such English Loans or Northern Irish Loans and their Related Security shall be deemed to refer to the repurchase of the beneficial interest of the LLP in respect of such English Loans and Northern Irish Loans and their Related Security under the CCA Trust (or, as applicable, the repurchase of the beneficial interest of the LLP in respect of such Scottish

Loans and their Related Security under the relevant Scottish Declaration of Trust) following payment by the LLP in accordance with Clause 9.7 and such repurchased English Loans and Northern Irish Loans and their Related Security being released from the CCA Trust (or, as applicable, such repurchased Scottish Loans and their Related Security being released from the relevant Scottish Declaration of Trust) at such time. The LLP hereby agrees and directs the Seller that such repurchased English Loans and Northern Irish Loans and their Related Security and any and all rights, title, interest and benefit in such repurchased English Loans and Northern Irish Loans and their Related Security shall be released from and no longer subject to the CCA Trust (or, as applicable, such repurchased Scottish Loans and their Related Security and any and all rights, title and interest in such repurchased Scottish Loans and their Related Security shall be released from and no longer subject to the relevant Scottish Declaration of Trust) and hereby acknowledges and agrees that thereupon such released English Loans and Northern Irish Loans and their Related Security and any and all rights, title, interest and benefit in such repurchased English Loans and Northern Irish Loans and their Related Security shall no longer be held by the Seller as bare trustee for the LLP under the CCA Trust (or, as applicable, such released Scottish Loans and their Related Security and any and all rights, title, interest and benefit in such repurchased Scottish Loans and their Related Security shall no longer be held by the Seller pursuant to the relevant Scottish Declaration of Trust) and the LLP thereupon shall assign and/or transfer such Loans and their Related Security and any and all rights, title and interest in such Loans to the Seller. Unless expressly provided otherwise, the provisions of this Agreement in respect of the Loans and Related Security comprised in the Initial Portfolio or any New Portfolio or any Additional Loan Advance or Product Switch in respect thereof (as applicable) shall otherwise apply *mutatis mutandis* in respect of the Loans and their Related Security and any Additional Loan Advance or Product Switch in respect thereof during such time as they are held upon the CCA Trust (or, as applicable, the relevant Scottish Declaration of Trust).

2.8 Upon the LLP obtaining the requisite licence pursuant to the CCA, the LLP shall forthwith deliver written notice thereof to the Seller and the provisions of Clauses 2.6 and 2.7 shall thereupon cease to apply and the CCA Trust (but not, for the avoidance of doubt, any relevant Scottish Declaration of Trust) shall immediately terminate and the following provisions shall apply. The LLP hereby agrees and directs the Seller that the English Loans and the Northern Irish Loans and their Related Security subject to the CCA Trust and any and all rights, title and interest in such English Loans and Northern Irish Loans and their Related Security shall be released from and no longer subject to the CCA Trust and hereby acknowledges that thereupon such English Loans and Northern Irish Loans and their Related Security and any and all rights, title and interest in such English Loans and Northern Irish Loans and their Related Security are released from the CCA Trust and the LLP thereupon shall assign and/or transfer such English Loans and Northern Irish Loans and their Related Security and any and all rights, title and interest in such English Loans and Northern Irish Loans and their Related Security to the Seller. The Seller and the LLP hereby further agree that, upon the LLP obtaining such license, all such Scottish Loans and their Related Security as are then held under any Scottish Declaration of Trust shall be deemed to be immediately sold by the Seller to the LLP (in accordance with the provisions of Clause 2.1) and, for the avoidance of doubt, such Scottish Loans and their Related Security shall thereupon continue to be held under and on the terms of the relevant Scottish Declaration of Trust.

3. FIRST TRANSFER DATE

- 3.1 (a) A meeting shall take place at 2.00 p.m. on the First Transfer Date at the offices of Allen & Overy LLP, 40 Bank Street, London E14 5DU or such other time or offices as the parties may agree at which the Seller shall deliver to the Security Trustee or its representative the following documents:
 - (i) two originals of the power of attorney dated as at the First Transfer Date and substantially in the form set out in Schedule 9 (Seller Power of Attorney), duly executed by the Seller;

- (ii) a duly executed endorsement of Buildings Insurance Policies in the form set out in Schedule 12 (Insurance Policies) Part 1 or Part 2 (as applicable);
 - (iii) a certificate signed by at least one Authorised Signatory of the Seller dated as at the First Transfer Date attaching a copy of the board minutes and/or committee minutes of the Seller authorising its Authorised Signatories to agree to the sale of its Loans and their Related Security comprising the Initial Portfolio and authorising execution and performance of this Agreement, the Servicing Deed, the other Transaction Documents to which the Seller is a party (in any capacity) and all of the documentation to be entered into pursuant to this Agreement and confirming that the resolutions referred to therein are in full force and effect and have not been amended or rescinded as at the date of the certificate;
 - (iv) a duly executed assignment and assignation of rights against third parties comprised in the Initial Portfolio dated as at the First Transfer Date and substantially in each of the forms set out in Schedule 11 (Assignment of Third Party Rights);
 - (v) an up to date, complete and accurate list of the mortgage loans and their related security which it is proposed will comprise the Initial Portfolio, which may be provided in a document stored upon electronic media (including, but not limited to, a CD-ROM) in a form acceptable to the LLP and the Security Trustee (each acting reasonably);
 - (vi) a solvency certificate signed by two (2) Authorised Signatories of the Seller dated as at the First Transfer Date in a form acceptable to the LLP and the Security Trustee (each acting reasonably); and
 - (vii) in relation to those Loans in the Initial Portfolio which are Scottish Loans, a duly executed Scottish Declaration of Trust dated at the First Transfer Date substantially in the form set out in Schedule 8 (Scottish Declaration of Trust) with the Schedule thereto duly completed.
- (b) The parties hereto acknowledge that completion on the later of the Effective Date and the First Transfer Date of the sale to the LLP of all of the Seller's right, title, interest and benefit in and to its Loans and their Related Security in the Initial Portfolio shall occur upon the payment being made under Clause 3.3 (and subject to the satisfaction of the conditions in Clauses 2.2 and 3.1) PROVIDED THAT the matters described in Clauses 7.3 and 7.4 shall not occur until the relevant time indicated in Clause 7 (Perfection of the Sale).
- (c) If so requested by the LLP, the Seller undertakes within ten (10) Business Days of the First Transfer Date to provide the LLP and the Security Trustee with an updated, complete and accurate list of its Loans and their Related Security in the Initial Portfolio and their True Balances, which may be provided in a document stored upon electronic media (including but not limited to, a CD-ROM) in a format acceptable to the LLP and the Security Trustee (each acting reasonably).

3.2 The Seller undertakes that from the First Transfer Date until the perfection of the assignment in accordance with Clause 7 (Perfection of the Sale) (or, if earlier, until delivery to or at the direction of the LLP and/or the Security Trustee), that it shall, save in relation to Title Deeds in respect of Loans which are Dematerialised Loans, hold or procure that the Servicer holds on its behalf the Title Deeds and the Loan Files relating to its Loans and their Related Security in the Initial Portfolio that are in its possession or under its control or held to its order to the order of the Security Trustee or (in the event of the termination of the appointment of the Society as Servicer) as the Security Trustee shall otherwise reasonably direct.

3.3 Subject to fulfilment of the conditions referred to in Clauses 2.2 and 3.1, the Seller shall be paid that part of the Initial Purchase Price constituting the cash payment referred to in Clause 2.1 by telegraphic transfer or some other method which transfers same day value by the LLP on the First Transfer Date.

4. SALE AND PURCHASE OF NEW PORTFOLIOS

4.1 Subject to fulfilment of the conditions set out in Clauses 4.4, 4.5 and 4.8, if the Seller shall, at any time and from time to time serve a properly completed New Portfolio Notice in duplicate on the LLP with a copy to the Security Trustee (such service to be in the Seller's sole discretion), the Seller agrees that on the later of the Effective Date and the date for completion of the sale specified in such New Portfolio Notice and (in the case of the Effective Date), immediately following the release of the relevant New Portfolio from the CCA Trust (so far as comprised therein) and its assignment and/or transfer to the Seller pursuant to Clause 2.8, the Seller shall sell to the LLP with full title guarantee (or, in the case of any Scottish Loans and their Related Security comprised in the relevant New Portfolio, with absolute warrandice or, in the case of any Northern Irish Loans and their Related Security comprised in the relevant New Portfolio, as beneficial owner) all its rights, title, interest and benefit in the relevant New Portfolio and each Additional Loan Advance and Product Switch pursuant to any Loan comprising the relevant New Portfolio on the later of the Effective Date and the date thereof.

4.2 Within ten (10) Business Days of receipt of a New Portfolio Notice in duplicate the LLP shall countersign that New Portfolio Notice in duplicate and return one original thereof to the Seller with a copy to the Security Trustee and the LLP agrees subject to the provisions of the LLP Deed to purchase with full title guarantee (or, in the case of any Scottish Loans and their Related Security comprised in the relevant New Portfolio, with absolute warrandice or, in the case of any Northern Irish Loans and their Related Security comprised in the relevant New Portfolio, as beneficial owner) the relevant New Loans and their Related Security comprising the relevant New Portfolio on the later of the Effective Date and the date for completion specified in the relevant New Portfolio Notice.

4.3 If at any time prior to the occurrence of:

- (a) an Issuer Event of Default; and/or
- (b) an LLP Event of Default,

the LLP receives written notification from the Cash Manager that the Adjusted Aggregate Loan Amount does not comply with the Asset Coverage Test as determined by the Cash Manager on any Calculation Date, then the LLP shall (unless the Security Trustee otherwise requires) within three (3) Business Days of receiving such written notice notify the Seller requesting that the Seller offers to sell in accordance with the provisions of this Clause 4 to the LLP sufficient New Loans and their Related Security on or before the next Calculation Date so that the Adjusted Aggregate Loan Amount is in compliance with the Asset Coverage Test and the Seller undertakes to use all reasonable endeavours to offer to sell to the LLP and the LLP undertakes to use all reasonable endeavours to acquire from the Seller sufficient New Loans and their Related Security so that the Adjusted Aggregate Loan Amount is maintained at all times in compliance with the Asset Coverage Test as determined by the Cash Manager on each Calculation Date PROVIDED THAT the Seller shall not be obliged to sell to the LLP and the LLP shall not be obliged to acquire New Loans and their Related Security if in the reasonable opinion of the Seller the sale to the LLP of such New Loans and their Related Security would adversely affect the business or financial condition of the Seller.

4.4 The conditions to be met as at each relevant Transfer Date in relation to the sale of New Loans (the **Eligibility Criteria**) are:

- (a) no Issuer Event of Default or LLP Event of Default under the Transaction Documents shall have occurred which is continuing as at the relevant Transfer Date;

- (b) the LLP acting on the advice of the Cash Manager is not aware, and could not reasonably be expected to be aware, that the purchase of the New Portfolio on the relevant Transfer Date will adversely affect the then current rating by Moody's or Fitch of the Covered Bonds;
- (c) the weighted average yield on the Loans in the Portfolio (including the loans which it is proposed will be New Loans) is at least 0.25 per cent. greater than the SONIA Spot Rate published on the final London Business Day in the previous Calculation Period after taking into account: (i) the weighted average yield on the Loans; and (ii) the margins on the Interest Rate Swap and any additional interest rate swap entered into by the LLP; and (iii) the average yield on any Substitution Assets held by the LLP;
- (d) the percentage of the Loans in the Portfolio that are buy-to-let (including the loans which it is proposed will be New Loans) will not exceed 15%; and
- (e) if the sale of loans which it is proposed will be New Loans on the relevant Transfer Date includes the sale of New Loan Types to the LLP, the Security Trustee has received Rating Agency Confirmation that such New Loan Types may be sold to the LLP,

in each case, as certified by an Authorised Signatory of each of the Issuer and the LLP, PROVIDED THAT, if the Transfer Date is an Issue Date, of the conditions set out in (a) to (e) above, only conditions (a), (c), and (d) are required to be satisfied to effect an assignment and transfer of the loans which is proposed will be New Loans PROVIDED THAT if any part of the consideration for a sale is satisfied pursuant to a cash payment under Clause 4.6(a), the conditions set out in (a) to (e) above shall be deemed to be satisfied or waived and, if the sale was in fact made at a time when the conditions were not satisfied or waived, Clause 9.3 shall be applicable on the basis as if Schedule 2 (Loan Representations and Warranties) had contained a warranty that the conditions in this Clause 4.4 had been satisfied and that there is a material breach of such warranty.

4.5 The obligations of the Seller under Clause 4.1 shall be subject to and conditional upon no Insolvency Event having occurred in relation to such Seller which is continuing as at the relevant Transfer Date PROVIDED THAT if any part of the consideration for a sale is satisfied pursuant to a cash payment under Clause 4.6(a), such condition shall be deemed to be satisfied or waived and, if the sale was in fact made at a time when an Insolvency Event had occurred and was continuing, Clause 9.3 shall be applicable on the basis as if Schedule 2 (Loan Representations and Warranties) had contained a warranty that no Insolvency Event in relation to the Seller had occurred at such time and that there is a material breach of such warranty.

4.6 Subject to fulfilment of the conditions referred to in Clauses 4.4, 4.5 and 4.8, the relevant Purchase Price to be provided to the Seller for the sale of the New Portfolio to the LLP on a Transfer Date shall be satisfied by a combination of:

- (a) a cash payment (if any) in Sterling to be made by the LLP from the proceeds of the relevant Term Advance and/or, subject to Clause 4.7, from Available Principal Receipts unless an Asset Coverage Test Breach Notice has been served and is unrevoked; and/or
- (b) the Seller being treated as having made a Capital Contribution in Kind in an amount equal to the difference between the aggregate of the True Balance of the New Loans as at the relevant Transfer Date and the cash payment (if any) made by the LLP under Clause 4.6(a); and
- (c) Deferred Consideration.

The Seller shall be paid that part of the relevant Purchase Price constituting the cash payment (if any) referred to in Clause 4.6(a) by telegraphic transfer or some other method which transfers same day value by the LLP on the relevant Transfer Date.

- 4.7 Subject to Clause 14 of the LLP Deed, on each LLP Payment Date the LLP may apply Available Principal Receipts towards the purchase of New Loans and their Related Security offered to the LLP by the Seller in accordance with Clauses 4.1 and 4.2 in an amount sufficient to ensure that, taking into account the other resources available to the LLP, the LLP is in compliance with the Asset Coverage Test.
- 4.8
- (a) On the relevant Transfer Date the Seller shall deliver to the Security Trustee or its representative the following documents:
 - (i) a duly executed assignment and assignation of rights against third parties comprised in the relevant New Portfolio dated as at the relevant Transfer Date and substantially in the forms set out in Schedule 11 (Assignment of Third Party Rights);
 - (ii) a certificate signed by at least one Authorised Signatory of the Seller dated as at the Transfer Date attaching a copy of the board minutes and/or committee minutes of the Seller authorising its duly Authorised Signatories to agree to the sale of the relevant New Portfolio and authorising execution of the documentation to be entered into pursuant to this Agreement and confirming that the resolutions referred to therein are in full force and effect and have not been amended or rescinded as at the date of the certificate;
 - (iii) a solvency certificate signed by two (2) Authorised Signatories of the Seller dated as at the relevant Transfer Date but only in the event that the relevant Transfer Date is also an Issue Date and/or if a solvency certificate has not been delivered by the Seller in the three months prior to the relevant Transfer Date and/or as at the relevant Transfer Date the short-term, unsecured, unsubordinated debt obligations of the Seller are not rated at least P-1 or F1 by Moody's and Fitch, respectively; and
 - (iv) in relation to mortgage loans proposed to comprise the New Portfolio which are Scottish Loans, a duly executed Scottish Declaration of Trust dated as at the relevant Transfer Date substantially in the form set out in Schedule 8 (Scottish Declaration of Trust) with the Schedule thereto duly completed.
 - (b) Within three (3) Business Days of the relevant Transfer Date the Seller undertakes to provide the LLP and the Security Trustee with an updated, complete and accurate list of the New Loans and their Related Security which comprise the relevant New Portfolio which may be provided in a document stored upon electronic media (including, but not limited to, a CD-ROM) in a form acceptable to the LLP and the Security Trustee (each acting reasonably).
 - (c) The parties hereto acknowledge that completion on the later of the Effective Date and each relevant Transfer Date of the sale to the LLP of all of the Seller's right, title, interest and benefit in and to the relevant New Portfolio shall occur upon the cash payment under Clause 4.6(a) being made (and subject to the satisfaction of the conditions in Clauses 4.4, 4.5 and 4.8) PROVIDED THAT the matters described in Clauses 7.3, 7.4 and 7.6 shall not occur until the relevant time indicated in Clause 7 (Perfection of the Sale).
- 4.9 The Seller undertakes that from the relevant Transfer Date until the perfection of the sale in accordance with Clauses 7.3, 7.4 and 7.6 (or, if earlier, until delivery to or at the direction of the LLP and/or the Security Trustee), the Seller shall, save in relation to Title Deeds in respect of Loans which are Dematerialised Loans, hold or procure that the Servicer holds on its behalf the Title Deeds and the Loan Files relating to each New Portfolio sold by it on the relevant Transfer Date that are in its possession or under its control or held to its order to the order of the Security Trustee or (in the event of termination of the appointment of the Society as Servicer) as the Security Trustee shall otherwise reasonably direct.

- 4.10 The LLP hereby agrees to pay to the Seller as part of the Deferred Consideration any and all Early Repayment Charge Receipts received by the LLP in respect of the Loans included in the New Portfolio PROVIDED THAT, if any Loans in respect of which Early Repayment Charges are payable are the subject of a trust pursuant to Clause 6 (Trust of Monies), the Seller, the LLP and the Security Trustee agree that the benefit of any Early Repayment Charges payable under such Loan shall, on the date of payment to the Seller of the related Early Repayment Charge Receipts, be released from such trust.
- 4.11 On each Transfer Date that the Purchase Price, payable by the LLP to the Seller in consideration for the loans and their related security which it is proposed will be New Loans and their Related Security comprised in the relevant New Portfolio to be sold to the LLP on the later of the Effective Date and the relevant Transfer Date, is in excess of £1 billion Sterling, the LLP shall appoint at the cost of the LLP:
- (a) a firm of independent auditors to undertake a due diligence exercise on a sample of the Loan Files relating to the New Loans to be sold to the LLP on the relevant Transfer Date; and
 - (b) a firm of independent solicitors to undertake a legal due diligence exercise on a sample of Loan Files and Title Deeds relating to the New Loans to be sold to the LLP on the relevant Transfer Date.
- 4.12 For the avoidance of doubt and in respect of any Loan in the New Portfolio to a Borrower, no Loan will be sold to the LLP in accordance with this Clause 4 unless all other Loans (including Additional Loan Advances) to the relevant Borrower secured on the same Property are also sold to the LLP in accordance with this Clause 4.
- 4.13 The sale by the Seller of any Loans and their Related Security comprised in any New Portfolio to the LLP shall not include any transfer of an obligation under such Loan including any obligation to make a Further Advance (if any), or any other such obligation relating to payment of funds to a Borrower in respect of such Loans which obligation shall at all times, and notwithstanding the sale of such Loans and their Related Security to the LLP, remain an obligation of the Seller. The Seller shall pay to the LLP from time to time any Capitalised Interest associated with an Authorised Underpayment made by a Borrower. In addition, the Seller will indemnify the LLP against any shortfall in Principal Receipts or Revenue Receipts occurring due to the Borrower exercising a right of set-off against the Seller.
- 4.14 If any sale of any New Portfolio by the Seller to the LLP on the relevant Transfer Date includes the sale of any New Loans which are New Loan Types then the Seller shall procure that on the relevant Transfer Date its legal advisers shall provide the LLP and the Security Trustee with legal opinions opining on, amongst other things, the sale of such New Loans referred to in this Clause 4 to the LLP in such form as may be reasonably required by the Security Trustee.
- 4.15 The Seller shall not sell any New Loans to the LLP which have not been originated by the Leeds Group or any Successor in Business and which have been purchased from third parties unless Rating Agency Confirmation has been obtained and the aggregate True Balance in relation to all such Loans in the Portfolio (including all Loans which were not originated by the Seller and previously sold to the LLP) would be less than 10 per cent. of the aggregate True Balance of all of the Loans in the Portfolio following such sale.
- 4.16 The Seller shall as soon as reasonably practicable after completion of the sale, assignment and transfer of each New Portfolio procure that the respective interests of the LLP and the Security Trustee are noted by the relevant insurers in relation to each Insurance Policy.

5. SALE AND PURCHASE OF ADDITIONAL LOAN ADVANCES

The Seller shall on each Calculation Date serve a completed Additional Loan Advance Notice on the LLP with a copy to the Security Trustee in the form of Schedule 14 (Additional Loan Advance Notice) which shall confirm for the previous Calculation Period whether any Additional Loan Advances were made, the date on which any such Additional Loan Advance was made and that each Additional Loan Advance meets the Eligibility Criteria. The Seller shall be treated as having made a Capital Contribution in Kind on that Calculation Date in an amount equal to the aggregate of the principal amount of the Additional Loan Advances made by the Seller during the related Calculation Period less any cash payments received from the LLP in relation to such Additional Loan Advances during the same such Calculation Period.

6. TRUST OF MONIES

- 6.1 Notwithstanding the sales effected by this Agreement, if at, or at any other time after, the First Transfer Date (but prior to any repurchase in accordance with Clause 9.7) the Seller holds, or there is held to its order, or it receives, or there is received to its order, any property, interests, rights or benefits and/or the proceeds thereof hereby agreed to be sold to the LLP (and not repurchased by the Seller pursuant to Clause 9.7), the Seller undertakes to each of the LLP and the Security Trustee that, subject to Clause 7 (Perfection of the Sale), it will promptly remit, assign and/or transfer the same to the LLP or, if appropriate, the Security Trustee or as any of them shall direct and until it does so or to the extent that such Seller is unable to effect such remittance, assignment, assignation or transfer, it will hold such property, interests, rights or benefits and/or the proceeds thereof upon trust for the LLP.
- 6.2 If at, or any time after, the First Transfer Date the LLP holds, or there is held to its order, or it receives, or there is received to its order, any property, interests, rights or benefits relating to any Loan and its Related Security repurchased by the Seller pursuant to Clause 9.7 and/or the proceeds thereof, the LLP undertakes to the Seller that it will remit, assign, re-assign, retrocess and/or transfer the same to the Seller, as the case may require, and until it does so or to the extent that the LLP is unable to effect such remittance, assignment, re-assignment, retrocession and/or transfer, the LLP undertakes to hold such property, interests, rights or benefits and/or the proceeds thereof upon trust for the Seller as the beneficial owner thereof or as the Seller may direct PROVIDED THAT the LLP shall not be in breach of its obligations under this Clause 6.2 if, having received any such monies and paid them to third parties in error, it pays an amount equal to the monies so paid in error to the Seller in accordance with the Servicing Deed.

7. PERFECTION OF THE SALE

- 7.1 Completion of transfer by way of assignment or assignation (as appropriate) of the legal title of the Loans and their Related Security (or, where specified below, the Selected Loans and their Related Security) to the LLP will be completed on or before the 20th Business Day after the later of the Effective Date and the earliest to occur of the following:
- (a) either (i) the occurrence of an Issuer Event of Default under Condition 9(a)(i) to (vi) and service on the Issuer of an Issuer Acceleration Notice and the service on the LLP of a Notice to Pay; or (ii) if the Bond Trustee has previously served on the Issuer an Issuer Acceleration Notice and served on the LLP a Notice to Pay in respect of an Issuer Event of Default under Condition 9(a)(vii), then the occurrence of any other Issuer Event of Default;
 - (b) a written direction is received by the Issuer from the FCA requiring the transfer of all of the engagements or the business of the Issuer to another entity in circumstances where the rights of borrowing members of the Issuer will cease (provided that, where approval of the transfer is required by the FCA or required by applicable law from members of the Society, such approval is obtained);

- (c) in respect of Selected Loans only, at the request of the LLP following the acceptance of any offer to sell the Selected Loans and their Related Security to any person who is not the Seller;
- (d) the Seller and/or the LLP being required: (i) by law; (ii) by an order of a court of competent jurisdiction; or (iii) by a regulatory authority which has jurisdiction over the Seller or (iv) by any organisation of which the Seller is a member, or whose members comprise, but are not necessarily limited to, mortgage lenders and with whose instructions it is customary for the Seller to comply, to perfect legal title to the Loans; and
- (e) the Seller requesting a transfer by way of assignment or assignation (as appropriate) by giving notice in writing to the LLP and the Security Trustee.

7.2 For the avoidance of doubt, prior to the completion of the assignment, assignation or transfer (as appropriate) of any Loan and its Related Security to the LLP pursuant to Clause 7.1, with effect from the relevant Transfer Date relating to that Loan and its Related Security legal title to each Loan and its Related Security in the Portfolio shall be vested in the Seller and sole beneficial title and interest shall be vested in the LLP (pursuant, in the case of each Scottish Loan and its Related Security in the Portfolio, to the relevant Scottish Declaration of Trust). Prior to perfection of the transfer of the legal title to Loans and their Related Security pursuant to this Clause 7 (Perfection of the Sale), the Seller undertakes (to the extent that any of the following is vested in it) to hold (in relation to the Scottish Loans in the Portfolio, pursuant to the relevant Scottish Declaration of Trust) all right, title, interest and benefit (both present and future) in and under (a) the Loans and their Related Security, following the sale of such Loans and their Related Security to the LLP and (b) any sums that are or may become due in respect thereof, on trust for the LLP (excluding from such trust any Loans which have been repurchased by the Seller).

7.3 Perfection of the transfer and, where applicable, assignments in accordance with Clause 7.1 of:

- (a) the English Mortgages in the Portfolio shall be effected by means of a transfer in the form of the relevant Land Registry Transfer;
- (b) the Scottish Mortgages in the Portfolio shall be effected by means of the execution and delivery of an assignation in the form of: (i) a Seller SLR Transfer, in the case of Scottish Mortgages in the Portfolio title to which is registered in the Land Register of Scotland; and/or (ii) a Seller Sasine Transfer, in the case of Scottish Mortgages in the Portfolio title to which is recorded in the General Register of Sasines;
- (c) the Northern Irish Mortgages in the Portfolio shall be effected by means of a transfer in the form of the relevant Northern Irish Transfer; and
- (d) the Loans and other relevant Related Security shall be effected through notification to the relevant Borrowers and/or guarantors of the sale and transfer or assignment or assignation of the relevant Loans and their Related Security.

7.4 Perfection of the transfer of any other Related Security comprised in the Portfolio not catered for in Clause 7.3 (including in respect of any Mortgage over unregistered land), shall be in such form as the LLP and the Security Trustee (each acting reasonably) may require.

7.5 Prior to perfection pursuant to Clause 7.1, the LLP and the Security Trustee will not:

- (a) submit or require the submission of any notice, form, request or application to, or pay any fee for the registration or recording of, or the noting of any interest at the Land Charges Department of The Land Registry or at The Land Registry or the Registers of Scotland or at

the Land Registry of Northern Ireland and/or the Registry of Deeds in Belfast in relation to, the LLP's or Security Trustee's interests in the Portfolio;

- (b) give or require the giving of any notice to any Borrower or any other relevant person of the sale or transfer of that Borrower's Loan and its Related Security to the LLP or the charge by the LLP of the LLP's interest in that Borrower's Loan and its Related Security to the Security Trustee pursuant to the Deed of Charge;
- (c) send or require to be sent to any solicitor, licensed conveyancer or (in Scotland) qualified conveyancer or other person who has acted on behalf of the Seller in respect of any Mortgage with respect to which the Seller has not received a complete set of the Title Deeds, a letter or other communication requiring such solicitor, licensed conveyancer or (in Scotland) qualified conveyancer or other person to hold such documents to the order of the LLP or the Security Trustee (as the case may be); or
- (d) take any other step or action analogous to those in paragraphs (a) to (c) above.

7.6 Within twenty-five (25) Business Days following perfection of the assignments, assignments or transfers contemplated by this Agreement pursuant to Clause 7.1, the Seller will do all of the acts, matters or things (including, for the avoidance of doubt, those acts, matters and things referred to in Clause 7.5) as the Security Trustee or the LLP requires the Seller to do, including that all Borrowers will be instructed to make all payments under the Loans directly to the GIC Account or (if applicable) the Stand-by GIC Account, in order to give effect to the terms of the assignments and assignments contemplated in this Agreement, including without limitation completing all registration formalities.

7.7 The Seller shall indemnify each of the LLP and the Security Trustee from and against any and all costs, fees and expenses (including any VAT in respect thereof) (including, without limitation, legal fees and expenses) which may be properly incurred by the LLP and/or the Security Trustee by reason of the doing of any act, matter or thing in order to perfect legal title to the Loans and their Related Security (where entitled to do so under this Clause 7) including those relating to the discharge of any charges in favour of a third party which have not been postponed to an Additional Loan Advance.

7.8 The LLP (subject to the prior written consent of the Security Trustee) shall, as soon as reasonably practicable following receipt of notification to it, or its agents, of completion of the registration or recording of the transfer (or, as applicable, the assignation) of all of the relevant Mortgages and other acts required to perfect the transfer of the relevant Loans and their Related Security, give notice thereof to the Seller and with such notice return the Seller Power of Attorney.

7.9 If any event set out in paragraphs (a) to (e) of Clause 7.1 occurs prior to the Effective Date, the LLP (or any liquidator, administrator, administrative receiver, receiver or other insolvency official on its behalf) shall within 20 Business Days thereof send written notice to each Borrower in respect of an English Loan and each Borrower in respect of a Northern Irish Loan comprised in the Portfolio, informing such Borrower of the interests of the LLP in respect of such Borrower's Loan and its Related Security pursuant to the CCA Trust and the charge by the LLP of the LLP's interest in the CCA Trust to the Lender pursuant to the Deed of Charge.

7.10 If any event set out in paragraphs (a) to (e) of Clause 7.1 occurs prior to the Effective Date, the LLP (or any liquidator, administrator, administrative receiver, receiver or other insolvency official on its behalf) shall within 20 Business Days thereof send written notice to each Borrower in respect of a Scottish Loan comprised in the Portfolio, informing such Borrower of the interests of the LLP in respect of such Borrower's Loan and its Related Security pursuant to the relevant Scottish Declaration of Trust and the charge by the LLP of the LLP's interest in the relevant Scottish Declaration of Trust to the Lender pursuant to the Deed of Charge.

8. UNDERTAKINGS

- 8.1 The LLP undertakes to the Seller that it will at all times (or will direct the relevant Servicer at all times to) use reasonable endeavours to administer and enforce (and exercise its powers and rights and perform its obligations under) the Loans comprised in the Portfolio and their Related Security in accordance with the policies set out at Schedule 17 (Seller's Policies) to this Agreement (subject to such changes made by the Society prior to transfer of legal title to the Loans in accordance with Clause 7 (Perfection of the Sale) in accordance with the standard of a Reasonable Prudent Lender).
- 8.2 The Seller undertakes to the LLP that, in the event that any Borrower establishes that it has at any time prior to the First Transfer Date or, as the case may be, the relevant Transfer Date, paid to the Seller any amounts in excess of sums due to the Seller as at the date of payment under the Mortgage Conditions applicable to that Loan, the Seller will reimburse the Borrower for such overpayment together with any interest, cost or other expense associated therewith. The Seller further agrees to hold the LLP harmless against any such claims and to indemnify the LLP on an after Tax basis in relation to any costs, expense, loss or other claim which may arise in connection therewith. Any payment made by the Seller to the LLP in discharge of the foregoing indemnity shall be regarded as a rebate of part of the Purchase Price of the relevant Loan.
- 8.3 The Seller and the LLP undertake to each other and to the Security Trustee that if and to the extent that any determination shall be made by any court or other competent authority or any ombudsman or regulator that:
- (a) any term which is material to the value of the Loan or any interest payable under it; or
 - (b) the Standard Variable Rate or any other discretionary interest rate or margin payable under any Loan (subject to any applicable caps, discounts and fixed rates) may not be set by any successors or assigns of the Seller or those deriving title from it; or
 - (c) there has been any breach of or non-observance or non-compliance with any obligation, undertaking, covenant or condition on the part of the Seller relating to the interest payable by or applicable to a Borrower under any Loan,

then, subject to the receipt by the Security Trustee of a certificate signed by a Designated Member of the LLP stating that such a determination has been made under paragraph (a), (b) or (c) (which the Security Trustee shall be entitled to accept as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on all Secured Creditors), the LLP will serve upon the Seller a notice in the form of the Loan Repurchase Notice requiring the Seller to repurchase the relevant Loan and all other Loans under the relevant Mortgage Account and its Related Security in accordance with Clause 9.7 (but in the case of a determination in respect of (b) above, only if at any time on or after such determination, the Standard Variable Rate of the Seller (as applicable) or other discretionary interest rate or margin shall be below or shall fall below the standard variable rate of interest set by such successors or assigns or those deriving title from them).

- 8.4 The Seller undertakes to the LLP and the Security Trustee that if its long term unsecured, unsubordinated and unguaranteed debt obligations cease to be assigned a long term credit rating from Moody's of at least Baa2 or from Fitch of at least BBB-, the Seller (unless Moody's and/or, as the context may require, Fitch, as applicable, confirms that the current ratings of the Covered Bonds will not be adversely affected) will deliver to the LLP, the Security Trustee (upon request) and the Rating Agencies details of the names and addresses of the Borrowers with Loans then in the Portfolio, which may be provided in the document stored upon electronic media (including, but not limited to, a CD-ROM) and a draft letter of notice to such Borrowers of the sale and assignment of those Loans and the Related Security to the LLP (and, in the case of any Scottish Loan, the making of the relevant Scottish Declaration of Trust) PROVIDED THAT, should the Seller be required as described in this Clause 8.4

to provide the details of the names and addresses of Borrowers to the Security Trustee and the LLP, each of the Security Trustee and the LLP hereby agrees to appoint an agent that is located in the United Kingdom and which maintains all appropriate registrations, notifications, licences and authorities (if any) required under the DPA to receive and maintain such information on its behalf and security measures satisfactory to the Seller (acting reasonably) for protecting personal data.

8.5 The Seller undertakes to the LLP and the Security Trustee that, pending perfection after the occurrence of any event under Clause 7 (Perfection of the Sale), such Seller:

- (a) shall not do or omit to do any act or thing which might, in the reasonable opinion of the Security Trustee, prejudice the interests of the LLP and/or the Security Trustee in the Portfolio;
- (b) shall promptly notify the LLP and the Security Trustee in writing if it receives written notice of any litigation or claim calling into question in any material way that Seller's or the LLP's title to any Loan comprised in the Portfolio or its Related Security or if it becomes aware of any material breach of any of the Representations and Warranties or other obligations under this Agreement unless such breach is rectified or such Loan is repurchased by the Seller;
- (c) shall, if reasonably required so to do by the LLP or the Security Trustee, participate or join in any legal proceedings to the extent necessary to protect, preserve and enforce that Seller's or the LLP's or the Security Trustee's title to or interest in any Loan or its Related Security PROVIDED THAT the Seller is reimbursed by the LLP, in the case of the LLP subject to and in accordance with the relevant Priority of Payments under and in accordance with the Transaction Documents, for the reasonable legal expenses and costs of such proceedings;
- (d) shall use all reasonable endeavours to obtain as soon as reasonably possible:
 - (i) that information which accurately and definitively identifies the relevant Mortgages (which may, for the avoidance of doubt, include the relevant title number folio) to each Property in respect of which a Mortgage is registered at the Land Registry, Land Registry of Northern Ireland and/or Land Register of Scotland and the recording date and county of each Scottish Mortgage which is recorded in the General Register of Sasines to the extent that such data does not appear in the Initial Portfolio (or, as the case may be, the relevant New Portfolio Notice or the relevant annexure to a Scottish Declaration of Trust), provided that following the occurrence of an LLP Event of Default or a Potential LLP Event of Default, the Seller shall use all reasonable endeavours to obtain as soon as reasonably possible in respect of the Mortgages over Properties located in England and Wales and Northern Ireland the title numbers folio to each Property in respect of which a Mortgage is registered at the Land Registry or, in respect of Mortgages over Properties located in Scotland, the Land Register of Scotland title numbers to each Property in respect of which a Mortgage is registered at the Land Register of Scotland and the recording county and recording date of each Mortgage over Properties located in Scotland recorded at the General Register of Sasines in each case to the extent such title number or other such information has not yet been provided; and
 - (ii) shall make and enforce claims under the Insurance Policies relating to the Properties of which it is a loss payee or of which it has the benefit and hold the proceeds of such claims on trust for the LLP or as the LLP may direct.

8.6 The Seller undertakes to the LLP that, if applicable, in consideration of the Seller being treated as having made a Capital Contribution in Kind in an amount equal to the relevant Additional Loan Advance made by the Seller to the extent that it has not been paid a cash payment pursuant to Clause 5 (Sale and Purchase of Additional Loan Advances), it is and at all times shall remain solely responsible

for funding any relevant request for an Additional Loan Advance made by a Borrower or for any Product Switches and, for the avoidance of doubt, the LLP will not be required to advance monies to the Seller or to a Borrower in order to fund such an Additional Loan Advance in any circumstances whatsoever.

- 8.7 The Seller undertakes to the LLP and the Security Trustee that it shall grant security powers of attorney to the LLP and the Security Trustee or any Receiver in the form set out in Schedule 9 (Seller Power of Attorney) allowing any of the LLP, the Security Trustee and their delegates from time to time (*inter alia*) to set the Standard Variable Rate and other discretionary rates and margins applicable to Loans (subject to the applicable Mortgage Conditions and Clause 8.3) in the circumstances referred to in Clause 4 (Standard Variable Rate and Other Discretionary Rates and Margins) of the relevant Servicing Deed PROVIDED THAT nothing in this Clause 8.7 shall prevent the Seller (or any of its attorneys from time to time) from setting the interest rate applicable to a relevant Loan higher than those set or to be set or required or to be required by the LLP or the Security Trustee or any delegate thereof.
- 8.8 The Seller undertakes to the LLP and the Security Trustee that it will comply with any and all orders of the FCA and any court of competent jurisdiction made pursuant to Regulation 33 of the RCB Regulations to sell Loans and their Related Security to the LLP in accordance with the RCB Regulations.
- 8.9 Unless either the Security Trustee or the LLP needs (following an Issuer Event of Default) to ensure that breach of the Yield Shortfall Test does not occur (i) neither the Security Trustee nor the LLP shall set the Standard Variable Rate and other discretionary mortgage rates and margins for Loans which are in the Portfolio (disregarding any discounts or additions to it) at rates higher than the then equivalent rates for loans originated by the Seller which are not in the Portfolio and (ii) the Security Trustee shall be entitled to assume, unless it has actual knowledge or express notice to the contrary, that the Yield Shortfall Test has not been breached nor will be breached.

9. WARRANTIES AND REPURCHASE BY THE SELLER

- 9.1 (a) (i) The Seller hereby makes the Corporate Representations and Warranties set out in Schedule 1 as at the date of the Principal Agreement in favour of the LLP and the Security Trustee.
- (ii) The Seller hereby makes the Representations and Warranties set out in Schedule 2 in relation to each of its Loans and their Related Security in the Initial Portfolio as at the date of the Principal Agreement and on the First Transfer Date in favour of the LLP and the Security Trustee.
- (iii) The Seller hereby makes the Representations and Warranties listed in Schedule 2 in relation to each of its related New Loans and their Related Security in a New Portfolio sold by the Seller pursuant to Clause 4 (Sale and Purchase of New Portfolios) of this Agreement, on the date of the service of the relevant New Portfolio Notice and on the relevant Transfer Date in favour of the LLP and the Security Trustee.
- (iv) The Seller hereby makes the Representations and Warranties listed in Schedule 2 in relation to each Loan which is subject to a Product Switch or an Additional Loan Advance made by the Seller on the Calculation Date immediately following the making by the Seller of the relevant Product Switch or Additional Loan Advance (as the case may be) in favour of the LLP and the Security Trustee.

- (b) Each statement comprised in the Representations and Warranties shall be construed as a separate statement and (save as expressly provided to the contrary) shall not be limited or restricted by reference to or inference from the terms of any other such statement.
- (c) The Seller acknowledges:
 - (i) that the Representations and Warranties are made with a view to inducing the LLP and the Security Trustee (as the case may be) either to enter into this Agreement and the other Transaction Documents to which it is a party or to agree to purchase the Initial Loans, the New Loans and their Related Security;
 - (ii) that each of the LLP and the Security Trustee has entered into this Agreement and the other Transaction Documents to which it is a party in reliance upon the Representations and Warranties notwithstanding any information in fact possessed or discoverable by the LLP and/or the Security Trustee or otherwise disclosed to any of them; and
 - (iii) that prior to entering into this Agreement and the other Transaction Documents to which each is a party neither the LLP nor the Security Trustee has made any enquiries of any matter.
- (d) The Security Trustee and the LLP acknowledge that they have not entered into this Agreement in reliance upon any representation, warranty or undertaking other than those set out in this Agreement or upon any other enquiry, investigation or search whatsoever.

9.2 The LLP's and the Security Trustee's sole remedy in respect of a breach of any of the Representations and Warranties shall be to take action under this Clause 9. Furthermore, in respect of any actual or alleged breach of Clause 9.1, the LLP or Security Trustee shall, as applicable:

- (a) notify the Seller as soon as reasonably practicable following any claim by any person of or arising from such actual or alleged breach and thereafter keep such Seller informed in relation to such claim;
- (b) not settle or compromise any such claim made or intimated or otherwise do anything which may be prejudicial to the position of the Seller in relation thereto having regard to this Agreement, except pursuant to the written directions of such Seller or with such Seller's prior written approval, such directions and approval not to be unreasonably withheld; and
- (c) comply with the Seller's reasonable directions as to answering, disputing defending, compromising, settling, or otherwise in relation to the claim made or initiated (including without limitation the instruction of particular legal advisers), and if and to the extent required by the Seller, do such things as the Seller may reasonably require to enable and authorise such Seller or persons nominated by the Seller to answer, dispute, defend, compromise, settle or otherwise deal with any such claim or intimated claim, or mitigate loss or potential loss on behalf of the LLP,

subject in each case to the Seller indemnifying the LLP and the Security Trustee against the consequences (including the direct costs) of complying with such Seller's directions and requirements.

9.3 In the event of a material breach of any of the Representations or Warranties in respect of any Loan and/or its Related Security made under Clause 9.1 or if any of those Representations or Warranties proves to be materially untrue in the case of the Initial Portfolio as at the First Transfer Date or in the case of a New Portfolio as at the relevant Transfer Date or in the case of a Loan in respect of which a Product Switch or Additional Loan Advance is made as at the next Calculation Date immediately after

the making by the Seller of the relevant Product Switch or Additional Loan Advance (as the case may be) and PROVIDED THAT:

- (a) the LLP has given the Seller not less than twenty-eight (28) Business Days' notice in writing; and
- (b) such breach or untruth, where capable of remedy, is not remedied to the reasonable satisfaction of the Security Trustee within the twenty-eight (28) Business Days period referred to in Clause 9.3(a) (or such longer period as the Security Trustee may in its absolute discretion direct the LLP in writing),

then, the LLP shall (unless the Security Trustee otherwise requires) serve upon the Seller a Loan Repurchase Notice in duplicate substantially in the form set out in Schedule 10 (Loan Repurchase Notice) requiring that Seller to repurchase the relevant Loan (which, for the avoidance of doubt, shall include any Loan to which an Additional Loan Advance relates) and its Related Security (and any other Loan secured or intended to be secured by that Related Security or any part of it) in accordance with Clause 9.7.

9.4 This Clause 9.4 sets out the circumstances when the Seller may (at its sole discretion) elect to repurchase Loans:

- (a) Prior to the occurrence of an Issuer Event of Default, the Seller may at any time offer to repurchase a Defaulted Loan and its Related Security from the LLP by delivery of a notice, to the LLP, in such form as is agreed between the Seller and the LLP. The LLP shall accept such offer by delivering a Loan Repurchase Notice duly signed on behalf of the LLP and the provisions of Clause 9.7 shall apply.
- (b) Prior to the occurrence of an Issuer Event of Default, the Seller may at any time offer to repurchase a Loan (other than a Defaulted Loan) and its Related Security from the LLP by delivery of a notice, to the LLP, in such form as is agreed between the Seller and the LLP. The LLP (with the prior written consent of the Security Trustee) (which consent shall be given if the conditions set out in Clause 9.18 are satisfied) may, in its absolute discretion, accept such offer by delivering a Loan Repurchase Notice duly signed on behalf of the LLP and the provisions of Clause 9.7 shall apply.

9.5 If the Seller accepts an application from, or makes an offer (which is accepted) to, a Borrower for an Additional Loan Advance in respect of any Loan in the relevant Portfolio and the Eligibility Criteria set out in Clause 4.4 (for the purposes of this Clause 9.5 as if references therein to "New Loans" are to be construed as references to the Loan which would result from the making of such Additional Loan Advance (as the case may be), references to "sale" are to be construed as references to the making of the Additional Loan Advance and references to Transfer Date are to be construed as references to the relevant Calculation Date) are not satisfied on the next Calculation Date immediately following the making of the Additional Loan Advance (as applicable) the LLP shall (unless the Security Trustee otherwise requires):

- (a) subject to paragraph (b) below, in the event of a breach of paragraph (c) of the Eligibility Criteria, serve on the Seller a Loan Repurchase Notice in duplicate substantially in the form set out in Schedule 10 requiring the Seller to repurchase the relevant Loan which is the subject of the Additional Loan Advance (as the case may be) and its Related Security (and any other Loan secured or intended to be secured by that Related Security or any part of it) in accordance with Clause 9.7; or
- (b) in the event of a breach of paragraph (c) of the Eligibility Criteria, request that the Seller offer to sell in accordance with the provisions of Clause 4 (Sale and Purchase of New Portfolios)

sufficient New Loans and their Related Security to the LLP on or before the next Calculation Date so as to ensure that paragraph (c) of the Eligibility Criteria is satisfied and the Seller undertakes to use all reasonable endeavours to offer to sell to the LLP and the LLP undertakes to use all reasonable endeavours to acquire from the Seller sufficient New Loans and their Related Security so as to ensure paragraph (c) of the Eligibility Criteria is satisfied.

9.6 If the Seller:

- (a) accepts an application from, or makes an offer (which is accepted) to, a Borrower for a Product Switch or Additional Loan Advance in respect of any Loan in the relevant Portfolio; or
- (b) intends to accept an application from, or to make an offer to, a Borrower, for a Product Switch or Additional Loan Advance which would result in the LLP being required to be regulated by the FCA by reason of it entering into or arranging a Regulated Mortgage Contract,

the LLP may, in its sole discretion in the case of Clause 9.6(a), and shall, in the case of Clause 9.6(b), serve on the Seller a Loan Repurchase Notice (in duplicate) substantially in the form set out in Schedule 10 (Loan Repurchase Notice) requiring the Seller to repurchase the relevant Loan which is the subject of the Product Switch or Additional Loan Advance and its Related Security (and any other Loan secured or intended to be secured by that Related Security or any part of it) in accordance with Clause 9.7, provided that, in the case of Clauses 9.6(a) or (b), the Seller will be at liberty to offer to sell the relevant Loan(s) back to the LLP in accordance with the provisions of Clause 4 (Sale and Purchase of New Portfolios) and, in the case of Clause 9.6(b), the Seller will and/or shall procure that the Servicer will notify the LLP of the application as soon as it becomes aware that the application may result in the LLP, for the purposes of FCA regulation, entering into or arranging a Regulated Mortgage Contract.

9.7 Upon receipt of a Loan Repurchase Notice duly signed on behalf of the LLP:

- (a) if such Loan Repurchase Notice relates to a Loan or Loans as a result of a breach of the Representations and Warranties or failure to meet the Eligibility Criteria or the grant of an Additional Loan Advance or Product Switch under Clauses 9.3, 9.5 or 9.6, the Seller shall promptly sign and return a duplicate copy; or
- (b) if such Loan Repurchase Notice relates to a Defaulted Loan or a Loan or Defaulted Loans or Loans under Clause 9.4, the Seller shall state whether it still chooses to repurchase the relevant Defaulted Loan or Loan or Defaulted Loans or Loans and, if it chooses to do so, shall sign and return a duplicate copy to the LLP,

upon which, the LLP shall accordingly re-assign or re-transfer to the Seller free from the Security created by or pursuant to the Deed of Charge, the relevant Loan or Loans (or, as the case may be, the relevant Defaulted Loan or Defaulted Loans) and its (or their) Related Security (and any other Loan secured or intended to be secured by that Related Security or any part of it). Completion of such repurchase shall take place on the LLP Payment Date after receipt by the Seller of such Loan Repurchase Notice or such other date as the LLP may direct in the Loan Repurchase Notice (PROVIDED THAT the date so specified by the LLP shall not be later than ninety (90) days after receipt by the Seller of such notice or, in the case of a repurchase pursuant to Clause 9.6(a) above, the date of the proposed Product Switch or Additional Loan Advance, whichever is sooner) when such Seller shall pay to the GIC Account or the Standby GIC (as applicable) (or as the LLP shall direct) an amount equal to the aggregate of the True Balance of the relevant Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) as at the date of such repurchase and the provisions of Clause 9.8 shall apply.

- 9.8 On the date of completion of any repurchase of a Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) and its (or their) Related Security in accordance with Clauses 9.3, 9.4, 9.5 or 9.6 and 9.7 above, the Security Trustee and the LLP shall at the cost of the Seller execute and deliver, or cause their respective duly authorised attorneys to execute and deliver, to the Seller:
- (a) (if requested by the LLP, at the sole cost and expense of the LLP, and provided that the LLP shall have provided to the Security Trustee a certificate from two Authorised Signatories that the sale of such Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) and its or their Related Security has been made in accordance with the Transaction Documents) a memorandum of release or, where appropriate, a discharge of such Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) and its (or their) Related Security from the Security constituted by or pursuant to the Deed of Charge in a form reasonably acceptable to the Seller;
 - (b) if the assignment or assignation (as applicable) to the LLP of such Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) and its (or their) Related Security has been perfected in accordance with Clause 7 (Perfection of the Sale):
 - (i) if the relevant Mortgage is over a Property situated in England and Wales has been transferred which is included in the Related Security, a transfer of such Mortgage to the Seller in the form of the relevant Land Registry Transfer (or, if the transfer is in respect of unregistered land, in the form agreed between the LLP and the Seller);
 - (ii) if the relevant Mortgage is over a Property the title to which is registered in the Land Register of Scotland, an assignation of such Mortgage and the relevant Loan secured thereby to the Seller in the form of the LLP SLR Transfer;
 - (iii) if the relevant Mortgage is over a Property the title to which is recorded in the General Register of Sasines, an assignation of such Mortgage and the relevant Loan secured thereby to the Seller in the form of the LLP Sasine Transfer;
 - (iv) if the relevant Mortgage is over a Property the title to which is registered at the Land Registry of Northern Ireland and/or Registry of Deeds of Belfast, a transfer of such Mortgage and the relevant Loan Secured thereby to the Seller in substantially the form of the relevant Northern Irish Transfer (or in a form agreed between the LLP and the Seller);
 - (v) if notice has previously been given to the relevant Borrower of the sale of that Borrower's Loan and its Related Security to the LLP, give further notice to the Borrower of the repurchase of that Borrower's Loan and its Related Security by the Seller; and
 - (vi) a re-assignment of the rights of the LLP in respect of the relevant Related Security other than the relevant Mortgage, each in a form reasonably acceptable to the Seller; and
 - (c) a notification to the Servicer that all further sums due in respect of such repurchased Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) are for the Seller's account.

It is hereby agreed and acknowledged that upon the repurchase of a Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) and its (or their) Related Security in accordance with Clauses 9.3, 9.4, 9.5 or 9.6 and 9.7 above, such Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) and its (or their) Related Security (and any other related rights under the same) shall be automatically released from the Security Interests constituted by or pursuant to the Deed of Charge,

and, in the case of such Loan or Loans or Defaulted Loan (or Defaulted Loans) which is a Scottish Loan or Scottish Loans, the Security Trustee will take reasonable steps (at the request, cost and expense of the LLP) to ensure that a retrocession, discharge or other approach release is granted to effect such release from the Security Interests.

- 9.9 Completion of any repurchase or re-transfer or purchase or transfer, as applicable, shall take place in the case of any purchase, transfer, repurchase or re-transfer pursuant to this Clause 9 on the first Business Day immediately following expiry of a period of ten days following the date of the service upon the Seller of the relevant Loan Repurchase Notice or at the Seller's earlier election whereupon, the Seller shall pay to the LLP an amount equal to the True Balance of such Loan or Loans as at the date of completion of such repurchase.
- 9.10 Upon completion of any purchase, transfer, re-transfer or repurchase pursuant to this Clause 9, the Seller shall cease to be under any further obligation to hold any Loan Files, Title Deeds or other documents relating to such Loan or Loans (or, as the case may be, such Defaulted Loan or Defaulted Loans) and its (or their) Related Security to the order of the LLP and if the LLP holds or has under its control the Loan Files and other documents relating to the Loan or Loans (or, as the case may be, Defaulted Loan or Defaulted Loans) it will return them (or direct the return) to such Seller. Any such purchase, transfer, re-transfer or repurchase by the Seller of or in respect of a Loan or Loans (or, as the case may be, a Defaulted Loan or Defaulted Loans) and its (or their) Related Security shall constitute a discharge and release of such Seller from any claims which the LLP or the Security Trustee may have against the Seller arising from the relevant Representations or Warranties in relation to that Loan or Loans (or, as the case may be, that Defaulted Loan or Defaulted Loans) and its (or their) Related Security only but shall not affect any rights arising from a breach of any other express provision of this Agreement or any Representation or Warranty in relation to any other Loan and other Related Security.
- 9.11 After the Seller becomes aware of any event and/or fact which may reasonably give rise to an obligation under any Clause of this Agreement to repurchase any Loan or Defaulted Loan it shall notify the LLP and the Security Trustee in writing thereof as soon as reasonably practicable.
- 9.12 The parties to this Agreement may waive or amend the Representations and Warranties, only if they have the prior written consent of the Security Trustee (which consent shall be given if Rating Agency Confirmation has been received by the LLP or the Issuer, subject to compliance with Clauses 4.4(e) and 4.14).
- 9.13 The terms of this Clause 9 shall not prejudice the rights of the LLP.
- 9.14 If a breach of a Representation or Warranty arises in respect of any Loan and (in either case) no repurchase requirement arises in respect of the Seller pursuant to this Clause 9, neither the LLP nor the Security Trustee shall have any claim against such Seller in respect of, or in relation to, such breach of Representation or Warranty in relation to that Loan. For the avoidance of doubt, save as provided for in this Clause 9, the Seller is not obliged to repurchase any other Loan or its Related Security.
- 9.15 If the Seller makes any payment to the GIC Account or the Stand-by GIC Account (as applicable) (or as the LLP shall direct) in full satisfaction of any claim made by the LLP or the Security Trustee in relation to any Representation or Warranty set out in Schedule 2 (Loan Representations and Warranties), the LLP or the Security Trustee, as the case may be, shall assign to the Seller such rights as they have against any third party which relate to such claim.
- 9.16 If a Loan (or, as the case may be, Defaulted Loan) has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is due to be repurchased pursuant to this Clause 9, the Seller shall not be obliged to repurchase the Loan and the Related Security but shall instead indemnify the LLP and the Security Trustee against any loss suffered by reason of any Representation or

Warranty relating to or otherwise affecting that Loan being untrue or incorrect by reference to the facts subsisting at the date on which the relevant Representation or Warranty was given, provided that the amount of such indemnity shall not exceed the sum of (a) the True Balance of the Loan that would have been payable by the Borrower in respect of such Loan on and after the relevant completion date for the repurchase in relation to such Loan had the Loan (or, as the case may be, Defaulted Loan) existed and complied with each of the Representations and Warranties set out in Schedule 2 (Loan Representations and Warranties) as at such date in relation to such Loan and (b) interest thereon from such relevant completion date at the weighted average yield of the Loans in the relevant Portfolio, as calculated by the Servicer.

- 9.17 Upon completion of the repurchase or purchase by the Seller of any Scottish Loan and its Related Security in accordance with this Clause 9, such Scottish Loan and its Related Security shall thereupon be released from the relevant Scottish Declaration of Trust and shall cease to form part of the relevant Scottish Trust Property.
- 9.18 Where the Seller has offered to repurchase any Loans pursuant to Clause 9.4(b), the Security Trustee shall give its consent if it has received a certificate signed by an Authorised Signatory of each of the Issuer and the LLP certifying that:
- (a) the Asset Coverage Test would continue to be satisfied immediately after completion of such repurchase, taking into account the proposed application of the sale proceeds by the LLP;
 - (b) no Issuer Event of Default or LLP Event of Default shall have occurred which is continuing or would occur as a result of such repurchase, taking into account the application of the sale proceeds by the LLP;
 - (c) the LLP acting on the advice of the Cash Manager is not aware, and could not be reasonably expected to be aware, that such repurchase would adversely affect the then current ratings by Fitch and Moody's of the Covered Bonds; and
 - (d) the weighted average yield on the Loans in the Portfolio is and will continue to be at least 0.25 per cent. greater than the SONIA Spot Rate published on the final London Business Day in the previous Calculation Period taking into account: (i) the weighted average yield on the Loans; and (ii) the margins on the Interest Rate Swap and any additional interest rate swap entered into by the LLP; and (iii) the average yield on any Substitution Assets held by the LLP.

10. FURTHER ASSURANCE

- 10.1 The parties hereto agree that they will co-operate fully to do all such further acts and things and execute any further documents that may be necessary or desirable to give full effect to the transactions contemplated by this Agreement (but subject always to Clause 7 (Perfection of the Sale)) provided that the Security Trustee shall not be obliged to take any action or step or do anything unless it is indemnified and/or secured and/or pre-funded to its satisfaction.
- 10.2 Each Seller shall provide all reasonable co-operation to the LLP and the Security Trustee to enable them to carry out their respective duties and enforce their rights under the Transaction Documents. Without prejudice to the generality of the foregoing, each Seller shall:
- (a) upon reasonable prior notice and during normal office hours, permit the LLP, the Security Trustee and their authorised employees and agents and other persons nominated by the Security Trustee and approved by the Seller (such approval not to be unreasonably withheld or delayed), to review the Loans, Loan Files and any Related Security in relation to the Portfolio (subject to such person(s) agreeing to keep the same confidential PROVIDED THAT

disclosure shall be permitted to the professional advisors and auditors of the party to whom such disclosure is made and/or to the extent that such disclosure is required by law or for the purpose of any judicial or other proceedings or for the purpose of discharging, in such manner as it thinks fit, its duties under or in connection with any of the Transaction Documents); and/or

- (b) give promptly all such information and explanations relating to the Loans and their Related Security as the LLP and/or the Security Trustee may reasonably request (including a list of the Loans and their Related Security in the Portfolio),

PROVIDED THAT prior to completion of the transfer of the legal title to the Loans and their Related Security in accordance with Clause 7 (Perfection of the Sale), the Seller shall be under no obligation to provide any information or documentation to any person other than the LLP and/or the Security Trustee or their respective employees and/or professional advisors or allow such person access to the Loan Files or Title Deeds if to do so would result in a breach of the applicable Loan Agreement or the DPA.

11. CONSEQUENCES OF BREACH

Without prejudice to Clauses 7 (Perfection of the Sale) and 8 (Undertakings), the LLP and the Security Trustee severally acknowledge to and agree with the Seller, and the Security Trustee acknowledges to and agrees with the LLP, that the Seller shall have no liability or responsibility (whether, in either case, contractual, delictual or tortious, express or implied) for any loss or damage for or in respect of any breach of, or any act or omission in respect of, any of its obligations hereunder other than loss or damage directly (and not indirectly or consequentially) suffered by the LLP by reason of such breach, act or omission. For this purpose (and without limiting the scope of the above exclusion in respect of indirect or consequential loss or damage) any loss or damage suffered by the LLP or such assets as a result of the breach, act or omission in question also having been or given rise to an LLP Event of Default or enforcement of the Security created by the Deed of Charge shall be treated as indirect or consequential loss or damage PROVIDED THAT this sentence shall not apply to any direct or non-consequential loss or damage arising from any such breach, act or omission.

12. SALE OF SELECTED LOANS

- 12.1 If following the service of an Asset Coverage Test Breach Notice (which has not been revoked) or the service of a Notice to Pay, the LLP is required to sell Selected Loans and their Related Security in accordance with Clause 18 (Sale of Selected Loans) of the LLP Deed and prior to the LLP making any offer to sell Selected Loans and their Related Security to Purchasers, the LLP shall offer immediately to sell to the Seller those Selected Loans and their Related Security which the Seller has previously sold to the LLP (or to sell the relevant Selected Loans and their Related Security to such other Seller nominated by that Seller) for an offer price in aggregate equal to the greater of the then aggregate of the True Balance of the Selected Loans and the Adjusted Required Redemption Amount, by serving on the Seller a Selected Loans Offer Notice in duplicate substantially in the form set out in Schedule 15 (Selected Loans Offer Notice).
- 12.2 If the Seller accepts the LLP's offer to sell the relevant Selected Loans and their Related Security by signing the duplicate Selected Loans Offer Notice in a manner indicating acceptance and delivering it to the LLP with a copy to the Security Trustee within ten (10) Business Days from and including the date of the Selected Loans Offer Notice and provided that (so long as no liquidator or administrator has been appointed to the Seller) the Seller has provided a solvency certificate in a form acceptable to the LLP and the Security Trustee (each acting reasonably), the LLP shall within three (3) Business Days of receipt of such acceptance serve a Selected Loan Repurchase Notice substantially in the form set out in Schedule 16 (Selected Loans Repurchase Notice) on the Seller.

- 12.3 Those Selected Loans and their Related Security which the Seller rejects or fails within the requisite time limit to accept the LLP's offer to sell shall be offered for sale by the LLP to Purchasers in the manner and on the terms set out in Clause 18 (Sale of Selected Loans) of the LLP Deed.
- 12.4 Upon receipt of the Selected Loans Repurchase Notice duly signed on behalf of the LLP, the Seller shall promptly sign and return a duplicate copy of the Selected Loans Repurchase Notice and shall repurchase from the LLP, and the LLP shall subject to Clause 4.4 of the Deed of Charge re-assign or re-transfer to the Seller, free from the Security created by the Deed of Charge, the Selected Loans and their Related Security (and any other Loan secured or intended to be secured by that Related Security or any part of it) referred to in the relevant Selected Loans Repurchase Notice. Completion of such repurchase shall take place on the LLP Payment Date next occurring after receipt by that Seller of such Selected Loans Repurchase Notice or such date as the LLP may direct in the Selected Loans Repurchase Notice (PROVIDED THAT such date shall not be later than the earlier to occur of the date which is (a) ten (10) Business Days after receipt by the LLP of the returned Selected Loans Repurchase Notice or (b) the Final Maturity Date of the Earliest Maturing Covered Bonds) when the Seller shall pay to the relevant ledger in the GIC Account in accordance with the LLP Deed (or as the LLP shall direct) an amount in cash equal to the offer price specified in the relevant Selected Loans Repurchase Notice PROVIDED THAT the offer price is not less than the Adjusted Required Redemption Amount and the provisions of Clauses 12.5 and 12.6 shall apply.
- 12.5 On the date of completion of the repurchase of the Selected Loans and their Related Security in accordance with Clause 12.4, the Security Trustee and the LLP shall at the cost of the Seller execute and deliver, or cause their respective duly authorised attorneys to execute and deliver, to the Seller:
- (a) a memorandum of release or where appropriate, discharge or retrocession of the Selected Loans and their Related Security from the security constituted by the Deed of Charge in a form reasonably acceptable to the Seller;
 - (b) if the assignment or assignation to the LLP of such Selected Loans and their Related Security has been perfected in accordance with Clause 7 (Perfection of the Sale):
 - (i) if the relevant Mortgages are over Properties situated in England and Wales, a transfer of such Mortgages to the Seller in the form of the relevant Land Registry Transfer (or, if the transfer is in respect of unregistered land, in the form agreed between the LLP and the Seller);
 - (ii) if the relevant Mortgages are over Properties the titles to which are registered in the Land Register of Scotland, an assignation of such Mortgages and the relevant Loans secured thereby to the Seller in the form of the LLP SLR Transfer;
 - (iii) if the relevant Mortgages are over Properties the title to which are recorded in the General Register of Sasines, an assignation of such Mortgages and the relevant Loans secured thereby to the Seller in the form of the LLP Sasine Transfer;
 - (iv) if the relevant Mortgages are over Properties the title to which is registered at the Land Registry of Northern Ireland and/or Registry of Deeds in Belfast, a transfer of such Mortgages and the relevant Loan secured thereby to the Seller in substantially the form of the relevant Northern Irish Transfer (or in a form agreed between the LLP and the Seller);
 - (v) where notice has previously been given to the relevant Borrowers of the sale of those Borrowers' Loans and their Related Security to the LLP, a further notice to those Borrowers of the repurchase of those Borrowers' Loans and their Related Security by the Seller; and

(vi) a re-assignment of the rights of the LLP in respect of the relevant Related Security other than the relevant Mortgage, each in a form reasonably acceptable to the Seller.

(c) a notification to the Servicer that all further sums due in respect of the Selected Loans are for the Seller's account.

(d) It is hereby agreed and acknowledged that upon the repurchase of a Selected Loan and its Related Security in accordance with Clause 12.4 above, such Selected Loan and its Related Security (and any other related rights under the same) shall be automatically released from the Security Interests constituted by the Deed of Charge and, in the case of a selected Loan which is a Scottish Loan, the Security Trustee will take reasonable steps (at the request, cost and expense of the LLP) to ensure that a retrocession, discharge or other appropriate release is granted to effect such release from the security.

12.6 Upon such completion of the repurchase of the Selected Loans and their Related Security in accordance with Clause 12.4 above or the sale of Selected Loans and their Related Security to a Purchaser or Purchasers pursuant to Clause 18 (Sale of Selected Loans) of the LLP Deed, the Seller shall cease to be under any further obligation to hold any Loan Files or other documents relating to the Selected Loans and their Related Security to the order of the LLP and if the LLP holds such Loan Files it will send them to such Seller. Any repurchase by the Seller of or in respect of the Selected Loans and their Related Security or any sale of Selected Loans and their Related Security by the LLP to a Purchaser or Purchasers pursuant to Clause 18 (Sale of Selected Loans) of the LLP Deed shall constitute a discharge and release of the Seller from any claims which the LLP or the Security Trustee may have against the Seller arising from the relevant Representations or Warranties in relation to the Selected Loans and their Related Security previously sold by the Seller to the LLP only but shall not affect any rights arising from a breach of any other express provision of this Agreement or any Representation or Warranty in relation to any other Loan and other Related Security.

12.7 Upon completion of the repurchase by the Seller or purchase by a Purchaser or Purchasers of any Scottish Loan and its Related Security in accordance with this Clause 12, such Scottish Loan and its Related Security shall thereupon be released from the relevant Scottish Declaration of Trust and shall cease to form part of the relevant Scottish Trust Property.

13. SUBORDINATION

The Seller agrees with the LLP and the Security Trustee that on the enforcement of any Mortgage any sums owed to such Seller by a Borrower and which are secured under such Mortgage and the rights and remedies of the Seller in respect of the sums owed to the Seller shall at all times be subject and subordinated to any sums owed to the LLP by the Borrower and which are secured under such Mortgage and to the rights and remedies of the LLP in respect of such sums owed to the LLP by the Borrower.

14. NON-MERGER

Any term of this Agreement to which effect is not given on the First Transfer Date or on any Transfer Date (including in particular, but without limitation, the liability of the Seller under the Representations and Warranties and the indemnity in Clause 7.7 and the provisions of Clause 4 (Sale and Purchase of New Portfolios)) shall not merge and shall remain in full force and effect notwithstanding the sale and purchase contemplated by this Agreement.

15. NO AGENCY OR PARTNERSHIP

It is hereby acknowledged and agreed by the parties that nothing in this Agreement shall be construed as giving rise to any relationship of agency, save as expressly provided herein, or partnership between

the parties and that in fulfilling its obligations hereunder, each party shall be acting entirely for its own account.

16. PAYMENTS/VAT

- 16.1 Except as otherwise specifically provided, all payments to be made pursuant to this Agreement shall be made in sterling in immediately available funds without exercising or seeking to exercise any right of set-off as may otherwise exist and shall be deemed to be made when they are received by the payee and shall be accounted for accordingly unless failure to receive any payment is due to an error by the payee's bank.
- 16.2 Any sum (or other consideration) payable (or provided) by the LLP to any Seller pursuant to this Agreement shall be deemed to be inclusive of any VAT chargeable on any supply or supplies for which that sum (or other consideration) is the consideration (in whole or in part) for VAT purposes and section 89 of the Value Added Tax Act 1994 shall not apply to affect the amount of such sum (or other consideration) payable (or provided).

17. WAIVERS AND VARIATION

- 17.1 Exercise or failure to exercise any right under this Agreement shall not, unless otherwise herein provided, constitute a waiver of that or any other right.
- 17.2 Subject to Clause 23.7 of the Deed of Charge any amendments to this Agreement will be made only with the prior written consent of each party to this Agreement.

18. NOTICES

Any notices to be given pursuant to this Agreement to any of the parties hereto shall be in writing and shall be sufficiently served if sent by prepaid first class post, by hand or by facsimile transmission and shall be deemed to be given (in the case of facsimile transmission) when despatched or (in the case of first class post) when it would be received in the ordinary course of the post and shall be sent:

- (a) in the case of Leeds Building Society, as Seller, to Leeds Building Society, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (facsimile number +44 (0)113 225 7859) for the attention of Paul Riley;
- (b) in the case of the LLP, to:
- (i) Leeds Building Society (in its capacity as Member), 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (facsimile number +44 (0)113 225 7859) for the attention of Paul Riley;
 - (ii) Leeds Covered Bonds Designated Member (No. 1) Limited (in its capacity as Member), 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX (facsimile number +44 (0)20 7398 6325) for the attention of The Directors; and
 - (iii) Leeds Covered Bonds Designated Member (No. 2) Limited (in its capacity as Member), 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX (facsimile number +44 (0)20 7398 6325) for the attention of The Directors;
- (c) in the case of the Security Trustee, to Deutsche Trustee Company Limited, Winchester House, 1 Great Winchester Street, London EC2N 2DB (facsimile number +44 (0)207 547 5919) for the attention of The Managing Director (TSS-SFS);

or to such other address or facsimile number or for the attention of such other person or entity as may from time to time be notified by any party to the others by written notice in accordance with the provisions of this Clause 18.

19. ASSIGNMENT, TRANSFER AND ACCESSION OF NEW SELLERS

- 19.1 Subject always to the provisions of Clause 20 (Change of Security Trustee), no party hereto shall be entitled to assign all or any part of its rights or obligations hereunder to any other party without the prior written consent of each of the other parties hereto (which shall not, if requested, be unreasonably withheld) save that the LLP shall be entitled to assign whether by way of security or otherwise all or any of its rights under this Agreement without such consent to the Security Trustee pursuant to the Deed of Charge and the Security Trustee may at its sole discretion assign all or any of its rights under or in respect of this Agreement without such consent to any successor or additional Security Trustee in exercise of its rights under the Deed of Charge.
- 19.2 The Seller acknowledges the assignment pursuant to the Deed of Charge by the LLP to the Security Trustee of the LLP's rights under this Agreement and that the Security Trustee may enforce such rights in the Security Trustee's own name without joining the LLP in any such action (which right the Seller hereby waives) and the Seller hereby waives as against the Security Trustee any rights or equities in its favour arising from any course of dealing between the Seller and the LLP.
- 19.3 Any person wishing to sell Loans to the LLP under Clause 4 (Sale and Purchase of New Portfolios) of this Agreement must accede to this Agreement and to the LLP Deed in accordance with Clause 31 (New Members) thereof.

20. CHANGE OF SECURITY TRUSTEE

- 20.1 If there is any change in the identity of the Security Trustee in accordance with the Deed of Charge, each Seller and the LLP shall execute such documents and take such action as the successor or additional Security Trustee and the outgoing Security Trustee may reasonably require for the purpose of vesting in the successor or additional Security Trustee the rights and obligations of the outgoing Security Trustee hereunder and releasing the outgoing Security Trustee from its future obligations under this Agreement and each Seller shall give notice thereof to the Rating Agencies.
- 20.2 It is hereby acknowledged and agreed that by its execution of this Agreement the Security Trustee shall not assume or have any of the obligations or liabilities of any Seller or the LLP hereunder and that the Security Trustee has agreed to become a party to this Agreement for the purpose only of taking the benefit of this Agreement and agreeing to amendments to this Agreement. For the avoidance of doubt, the parties to this Agreement acknowledge that the rights, powers and obligations of, and any determination by, the Security Trustee are governed by the Deed of Charge. Any liberty or right which may be exercised or determination which may be made under this Agreement by the Security Trustee may be exercised or made in the Security Trustee's absolute discretion or as directed by the Bond Trustee under the Deed of Charge without any obligation to give reasons therefore and the Security Trustee shall not be responsible for any liability occasioned by so acting if acting pursuant to Clause 12.1 of the Deed of Charge without prejudice to its express obligations assumed hereunder.

21. NON-PETITION

Only the Security Trustee may pursue the remedies available under the general law or under the Deed of Charge to enforce the Security and no Transaction Party shall be entitled to proceed directly against the LLP to enforce the Security. In particular, each party to this Agreement (other than the LLP and the Security Trustee) agrees with and acknowledges to each of the LLP and the Security Trustee, and the Security Trustee agrees with and acknowledges to the LLP, that:

- (a) no party to this Agreement (nor any person on their behalf, other than the Security Trustee where appropriate) is entitled, otherwise than as permitted by the LLP Agreements, to direct the Security Trustee to enforce the Security or take any proceedings against the LLP to enforce the Security;
- (b) no party to this Agreement (other than the Security Trustee) shall have the right to take or join any person in taking any steps against the LLP for the purpose of obtaining payment of any amount due from the LLP to any of such party;
- (c) until the date falling two years after the Final Maturity Date or (as applicable) the Extended Due for Payment Date of the latest maturing Covered Bonds, none of the parties to this Agreement nor any person on their behalf shall initiate or join any person in initiating an Insolvency Event in relation to the LLP other than an administrator or a Receiver appointed under Clause 10.1 (Receiver - Appointment) of the Deed of Charge; and
- (d) no party to this Agreement shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priorities of Payments not being complied with.

22. LIMITED RECOURSE

Each party to this Agreement (other than the LLP and the Security Trustee) agrees with and acknowledges to each of the LLP and the Security Trustee, and the Security Trustee agrees with and acknowledges to the LLP, that notwithstanding any other provision of any LLP Agreement, all obligations of the LLP to such party including, without limitation, the Secured Obligations, are limited in recourse as set out below:

- (a) each party to this Agreement agrees that it will have a claim only in respect of the Charged Property and will not have any claim, by operation of law or otherwise, against, or recourse to any of the LLP's other assets or any Capital Contribution;
- (b) sums payable to each party hereto in respect of the LLP's obligations to such party shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to such party and (ii) the aggregate amounts received, realised or otherwise recovered by or for the account of the LLP in respect of the Charged Property whether pursuant to enforcement of the Security or otherwise, net of any sums which are payable by the LLP in accordance with the Priorities of Payments in priority to or *pari passu* with sums payable to such party; and
- (c) upon the Security Trustee giving written notice to the relevant party that it has received notice from the Servicer that, in its sole opinion, there is no reasonable likelihood of there being any further realisations in respect of the Charged Property (whether arising from an enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant LLP Agreements, the relevant party shall have no further claim against the LLP in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

23. OBLIGATIONS AS CORPORATE OBLIGATIONS

23.1 No recourse against shareholders and others

No party to this Agreement shall have any recourse against nor shall any personal liability attach to any shareholder, officer, agent, employee or director of any member of the LLP in his capacity as such, by any Proceedings or otherwise, in respect of any obligation, covenant or agreement of any member of the LLP contained in the LLP Agreements.

23.2 No liability for obligations of any member of the LLP

No party, other than the LLP, shall have any liability for the obligations of the LLP and nothing in the LLP Agreements shall constitute the giving of a guarantee, an indemnity or the assumption of a similar obligation by any of such other Transaction Parties in respect of the performance by the LLP of its obligations.

24. THIRD PARTY RIGHTS

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

25. COUNTERPARTS

This Agreement may be executed in any number of counterparts (manually or by facsimile) each of which, when executed and delivered, shall constitute an original, but all the counterparts shall together constitute but one and the same instrument provided, however, that this Agreement shall have no force or effect until it is executed by the last party to execute the same and shall be deemed to have been executed and delivered in the place where such last party executed this Agreement. Subject to the proviso to the preceding sentence, this Agreement shall be fully effective and binding on each party hereto upon at least one copy of this Agreement having been executed and delivered by such party notwithstanding that any other party to this Agreement has executed or has delivered or delivers a counterpart of this Agreement.

26. GOVERNING LAW

26.1 This Agreement and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with the laws of England (other than those terms of this Agreement specific to the law of Scotland or Northern Ireland, which shall be construed in accordance with Scots law or Northern Irish law, as applicable).

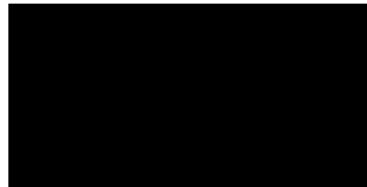
27. SUBMISSION TO JURISDICTION

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 in connection with 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 and delivered this Agreement on the day and year first before written.

LLP

EXECUTED as a DEED by)
LEEDS BUILDING SOCIETY COVERED BONDS)
LIMITED LIABILITY PARTNERSHIP)
acting by its attorney)



Witness: 

Name: 
Address: 

Security Trustee

The Common Seal of)
DEUTSCHE TRUSTEE COMPANY LIMITED)
was affixed to this Deed in the presence of)

Associate Director:

Associate Director:

Seller

EXECUTED as a DEED by)
LEEDS BUILDING SOCIETY)
by its duly authorised attorney)
in the presence of :)

Witness:

Name:

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was affixed to this Deed in the presence of

Associate Director:


Associate Director:

Seller

EXECUTED as a DEED by)
LEEDS BUILDING SOCIETY)
by its duly authorised attorney)
in the presence of : )

Witness: 

Name: 

Address: 

SCHEDULE 1

CORPORATE REPRESENTATIONS AND WARRANTIES

1. Corporate Representations and Warranties of the Seller

- 1.1 The Seller is duly registered as a building society under the Building Societies Act 1986 (as amended) of England and Wales with its principal office at 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ.
- 1.2 The Seller is a credit institution for the purposes of the Credit Institutions (Reorganisation and Winding Up) Regulations 2004 (SI 2004/1045 as amended).
- 1.3 No litigation, arbitration or administrative proceedings of or before any court, tribunal or governmental body have been commenced, or, so far as the Seller is aware, are pending or threatened against the Seller or any of its assets or revenues which may have a Material Adverse Effect on the Seller.
- 1.4 No Insolvency Event has occurred in respect of the Seller.
- 1.5 The Seller is and has, since registration, been resident for tax purposes solely in the United Kingdom.
- 1.6 The Accounting Reference Date of the Seller is 31 December.
- 1.7 The most recent Financial Statements of the Seller were prepared in accordance with accounting principles generally accepted in the United Kingdom consistently applied and present fairly the consolidated and unconsolidated financial condition of the Seller as at the date at which they were prepared (the **relevant date**) for the financial period ended on the relevant date.
- 1.8 The Seller has obtained and maintains in effect all authorisations, filings, registrations, qualifications, approvals, licences and consents required in connection with its business pursuant to any Requirement of Law and any Regulatory Direction applicable to the Seller in England and Wales and in each other jurisdiction in which the Seller carries on business.
- 1.9 The issue of the Covered Bonds and the borrowing thereby is within the powers of the Seller, and will not cause any limit placed on the powers of the Seller (including, but not confined to, any limit imposed by section 7 of the Building Societies Act) to be exceeded.
- 1.10 The Seller is authorised to borrow money under the Building Societies Act.
- 1.11 The respective obligations expressed to be assumed by the Seller under the Relevant Transaction Documents are legal and valid obligations binding on it and enforceable against it in accordance with their terms, except:
 - (a) as such enforcement may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally;
 - (b) as such enforceability may be limited by the effect of general principles of equity; and
 - (c) obligations relating to stamp duties may be void by virtue of Section 117 of the Stamp Act 1891.

SCHEDULE 2

LOAN REPRESENTATIONS AND WARRANTIES

1. Loans

- 1.1 The particulars of the Loans set out in the Initial Portfolio Notice (or, as the case may be, the relevant New Portfolio Notice) are true, complete and accurate in all material respects.
- 1.2 Each of the Loans was originated or purchased by the Seller or any successor in business in the ordinary course of business on or after 1 January 1999 (in the case of English Loans), 1 January 2005 (in the case of Scottish Loans) or 1 January 2004 (in the case of Northern Irish Loans) and was denominated in pounds Sterling upon origination or acquisition (or was denominated in euro upon origination or acquisition if the euro has been adopted as the lawful currency of the United Kingdom) and in respect of Loans purchased or acquired by the Seller: (a) confirmation has been received that the purchase or acquisition of such Loans by the Seller would not adversely affect the then current ratings by Fitch of the Covered Bonds and Moody's has been notified of such purchase; and (b) the amount of Loans purchased by the Seller does not exceed 20 per cent. of the Portfolio.
- 1.3 Each English Loan and Northern Irish Loan was made not earlier than 1991 and each Scottish Loan was made not earlier than 1995.
- 1.4 No Loan has a True Balance of more than £1,000,000.
- 1.5 No Loan has any arrears outstanding.
- 1.6 No Loan relates to a Property which is not a residential property.
- 1.7 Prior to the making of each Initial Advance and Additional Loan Advance, the Lending Criteria and all preconditions to the making of any Loan were satisfied in all material respects subject only to such exceptions and waivers as made on a case by case basis as would be acceptable to a Reasonable, Prudent Mortgage Lender.
- 1.8 The Lending Criteria are consistent with the criteria that would be used by a Reasonable, Prudent Mortgage Lender.
- 1.9 (a) Each Loan was made and its Related Security taken or received substantially on the terms of the Standard Documentation without any material variation thereto and nothing has been done subsequently to add to, lessen, modify or otherwise vary the express provisions of any of the same in any material respect.
- (b) The brochures, application forms, offers, offer conditions and marketing material distributed by the Seller to the Borrower when offering a Loan to a Borrower:
- (i) do not conflict in any material respect with the terms applicable to the relevant Loan and its Related Security at the time that the Loan was entered into;
 - (ii) do not conflict with and would not prohibit or otherwise limit the terms of, the Transaction Documents or the matters contemplated thereby, including for the avoidance of doubt and without limitation:
 - (A) the assignment or assignation of the Loans and their Related Security to the LLP or the granting of each Scottish Declaration of Trust; and

(B) the administration of the Loans and their Related Security by the Seller or a delegate of the Seller or the appointment of a new Servicer following the occurrence of an Insolvency Event in relation to the Seller.

- 1.10 At least one monthly payment due in respect of each Loan have been paid by the relevant Borrower.
- 1.11 The True Balance on each Loan and its Related Security constitute a legal, valid, binding and enforceable debt due to the Seller from the relevant Borrower and the terms of each Loan and its Related Security constitute valid and binding obligations of the Borrower enforceable in accordance with their terms and non-cancellable except that enforceability may be limited by bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the court's discretion in relation to equitable remedies.
- 1.12 The rate of interest under each Loan is charged in accordance with the Standard Documentation, subject to the terms of any offer letter in relation thereto.
- 1.13 No agreement for any Loan is in whole or in part a regulated agreement or consumer credit agreement (as defined in section 8 of the Consumer Credit Act 1974 (as amended, extended or re-enacted from time to time) (the CCA)) or, to the extent that any Loan is in whole or in part a regulated agreement or consumer credit agreement, the procedures and requirements set out in the Consumer Credit Act 1974 have been complied with in all material respects.
- 1.14 All of the Borrowers are individuals (and not partnerships) and were aged 18 years or older at the date he or she executed the relevant Mortgage.
- 1.15 Each Loan has a remaining term of less than 50 years as at the relevant Transfer Date.
- 1.16 All approvals, consents and other steps necessary to permit a legal or equitable or beneficial transfer, or a transfer of servicing or other disposal as and in the manner contemplated by the Transaction Documents from the Seller to the LLP, of the Loans and their related Mortgages to be sold under this Agreement have been obtained or taken and there is no requirement in order for the transfer to be effective to obtain the consent of the Borrower before, on or after any equitable or beneficial transfer or before any legal transfer of the Loans and their related Mortgages and such transfer or disposal shall not give rise to any claim by the Borrower against the LLP, the Security Trustee or any of their successors in title or assigns.
- 1.17 No Related Security consists of stock or marketable securities (in either case for the purposes of Section 122 of the Stamp Act 1891) chargeable securities (for the purpose of Section 99 of the Finance Act 1986) or a "chargeable interest" (for the purposes of Section 48 of the Finance Act 2003 section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 or section 4 of the Land and Buildings Transaction Tax (Scotland) Act 2013).
- 1.18 Save in respect for Product Switches none of the provisions of the Loans have been waived, altered or modified in any way by the Seller other than:
- (a) any variation agreed with a Borrower to control or manage arrears on a Loan;
 - (b) any variation in the maturity date of a Loan;
 - (c) any variation imposed by statute or any variation in the frequency with which the interest payable in respect of the Loan is charged;
 - (d) any variation to the interest rate as a result of the Borrowers switching to a different rate;

- (e) any change to a Borrower under the Loan or the addition of a new Borrower under a Loan; or
- (f) any change in the repayment method of the Loan.

1.19 Each Loan and its Related Security will be **eligible property** for the purposes of Regulation 2 of the RCB Regulations.

2. Mortgages

2.1 Subject to, in relation to a Right to Buy Loan, any charge or security which may arise or be granted in favour of the relevant local authority or other social landlord (or in Northern Ireland, the Northern Ireland Housing Executive) which has not been postponed, the whole of the True Balance on each Loan is secured by a Mortgage over a residential Property.

2.2 Each Mortgage is substantially in the form of the pro forma contained in the Standard Documentation which was applicable at the time the Mortgage was executed.

2.3 Subject to, in relation to a Right to Buy Loan, any charge or security which may arise or be granted in favour of the relevant local authority or other social landlord (or in Northern Ireland, the Northern Ireland Housing Executive) which has not been postponed, and subject in certain appropriate cases to the completion of an application for registration or recording at the Land Registry, the Registers of Scotland or the Registers of Northern Ireland, each Mortgage constitutes a valid and subsisting first charge by way of legal mortgage. or (in Scotland) a valid and subsisting first ranking standard security over the relevant Property or (in Northern Ireland) a valid and subsisting first charge (in relation to registered land) or a valid and subsisting first mortgage by way of demise or sub-demise (in relation to unregistered land).

3. The Properties

3.1 All of the Properties are in England, Wales, Scotland or Northern Ireland.

3.2 Each Property constitutes a separate dwelling unit and is either freehold, leasehold, commonhold or (in Scotland) held under heritable title or held under a long lease.

3.3 In relation to buy-to-let loans, the relevant tenancy, at the point of origination and, after that, as far as the Seller is reasonably aware, in respect of each Mortgaged Property (in England and Wales) is an assured shorthold tenancy or (in Scotland) a short assured tenancy or a private residential tenancy or would be an assured shorthold or short assured tenancy but for the rent payable under such tenancy exceeding the maximum amount prescribed by statute in respect of such tenancies and each tenancy agreement as at the time of origination of the relevant Loan is on terms which would be acceptable to a reasonable, prudent mortgage lender and the relevant Seller is not aware of any material breach of such agreement.

3.4 Save for children of Borrowers and children of someone living with the Borrower (including in each case, children under the age of 25 who are in full-time education), every person who, at the date upon which a Mortgage over Property situated in England and Wales or Northern Ireland was granted, had attained the age of 18 and who had been notified to the Seller as being in or about to be in actual occupation of the relevant Property, is either named as a Borrower or has signed a Deed of Consent in the form of the pro forma contained in the Standard Documentation which was applicable at the time the Mortgage was executed and in relation to each Mortgage over Property situated in Scotland, all necessary MH/CP Documentation has been obtained so as to ensure that neither the relevant Property nor the relevant Mortgage is subject to or affected by any statutory right of occupancy in favour of such person under the Matrimonial Homes (Family Protection) (Scotland) Act 1981 or (as applicable) the Civil Partnership Act 2004.

- 3.5 As far as the Seller is aware, no Property has been let by the Borrower otherwise than by way of:
- (a) an assured shorthold tenancy which meets the requirements of section 19A or section 20 of the Housing Act 1988 (in England);
 - (b) an assured tenancy;
 - (c) a short assured tenancy which meets the requirements of Section 32 of the Housing (Scotland) Act 1988 (or any successor form of tenancy) or a private residential tenancy under the Private Housing (Tenancies) (Scotland) Act 2016; or
 - (d) any other tenancy which does not give the tenant security of tenure beyond the contractual expiry of the tenancy,

in each case which meets the Seller's Policy in connection with lettings to non-owners.

4. Valuers' and Solicitors' Reports

4.1 Unless the Loan is a Loan Without Independent Valuation, not more than 12 months (or a longer period as may be acceptable to a Reasonable, Prudent Mortgage Lender) prior to the granting of each Mortgage, the Seller received a Valuation Report on the relevant Property (or another form of report concerning the valuation of the relevant Property as would be acceptable to a Reasonable, Prudent Mortgage Lender), the contents of which were such as would be acceptable to a Reasonable, Prudent Mortgage Lender.

4.2 Prior to the taking of each Mortgage (other than a remortgage), the Seller:

- (a) instructed its solicitor, licensed conveyancer or (in Scotland) qualified conveyancer to carry out an investigation of title to the relevant Property and to undertake other searches, investigations, enquiries and other actions on behalf of the Seller in accordance with the instructions which the Seller issued to the relevant solicitor, licensed conveyancer or (in Scotland) qualified conveyancer as are set out, in the case of English Loans, in the CML's Lenders' Handbook for England and Wales (or, for Mortgages taken before the CML's Lenders' Handbook for England and Wales was adopted in 1999, the Seller's standard form instructions to solicitors) and, in the case of Scottish Loans, the CML's Lenders' Handbook for Scotland (or, for Mortgages taken before the CML's Lenders' Handbook for Scotland was adopted in 2000, the Seller's standard form instruction to solicitors) and, in the case of Northern Irish Loans, the CML's Lender's Handbook for Northern Ireland or other comparable or successor instructions and/or guidelines as may for the time being be in place, subject only to those variations as would be acceptable to a Reasonable, Prudent Mortgage Lender; and
- (b) received a Certificate of Title from the solicitor or licensed conveyancer or qualified conveyancer referred to in paragraph 4.2(a) relating to such Property the contents of which were such as would have been acceptable to a Reasonable, Prudent Mortgage Lender at that time.

4.3 The benefit of all Valuation Reports any other valuation report referred to in paragraph 4.1 and Certificates of Title, to the extent assignable, which were provided to the Seller not more than two years prior to the date of this Agreement or the relevant Transfer Date (as applicable) can be validly assigned to the LLP without obtaining the consent of the relevant Valuer, solicitor, licensed conveyancer or qualified conveyancer.

5. Buildings Insurance

At origination, each Property was insured under:

- (a) a buildings insurance policy arranged by the Borrower in accordance with the relevant Mortgage Conditions; or
- (b) in the case of a leasehold property or a commonhold property a buildings insurance policy arranged by the relevant landlord or property management company or commonhold association.

6. The Seller's Title

- 6.1 Immediately prior to the purchase of any Loan and the Related Security by the LLP, and subject to registration or recording at the Land Registry or the Registers of Scotland or (as the case may be) the Registers of Northern Ireland, the Seller has good title to, and is the absolute unencumbered legal and beneficial owner of, all property, interests, rights and benefits in relation to the Loans and Related Security agreed to be sold and/or assigned by the Seller to the LLP pursuant to this Agreement free and clear of all Security Interests, claims and equities (including, without limitation, rights of set-off or counterclaim and overriding interests within the meaning of either Section 3(xvi) of the Land Registration Act 1925 in the case of any property, interests or rights governed by English law, or Section 28(1) of the Land Registration (Scotland) Act 1979, in the case of any property, interests or rights governed by Scots law or Section 38 of the Land Registration Act (Northern Ireland) 1970 in the case of any property, interests or rights governed by Northern Irish law) subject in each case only to this Agreement and the Borrower's equity of redemption and the Seller is not in breach of any covenant or warranty implied by reason of its selling the relevant Portfolio with full title guarantee (or, in the case of Scottish Loans and their Related Security comprised in the relevant Portfolio, with absolute warrandice) (or which would be implied if the relevant Land Registry Transfers, Scottish Transfers or, as applicable, Northern Irish Transfers were completed and registered or recorded, as appropriate).
- 6.2 All steps necessary to perfect the Seller's title to the Loans and the Related Security were duly taken at the appropriate time or are in the process of being taken, in each case (where relevant) within any applicable priority periods or time limits for registration with all due diligence and without undue delay.
- 6.3 Save in relation to Loans which are Dematerialised Loans, the Loan Files relating to each of the Loans and their Related Security are held by, or are under the control of:
 - (a) the Seller; or
 - (b) the relevant Servicer.
- 6.4 Neither the entry by the Seller into this Agreement nor any transfer, assignment, assignation or creation of trust contemplated by this Agreement affects or will adversely affect any of the Loans and their Related Security and the Seller may freely assign and enter into trust arrangements in respect of all its rights, title, interests and benefits therein as contemplated in this Agreement without breaching any term or condition applying to any of them.
- 6.5 The Seller has not knowingly waived or acquiesced in any breach of any of its rights in respect of a Loan or its Related Security, other than waivers and acquiescence such as a Reasonable, Prudent Mortgage Lender might make on a case by case basis.

7. Interest Rates payable under the Loans

Each Loan in the relevant Portfolio is either:

- (a) a Variable Rate Loan, Tracker Rate Loan, a Capped Rate Loan or Fixed Rate Loan or a combination thereof; or
- (b) a New Loan Type which each of the Rating Agencies has confirmed in writing would not if included in the relevant New Portfolio adversely affect the then current ratings of the Covered Bonds.

8. FCA Regulation

- 8.1 In respect of any Mortgages entered into on or after 31 October 2004, the Seller was authorised by and had permission from the FCA for entering into Regulated Mortgage Contracts as lender at the time that it entered into each such Mortgage and continues to be so authorised and hold such permission.
- 8.2 The Seller is authorised by and had permission (and, insofar as applicable, any intermediary is authorised by and had permission) from the FCA for conducting any other regulated activities (as defined in FSMA) carried on by the Seller (or any such intermediary) in respect of each Mortgage.
- 8.3 The Seller has complied with all Regulatory Requirements in respect of the Mortgages, in particular, without limitation, the provisions of MCOB.
- 8.4 Each officer or employee of the Seller in any capacity which involves a controlled function (as defined in the FCA Rules) or involves the supervision of any person or persons so engaged is and was at all relevant times a validly registered **approved person** in accordance with the FCA Rules.
- 8.5 The Seller has created and maintained all records in respect of the Mortgages in accordance with the FCA Rules and any other Regulatory Requirement.
- 8.6 To the extent that any of the Loans qualify as **distance contracts** (as defined by Article 2 of the Distance Marketing of Consumer Financial Services Directive) the Seller had complied with the relevant provisions of the Distance Marketing of Consumer Financial Services Directive, as implemented in the United Kingdom.

9. General

- 9.1 The Seller has, since the making of each Loan, kept or procured the keeping of full and proper accounts, books and records as are necessary to show all material transactions, payments, receipts, proceedings and notices relating to such Loan.
- 9.2 Neither the Seller nor as far as the Seller is aware any of its agents has received written notice of any litigation, claim, dispute or complaint (in each case, subsisting, threatened or pending) in respect of any Borrower, Property, Loan or Related Security which (if adversely determined) might have a material adverse effect on the value of the Portfolio or any part of it.
- 9.3 There are no governmental authorisations, approvals, licences or consents required as appropriate for the Seller to enter into or to perform its obligations under this Agreement or to render this Agreement legal, valid, binding, enforceable and admissible in evidence in a court in England and Wales or (where applicable) Scotland or Northern Ireland which have not been obtained.

10. Transaction Documents

10.1 Corporate Power

The Seller has the requisite power and authority to enter into each Relevant Transaction Document and to undertake and perform the obligations expressed to be assumed by it therein.

10.2 Authorisation

All acts, conditions and things required to be done, fulfilled and performed in order:

- (a) to enable the Seller lawfully to enter into each Relevant Transaction Document;
- (b) to enable the Seller lawfully to exercise its rights under and perform and comply with the obligations expressed to be assumed by it in the Relevant Transaction Documents;
- (c) to ensure that the obligations expressed to be assumed by it in the Relevant Transaction Documents are legal, valid, binding and enforceable against it; and
- (d) to make the Relevant Transaction Documents admissible in evidence in England and Wales, Scotland and Northern Ireland,

have been done, fulfilled and performed and are in full force and effect or, as the case may be, have been effected and no steps have been taken to challenge, revoke or cancel any such authorisation obtained or effected.

10.3 Execution

The Relevant Transaction Documents have been duly executed and delivered by the Seller.

10.4 No Breach of Law or Contract

The entry of the Seller into and the execution (and, where applicable, delivery of) the Relevant Transaction Documents and the performance by the Seller of their respective obligations under the Relevant Transaction Documents do not and will not conflict with or constitute a breach or infringement of any of the terms of, or constitute a default by, the Seller under:

- (a) the Seller's constitutional documents;
- (b) any Requirement of Law or any Regulatory Direction; or
- (c) any agreement, indenture, contract, mortgage, deed or other instrument to which the Seller is a party or which is binding on it or any of its assets,

where such conflict, breach, infringement or default might have a Material Adverse Effect on the Seller, any Relevant Transaction Document.

10.5 Valid and Binding Obligations

The respective obligations expressed to be assumed by the Seller under the Relevant Transaction Documents are legal and valid obligations binding on it and enforceable against it in accordance with their terms, except:

- (a) as such enforcement may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally;
- (b) as such enforceability may be limited by the effect of general principles of equity; and
- (c) obligations relating to stamp duties may be void by virtue of section 117 of the Stamp Act 1891.

10.6 Arm's Length Transaction

The Relevant Transaction Documents have been entered into by the Seller in good faith for the benefit of the Seller and on arm's length commercial terms.

10.7 Cross Default

The Seller is not in breach of or in default under any agreement, indenture, contract, mortgage, deed or other instrument to which it is a party or which is binding on it or any of its assets to an extent or in a manner which would be reasonably likely to have a Material Adverse Effect on the Seller.

SCHEDULE 3

LAND REGISTRY TRANSFER

In the form of Land Registry Form TR4s as shown below with such amendments as the LLP may reasonably require to give effect to this Agreement or in such other form as the LLP may reasonably require to take account of changes in law or practice.

**Transfer of a portfolio
of Charges**

HM Land Registry

TR4

*(if you need more room than is provided for in a panel, use continuation sheets
CS and staple to this form)*

1. *List below the title number (leave blank if not yet registered) together with a brief description of the property. If this transfer is made under section 37 of the Land Registration Act 1925 following a not-yet-registered dealing with part only of the land in a title, or is made under rule 72 of the Land Registration Rules 1925, include a reference to the last preceding document of title containing a description of the property.*

Title Number

Description of Property

**Date of Transferor's
charge**

2. Date
3. Transferor *(give full names and Company's Registered Number if any)*
4. Transferee **for entry on the register** *(Give full names and Company's Registered Number (if any); for Scottish Co. Reg. Nos. use an SC prefix. For foreign companies give territory in which incorporated.)*

Unless otherwise arranged with Land Registry headquarters, a certified copy of the transferee's constitution (in English or Welsh) will be required if it is a body corporate but is not a company registered in England and Wales or Scotland under the Companies Acts.

5. **Transferee's intended address(es) for service in the U.K. (including postcode) for entry on the register**
6. **The Transferor transfers the charges referred to in panel 1 to the Transferee.**
7. Consideration *(Place "X" in the box that applies. State clearly the currency unit if other than sterling. If none of the boxes applies, insert an appropriate memorandum in the additional provisions panel.)*

The Transferor has received from the Transferee for the charges the sum of *(in words and figures)*
(insert other receipt as appropriate)

The Transfer is not for money or anything which has a monetary value

8. The Transferor transfers with (*place "X" in the box which applies and add any modifications*)

full title guarantee

limited title guarantee

9. Additional Provision(s) *Insert here any required or permitted statement, certificate or application and any agreed covenants, declarations, etc.*

Sign here

Director
Secretary

10. ***The Transferors and all other necessary parties should execute this transfer as a deed using the space below. Forms of execution are given in Schedule 3 to the Land Registration Rules 1925. If the transfer contains transferees' covenants or declarations or contains an application by them (e.g. for a restriction), it must also be executed by the Transferees.***

Signed as a deed by (name of company)
acting by a director and its secretary

Signed as a deed by (name of company)
acting by a director and its secretary

Title number(s)

11. Continued from Form

12. *Before each continuation, state panel to be continued, e.g. "Panel 12 continued".*

For the avoidance of doubt the transfer of the charges referred to in panel 1 by the Transferor to the Transferee shall include:

- (a) all sums of principal, interest or any other sum payable thereunder, and the right to demand, sue for, recover, receive and give receipts for all principal monies payable under the Charges or the unpaid part thereof and the interest due or to become due thereon including any sums which have accrued due and payable interest (including capitalised interest) or other sums due to be paid or accrued in respect of the Charges (provided that the principal monies payable under any Charge shall not be deemed to be due for the purpose of this paragraph merely because the legal date for redemption of the relevant Charge has passed); and
- (b) the obligation to make further advances of principal and/or interest where the chargee is under an obligation to make further advances whether on a scheduled basis or on demand; and
- (c) the benefit of all securities for such principal monies and interest, the benefit of all consents to mortgage signed by occupiers of the charged properties and the benefit of and the right to sue on all covenants with, or vested in, the chargee in each Charge and the right to exercise all powers of the chargee in relation to each Charge; and
- (d) all the estate and interest in the charged properties vested in the chargee subject to redemption or cesser; and
- (e) all causes of action of the chargee against any person in connection with any report, valuation, opinion, certificate, consent or mortgage or other statement of fact or opinion given in connection with any Charge or affecting the decision to make the relevant advance; and
- (f) the benefit of any guarantee or surety vested in the Transferor relating to any of the Charges and any of the agreements secured by the Charges;

but excluding (i) the charges on the life assurance policies (if any) charged as collateral security therefor and (ii) the Transferor's right, title, interest and benefit in any other insurance contracts in relation to the charged properties

Continuation sheet of

(Insert sheet number and total number of continuation sheets e.g. "sheet 1 of 3")

SCHEDULE 4

SLR TRANSFER

PART 1

SELLER SLR TRANSFER

We, [LEEDS BUILDING SOCIETY / NEW SELLER], [a building society incorporated in England and Wales under the Building Societies Act 1986 (as amended)] [a company incorporated in [●] (registered number [●])] [and having our [principal] [registered] office at [●]](the **Transferor**) CONSIDERING THAT in terms of a Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 between [us the Transferor] [Leeds Building Society] and Leeds Building Society Covered Bonds Limited Liability Partnership, incorporated in England and Wales under the Limited Liability Partnership Act 2000 (partnership number OC340174) and having its registered office at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferee**) and Deutsche Trustee Company Limited (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Mortgage Sale Agreement**) we have sold our whole right, title and interest in and to the Standard Securities and others hereinafter mentioned to the Transferee NOW THEREFORE we the Transferor IN CONSIDERATION of the sums payable in terms of and in implement *pro tanto* of the Mortgage Sale Agreement HEREBY ASSIGN to the Transferee:

- (a) the Standard Securities granted by the respective parties whose names are specified in Column 3 of the Schedule annexed and executed as relative hereto in favour of [us the Transferor] for all sums due and to become due, to the extent of the sums specified in the relative entry in Column 6 of the said Schedule being the amounts now due under the said respective Standard Securities, registered said Standard Securities in the Land Register under the Title Number specified in the relative entry in Column 4 of the said Schedule on the date specified in the relative entry in Column 5 of the said Schedule; and
- (b) the whole right, title and interest of us the Transferor in and under all and any personal bonds, credit agreements or agreements for loan (however constituted) secured by the said Standard Securities and granted by or entered into with the said respective parties whose names are specified in Column 3 of the said Schedule:

With interest from and also arrears and accumulations of interest due and unpaid as at []: And we grant warrantice:

IN WITNESS WHEREOF these presents [consisting of this and the preceding page] together with the Schedule annexed are executed as follows:

SUBSCRIBED for and on behalf of
[*TRANSFEROR*]

At

On Attorney

by

acting as their attorney before this witness:

..... Witness

.....
(Print Full Name)

.....

.....

.....
(Address)

This is the Schedule referred to in the foregoing Assignment by [Leeds Building Society][●] in favour of Leeds Building Society Covered Bonds Limited Liability Partnership

1	2	3	4	5	6
Account No.	Address	Borrower Full Names	Title Number	Registration Date	Balance Due

.....Attorney
for and on behalf of
[TRANSFEROR]

[When completing the SLR Transfer, please ensure that the pro forma signing details appear on the final page of the SLR Transfer, i.e. on a page containing part of the text of the SLR Transfer. Note that the text of the SLR Transfer does not include the words from "IN WITNESS WHEREOF" to "executed as follows".]

LLP SLR TRANSFER

We, Leeds Building Society Covered Bonds Limited Liability Partnership, incorporated in England and Wales under the Limited Liability Partnership Act 2000 (partnership number OC340174) and having our registered office at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferor**) CONSIDERING THAT in terms of (1) a Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 between Leeds Building Society, incorporated in England and Wales under the Building Societies Act 1986 (as amended) [(the **Transferee**)], us the Transferor and Deutsche Trustee Company Limited (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Mortgage Sale Agreement**) [to which [NEW SELLER], [incorporated under the Companies Acts (registered number)] and having its [registered][head] office at [] (the **Transferee**) acceded pursuant to a Seller Accession Agreement dated [] between [●], us the Transferor, [●] and the Transferee] and (2) a [Loan Repurchase Notice][Selected Loans Repurchase Notice] dated [] between us the Transferor and the Transferee we have sold our whole right, title and interest in and to the Standard Securities and others hereinafter mentioned to the Transferee NOW THEREFORE we the Transferor IN CONSIDERATION of the sums payable in terms of and in implement *pro tanto* of the Mortgage Sale Agreement [and the Selected Loans Offer Notice (as referred to in the Mortgage Sale Agreement)] HEREBY ASSIGN to the Transferee:

- (a) the Standard Securities granted by the respective parties whose names are specified in Column 3 of the Schedule annexed and executed as relative hereto in favour of [the Transferee][Insert name of originator where the relevant Loans were not originated by the Transferee] for all sums due and to become due, to the extent of the sums specified in the relative entry in Column 6 of the said Schedule being the amounts now due under the said respective Standard Securities, registered said Standard Securities in the Land Register under the Title Number specified in the relative entry in Column 4 of the said Schedule on the date specified in the relative entry in Column 5 of the said Schedule; and
- (b) the whole right, title and interest of us the Transferor in and under all and any personal bonds, credit agreements or agreements for loan (however constituted) secured by the said Standard Securities and granted by or entered into with the said respective parties whose names are specified in Column 3 of the said Schedule:

With interest from and also arrears and accumulations of interest due and unpaid as at []: And we grant warrandice:

IN WITNESS WHEREOF these presents [consisting of this and the preceding page] together with the Schedule annexed are executed as follows:

SUBSCRIBED for and on behalf of
**LEEDS BUILDING SOCIETY COVERED BONDS
LIMITED LIABILITY PARTNERSHIP**

at

on Attorney

by

acting as their attorney before this witness:

.....Witness

.....
(Print Full Name)

.....

.....

.....
(Address)

This is the Schedule referred to in the foregoing Assignment by Leeds Building Society Covered Bonds Limited Liability Partnership in favour of [Leeds Building Society] [New Seller]

1	2	3	4	5	6
Account No.	Address	Borrowers' Full Names	Title Number	Registration Date	Balance Due

.....Attorney
for and on behalf of

LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP

[When completing the SLR Transfer, please ensure that the pro forma signing details appear on the final page of the SLR Transfer, i.e. on a page containing part of the text of the SLR Transfer. Note that the text of the SLR Transfer does not include the words from "IN WITNESS WHEREOF" to "executed as follows".]

SCHEDULE 5

SASINE TRANSFER

PART 1

SELLER SASINE TRANSFER

We, [**LEEDS BUILDING SOCIETY / NEW SELLER**], [a building society incorporated in England and Wales under the Building Societies Act 1986 (as amended)] [a company incorporated in [●] (registered number [●])] [and having our [principal] [registered] office at [●]] (the **Transferor**) CONSIDERING THAT in terms of a Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 between Leeds Building Society and Leeds Building Society Covered Bonds Limited Liability Partnership, incorporated in England and Wales under the Limited Liability Partnership Act 2000 (partnership number OC340174) and having its registered office at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferee**) and Deutsche Trustee Company Limited (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Mortgage Sale Agreement**) we have sold our whole right, title and interest in and to the Standard Securities and others hereinafter mentioned to the Transferee NOW THEREFORE we the Transferor IN CONSIDERATION of the sums payable in terms of and in implement *pro tanto* of the Mortgage Sale Agreement HEREBY ASSIGN to the Transferee:

- (a) the Standard Securities granted by the respective parties whose names are specified in Column 3 of the Schedule annexed and executed as relative hereto in favour of [us the Transferor] for all sums due and to become due, to the extent of the sums specified in the relative entry in Column 6 of the said Schedule being the amounts now due under the said respective Standard Securities, recorded said Standard Securities in the Register for the County specified in the relative entry in Column 4 of the said Schedule on the date specified in the relative entry in Column 5 of the said Schedule; and
- (b) the whole right, title and interest of us the Transferor in and under all and any personal bonds, credit agreements or agreements for loan (however constituted) secured by the said Standard Securities and granted by or entered into with the said respective parties whose names are specified in Column 3 of the said Schedule:

With interest from and also arrears and accumulations of interest due and unpaid as at []: And we grant warrantice:

IN WITNESS WHEREOF these presents [consisting of this and the preceding page] together with the Schedule annexed are executed as follows:

SUBSCRIBED for and on behalf of
[*TRANSFEROR*]

At

On Attorney

by

acting as their attorney before this witness:

.....Witness

.....
(Print Full Name)

.....

.....

.....
(Address)

This is the Schedule referred to in the foregoing Assignment by [Leeds Building Society] [●] in favour of Leeds Building Society Covered Bonds Limited Liability Partnership

1	2	3	4	5	6
Account No.	Address	Borrowers' Full Names	County	Recording Date	Balance Due

.....Attorney
for and on behalf of
[TRANSFEROR]

[When completing the Sasine Transfer, please ensure that the pro forma signing details appear on the final page of the Sasine Transfer, i.e. on a page containing part of the text of the SLR Transfer. Note that the text of the SLR Transfer does not include the words from "IN WITNESS WHEREOF" to "executed as follows".]

LLP SASINE TRANSFER

We, Leeds Building Society Covered Bonds Limited Liability Partnership, incorporated in England and Wales under the Limited Liability Partnership Act 2000 (partnership number OC340174) and having our registered office at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferor**) CONSIDERING THAT in terms of (1) a Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 between Leeds Building Society incorporated in England and Wales under the Building Societies Act 1986 (as amended) [(the **Transferee**)], us the Transferor and Deutsche Trustee Company Limited (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Mortgage Sale Agreement**) [to which [NEW SELLER], [incorporated under the Companies Acts (registered number ●)] and having its [registered][head] office at [] (the **Transferee**) acceded pursuant to a Seller Accession Agreement dated [] between [●], us the Transferor, [●] and the Transferee] and (2) a [Loan Repurchase Notice][Selected Loans Repurchase Notice] dated [] between us the Transferor and the Transferee we have sold our whole right, title and interest in and to the Standard Securities and others hereinafter mentioned to the Transferee NOW THEREFORE we the Transferor IN CONSIDERATION of the sums payable in terms of and in implement *pro tanto* of the Mortgage Sale Agreement [and the Selected Loans Offer Notice (as referred to in the Mortgage Sale Agreement)] HEREBY ASSIGN to the Transferee:

- (a) the Standard Securities granted by the respective parties whose names are specified in Column 3 of the Schedule annexed and executed as relative hereto in favour of [the Transferee][Insert name of originator where the relevant Loans were not originated by the Transferee] for all sums due and to become due, to the extent of the sums specified in the relative entry in Column 6 of the said Schedule being the amounts now due under the said respective Standard Securities, recorded said Standard Securities in the Register for the County specified in the relative entry in Column 4 of the said Schedule on the date specified in the relative entry in Column 5 of the said Schedule; and
- (b) the whole right, title and interest of us the Transferor in and under all and any personal bonds, credit agreements or agreements for loan (however constituted) secured by the said Standard Securities and granted by or entered into with the said respective parties whose names are specified in Column 3 of the said Schedule:

With interest from and also arrears and accumulations of interest due and unpaid as at []: And we grant warrandice:

IN WITNESS WHEREOF these presents [consisting of this and the preceding page] together with the Schedule annexed are executed as follows:

SUBSCRIBED for and on behalf of
**[LEEDS BUILDING SOCIETY COVERED
BONDS LIMITED LIABILITY PARTNERSHIP]**

At

On Attorney

by

acting as their attorney before this witness:

.....Witness

.....
(Print Full Name)

.....

.....

.....
(Address)

This is the Schedule referred to in the foregoing Assignment by Leeds Building Society Covered Bonds Limited Liability Partnership in favour of [Leeds Building Society] [New Seller]

1	2	3	4	5	6
Account No.	Address	Borrowers' Full Names	Title Number	Recording Date	Balance Due

.....Attorney

for and on behalf of

[LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP]

[When completing the Sasine Transfer, please ensure that the pro forma signing details appear on the final page of the Sasine Transfer, i.e. on a page containing part of the text of the SLR Transfer. Note that the text of the SLR Transfer does not include the words from "IN WITNESS WHEREOF" to "executed as follows".]

SCHEDULE 6

LAND REGISTRY OF NORTHERN IRELAND TRANSFER OF CHARGES

Folios and Counties: As listed in column 1 of the Schedule hereto

Registered Owners: As listed in column [] of the Schedule hereto

Registered Owner of Charges: LEEDS BUILDING SOCIETY

Pursuant to the Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Agreement**) made between *inter alios*, the above named Registered Owner of Charges and **LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP** whose registered office is at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferee**) the above named Registered Owner of Charges as beneficial owner and also registered owner of the Charges sold to the Transferee each of the Charges described in the Schedule together with all other rights, title, interest and benefits arising under the Charges.

In consideration of the sums payable by the Transferee to the Registered Owner of the Charges pursuant to the Mortgage Sale Agreement, the above named Registered Owner of Charges as beneficial owner and as the registered owner of the Charges;

Hereby transfers to the Transferee each of the Charges described in the Schedule hereto together with all other rights, title, interest and benefits arising under the Charges.

Hereby assigns unto the Transferee all monies and interest now due and secured by the Charges and henceforth to become due and the benefit of all securities for the same to hold the same unto the Transferee absolutely.

Hereby transfers, conveys and assigns to the extent assignable all powers and remedies for enforcing any right of action against any solicitor, valuer or other person in connection with any Charge in each case **TO HOLD** the same unto the Transferee absolutely.

TOGETHER ALSO with the benefit of all securities given in connection with the Charges including for the avoidance of doubt:

- (a) the right to demand, sue for, recover and give receipts for all principal monies payable under the Charges or the unpaid part thereof and the interest and other sums due thereon together with the right, title, benefit and interest arising under or in connection with the agreement for the Loans secured by the Charges;
- (b) the benefit of all securities (including without limitation any guarantees, deeds of postponement and any consents by occupiers of the Properties other than the Borrowers) for such principal monies and interest and other sums and the benefit of and the right to sue on, all covenants with the Transferor in each Charge and the right to exercise all powers of the Transferor in relation to each Charge.

[SOLT Certificate]

THE SCHEDULE

This is (on accompanying CD Rom) the Schedule referred to in the foregoing Transfer by Leeds Building Society in favour of [Leeds Building Society Covered Bonds Limited Liability Partnership]

1	2	3	4	5
Account No.	Date of Advance	Sums Due	Region Code	Originator

Dated

EXECUTED as a **DEED** by)
LEEDS BUILDING SOCIETY)
acting by its attorney)
in the presence of:)

Witness's signature:

Name:

Address:

SCHEDULE 7

CONVEYANCE AND ASSIGNMENT – NORTHERN IRELAND

THIS INDENTURE OF CONVEYANCE AND ASSIGNMENT is made the [●] day of [●];

BETWEEN:

- (1) **LEEDS BUILDING SOCIETY** whose principal office is at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferor**);
- (2) **Leeds Building Society Covered Bonds Limited Liability Partnership** whose registered office is at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferee**)

WHEREAS:

- (A) By the mortgages (**Mortgages**), particulars of which are mentioned in the Schedule hereto, the properties (the **Properties**), brief particulars of which are also mentioned in the Schedule hereto, were demised to the Transferor as in the Mortgages and specified as security for the repayment of the monies advanced pursuant to the Mortgages.
- (B) By a Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto) between, *inter alios*, the Transferor and the Transferee (the **Agreement**) the Transferor has sold and the Transferee has purchased all right, title, interest and benefit (both present and future) of the Transferor in the Mortgages for the consideration therein mentioned.

NOW THIS DEED WITNESSETH as follows:

In consideration of sums payable by the Transferee to the Transferor under the Agreement the Transferor as Beneficial Owner and as legal owner, at and by the direction of the Transferor, hereby transfers, conveys and assigns unto the Transferee:

- (a) all the Mortgages and the monies due and secured by them and interest now due and henceforth to become due for the same and the benefit of all securities for the same **TO HOLD** the same unto the Transferee absolutely;
- (b) all and singular the Properties demised or assured by the Mortgages which are now or by any means vested in the Transferor together with all other rights, powers, provisions, titles, interests and benefits (including particularly any reversionary interests) in relation to or arising under the Mortgages and hereby substitutes for the Transferor, the Transferee (so far as it is lawful) as the attorney of the mortgagors under the Mortgages for the purposes of the power of attorney contained in each of the Mortgages **TO HOLD** the same unto the Transferee for the unexpired residues of the terms of years demised by the Mortgages subject as to all hereditaments to such rights of equity of redemption as are now subsisting therein by virtue of the Mortgages;
- (c) all powers and remedies for enforcing any right of action against any solicitor, valuer or other person in connection with any Mortgages or form of consent **TO HOLD** the same unto the Transferee absolutely **TOGETHER WITH** the benefit of all securities given in connection with the Mortgages including for avoidance of doubt:
 - (i) the right to demand, sue for, recover and give receipt for all principal monies payable under the Mortgages or the unpaid part thereof and the interest and other sums due thereon together

with the right, title, benefit and interest arising under or in connection with the agreement for the Loans secured by the Mortgages;

- (ii) the benefit of all securities (including without limitation any guarantees, deeds of postponement and any consents by occupiers of the Properties other than the Borrowers) for such principal monies and interest and other sums and the benefit of, and the right to sue on, all covenants with the Transferor in each Mortgage and the right to exercise all powers of the Transferor in relation to each Mortgage.

IN WITNESS WHEREOF the Transferor and the Transferee have caused this Indenture to be executed and delivered as a deed the day and the year first herein written.

THE SCHEDULE referred to above

An Indenture of Mortgage dated the _____ day of _____ and made between [_____] of the one part and [_____] of the other part (Registered in the Registry of Deeds, on the _____ day of _____ Serial No: _____) relating to the property situate at and known as [_____].

Dated [_____]

EXECUTED as a **DEED** by _____)
LEEDS BUILDING SOCIETY _____)
acting by its attorney _____)
in the presence of: _____)

Witness's signature:

Name:

Address:

EXECUTED as a **DEED** by _____)
Leeds Building Society Covered Bonds _____)
Limited Liability Partnership _____)
acting by its attorney _____)
in the presence of: _____)

Witness's signature:

Name:

Address:

SCHEDULE 8

SCOTTISH DECLARATION OF TRUST

DECLARATION OF TRUST

by

- (1) [LEEDS BUILDING SOCIETY / NEW SELLER], [a building society incorporated in England and Wales under the Building Societies Act 1986 (as amended)] [a company incorporated in [●]] (registered number [●]) [and having its [principal] [registered] office at [●]] (the **Seller**);

in favour of

- (2) **LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP**, incorporated in England and Wales under the Limited Liability Partnerships Act 2000 (partnership number OC340174) and having its Registered Office at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **LLP**).

WHEREAS:

- (A) Title to the Scottish Trust Property aftermentioned is held by and vested in the Seller.
- (B) In terms of a Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 between Leeds Building Society, the LLP and Deutsche Trustee Company Limited (the **Security Trustee**) (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Mortgage Sale Agreement**) [to which the Seller has acceded pursuant to a Seller Accession Agreement dated [●]] the Seller has agreed to sell and transfer *inter alia* the said Scottish Trust Property to the LLP.
- (C) In implement of Clause [3.1(a)]/[4.8(a)] of the Mortgage Sale Agreement and pending the taking of legal title to the said Scottish Trust Property by the LLP, the Seller has undertaken to grant this Deed.

NOW THEREFORE the parties **HEREBY AGREE** and **DECLARE** as follows:

1. INTERPRETATION

- 1.1 The master definitions and construction agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 made between *inter alios* the Seller, Leeds Building Society and the LLP (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Master Definitions and Construction Agreement**) is expressly and specifically incorporated into this Deed and, accordingly, the expressions defined in the Master Definitions and Construction Agreement shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Deed, and this Deed shall be construed in accordance with the interpretation provisions set out in Clause 2 of the Master Definitions and Construction Agreement.
- 1.2 In this Deed, **Scottish Trust Property** shall mean the Scottish Loans and their Related Security brief particulars of which are set out in the Schedule annexed and executed as relative hereto (the **Schedule**) and all right, title, interest and benefit of the Seller in and to:
- (a) all payments of principal and interest (including, for the avoidance of doubt, all Accrued Interest, Arrears of Interest, Capitalised Interest, Capitalised Expenses, Capitalised Arrears and Additional Loan Advances) and other sums due or to become due in respect of such

Scottish Loans and Related Security including, without limitation, the right to demand, sue for, recover and give receipts for all principal monies, interest and costs and the right to sue on all obligations and undertakings made or expressed to be made in favour of the Seller under the applicable Mortgage Conditions;

- (b) subject where applicable to the subsisting rights of redemption of Borrowers, all MH/CP Documentation, all third party guarantees, all Deeds of Postponement and any other collateral security for the repayment of the relevant Scottish Loans;
- (c) the right to exercise all the powers of the Seller in relation thereto;
- (d) to the extent they are assignable or the benefit thereof can be transferred, each Certificate of Title and Valuation Report and any right of action of the Seller against any solicitor, qualified conveyancer, valuer or other person in connection with any report, valuation, opinion, certificate or other statement of fact or opinion given in connection with such Scottish Loans and their Related Security, or any part thereof or affecting the decision of the Seller to make or offer to make any such Scottish Loan or part thereof;
- (e) the Insurance Policies (including, without limitation, the proceeds of all claims to which the Seller is entitled under the Insurance Policies), insofar as they relate to such Scottish Loans; and
- (f) all proceeds resulting from the enforcement of any of such Scottish Loans and their Related Security,

under exception of any Scottish Loans and their Related Security detailed in the Schedule that have been redeemed prior to the Transfer Date relating thereto.

2. **DECLARATION OF TRUST**

The Seller hereby DECLARES that from and after the date hereof the Seller holds and subject to Clause 6 below, shall henceforth hold the Scottish Trust Property and its whole right, title and interest, present and future, therein and thereto in trust absolutely for the LLP and its assignees (whether absolutely or in security) whomsoever.

3. **INTIMATION**

The Seller hereby intimates to the LLP the coming into effect of the trust hereby declared and created and the LLP, by its execution of this Deed immediately subsequent to the execution hereof by the Seller, acknowledges such intimation.

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

The Seller warrants and undertakes that:

- (a) as at the date hereof it holds, subject to any pending registration or recording in the Registers of Scotland, legal title to the Scottish Trust Property unencumbered by any fixed or floating charge, diligence or other Security Interest;
- (b) it shall not create or agree to create any fixed or floating charge or other Security Interest over or which may attach to or affect the whole or any part of the Scottish Trust Property or otherwise dispose of the same at any time when such Scottish Trust Property or part thereof remains subject to the trust hereby created; and

- (c) it shall deal with the Scottish Trust Property (including without prejudice to the foregoing generality the calculation and setting of any interest rate applicable thereto) in accordance with the provisions of the Transaction Documents and the specific written instructions (if any) of the LLP or its foresaids and shall take, subject to Clause 6 hereof, any such action as may be necessary (including for the avoidance of doubt the raising or defending of any proceedings in any court of law whether in Scotland or elsewhere) to secure or protect the title to the Scottish Trust Property but only in accordance with the specific written instructions (if any) of the LLP or its foresaids and (for so long as it retains any right or interest in the Scottish Trust Property) the Security Trustee.

5. TRANSFER OF TITLE

- 5.1 The LLP and its foresaids as beneficiaries hereunder shall have the right to call upon the Seller to execute and deliver to the LLP or its foresaids, subject to the terms of Clause 7 of the Mortgage Sale Agreement, valid assignments of the Scottish Trust Property or any part thereof, and that notwithstanding the winding up of the Seller or the appointment of an administrator in respect of the Seller or the appointment of a receiver to all or any part of the Scottish Trust Property.
- 5.2 The Seller undertakes to the LLP and binds and obliges itself that, upon the occurrence of any one of the events specified in Clause 7.1 of the Mortgage Sale Agreement, it will within twenty Business Days of such occurrence provide such information as is necessary to enable the LLP to complete Scottish Transfers (including all Schedules and annexures thereto) in relation to the whole of the Scottish Trust Property.
- 5.3 For further assuring the said rights and powers specified in this Clause 5, the Seller has granted a power of attorney in favour of the LLP and the Security Trustee substantially in the form set out in Schedule 9 to the Mortgage Sale Agreement.

6. TERMINATION OF TRUST

- 6.1 If:
 - (a) legal title to any part or parts of the Scottish Trust Property is taken by the LLP in accordance with the provisions of Clause 5 above (which, in the case of any Scottish Mortgage, shall be constituted by the registration or recording of the title thereto in the Registers of Scotland); or
 - (b) any part or parts of the Scottish Trust Property forms the subject of a repurchase or purchase in accordance with the terms of Clauses 8.3, 9 or 12 of the Mortgage Sale Agreement,

the trust hereby declared and created shall (but only when any of the events or transactions before stated has been completed irrevocably, validly and in full) *ipso facto* fall and cease to be of effect in respect of such part or parts of the Scottish Trust Property but shall continue in full force and effect in respect of the whole remainder (if any) of the Scottish Trust Property.

7. CHANGE OF TRUSTEE

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

8. **VARIATION**

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

9. **GOVERNING LAW**

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

10. **REGISTRATION**

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

IN WITNESS WHEREOF these presents consisting of this and the preceding [three] pages together with the Schedule annexed are executed as follows:

SUBSCRIBED for and on behalf of
[LEEDS BUILDING SOCIETY] / [NEW SELLER]

At

On Attorney

by

acting as their attorney before this witness:

.....Witness

.....
(Print Full Name)

.....

.....

.....
(Address)

SUBSCRIBED for and on behalf of
**LEEDS BUILDING SOCIETY COVERED BONDS
LIMITED LIABILITY PARTNERSHIP**

At

On Attorney

by

acting as their attorney before this witness:

..... Witness

.....
(Print Full Name)

.....

.....

.....
(Address)

This [and the following pages] comprise[s] the Schedule referred to in the foregoing Declaration of Trust by [Leeds Building Society] [New Seller] in favour of Leeds Building Society Covered Bonds Limited Liability Partnership

DETAILS OF SCOTTISH MORTGAGE LOANS AND RELATED SECURITY

1	2	3
Balance Due	Name of Borrower	Address of Secured Property

.....
for and on behalf of
[Leeds Building Society] [New Seller]

.....Attorney
for and on behalf of
Leeds Building Society Covered Bonds Limited Liability Partnership

[When completing the Scottish Declaration of Trust, please ensure that the pro forma signing details appear on the final page of the Scottish Declaration of Trust, i.e. on a page containing part of the text of the Scottish Declaration of Trust. Note that the text of the Scottish Declaration of Trust does not include the words from "IN WITNESS WHEREOF" to "executed as follows".]

SCHEDULE 9

SELLER POWER OF ATTORNEY

THIS DEED OF POWER OF ATTORNEY is made on [●] by:

LEEDS BUILDING SOCIETY, a building society registered under the Building Societies Act 1986 (as amended) of England and Wales (the **Seller**)

IN FAVOUR OF each of:

- (1) **LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP** (the **LLP**); and
- (2) **DEUTSCHE TRUSTEE COMPANY LIMITED** (the **Security Trustee**).

WHEREAS:

- (A) By virtue of a mortgage sale agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto) made between (1) Leeds Building Society, (2) the LLP and (3) the Security Trustee (the **Mortgage Sale Agreement**) provision was made for the execution by the Seller 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 Agreement made between the parties to the Transaction Documents on or about 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Master Definitions and Construction Agreement**) and this Power of Attorney shall be construed in accordance with the interpretation provisions set out in Clause 2 of the Master Definitions and Construction Agreement.

NOW THIS DEED WITNESSETH as follows:

1. The Seller irrevocably and by way of security for the performance of the covenants, conditions and undertakings on the part of the Seller contained in the Mortgage Sale Agreement and the Servicing Deed **HEREBY APPOINTS** each of the LLP and the Security Trustee and any receiver and/or administrator appointed from time to time in respect of the LLP or its assets (each an **Attorney**) severally to be its true and lawful attorney for the Seller and in the Seller's name or otherwise to do any act matter or thing which any Attorney considers necessary or desirable for the protection, preservation or enjoyment of that Attorney's interest in the Loans and their Related Security and/or which ought to be done under the covenants, undertakings and provisions contained in the Mortgage Sale Agreement (in each case subject to the terms of the Mortgage Sale Agreement) including (without limitation) any or all of the following:
 - (a) to execute, sign, seal and deliver (using the company seal of the Seller where appropriate) each Scottish Declaration of Trust, any conveyance, assignment, assignation or transfer of the Loans or any of them to the LLP and its successors in title or to any other person or persons entitled to the benefit thereof;
 - (b) to execute, sign, seal and deliver (using the company seal of the Seller where appropriate) each Scottish Declaration of Trust, any conveyance, assignment, assignation or transfer of the Related Security or any item comprised therein (to the extent only that such item or items

relate to the Loans) to the LLP and its successors in title or to any other person or persons entitled to the benefit thereof or entitled to be registered at The Land Registry or Registers of Northern Ireland as proprietor thereof or to be registered in the Land Register of Scotland or recorded in the General Register of Sasines as heritable creditor thereof (as the case may be);

- (c) to do every other act or thing which the Seller is obliged to do under the Mortgage Sale Agreement or which that Attorney may otherwise consider to be necessary proper or expedient for fully and effectually vesting or transferring the interests sold thereunder in the Loans and their Related Security or any or each of them and/or the Seller's estate right and title therein or thereto in or to the LLP and its successors in title or to any other person or persons entitled to the benefit thereof (as the case may be) in the same manner and as fully and effectually in all respects as the Seller could have done including, without limitation, any of the acts referred to in Clause 7.3(a) to (d) of the Mortgage Sale Agreement;
- (d) to exercise its rights, powers and discretions under the Loans including the right to fix the rate or rates of interest payable under the Loans in accordance with the terms thereof including, for the avoidance of doubt, whilst such Loans subsist and subject to the consent of the LLP being given to the setting of such rates, setting the Seller's Standard Variable Rate or other discretionary rates and margins applicable to the Loans in the circumstances referred to in Clause 4 of the Servicing Deed and/or following perfection in accordance with Clause 7.1 of the Mortgage Sale Agreement of the assignments, assignations or transfers contemplated by the Mortgage Sale Agreement PROVIDED THAT nothing in this Clause shall prevent the Seller (or any of its attorneys from time to time) from setting a higher rate than those set or to be set or required or to be required by the LLP under this Power of Attorney;
- (e) to discharge the Mortgages or any of them and to sign, seal, deliver and execute such receipts, releases, surrenders, discharges, instruments and deeds as may be requisite or advisable in order to discharge the relevant Property or Properties from the Mortgages or any of them; and
- (f) to exercise all the powers of the Seller in relation to such Loans and their Related Security including for the avoidance of doubt to demand, sue for and receive all monies due and payable under the Loans and their Related Security or any other collateral security or related right.

2. Each Attorney shall have the power by writing under its hand by an officer of the Attorney from time to time to appoint a substitute who shall have power to act on behalf of the Seller as if that substitute shall have been originally appointed Attorney by this Power of Attorney (including, without limitation, the power of further substitution) and/or to revoke any such appointment at any time without assigning any reason therefor.
3. Each of the Attorneys may delegate to one or more person all or any of the powers referred to in Clause 1 on such terms as it thinks fit and may revoke any such delegation at any time.
4. The Seller hereby agrees at all times hereafter to ratify and confirm whatsoever the said Attorney or its attorneys shall lawfully do or cause to be done in and concerning the Loans or their Related Security by virtue of this Power of Attorney.
5. The laws of England shall apply to this Power of Attorney and the interpretation thereof.
6. A person who is not a party to this Power of Attorney may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

IN WITNESS WHEREOF the Seller has executed and delivered this document as a deed the day and year first before written.

The SEAL of)
LEEDS BUILDING SOCIETY)
is affixed to this **DEED** in the presence of:)
)
by authority of the Board of Directors)

SCHEDULE 10

LOAN REPURCHASE NOTICE

To: Leeds Building Society
Sovereign House,
26 Sovereign Street, Leeds,
West Yorkshire, LS1 4BJ
(the **Seller**)

From: Leeds Building Society Covered Bonds Limited Liability Partnership (the **LLP**);

1. It is hereby agreed that for the purpose of this notice the **Principal Agreement** shall mean the Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 made between Leeds Building Society, Leeds Building Society Covered Bonds Limited Liability Partnership and Deutsche Trustee Company Limited (the **Security Trustee**) (as the same may be or have been amended, restated, varied or supplemented from time to time with the consent of those parties).
2. Save where the context otherwise requires, words and expressions in this notice shall have the same meanings respectively as when used in the Principal Agreement.
3. In accordance with Clause 9.7 of the Principal Agreement, upon receipt by the LLP of this Loan Repurchase Notice signed by the Seller there shall:
 - (a) if served in accordance with Clause 9.7(a) of the Principal Agreement; or
 - (b) if served in accordance with Clause 9.7(b) of the Principal Agreement and upon your confirmation of such sale;

exist between the Seller and the LLP an agreement (the **Agreement for Sale**) for the sale by the LLP to the Seller of the Loans and their Related Security more particularly described in the Schedule hereto. Completion of such sale shall take place on [the later of the Effective Date and] [●].

4. The Agreement for Sale shall incorporate, *mutatis mutandis*, the relevant provisions of the Principal Agreement.

Dated []

.....

For and on behalf of
[LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP]

[On duplicate

We hereby acknowledge receipt of and confirm the contents of the Loan Repurchase Notice dated [].

[To be included where the Loan Repurchase Notice is served in accordance with Clause 9.7(b)

In relation to any Loan indicated on the attached schedule as a Defaulted Loan, we confirm that [it is/is not] our intention to purchase each Loan indicated.]

.....

Signed for and on behalf of
[**THE SELLER**]
in its capacity as the Seller]

Schedule

1.	2.	3.	4.	5.	6.	7.
Recording Date	Property Postcode (if Property is located in Scotland)	Account No.	Date of advance	Sums Due	Region Code	Originator

SCHEDULE 11

ASSIGNMENT OF THIRD PARTY RIGHTS

PART 1

DEED OF ASSIGNMENT

THIS DEED OF ASSIGNMENT is made on [●]

BY:

- (1) **LEEDS BUILDING SOCIETY**, a building society registered under the Building Societies Act 1986 (as amended of England and Wales) (the **Transferor**)

IN FAVOUR OF:

- (2) **LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP** (partnership number OC340174), a limited liability partnership established under the laws of England and Wales, whose registered office is at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferee**).

WHEREAS:

- (A) By the charges by way of legal mortgage (the **Mortgages**, brief particulars of which are set out in the Annexure hereto) the properties (brief particulars of which are similarly set out) became security for the repayment of the monies therein mentioned.
- (B) By the Mortgage Sale Agreement, the Transferor agreed to sell and the Transferee agreed to buy all right, title, interest and benefit (both present and future) of the Transferor in and under the Mortgages and all Related Security and all monies secured by those Mortgages and such Related Security.

NOW THIS DEED WITNESSETH as follows:

1. Capitalised terms in this Deed (including the recitals) shall, except where the context otherwise requires and save where otherwise defined in this Deed, bear the meanings given to them in the Master Definitions and Construction Agreement made between the parties to the Transaction Documents on or about 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto) and this Deed shall be construed in accordance with the interpretation provisions set out in Clause 2 thereof.
2. The Transferor hereby assigns absolutely unto the Transferee [on the later of the Effective Date and the date hereof] with full title guarantee (or, in the case of any Related Security or causes of action (as described in Clause 2(a)) governed by Northern Irish law as beneficial owner):
 - (a) the benefit of all Related Security relating to the Mortgages (including without limitation all securities for the principal monies and interest secured by the Mortgages and the benefit of all consents to mortgage signed by occupiers of the mortgaged properties and the benefit of all guarantees, indemnities and surety contracts relating to the Mortgages) other than any such Related Security which has been transferred to the Transferee by other means or which is not otherwise capable of such transfer; and

(b) all causes of action of the Transferor against any person in connection with any report, valuation, opinion, certificate, consent or other statement of fact or opinion given in connection with any Related Security relating to the Mortgages or affecting the decision to make any advance in connection with such Mortgages.

3. A person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

4. This Deed and any non-contractual obligations arising out of, or in connection with it, shall be governed by and construed in accordance with the laws of England (other than those terms of this Agreement specific to the law of Northern Ireland, which shall be construed in accordance with Northern Irish law).

IN WITNESS WHEREOF this document has been executed and delivered as a deed the day and year first before written.

The SEAL of)
LEEDS BUILDING SOCIETY)
is affixed to this **DEED** in the presence of:)
)
by authority of the Board of Directors)

Annexure

1	2	3	4	5	6
Property Postcode (if Property located in Scotland	Account No.	Date of Advance	Sums Due	Region Code	Originator

ASSIGNATION OF THIRD PARTY RIGHTS

We, **LEEDS BUILDING SOCIETY**, a building society incorporated in England and Wales under the Building Societies Act 1986 (as amended) (the **Transferor**), CONSIDERING that in terms of the standard securities (the **Mortgages**), brief particulars of which are set out in the Schedule hereto, the properties (brief particulars of which are similarly set out) became security for the repayment of the monies therein mentioned, AND FURTHER CONSIDERING that in terms of a mortgage sale agreement among us, the Transferor and others dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto, the **Mortgage Sale Agreement**) we have agreed to sell all right, title, interest and benefit (both present and future) of us the Transferor in and under the Mortgages and all other Related Security for the Loans secured by the Mortgages and all monies secured by those Mortgages and such Related Security to **LEEDS BUILDING SOCIETY COVERED BONDS LIMITED LIABILITY PARTNERSHIP** (partnership number OC340174), a limited liability partnership incorporated in England and Wales under the Limited Liability Partnership Act 2000, whose registered office is at Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ (the **Transferee**), NOW THEREFORE we, the Transferor HEREBY in implement *pro tanto* of the Mortgage Sale Agreement and for the consideration therein specified ASSIGN to the Transferee [and with effect from the later of the Effective Date and the date hereof]:

- (a) the benefit of all such Related Security (including without limitation all securities for the principal monies and interest secured by the Mortgages (other than the Mortgages) and the benefit of all MH/CP Documentation and the benefit of all guarantees, indemnities and surety contracts relating to the Mortgages) other than any such Related Security which has been assigned to the Transferee by other means or which is not otherwise capable of such assignment; and
- (b) all rights of action of the Transferor against any person in connection with any report, valuation, opinion, certificate, consent or other statement of fact or opinion given in connection with any Related Security relating to the Mortgages or affecting the decision to make any advance in connection with such Mortgages,

and we, the Transferor, grant absolute warrandice.

The Transferee may at any time after the date of this Assignment serve on each relevant party intimation of the assignment made in terms hereof (and we the Transferor acknowledge that no previous such intimation has been given).

This Assignment is governed by Scots Law.

Capitalised terms in this Assignment shall, except where the context otherwise requires and save where otherwise defined in this Assignment, bear the meanings given to them in the Master Definitions and Construction Agreement made between *inter alios* the Transferor and the Transferee on 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties hereto), and this Assignment shall be construed in accordance with the interpretation provisions set out in Clause 2 thereof.

IN WITNESS WHEREOF these presents typewritten on this and the preceding page are together with the Schedule annexed hereto executed at London on [●] as follows:

SUBSCRIBED for and on behalf of
LEEDS BUILDING SOCIETY

at

onby its attorney

by

acting as their attorney before this witness:

.....Witness

.....
(Print Full Name)

.....

.....

.....
(Address)

This is the Schedule referred to in the foregoing Assignment by Leeds Building Society in favour of Leeds Building Society Covered Bonds Limited Liability Partnership

1	2	3
Balance Due	Name of Borrower	Address of Secured Property

SCHEDULE 12

INSURANCE POLICIES

PART 1

INSURANCE ENDORSEMENT

[] Insurance Endorsement

[] ENDORSEMENT attaching to and forming part of policy number [*policy numbers*] (the **Policy**) issued by [] (the **Insurer**).

Expressions defined in the Policy shall, unless indicated otherwise, have the same meaning in this Endorsement.

It is hereby noted and agreed that with effect from the date of this Endorsement:

1. The definition of "Insured" shall be deleted in its entirety and replaced with the following wording:
 - (a) "Leeds Building Society (the **Society**) Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ;
 - (b) Leeds Building Society Covered Bonds Limited Liability Partnership (the **LLP**) Sovereign House, 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ;
 - (c) [●], a limited liability company incorporated under the laws of England and Wales, whose registered office is at [●]."
2. For the avoidance of doubt, each Insured shall be treated by the Insurer as a named Insured and shall comply with its obligations as an Insured according to their respective interests in the Mortgages covered by the Policy.
3. The Society and each other Insured confirms that each other Insured has appointed the Society as its agent under the Policy to deal with the Insurer on its behalf in all matters relating to the Policy including, without limitation, the administration of all Mortgages covered by the Policy, the provision of information to the Insurer, the implementation of arrears, collections, possessions and claims procedures, agreeing claims adjustments, accepting payment of claims and giving good discharge on behalf of each and every Insured, (including the Society itself) all monies payable under the Policy.
4. This Endorsement does not have, nor is intended by the parties to have, the effect of conferring on the Insurer any greater liabilities under the Policy than the Insurer would have had, had the Insurer not entered into this Endorsement.
5. The Society undertakes to keep the Insurer fully indemnified and held harmless against any claim, action, loss, cost or expense suffered or incurred by the Insurer and which would not have been suffered or incurred by the Insurer had it not agreed to enter into this Endorsement including, but not limited to, any avoidance or repudiation of any reinsurance policy or the loss or reduction of any right to claim under such policy in respect of sums payable or paid under the Policy.
6. All other terms, Clauses and conditions of the Policy remain unchanged.

This Endorsement is signed for and on behalf of the Insurer and each of the Insured by a duly authorised signatory:

.....
[Name]
[Position]
[]
Dated [●]

.....
[Name]
[Position]
Leeds Building Society
Dated [●]

.....
[Name]
[Position]
Leeds Building Society Covered Bonds Limited
Liability Partnership
Dated [●]

.....
[Name]
[Position]
Deutsche Trust Company Limited

Dated [●]

PART 2

NEW SELLER ENDORSEMENT

ENDORSEMENT [] attaching to and forming part of policy number [*policy number*] (the **Policy**) issued by [*name of Insurer*] (the **Insurer**).

It is hereby noted and agreed that with effect from the date of this Endorsement:

1. The definition of "Insured" shall be deleted in its entirety and replaced with the following wording:
 - (a) "Leeds Building Society (the **Society**) whose registered office is at [●];
 - (b) any assignee to whom the Society has assigned (whether legally or equitably and whether by way of security or otherwise) any loans and/or mortgages and related collateral and/or assets to which this Policy relates (an **Assignee**) (whether or not any such Assignee holds the same on trust for another or others); and
 - (c) any person benefiting from security granted by the Society or its Assignee over any loans and/or mortgages and related collateral and/or assets to which this Policy relates in connection with the financing or re-financing of such loans and/or mortgages and related collateral and/or assets."
2. Each term of the Policy which is inconsistent with the intent and/or effect of the amended definition of "Insured" contemplated in paragraph 1 above (the **New Definition**) shall be subject to the New Definition and shall not apply to the extent that such term of the Policy is inconsistent with the New Definition.
3. The Insurer acknowledges and agrees that any Insured under the Policy may from time to time appoint the Society or any other person as agent of that Insured to deal with the Insurer on its behalf in the administration of and making and payment of claims under the Policy.

All other terms, Clauses and conditions of the Policy remain unchanged.

This Endorsement is signed for and on behalf of the Insurer by a duly authorised signatory:

.....
[Name]
[Position]
[Insurer]

Dated ,

SCHEDULE 13

NEW PORTFOLIO NOTICE

To: Leeds Building Society Covered Bonds Limited Liability Partnership
Sovereign House, 26 Sovereign Street,
Leeds, West Yorkshire,
LS1 4BJ (the **LLP**)

From: [Seller's name and address] (the **Seller**)

1. It is hereby agreed for the purpose of this notice the **Principal Agreement** shall mean the Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 made between, *inter alios*, the LLP and the Seller (as the same may be or have been amended, restated, varied or supplemented from time to time with the consent of those parties).
2. Save where the context otherwise requires, words and expressions in this notice shall have the same meanings respectively as when used in the Principal Agreement.
3. In accordance with and subject to Clause 4.1 of the Principal Agreement, upon receipt by the Seller of the duplicate of this notice signed by the LLP, there shall exist between the Seller and the LLP an agreement (the **Agreement for Sale**) for the sale by the Seller to the LLP of the New Loans and the Related Security more particularly described in the Schedule hereto (other than any New Loans and their Related Security which have been redeemed in full prior to the next following Transfer Date). Completion of such sale shall take place on [the later of the Effective Date and] [●].
4. The Agreement for Sale shall incorporate, *mutatis mutandis*, the relevant provisions of the Principal Agreement.
5. [In accordance with Clause 18 of the LLP Deed, [SELLER] of [●] (Registered no. [●]) (the **proposed Seller**) agrees to become a Seller and undertakes to comply with and be bound by the terms of the Principal Agreement as a Seller.]
6. [The address for notices of the proposed Seller for the purposes of Clause 18 of the Principal Agreement is: [●].]

Dated []

.....
Signed for and on behalf of
[**THE SELLER**]
in its capacity as the Seller

On duplicate:

We hereby acknowledge receipt of the New Portfolio Notice dated [●], and confirm that we are prepared to purchase New Loans as set out in that notice.

.....
Signed for and on behalf of
Leeds Building Society Covered Bonds Limited Liability Partnership

Schedule

1	2	3	4	5	6
Property Postcode (if Property located in Scotland	Account No.	Date of advance	Sums due	Region Code	Originator

SCHEDULE 14

ADDITIONAL LOAN ADVANCE NOTICE

To: Leeds Building Society Covered Bonds Limited Liability Partnership
Sovereign House, 26 Sovereign Street,
Leeds, West Yorkshire,
LS1 4BJ (the **LLP**)

From: [*Seller's name and address*] (the **Seller**)

Date: [*On each Calculation Date*]

1. For the purpose of this notice the **Principal Agreement** shall mean the Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 made between the Seller, the LLP and Deutsche Trust Company Limited (the **Security Trustee**) (as the same may be or have been amended, restated, varied or supplemented from time to time with the consent of those parties).
2. Save where the context otherwise requires, words and expressions in this notice shall have the same meanings respectively as when used in the Principal Agreement.
3. In accordance with and subject to Clause 5 of the Principal Agreement this notice confirms that [**EITHER** the Additional Loan Advances more particularly described in the Schedule hereto were made to the relevant Borrowers in the Calculation Period immediately preceding the date of this notice and at the time of the making of such Additional Loan Advance, met and continue to meet the Eligibility Criteria **OR** no Additional Loan Advances were made in the Calculation Period immediately preceding the date of this notice].

Dated []

.....
Signed for and on behalf of
[**THE SELLER**]
in its capacity as the Seller

Schedule

1	2	3	4	5	6
Property Postcode (if Property located in Scotland	Account No.	Date of advance	Sums due	Region Code	Originator

SCHEDULE 15

SELECTED LOANS OFFER NOTICE

To: [Seller's name and address] (the **Seller**)

From: Leeds Building Society Covered Bonds Limited Liability Partnership
Sovereign House,
26 Sovereign Street, Leeds,
West Yorkshire, LS1 4BJ (the **LLP**)

It is hereby agreed that for the purpose of this notice the **Principal Agreement** shall mean the mortgage sale agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 as made between the Seller, the LLP and Deutsche Trustee Company Limited (the **Security Trustee**) (as the same may be or have been amended, restated, varied or supplemented from time to time with the consent of those parties).

Save where the context otherwise requires, words and expressions in this Selected Loans Offer Notice shall have the same meanings respectively as when used in the Principal Agreement.

In accordance with and subject to Clause 12 of the Principal Agreement we make an offer to you on the following terms:

- (a) This Selected Loans Offer Notice constitutes an offer to sell the Selected Loans and their Related Security more particularly described in the Schedule hereto to you at the offer price of £[●] payable in cash on the earlier to occur of the date which is (a) ten (10) Business Days after receipt by the LLP of the returned Selected Loans Repurchase Notice or (b) the Final Maturity Date of the Earliest Maturing Covered Bonds on the terms set out in Clause 12 of the Principal Agreement.
- (b) This offer is capable of acceptance by you within ten (10) Business Days from and including the date of this Selected Loans Offer Notice. If you do not accept this offer, we intend to sell the Selected Loans and their Related Security to a third party or third parties.
- (c) This Selected Loans Offer Notice shall incorporate, *mutatis mutandis*, the relevant provisions of the Principal Agreement.

You may accept this offer to you by signing the duplicate of this Selected Loans Offer Notice in a manner indicating acceptance and delivering it to the LLP with a copy to the Security Trustee.

We refer you to the Principal Agreement as to your rights, and the consequences of failure to accept this offer in time or at all or of doing so in a manner other than that specified in the Principal Agreement.

Dated []

.....

for and on behalf of

Leeds Building Society Covered Bonds Limited Liability Partnership

We accept the offer contained in this Selected Loans Offer Notice.

Dated []

.....

for and on behalf of

[the Seller]

Schedule

1	2	3	4	5	6
Property Postcode (if Property located in Scotland	Account No.	Date of advance	Sums due	Region Code	Originator

SCHEDULE 16

SELECTED LOANS REPURCHASE NOTICE

To: [Seller's name and address] (the **Seller**)

From: Leeds Building Society Covered Bonds Limited Liability Partnership
Sovereign House,
26 Sovereign Street,
Leeds, West Yorkshire,
LS1 4BJ (the **LLP**)

1. It is hereby agreed that for the purpose of this notice the **Principal Agreement** shall mean the mortgage sale agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 and [●] December 2021 made between the Seller, the LLP and Deutsche Trustee Company Limited (the **Security Trustee**) (as the same may be or have been amended, restated, varied or supplemented from time to time with the consent of those parties).
2. Save where the context otherwise requires, words and expressions in this notice shall have the same meanings respectively as when used in the Principal Agreement.
3. In accordance with Clause 12 of the Principal Agreement, upon receipt of this Selected Loans Repurchase Notice by the Seller there shall exist between the Seller and the LLP an agreement (the **Agreement for Sale**) for the sale by the LLP to the Seller of the Selected Loans and their Related Security more particularly described in the Schedule hereto. Completion of such sale shall take place on [the later of the Effective Date and] [●] and the price payable by the Seller for the Selected Loans and their Related Security more particularly described in the Schedule hereto shall be £[●].
4. The Agreement for Sale shall incorporate, *mutatis mutandis*, the relevant provisions of the Principal Agreement.

Dated []

.....

Signed for and on behalf of

Leeds Building Society Covered Bonds Limited Liability Partnership

[On duplicate]

We hereby acknowledge receipt of and confirm the contents of the Selected Loan Repurchase Notice dated [].

.....
Signed for and on behalf of
[THE SELLER]
in its capacity as the Seller]

Schedule

1	2	3	4	5	6
Property Postcode (if Property located in Scotland	Account No.	Date of advance	Sums due	Region Code	Originator

SCHEDULE 17

SELLER'S POLICIES

PART 1

INTEREST RATE SETTING POLICY

Any interest rates on Loans which may be varied from time to time in the discretion of the lender thereunder should be set in accordance with any applicable statement of good practice of the FCA or guidance note of the OFT or any other requirements or recommendations of the FCA or the OFT with which it is customary to comply.

Any increases to interest rates applicable to the Loans shall be notified to the Borrowers through a written notice sent by post or another procedure permitted under the relevant Mortgage Conditions.

COMPLAINTS POLICY

All complaints from Borrowers should be handled promptly and in a considerate, consistent, fair and appropriate manner in accordance with the FCA guidelines applicable to institutions regulated by the FCA. A complaint for these purposes is any expression of dissatisfaction, whether oral or written and whether justified or not, from or on behalf of a Borrower about that firm's provision of financial service.

POLICY FOR THE HANDLING OF MORTGAGE ARREARS, POSSESSION AND MORTGAGE SHORTFALL DEBT RECOVERY

Proactive contact will be made with customers as soon as possible after an account has gone into arrears and every effort will be made to identify reasons for default and to establish sustainable arrangements or concessions with the customers to either clear the arrears, or limit the build up of any arrears.

Possession of a property is sought where all reasonable efforts to regularise matters have failed and where the customer has no realistic prospect of making payments or is unable to maintain an agreed satisfactory payment schedule.

Subsequent to possession, if there is a mortgage shortfall on sale the Seller will consider pursuing recovery of the shortfall for a period of up to six years from the date the loss crystallised. Recovery activity will depend on the circumstances of the borrower and whether the Seller has evidence to suggest that the customer has sufficient ability to make payments from current income or to repay from other assets.

In all situations the Seller complies with regulatory requirements and guidance and follows industry best practice.

EXHIBIT 1

STANDARD DOCUMENTATION

This is Exhibit 1 to a Mortgage Sale Agreement dated 2 October 2008 as amended and restated on 2 October 2009, 15 December 2020 __ December 2021 (as the same may be amended, restated, varied or supplemented from time to time with the consent of the parties thereto) made between Leeds Building Society, Leeds Building Society Covered Bonds Limited Liability Partnership and Deutsche Trustee Company Limited.