

SCHEDULE 7

LIQUIDITY FACILITY AGREEMENT

1. The Liquidity Facility

- 1.1** The Liquidity Facility Provider grants to the Issuer, upon the terms and subject to the conditions hereof, a committed euro revolving liquidity facility in an amount equal to the Commitment, such amount being adjusted from time to time pursuant to and in accordance with the terms of this Liquidity Facility Agreement.
- 1.2** Subject to Clause 1.3 and 1.4, the Liquidity Facility Provider shall not be obliged or permitted to make any Advance after the Termination Date and the Liquidity Facility shall be a 364 day facility.
- 1.3** The Issuer (or the Cash Manager on its behalf) may, not more than 50 days nor less than 40 days before the Termination Date by giving notice to the Liquidity Facility Provider in the form set out in Appendix 4 (an “**Extension Request**”), request that the Liquidity Facility Provider provide a new euro committed revolving facility on substantially the same terms as this Liquidity Facility Agreement (subject to such amendments as may be agreed between the Issuer and the Liquidity Facility Provider).
- 1.4** Following service of an Extension Request pursuant to Clause 1.3, the Liquidity Facility Provider:
- 14.1 if it agrees to such request, shall deliver to the Issuer within 10 Business Days after the date on which such request is made a notice, in the form set out in Appendix 5 and, as from the date specified in the Extension Request:
 - (i) the existing Commitment Period shall be cancelled;
 - (ii) any Advances and other moneys outstanding hereunder shall be treated as outstanding under a new 364 day committed euro revolving facility granted by the Liquidity Facility Provider to the Issuer on the terms of this Liquidity Facility Agreement subject to such amendments as may be agreed between the Liquidity Facility Provider and the Issuer, the commitment period under which will commence with effect from the date set out in such notice (and such commitment period shall be the new “**Commitment Period**” hereunder); and
 - (iii) except where amendments are agreed pursuant to sub-Clause 1.4.1(ii) and subject to the provisions of such notice, no further documentation other than this Liquidity Facility Agreement shall be required to evidence such new Commitment Period under such new facility;
 - 14.2 failure by the Liquidity Facility Provider to agree to an Extension Request made pursuant to Clause 1.3 shall be deemed to constitute a refusal by the Liquidity Facility Provider to agree to such request; and

- 143 if the Liquidity Facility Provider does not agree to an Extension Request, or is deemed to have refused an Extension Request, then the Issuer (or the Cash Manager on its behalf) shall make a Standby Drawing in accordance with Clause 7.

1.5 Ratings

The Liquidity Facility Provider hereby represents that its short-term unsecured, unsubordinated and unguaranteed debt or securities have a rating of at least A-1+ from S&P, P-1 from Moody's, F1+ from Fitch, or, with the consent of the Rating Agencies, the equivalent rating from another internationally recognised rating agency (the "**Requisite Ratings**") at the date of this Liquidity Facility Agreement and undertakes to notify the Issuer, the Cash Manager and the Trustee promptly after becoming aware of the same if such debt or securities shall cease to have the Requisite Ratings.

1.6 Downgrading

If the short-term unsecured debt rating of the Liquidity Facility Provider is below the Requisite Ratings then:

- 1.6.1 the Issuer shall have a period of 30 Business Days from the date on which such downgrading is notified to the Issuer (the "**Arrangement Period**") to use its reasonable endeavours to arrange for a bank or financial institution (the "**Substitution Bank**") to provide a facility to the Issuer on terms and conditions which are in all material respects identical to this Liquidity Facility Agreement and to accept a commitment of an amount equal to that of the Liquidity Facility Provider hereunder, provided that the Issuer shall not be obliged to incur costs thereby;
- 1.6.2 if the Issuer successfully arranges for a Substitution Bank to provide such a facility pursuant to sub-Clause 1.6.1 then the Commitment shall be cancelled and reduced to zero with effect from the day that the Substitution Bank enters into such a new facility with the Issuer; and
- 1.6.3 if the Issuer is unable to arrange a Substitution Bank to provide such a facility within the Arrangement Period, then the Issuer (or the Cash Manager on its behalf) shall make a Standby Drawing in accordance with Clause 7.

2. Purpose

- 2.1 Subject to Clause 5, the Issuer shall be entitled from time to time on any Business Day, to make such drawings under the Liquidity Facility pursuant to Clause 6, to the extent that after the application of amounts standing to the credit of the Reserve Ledger there are insufficient Available Revenue Funds to meet items (i) to (xiv) (other than items (vi), (viii), (x), (xii) and (xiv)) of the Priority of Payments prior to enforcement on that Interest Payment Date provided that no drawings from the Liquidity Facility may be made to meet interest payments on the Class M1 Notes or the Class M2 Notes or the Class B1 Notes or the Class B2 Notes, as the case may be, to the extent that, after the application of the Initial Available Revenue and any amounts standing to the credit of the Reserve Fund, the Class M1 Principal

Deficiency Ledger would have a debit balance equal to or greater than 20 per cent. of the then aggregate Principal Amount Outstanding of the Class M1 Notes or, as the case may be, the Class M2 Principal Deficiency Ledger would have a debit balance equal to or greater than 20 per cent. of the then aggregate Principal Amount Outstanding of the Class M2 Notes or, as the case may be, the Class B1 Principal Deficiency Ledger would have a debit balance equal to or greater than 20 per cent. of the aggregate Principal Amount Outstanding of the Class B1 Notes, the Class B2 Principal Deficiency Ledger would have a debit balance equal to or greater than 20 per cent. of the aggregate Principal Amount Outstanding of the Class B2 Notes. The amount under the Liquidity Facility available to meet interest payable on the Class M1 Notes, Class M2 Notes, Class B1 Notes or Class B2 Notes shall never exceed the Liquidity Maximum Amount less 4.5 per cent. of the aggregate Principal Amount Outstanding from time to time on the Class A Notes.

- 2.2 The Issuer shall apply any Standby Drawing for the purpose set out in Clause 7.3.
- 2.3 The Liquidity Facility is to be used by the Issuer solely for the purpose stated above. The Issuer may not use the Liquidity Facility for any other purpose but the Liquidity Facility Provider shall not be obliged to concern itself with the application of amounts borrowed by the Issuer.

3. **Conditions Precedent**

Save as the Liquidity Facility Provider may otherwise agree, the Issuer may not deliver any Notice of Drawdown hereunder unless the Liquidity Facility Provider has received copies of all the documents listed in Appendix 1 each of which is, in form and substance, satisfactory to it unless such condition precedent has been waived in whole or in part.

4. **Security**

The Issuer agrees that its obligations to the Liquidity Facility Provider hereunder shall at all times be secured on the terms of and pursuant to the Deed of Charge. The Liquidity Facility Provider acknowledges that its rights hereunder are subject in all respects to the provisions of the Deed of Charge and that the Trustee holds the benefit of the security created by the Deed of Charge on trust for the Secured Creditors (including the Liquidity Facility Provider).

5. **Requests for Drawings**

- 5.1 Save as otherwise provided herein, the Issuer (or the Cash Manager on its behalf) may from time to time request a Drawing by the delivery to the Liquidity Facility Provider by fax not earlier than the sixth Business Day nor later than 3.00 p.m. on the second Business Day before the proposed Drawdown Date for the relevant Advance, of a duly completed Notice of Drawdown therefor.
- 5.2 Each Notice of Drawdown delivered to the Liquidity Facility Provider pursuant to Clause 5.1 shall be irrevocable and shall, in relation to each Advance, specify:
 - 5.2.1 the proposed Drawdown Date, which shall be a Business Day during the Commitment Period;

- 522 the amount of the proposed Advance; and
- 523 the Term of the proposed Advance (which shall not, in any event, be a period of more than three months),

provided that no Advance shall be requested if the Repayment Date in respect of such Advance falls on a day after the Termination Date.

- 5.3 The Issuer agrees that any Notice of Drawdown provided to the Liquidity Facility Provider will be irrevocable and the receipt of such by the Liquidity Facility Provider shall oblige the Issuer to borrow the amount therein requested on the date therein stated upon the terms and subject to the conditions contained in this Liquidity Facility Agreement.
- 5.4 Any Advance made by the Liquidity Facility Provider shall be paid to the GIC Account or such other account as is notified to the Liquidity Facility Provider in the Notice of Drawdown by the Issuer (or the Cash Manager on its behalf) (with the consent of the Trustee).

6. Advances

- 6.1 If, on the proposed Drawdown Date for an Advance:

- 6.1.1 the amount of the relevant Advance on such Drawdown Date does not exceed the Available Commitment (taking into account any Advances which are repaid by that date) and the Termination Date has not then arrived;
- 6.1.2 each of the representations set out in Clause 14.1 are true on and as of the proposed date for such Advance (as if repeated on such date by reference to the then prevailing facts and circumstances);
- 6.1.3 no event has occurred which is an Event of Default (unless the Liquidity Facility Provider agrees otherwise in writing); and
- 6.1.4 as a result of such Advance the maximum aggregate principal amount of the Advances under the Liquidity Facility will not exceed the Liquidity Maximum Amount,

then, on such Drawdown Date and subject as provided above, the Liquidity Facility Provider shall make available to the Issuer through its Facility Office in accordance with the provisions of Clause 18.2 the amount of the relevant Advance.

- 6.2 If the amount of the Liquidity Maximum Amount (and consequently the amount of the Available Commitment) is reduced in accordance with the terms hereof after the Liquidity Facility Provider has received a Notice of Drawdown for an Advance and before making the Advance, then the amount of that Advance which would otherwise have fallen to be made by the Liquidity Facility Provider on the Drawdown Date specified in such Notice of Drawdown shall be reduced so that the Advance does not exceed the then reduced Available Commitment.
- 6.3 The Issuer may not communicate to the Liquidity Facility Provider pursuant to Clause 5 more than one Notice of Drawdown during any Interest Period.

- 6.4 The amount of the Available Commitment will be reduced by the amount of each Advance made to the Issuer pursuant to this Clause 6.

7. Standby Drawings

- 7.1 If a Relevant Event occurs, the Issuer (or the Cash Manager on its behalf) shall, after serving a Notice of Drawdown on the Liquidity Facility Provider, make a Standby Drawing equal to the undrawn portion of the Commitment at that time provided that such Standby Drawing shall be used only in accordance with Clause 7.3.

- 7.2 No Standby Drawing may be made or requested to be made after the end of the then current Commitment Period.

- 7.3 Upon the making of a Standby Drawing, the Liquidity Facility Provider (at the direction of the Issuer or the Cash Manager on its behalf) shall forthwith pay the Standby Drawing into the GIC Account and the Cash Manager shall ensure that the Standby Drawing is credited to the Standby Drawing Ledger in accordance with the Cash Management Agreement.

- 7.4 Interest earned on the amount of Standby Drawings standing to the credit of the GIC Account shall, subject the Deed of Charge, be for the account of the Issuer who shall be entitled to withdraw and retain all interest earned on such amounts in the GIC Account from time to time.

- 7.5 The amount of Standby Drawings from time to time standing to the credit of the GIC Account shall belong to the Issuer, and the Liquidity Facility Provider shall not have any proprietary interest or security interest in such amounts save as arises under the Deed of Charge. The Issuer (or the Cash Manager on its behalf), shall only debit the Standby Drawing Ledger and make a corresponding withdrawal from the GIC Account:

- 7.5.1 in such circumstances and in such amount as it would otherwise have been able to make a Drawing under this Liquidity Facility Agreement, which withdrawal shall be deemed to be an Advance under this Liquidity Facility Agreement for all purposes other than for the purposes of Clauses 8.1 and 8.2; or

- 7.5.2 in order to make a repayment of a Standby Drawing in accordance with Clauses 7.6 or 12.4; or

and the amount of the Standby Drawing shall be reduced (and the Standby Drawing Ledger shall be debited or credited, as applicable) by the amount of such deemed Advances or repayment, as the case may be, but not otherwise.

- 7.6 The Standby Drawing shall be repayable to the Liquidity Facility Provider together with accrued interest thereon on the earliest of:

- 7.6.1 the date that is two Business Days on which the Liquidity Facility Provider has given notice to the Issuer and the Trustee that it again has the Requisite Ratings;

- 7.6.2 the Issuer cancelling the Liquidity Facility pursuant to Clause 13;

7.63 upon the occurrence of an Event of Default; and

7.64 the date on which the Notes have been redeemed in full.

8. Interest

8.1 Interest on an Advance shall accrue daily, shall be calculated on the outstanding daily balance of the Advance on the basis of actual days elapsed and a 360 day year and shall, subject to Clause 17, be payable by the Issuer to the Liquidity Facility Provider in arrear on each Interest Payment Date when the Advance has during the immediately preceding Interest Period been outstanding.

8.2 The rate of interest applicable to an Advance during its Term shall be the rate per annum determined by the Liquidity Facility Provider to be the aggregate of the Applicable Margin and EURIBOR plus the Mandatory Cost applicable thereto.

8.3 Interest on the Standby Drawing shall accrue daily, shall be calculated on the outstanding daily balance of the Standby Drawing on the basis of actual days elapsed and a 360 day year and shall, subject to Clause 17, be payable by the Issuer to the Liquidity Facility Provider in arrear on each Interest Payment Date when the Standby Drawing has during the immediately preceding Interest Period been outstanding

8.4 The rate of interest applicable to the Standby Drawing shall be the rate per annum determined by the Liquidity Facility Provider to be the aggregate of the Applicable Margin and EURIBOR plus the Mandatory Cost applicable thereto.

8.5 The Liquidity Facility Provider shall promptly notify the Issuer and the Cash Manager on the Quotation Date of each determination of EURIBOR and the Mandatory Cost made by it.

9. Alternative Interest Rates

9.1 Market Disruption

If, at or about 11.00 a.m. (London time) on the Quotation Date for a Term, the Liquidity Facility Provider was not offering, for reasons affecting the Eurozone interbank market as a whole, to prime banks in the Eurozone interbank market deposits in euro for such Term then:

9.1.1 the duration of that Term shall be one month or, if less, such that it shall end on the next succeeding Repayment Date if any; and

9.1.2 the rate of interest applicable to the Advance from time to time during such Term shall be the rate per annum which is the sum of the Applicable Margin, the Mandatory Cost in respect thereof at such time and the rate per annum determined by the Liquidity Facility Provider to be that which expresses as a percentage rate per annum the cost to it of funding the Advance during such Term from whatever sources it may reasonably select.

9.2 Substitute Basis or Repayment

If the interest rate applicable to the Advance during a Term falls to be determined pursuant to Clause 9.1, then:

- 921 the Liquidity Facility Provider shall notify the Issuer and the Cash Manager of such event;
- 922 if the Liquidity Facility Provider so requires, within five days of such notification the Liquidity Facility Provider and the Issuer shall enter into negotiations with a view to agreeing a substitute basis (a) for determining the rates of interest from time to time applicable to the Advance and/or (b) upon which the Advance may be maintained (whether in Euro or some other currency) thereafter and any such substitute basis that is agreed shall take effect in accordance with its terms and be binding on the Issuer and the Liquidity Facility Provider; and
- 923 if the Liquidity Facility Provider has required the Issuer to enter into such negotiations, the Liquidity Facility Provider may declare (any such declaration to be binding on the Issuer) that the Advance shall become due and payable on the next Repayment Date unless by then a substitute basis has been agreed in relation thereto.

10. Varying the Liquidity Facility

- 10.1 The Issuer and the Liquidity Facility Provider may, at any time in writing and subject to written approval by the Rating Agencies, agree to vary the Liquidity Maximum Amount by increasing or decreasing the amount of the Commitment to an amount agreed by the Liquidity Facility Provider and the Issuer pursuant to Clause 12 of the Master Securitisation Agreement (“**Notices**”). Entering into this Liquidity Facility Agreement will not, however, cause the Liquidity Facility Provider to incur any obligation to advance funds beyond the amount of the Commitment as at the date hereof or beyond the Termination Date.
- 10.2 If the Liquidity Facility Provider agrees to vary the Commitment to the amount notified to it pursuant to Clause 10.1 then the Commitment shall, from the next succeeding Business Day, be increased or decreased to such amount and the Liquidity Maximum Amount shall be increased or decreased accordingly.

11. Changes in Circumstances

- 11.1 In the event that by reason of any future applicable treaty, law, regulation or regulatory requirement or any change in or in the interpretation or application of any present or future applicable treaty, law, regulation or regulatory requirement (including without limitation, those arising from any change to, or change in the interpretation of, the 1988 Capital Accord as a result of the implementation of International Convergence of Capital Measurement and Capital Standards: A Revised Framework, the New Basel Capital Accord published by the Basel Committee on Banking Supervision on 26 June 2004 (as updated in November 2005)) the Liquidity Facility Provider shall, after due consideration, be of the opinion that it would not be lawful for it to maintain or give effect to its obligations in respect of the Liquidity

Facility, the Liquidity Facility Provider shall notify the Issuer in writing accordingly. Upon receipt of such notice by the Issuer, the Liquidity Facility Provider's obligation to make further Advances shall immediately be cancelled and any Advances then outstanding shall become immediately due and payable by the Issuer.

11.2 If either:

11.2.1 any change after the date hereof in (or the introduction of) any applicable treaty, law, regulation or regulatory requirement or in the interpretation or application thereof or any applicable direction, request or requirement (whether or not having the force of law) of any governmental, fiscal or monetary authority (including without limitation, those arising from any change to, or change in the interpretation of, the 1988 Capital Accord as a result of the implementation of International Convergence of Capital Measurement and Capital Standards: A Revised Framework, the New Basel Capital Accord published by the Basel Committee on Banking Supervision on 26 June 2004 (as updated in November 2005)) shall in any such case:

- (i) subject the Liquidity Facility Provider to any Tax, or increase the amount of any tax, with respect to the Liquidity Facility or any Advance (other than tax on the Liquidity Facility Provider's overall net income, profits and gains); or
- (ii) change the basis of Taxation of the Liquidity Facility Provider in respect of payments of principal, interest or any other payment due or to become due pursuant to this Liquidity Facility Agreement (except for changes in the rate of taxes on or measured by the Liquidity Facility Provider's overall net income); or
- (iii) change the basis of Taxation of the Liquidity Facility Provider in respect of any principal or interest paid by it on, or otherwise in respect of, deposits from third parties acquired or utilised to effect or maintain any Advance; or
- (iv) impose, modify or deem applicable any reserve, special deposit, cash ratio, liquidity, capital ratio or other requirement against or in respect of any, or any class of any, assets or liabilities (including contingent liabilities and commitments) of the Liquidity Facility Provider; or
- (v) impose on the Liquidity Facility Provider any other condition relating to or affecting its obligations under this Liquidity Facility Agreement or any part thereof;

or:

11.2.2 the Liquidity Facility Provider complies with any applicable direction, request or requirement (whether or not having the force of law) of any government, fiscal or monetary authority made after the date hereof;

and the result of any of the foregoing (or, in the case of sub-Clause 10.2.2, the result of the foregoing if following the relevant compliance the Liquidity Facility Provider

adopts no less prudent capital ratio, liquidity or other policies or standards than those previously adopted by it) is either:

- (a) to increase the direct or indirect cost to the Liquidity Facility Provider of making available or in maintaining any Advance; or
- (b) to reduce the amount of any payment received or receivable by the Liquidity Facility Provider under this Liquidity Facility Agreement; or
- (c) to reduce its effective return on capital employed in support of the Liquidity Facility or in connection with any Advance,

in any such case by an amount which the Liquidity Facility Provider shall deem to be material, then and in any such case:

- (i) the Liquidity Facility Provider shall use its reasonable endeavours to promptly notify the Issuer and the Cash Manager of the happening of such event after it has become aware thereof; and
- (ii) the Issuer shall from time to time pay the Liquidity Facility Provider such amount(s) as the Liquidity Facility Provider may certify (in a certificate which shall set out in reasonable detail so far as practicable the basis of the computation of such amounts) to be necessary to indemnify it against, as the case may be, such increased cost or such reduction; and
- (iii) the Issuer shall be at liberty, subject to its having obtained all requisite authorisations and consents, at any time after receipt of any such notice, so long as the circumstances giving rise to such increased cost or, as the case may be, such reduction continue, on giving the Liquidity Facility Provider not less than five Business Days' notice (which shall be irrevocable) and subject to repayment in full of any Advance, to cancel the whole of the Liquidity Facility and the Liquidity Maximum Amount shall be reduced to nil.

Any such demand as is referred to in this Clause 11.2 may be made by the Liquidity Facility Provider at any time.

- 11.3** Upon the occurrence of any event as described in Clauses 11.1 or 11.2, the Liquidity Facility Provider shall, in consultation with the Issuer, take such reasonable steps as may reasonably be open to it to mitigate the effect of such circumstances and the Issuer and the Liquidity Facility Provider shall forthwith negotiate in good faith with a view to agreeing terms for making the Liquidity Facility available from another jurisdiction or for restructuring the Liquidity Facility on a basis which is not unlawful or, subject to the relevant event or events referred to in Clause 11.2, for transferring its rights and obligations hereunder to another bank having the Requisite Ratings and which is willing to participate in this Liquidity Facility; provided that there shall be no obligation on the Liquidity Facility Provider to take any steps if, in its reasonable opinion, the same would or might have an adverse effect upon its business, operations or financial condition or to agree any terms which are economically disadvantageous to itself and provided further that the Liquidity Facility Provider shall not be under any obligation to continue any such negotiations as aforesaid if terms have not been agreed within 30 days after their commencement.

12. Repayment of Advances

- 12.1** Subject to the provisions hereof, the Issuer shall repay together with accrued interest thereon each Advance made to it in full (or to the fullest extent possible should the level of Available Revenue Funds be insufficient to allow repayment in full, subject always to the applicable Priority of Payments) to the Liquidity Facility Provider on the Repayment Date relating thereto. Notwithstanding the provisions of this Clause 12.1, if any repayment is received by the Liquidity Facility Provider on a date which is not the relevant Repayment Date, the Issuer shall additionally pay to the Liquidity Facility Provider all costs (including broken funding costs, if any) arising as a consequence thereof.
- 12.2** The Issuer, subject to the terms and conditions hereof, shall be entitled to re-borrow any amount repaid provided that the re-borrowing does not exceed the Commitment amount at any time and for the avoidance of doubt if by the Repayment Date relevant for any Advance (the "**Prior Advance**") the Issuer has already requested a new advance (the "**New Advance**"), the amount of funds to be actually transferred to the Issuer or the Liquidity Facility Provider shall be netted so that (i) if on the Drawdown Date of the New Advance the amount outstanding of the Prior Advance exceeds the amount of the New Advance, then the Issuer shall pay an amount equal to such excess to the Liquidity Facility Provider and (ii) if on the date for drawdown of the New Advance the amount of the New Advance exceeds the amount outstanding of the Prior Advance, then the Liquidity Facility Provider shall pay an amount equal to the excess to the Issuer. For the further avoidance of doubt, nothing in this Clause 12.2 shall allow the Issuer to satisfy the payment of items (v) to (xxi) inclusive of the Priority of Payments prior to enforcement before it has repaid any outstanding Advance made to it in full (or netted such Advance, being a Prior Advance against a New Advance) to the Liquidity Facility Provider.
- 12.3** Any outstanding amount of a deemed Advance made in accordance with Clause 7.5 shall be repaid by crediting such amount to the GIC Account (and the Cash Manager shall make a corresponding credit to the Standby Drawing Ledger) and may be re-borrowed as if it were an Advance repayable or re-borrowed in accordance with Clauses 12.1 and 12.2 (as the case may be) above. The amount of the Standby Drawing shall be increased by the amount of the Advance repaid and credited to the GIC Account. The amount of the Standby Drawing shall be reduced by the amount of any Advance re-borrowed and debited to the GIC Account. The Cash Manager shall make the corresponding debits and credits to the Standby Drawing Ledger.
- 12.4** Upon the service of an Enforcement Notice, the amount of Standby Drawings standing to the credit of the GIC Account will be payable directly to the Liquidity Facility Provider and will not be available for distribution to any other Secured Creditor.

13. Cancellation

- 13.1** The Issuer may, with the prior written agreement of the Rating Agencies and the Trustee, cancel the whole or any part of the Liquidity Facility by giving the Liquidity Facility Provider not less than five Business Days' prior notice specifying the date and amount of the proposed cancellation (the Liquidity Facility Provider, for the avoidance of doubt, will not be required to enquire or seek confirmation of whether or

not the Issuer has obtained such consent). Any cancellation in part shall (unless, as a result of such cancellation, the Commitment is to be reduced to zero) be in an amount or integral multiple of €100,000.

- 13.2** No cancellation pursuant to Clause 13.1 shall take effect to the extent that, as a result of such proposed cancellation, the principal amounts outstanding under the Liquidity Facility would, at the time of such proposed cancellation, exceed the Commitment.
- 13.3** Each notice of cancellation given pursuant to this Clause 13 shall be irrevocable and shall specify the date upon which such cancellation is to take effect.
- 13.4** If at any time:
 - 134.1 the Commitment is cancelled or reduced to zero;
 - 134.2 all indebtedness owed to the Liquidity Facility Provider by the Issuer hereunder has been finally satisfied in full in the reasonable opinion of the Liquidity Facility Provider; and
 - 134.3 the Liquidity Facility Provider is under no further actual or contingent obligation hereunder,

then this Liquidity Facility Agreement shall be at an end.

- 13.5** On the Termination Date the Commitment shall be (if it has not already been) cancelled and reduced to zero and all amounts (if any) which are outstanding or owed to the Liquidity Facility Provider shall be fully discharged. In which event, the Issuer shall not be entitled to increase the Commitment amount thereafter pursuant to Clause 10.

14. Representations

- 14.1** The Issuer represents that:
 - 14.1.1 *Status*: the Issuer is duly incorporated with limited liability and validly existing under the laws of Ireland.
 - 14.1.2 *Powers and Authorisations*: the Memorandum and Articles of Association of the Issuer include provisions which give power, and all necessary corporate authority has been obtained and action taken, for the Issuer to own its assets, carry on its business as it is now being conducted, and sign and deliver, and perform the transactions contemplated in the Documents to which it is a party, and such Documents constitute valid, legal and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms.
 - 14.1.3 *Non-Violation*: neither the signing and delivery of this Liquidity Facility Agreement nor the performance of any of the transactions contemplated in it contravenes or constitutes a default under, or causes to be exceeded, any limitation on the Issuer or the powers of its directors imposed by or contained in: (a) any law by which it is or any of its assets is bound or affected; (b) its Memorandum or Articles of Association; or (c) any agreement to which it is a party or by which any of its assets is bound.

- 14.14 *No Default*: no event has occurred which constitutes, or which with the giving of notice and/or the lapse of time and/or a relevant determination would constitute, a contravention of, or default under, any agreement or instrument by which the Issuer or any of its assets is bound or affected, being a contravention or default which has a material adverse effect on the business, assets or condition of the Issuer or adversely affects its ability to observe or perform its obligations under this Liquidity Facility Agreement.
- 14.15 *Litigation*: no litigation, governmental, arbitration or administrative proceeding or claim which has a material adverse effect on its business, assets or condition or adversely affects its ability to observe or perform its obligations under this Liquidity Facility Agreement, is presently in progress or pending or, to the best of the knowledge, information and belief of the Issuer, threatened against the Issuer or any of its assets.
- 14.16 *No Security*: none of the assets of the Issuer is affected by any encumbrance and the Issuer is not a party to, nor is it or any of its assets bound by, any order, agreement or instrument under which the Issuer is required to create, assume or permit to arise any encumbrance, other than the encumbrances created by the Deed of Charge or as expressly contemplated by the Documents.
- 14.2** The Issuer represents that the claims against it under this Liquidity Facility Agreement shall be secured by first ranking security over the assets and undertaking of the Issuer granted in favour of the Trustee for the benefit of, amongst others, the Liquidity Facility Provider pursuant to and in accordance with the terms of the Deed of Charge.
- 14.3** The Liquidity Facility Provider represents that it is a Qualifying Bank as of the date hereof.
- 14.4** Each of the representations and warranties set out in Clause 14.1 and 14.2 shall be deemed to be repeated on each Interest Payment Date and on each date upon which any Advance is drawn down, by reference to facts and circumstances then subsisting.

15. Financial Information

- 15.1** The Issuer shall:
- 15.1.1 as soon as the same become available, but in any event within 90 days after the end of each of its financial years, deliver to the Liquidity Facility Provider its audited financial statements for such financial year; and
- 15.1.2 as soon as the same becomes available but in any event within 28 days after the end of each quarter of its financial years, deliver to the Liquidity Facility Provider one set of any quarterly investor reports of the Issuer for such quarter;
- 15.1.3 from time to time on the written request of the Liquidity Facility Provider furnish the Liquidity Facility Provider with such information about its

business and financial condition as the Liquidity Facility Provider may reasonably require (subject to applicable law).

15.2 The Issuer shall ensure that:

- 152.1 each set of financial statements delivered by it pursuant to sub-Clauses 15.1.1 and 15.1.2 is prepared in accordance with accounting principles generally accepted in Ireland and consistently applied;
- 152.2 each set of financial statements delivered by it pursuant to sub-Clause 15.1.1 is certified by a duly authorised officer of it as giving a true and fair view of its financial condition as at the end of the period to which those financial statements relate and of the results of its operations during such period; and
- 152.3 each set of financial statements delivered by it pursuant to sub-Clause 15.1.1 has been audited by an internationally recognised firm of independent auditors.

16. Covenants

16.1 The Issuer shall:

- 16.1.1 obtain, comply with the terms of and do all that is necessary to maintain in full force and effect, all authorisations, approvals, licences and consents required in or by the laws and regulations of the country in which it is incorporated and any other applicable law to enable it lawfully to enter into and perform its obligations under each Document to which it is expressed to be a party or to ensure the legality, validity, enforceability or admissibility in evidence in the country in which it is incorporated in all material respects of each such Document;
- 16.1.2 promptly inform the Liquidity Facility Provider of the occurrence of any event which is an Event of Default or would, with the passage of time, the giving of notice or the making of any determination (or any combination thereof) in the reasonable opinion of the Liquidity Facility Provider result in the occurrence of an Event of Default (as defined in the Deed of Charge) and, upon receipt of a written request to that effect from the Liquidity Facility Provider, confirm to the Liquidity Facility Provider that, save as previously notified to the Liquidity Facility Provider or as notified in such confirmation, no such event has occurred;
- 16.1.3 give to the Liquidity Facility Provider and the Rating Agencies 30 days notice (or such shorter period of notice as may be agreed between the relevant parties) of any proposed amendments to any of the Documents (after their execution) to which it is a party prior to the proposed effective date of such amendments;
- 16.1.4 ensure that no utilisation of the Liquidity Facility occurs which would cause a breach of any restriction on borrowings or the raising of finance contained in the Memorandum and Articles of Association of the Issuer or the Administration Agreements;

- 16.1.5 not effect or permit to become effective any amendment to any of the Documents which will or may, in the reasonable opinion of the Liquidity Facility Provider, adversely effect the interests of the Liquidity Facility Provider without the prior consent of the Liquidity Facility Provider; and
 - 16.1.6 promptly inform the Liquidity Facility Provider of any debits to the amounts standing to the credit of the Reserve Ledger by the Cash Manager in accordance with the Cash Management Agreement.
- 16.2** The Issuer covenants that its obligations hereunder shall at all times be secured by first ranking security over its assets and undertaking pursuant to and in accordance with the terms of the Deed of Charge.

16.3 Information to the Trustee

The Liquidity Facility Provider shall provide to the Trustee such information and evidence in respect of any dealing between the Issuer and the Liquidity Facility Provider under this Liquidity Facility Agreement or otherwise as the Trustee may reasonably request for the purpose of the discharge of the duties, trusts, powers, authorities and discretions vested in it under the Documents or by operation of law and the Issuer hereby waives any right to or duty of confidentiality which may be owed to it by the Liquidity Facility Provider in respect of the disclosure of such information and evidence to the Trustee. The Trustee hereby undertakes to the Issuer not to release any information and evidence provided to it under this Clause 15.3 to any third party save as required by law or in order to fully carry out its duties under the Trust Deed.

17. Events of Default/Enforcement

17.1 Events of Default

It will be an Event of Default if any one or more of the following occurs:

- 17.1.1 the Issuer fails to pay any amount due under this Liquidity Facility Agreement within 3 Business Days of its due date;
- 17.1.2 the Issuer fails to observe or perform any of its other obligations under this Liquidity Facility Agreement and, in the case of a failure capable of being remedied (in the opinion of the Liquidity Facility Provider), such failure is not remedied within 5 Business Days after the Liquidity Facility Provider has notified the Issuer of the failure and the result of any of the foregoing is, in the opinion of the Liquidity Facility Provider, materially and adversely to affect the financial condition of the Issuer or its ability to observe or perform its obligations hereunder;
- 17.1.3 any warranty, representation or statement which is given by the Issuer in this Liquidity Facility Agreement or which is contained in any certificate, statement or notice provided under or in connection with this Liquidity Facility Agreement proves to be incorrect in any material respect or any such warranty, representation or statement, when made or repeated at any time by reference to the circumstances then prevailing, would be incorrect in any

material respect and at such time the result of any of the foregoing is, in the opinion of the Liquidity Facility Provider, to materially and adversely affect the financial condition of the Issuer or its ability to observe or perform its obligations under this Liquidity Facility Agreement;

- 17.14 the Issuer changes or threatens to change the nature or scope of its business beyond that expressly contemplated by the relevant Documents or suspends or threatens to suspend a substantial part of its business operations and the result of any of the foregoing may, in the opinion of the Liquidity Facility Provider, to materially and adversely affect the financial condition of the Issuer or its ability to observe or perform its obligations under this Liquidity Facility Agreement;
- 17.15 any provision of any relevant Document is or becomes, for any reason, invalid or unenforceable and the result of any of the foregoing may, in the opinion of the Liquidity Facility Provider, to materially and adversely affect the financial condition of the Issuer or its ability to observe or perform its obligations under this Liquidity Facility Agreement;
- 17.16 an Enforcement Notice has been served (or the Trustee is obliged to serve an Enforcement Notice) pursuant to Condition 9 of the Notes; or
- 17.17 the Issuer changes, varies or amends any terms of the Trust Deed, the Deed of Charge, the Master Definitions Schedule, the Cash Management Agreement or the Conditions of the Notes without the consent of the Liquidity Facility Provider in a manner which the Liquidity Facility Provider considers, acting reasonably, could or may have a material adverse effect on the ability of the Issuer to perform its obligations or the Liquidity Facility Provider to provide the Commitment under this Liquidity Facility Agreement;

then, the Liquidity Facility Provider may, by notice to the Issuer, specify that no further Advances may be made, whereupon the Liquidity Facility shall be cancelled and the Liquidity Maximum Amount reduced to nil and all Advances and all interest accrued thereon together with any other amounts then payable under the Liquidity Facility shall, notwithstanding any other provisions of this Liquidity Facility Agreement (but subject to Clause 17.2), immediately become due and payable (without the need for any demand to be made).

17.2 Enforcement and Subordination

- 17.21 The Liquidity Facility Provider hereby agrees and acknowledges to the Trustee that it is bound by the terms of the Deed of Charge and, in particular, confirms and agrees that no sum, whether in respect of principal or interest or otherwise under this Liquidity Facility Agreement, shall be paid by the Issuer except in accordance with the provisions of the Deed of Charge and the Cash Management Agreement unless and until all sums thereby required to be paid or provided for in priority thereto have been paid or will be discharged in full.
- 17.22 Without prejudice to the other provisions of this Clause 17.2, the Liquidity Facility Provider hereby covenants with the Trustee that if, whether in the liquidation of the Issuer or otherwise (and notwithstanding the provisions of

this Clause 17.2), any payment (whether of principal, interest or otherwise) is received by it under this Liquidity Facility Agreement other than in accordance with the Deed of Charge or the Cash Management Agreement the amount so paid shall be received and held by the Liquidity Facility Provider upon trust for the Trustee and shall be paid over to the Trustee forthwith upon receipt provided however that this sub-Clause 17.2.2 shall not have, or be deemed to have, the effect of creating and is not deemed to constitute or create any mortgage, charge or other Security Interest of any kind.

- 1723 The Trustee acknowledges that it holds the security created pursuant to the Deed of Charge on trust for the Secured Creditors (including, inter alios, the Liquidity Facility Provider) and that it is bound by the terms thereof.

18. Default Interest

- 18.1** If the Issuer fails to pay any amounts due in accordance with this Liquidity Facility Agreement the Issuer shall, in accordance with Clause 8, pay interest in euro on that amount from the time of default up to the time of actual payment (after as well as before judgment) at the rate per annum which is the aggregate of:

18.1.1 the Applicable Margin plus one per cent;

18.1.2 EURIBOR; and

18.1.3 the Mandatory Cost (if any) for the relevant day.

- 18.2** Interest under Clause 18.1 shall accrue daily on the amount in default, shall be calculated on the basis of actual days elapsed and a year of 360 days and shall be due and payable in accordance with the provisions of Clause 19.1. So long as the default continues, interest payable under Clause 18.1 which is unpaid on any Interest Payment Date shall thereafter itself bear interest at the rate provided in Clause 18.1.

19. Payments

19.1 By the Issuer

All payments to be made by the Issuer to the Liquidity Facility Provider shall be made in euro for value not later than 2.00 p.m. (London time) on the relevant day by means of the CHAPS payment system quoting to such account opened for the Lansdowne Mortgages No. 1 p.l.c. Liquidity Facility at Barclays Bank PLC as may agreed from time to time in writing between the Issuer (or the Cash Manager on its behalf) and the Liquidity Facility Provider and referring such payment for the attention of David Torpey (fax: +44 (0)20 7773 7963).

19.2 By the Liquidity Facility Provider

Subject to Clause 7.3, all amounts to be advanced by the Liquidity Facility Provider to the Issuer under this Liquidity Facility Agreement shall be remitted in euro not later than 2.00 p.m. (London time) on the relevant day to the GIC Account, being at the date of this Liquidity Facility Agreement account number 20322044 sort code 933384, in the name of the Issuer maintained by the GIC Provider.

19.3 No Deductions or Withholdings

All payments by the Issuer under this Liquidity Facility Agreement, whether in respect of principal, interest, fees or any other item, shall be made in full and free and clear of any restriction or condition whatsoever and without any deduction or withholding (whether in respect of set-off, counterclaim, duties, Taxes, charges or otherwise whatsoever) unless imposed by law.

19.4 Gross-up

Where a deduction or withholding is required by law to be made in respect of payments under this Liquidity Facility Agreement by the Issuer or is lawfully (notwithstanding Clause 19.3) made by the Issuer, the Issuer shall:

- 1941 *Minimum amount*: ensure that the deduction or withholding does not exceed the minimum amount legally required;
- 1942 *Gross-up*: in accordance with Clause 19.1, forthwith pay to the Liquidity Facility Provider such additional amount so that the net amount received by the Liquidity Facility Provider will equal the full amount which would have been received by it had no such deduction or withholding been made;
- 1943 *Pay amount withheld to relevant authority*: pay to the relevant taxation or other authorities within the period for payment permitted by applicable law the full amount of the deduction or withholding (including, but without limitation, the full amount of any deduction or withholding from any additional amount paid pursuant to this sub-Clause 19.4.3); and
- 1944 *Deliver tax receipt to lender*: furnish to the Liquidity Facility Provider, within the period for payment permitted by the relevant law, either:
 - (i) an official receipt of the relevant taxation authorities involved in respect of all amounts so deducted or withheld; or
 - (ii) if such receipts are not issued by the taxation authorities concerned on payment to them of amounts so deducted or withheld, a certificate of deduction or equivalent evidence of the relevant deduction or withholding.
- 1945 *Tax Credits*: if the Liquidity Facility Provider receives the benefit of a tax credit or an allowance resulting from a payment made to it by the Issuer which includes any additional amount paid by the Issuer under sub-Clause 19.4.2, the Liquidity Facility Provider shall forthwith pay to the Issuer such part of that benefit as determined in its sole discretion (acting in good faith) as will leave it in no more and no less favourable a position than it would have been in if no additional amount had been required to be paid *provided* always that the Liquidity Facility Provider shall have an absolute discretion as to the order and manner in which it employs or claims tax credits and allowances available to it and shall not be obliged to disclose to the Issuer any information regarding its tax affairs or computations.

19.5 Exclusion from Gross-up

The Liquidity Facility Provider shall not be entitled to any additional amounts pursuant to Clause 19.4 if the requirement for the relevant deduction or withholding arises because it ceases to be a Qualifying Bank, provided that, the Liquidity Facility Provider shall be entitled to such additional amounts if the obligation of the Issuer to make the relevant deduction or withholding arises, or exists regardless of whether or not, the Liquidity Facility Provider is a Qualifying Bank.

19.6 Date

If any payment under this Liquidity Facility Agreement would otherwise be due on a day which is not a Business Day, it shall be due on the next succeeding Business Day or, if that Business Day falls in the following month of the year, on the preceding Business Day.

19.7 Set-off

19.7.1 The Liquidity Facility Provider waives any right it has or may hereafter acquire to combine, consolidate or merge any account which it holds in its capacity as lender with any other account of the Issuer or any liabilities of the Issuer under or in relation to this Liquidity Facility Agreement and agrees that it will not set off, claim to set off, purport to set off, transfer, combine or withhold payment of any amount which the Issuer is or will become obliged to pay to the Issuer under or in relation to this Liquidity Facility Agreement save in accordance with any express provision of the Deed of Charge entitling it to so do.

19.7.2 If, notwithstanding sub-Clause 19.7.1, the Liquidity Facility Provider makes a payment to the Issuer subject to (or fails to make a payment to the Issuer because of) a set-off or combination, consolidation or merger it will immediately pay to the Issuer an amount equal to the amount by which the payment received by the Issuer was less than the amount which it would have received had no such set-off, combination, consolidation or merger been made.

20. Fees

20.1 Commitment Fee

The Issuer shall pay to the Liquidity Facility Provider a commitment fee, calculated at the rate of 17.5 basis points per annum on an amount equal to the Available Commitment from day to day during the period beginning on the date hereof and ending on the date on which the Commitment is cancelled pursuant to Clause 13 and reduced to zero. Such commitment fee shall be payable on each Interest Payment Date during such period and on the date that the Liquidity Facility is cancelled and reduced to zero pursuant to Clause 13.

20.2 Upfront Fee

The Issuer shall on the date hereof pay to the Liquidity Facility Provider a fee in the amount of €7,500.

21. Costs and Expenses**21.1 Expenses**

The Issuer shall within 3 Business Days of demand pay to the Liquidity Facility Provider all reasonable expenses (including legal fees plus disbursements and irrecoverable VAT and out-of-pocket expenses) incurred in connection with the preparation, negotiation and subsequent amendment of this Liquidity Facility Agreement or any related documents. The Issuer shall pay to the Liquidity Facility Provider on demand all expenses (including legal and out-of-pocket expenses) incurred in connection with the preservation, enforcement or the attempted preservation or enforcement of any of its rights under this Liquidity Facility Agreement or any related documents.

21.2 Stamp Duty

The Issuer shall pay any stamp, documentary and other similar duties and taxes to which this Liquidity Facility Agreement or any related documents may be subject or give rise.

21.3 Value Added Tax

The amounts stated in this Liquidity Facility Agreement to be payable by the Issuer are exclusive of value added tax and the Issuer shall pay VAT (if any) on such amounts.

22. Calculations and Evidence of Debt

22.1 Interest and the commitment fee shall accrue from day to day and shall be calculated on the basis of a year of 360 days and the actual number of days elapsed.

22.2 The Liquidity Facility Provider shall maintain in accordance with its usual practice accounts evidencing the amounts from time to time lent by and/or owing to it hereunder.

22.3 In any legal action, claim or proceeding arising out of or in connection with this Liquidity Facility Agreement, the entries made in the accounts maintained pursuant to Clause 22.2 shall be prima facie evidence of the existence and amounts of the obligations of the Issuer therein recorded.

23. Notification to Trustee and Rating Agencies

If there shall occur any of the following:

23.1.1 the delivery to the Liquidity Facility Provider by the Issuer of a notice of cancellation under Clause 13;

- 23.12 the delivery to the Liquidity Facility Provider by the Issuer of a notice of any proposed amendments to any of the Documents; or
- 23.13 any of the events referred to in Clause 17 hereof and a notification under Clause 17.1 by the Liquidity Facility Provider to the Issuer,

then, the party issuing any such notification undertakes to use its reasonable endeavours to ensure that the Trustee and the Rating Agencies are informed of any such notification.

24. Benefit of Agreement

This Liquidity Facility Agreement shall be binding upon and enure to the benefit of each party hereto and its successors and assigns.

25. Assignments and Transfers

25.1

- 25.1.1 The Issuer shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder except pursuant to the Deed of Charge.
- 25.1.2 The Liquidity Facility Provider shall be entitled to transfer the Commitment to an alternative Facility Office (provided that such Facility Office is a Qualifying Lender) or a wholly owned subsidiary which is a Qualifying Lender, provided:
 - (i) such Facility Office or subsidiary has the Requisite Ratings; and
 - (ii) any such Facility Office or subsidiary covenants by deed for the benefit of the Issuer to comply as the “Liquidity Facility Provider” with the provisions of the Liquidity Facility Agreement and the Deed of Charge, and to participate in all Advances made after the date of such deed subject to and on the terms of this Liquidity Facility Agreement.
- 25.1.3 The Liquidity Facility Provider may assign or novate all or any part of its rights and obligations hereunder to another bank or financial institution which is a Qualifying Bank provided that such other bank or financial institution:
 - (i) has the Requisite Ratings;
 - (ii) covenants by deed for the benefit of the Issuer to comply as the “Liquidity Facility Provider” with the provisions of this Liquidity Facility Agreement and the Deed of Charge and to perform the obligations of the transferring Liquidity Facility Provider hereunder as fully as if it had been an original signatory hereto.
- 25.1.4 Except as set out in Clause 25.1.2 or 25.1.3, the Liquidity Facility Provider may not, without the prior written consent of the Issuer (such consent not to be unreasonably withheld or delayed) transfer, assign or novate all or any part of its rights and obligations hereunder.

- 25.2** The Liquidity Facility Provider may not enter into any sub-participation agreement in respect of the whole or any part of the Commitment without the prior written consent of the Issuer (such consent not to be unreasonably withheld or delayed).

Appendix 1

Condition Precedent Documents

1. A copy, certified to be a true copy of the original, by a duly authorised officer of the Issuer, of the Memorandum and Articles of Association of the Issuer.
2. A copy, certified a true copy by a director of the Issuer, of a Board Resolution of the Issuer approving the execution, delivery and performance of this Liquidity Facility Agreement and the terms and conditions hereof and authorising a named person or persons to sign on behalf of the Issuer this Liquidity Facility Agreement and any of the Documents to which the Issuer is expressed to be a party and any documents or notices to be delivered pursuant thereto.
3. A certificate of a director of the Issuer setting out the names and signatures of the persons authorised to sign on behalf of the Issuer this Liquidity Facility Agreement and any of the Documents to which the Issuer is expressed to be a party and any documents or notices to be delivered pursuant thereto.
4. A copy, duly executed where relevant, of each of the following documents:
 - 4.1 The Master Securitisation Agreement, which includes the Liquidity Facility Agreement;
 - 4.2 The Mortgage Sale Agreements;
 - 4.3 The Deed of Charge and Assignment; and
 - 4.4 The Master Definitions Schedule.
5. Satisfaction (in the opinion of the Liquidity Facility Provider) by the Issuer of the Liquidity Facility Provider's account opening and client verification procedures.
6. A letter from McCann FitzGerald stating that Completion has occurred and that the Notes have been issued.

Appendix 2

Notice of Drawdown

From: Lansdowne Mortgages No. 1 p.l.c.

To: Barclays Bank PLC

Dear Sirs

1. We refer to the liquidity facility agreement dated on or about 18 April 2006 (the “**Liquidity Facility Agreement**”) and made between, *inter alios*, Lansdowne Mortgages No. 1 p.l.c. as Issuer and yourselves as Liquidity Facility Provider. Terms defined in the Liquidity Facility Agreement shall have the same meaning in this notice.
2. We hereby give you notice that, pursuant to the Liquidity Facility Agreement and upon the terms and subject to the conditions contained therein, we wish the following [Drawing]/[Standby Drawing] to be made to us:
 - (a) Amount
 - (b) Drawdown Date
 - (c) [Term]
 - (d) Account
3. We hereby confirm as at the date hereof:
 - (a) the representations and warranties set out in Clause 14.1 and 14.2 of the Liquidity Facility Agreement are true and correct; and
 - (b) no Event of Default has occurred and is continuing by reference to the facts and circumstances then existing.

Yours faithfully,

.....
for and on behalf of
Lansdowne Mortgages No. 1 p.l.c.

Appendix 3

Mandatory Cost

1. The Mandatory Cost is an addition to the interest rate to compensate the Liquidity Facility Provider for the cost of compliance with (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank.
2. On the first day of each Interest Period (or as soon as possible thereafter) the Liquidity Facility Provider shall calculate, as a percentage rate, the Mandatory Cost, in accordance with the paragraphs set out below.
3. If the Liquidity Facility Provider is lending from a facility office in the United Kingdom, the Mandatory Cost will be calculated by the Liquidity Facility Provider as follows:

- (a) in relation to a Euro Loan:

$$\frac{AB + C(B - D) + Ex0.01}{100 - (A + C)} \text{ per cent. per annum}$$

Where:

- A is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which the Liquidity Facility Provider is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.
- B is the percentage rate of interest (excluding the Applicable Margin and the Mandatory Cost and, if the Loan is an unpaid sum, the additional rate of interest specified in Clause 18 (*Default interest*)) payable for the relevant Interest Period on the advance.
- C is the percentage (if any) of Eligible Liabilities which the Liquidity Facility Provider is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.
- D is the percentage rate per annum payable by the Bank of England to the Liquidity Facility Provider on interest bearing Special Deposits.
- E is the rate of charge payable by the Liquidity Facility Provider for amounts payable under the Fees Rules and is the rate of exchange payable by the Liquidity Facility Provider to the Financial Services Authority pursuant to the Fees Rules in respect of the relevant financial year (calculated for this purpose as being the average of the Fees Tariffs applicable to the Liquidity Facility Provider for that financial year) and expressed in pounds per £1,000,000 of the Tariff Base of the Liquidity Facility Provider.

4. For the purposes of this Appendix:
 - (a) “**Eligible Liabilities**” and “**Special Deposits**” have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;
 - (b) “**Fees Rules**” means the rules on periodic fees contained in the FSA Supervision Manual or such law or regulation as may be in force from time to time in respect of the payment of fees for the acceptance of deposits;
 - (c) “**Tariff Base**” has the meaning given to it in, and will be calculated in accordance with, the Fees Rules; and
 - (d) “**Fee Tariffs**” means the fee tariffs specified in the Fees Rules under the activity group A.1 Deposit acceptors (ignoring any minimum fee or zero-rated fee required pursuant to the Fees Rules but taking into account any applicable discount rate);
5. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (i.e. 5 per cent. will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.
6. Any determination by the Liquidity Facility Provider pursuant to this Appendix in relation to a formula, the Mandatory Cost or any amount payable to the Liquidity Facility Provider shall, in the absence of manifest error, be conclusive and binding on all parties.
7. The Liquidity Facility Provider may from time to time, determine and notify to all parties any amendments which are required to be made to this Appendix 3 in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on all parties.

Appendix 4

EXTENSION REQUEST

To: Barclays Bank PLC (the "**Liquidity Facility Provider**")

Copy: Capita Trust Company Limited (the "**Trustee**")

From: Lansdowne Mortgage Securities No. 1 p.l.c. (the "**Issuer**")

Date: [•]

Lansdowne Mortgage Securities No. 1 p.l.c. Liquidity Facility Agreement dated 18 April 2006

1. We refer to the agreement (the "**Liquidity Facility Agreement**") dated 18 April 2006 and made between, inter alios, the Issuer, the Trustee and the Liquidity Facility Provider. Terms defined in the Liquidity Facility Agreement shall have the same meaning in this notice.
2. This letter is written to you pursuant to Clause 1.3 of the Liquidity Facility Agreement and comprises an Extension Request as defined in that Clause. We hereby request you to provide to us a new euro committed revolving facility with a Commitment of €[•] on the same terms, *mutatis mutandis*, as the Liquidity Facility Agreement (the "**New Liquidity Facility Agreement**").
3. We agree that if you consent to this request, your Commitment in respect of the existing committed euro revolving liquidity facility under the Liquidity Facility Agreement shall be cancelled and the Advances outstanding thereunder (if any) and any interest thereon which is accrued but unpaid shall be treated as outstanding under the New Liquidity Facility Agreement.
4. Subject to your consent to our request, the Liquidity Facility Agreement read together with this letter shall comprise the terms and conditions of the New Liquidity Facility Agreement, and we confirm that no further agreements need to be executed in respect thereof.
5. Subject to your consent to our request, we agree that the commencement date of the New Liquidity Facility Agreement shall be [*the Business Day prior to the existing Termination Date.*]

By:

Lansdowne Mortgage Securities No. 1 p.l.c.
Authorised Signatory

Appendix 5

NOTICE OF EXTENSION

To: Lansdowne Mortgage Securities No. 1 p.l.c.

Copy: The Trustee

From: The Liquidity Facility Provider

Date: []

1. We acknowledge receipt of the Extension Request dated [●].
2. [We consent/do not consent] to the Extension Request.

By:

Liquidity Facility Provider