

Final Terms dated 27 November 2006

FOSSE MASTER ISSUER PLC

(incorporated with limited liability in England and Wales with registered number 5925693)

Residential Mortgage Backed Note Programme

Issue of Series 2006-1 Notes

Class	Interest rate	Initial principal amount	Issue price	Scheduled redemption dates	Maturity date
Class A1	One-Month USD LIBOR + 0.03%	US\$937,500,000	100%	April 2007 to July 2008	October 2031
Class A2	Three-Month USD LIBOR + 0.06%	US\$1,250,000,000	100%	October 2008 to April 2011	October 2054
Class A3	Three-Month EURIBOR + 0.10%	€937,500,000	100%	Not Applicable	October 2054
Class A4	Three-month Sterling LIBOR + 0.11%	£542,000,000	100%	October 2011 to January 2013	October 2054
Class B1	Three-Month USD LIBOR + 0.09%	US\$33,500,000	100%	July 2008 and October 2008	October 2054
Class B2	Three-Month USD LIBOR + 0.16%	US\$45,000,000	100%	April 2011 and July 2011	October 2054
Class B3	Three-Month EURIBOR + 0.17%	€37,000,000	100%	Not Applicable	October 2054
Class B4	Three-Month Sterling LIBOR + 0.17%	£16,750,000	100%	Not Applicable	October 2054
Class M1	Three-Month USD LIBOR + 0.17%	US\$26,000,000	100%	July 2008 and October 2008	October 2054
Class M2	Three-Month USD LIBOR + 0.25%	US\$34,500,000	100%	April 2011 and July 2011	October 2054
Class M3	Three-Month EURIBOR + 0.27%	€27,500,000	100%	Not Applicable	October 2054
Class M4	Three-Month Sterling LIBOR + 0.27%	£13,750,000	100%	Not Applicable	October 2054
Class C2	Three-Month USD LIBOR + 0.47%	US\$40,500,000	100%	April 2011 and July 2011	October 2054
Class C3	Three-Month EURIBOR + 0.45%	€22,500,000	100%	Not Applicable	October 2054
Class C4	Three-Month Sterling LIBOR + 0.45%	£6,250,000	100%	Not Applicable	October 2054

Terms used herein shall be deemed to be defined as such in accordance with the conditions set forth in the prospectus dated 21 November 2006 (the **prospectus**), which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the final terms (the **final terms**) of the notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the prospectus. Full information on the issuer and the offer of the notes is only available on the basis of the combination of these final terms and the prospectus. The prospectus is available for viewing at 35 Great St. Helen's, London EC3A 6AP and copies may be obtained from the registered office of the issuer at 35 Great St. Helen's, London EC3A 6AP.

Arrangers for the programme

BARCLAYS CAPITAL

CITIGROUP

Dealers and Managers

BARCLAYS CAPITAL

CITIGROUP

ABN AMRO

BNP PARIBAS

Credit Suisse

Deutsche Bank

Dresdner Kleinwort

HSBC

JPMorgan

Lehman Brothers

Merrill Lynch & Co.

Merrill Lynch International

Morgan Stanley

The Royal Bank of Scotland

Societe Generale Corporate & Investment Banking

1. Class:	Class A1	Class A2	Class A3	Class A4
2. Series Number:	2006-1	2006-1	2006-1	2006-1
3. Issuer:	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc
4. Specified Currency or Currencies:	US Dollars	US Dollars	Euro	Sterling
5. Initial Principal Amount:	US\$937,500,000	US\$1,250,000,000	€937,500,000	£542,000,000
6. (a) Issue Price:	100% of the Initial Principal Amount	100% of the Initial Principal Amount	100% of the Initial Principal Amount	100% of the Initial Principal Amount
(b) Net proceeds:	US\$937,500,000	US\$1,250,000,000	€937,500,000	£542,000,000
7. Required Subordinated Percentage:	9.25%	9.25%	9.25%	9.25%
8. (a) General Reserve Required Amount:	£42,592,000	£42,592,000	£42,592,000	£42,592,000
(b) Arrears or Step-up Trigger Event:				
item (i) of General Reserve Fund increased amount:	£10,648,000	£10,648,000	£10,648,000	£10,648,000
item (ii) of General Reserve Fund increased amount:	£10,648,000	£10,648,000	£10,648,000	£10,648,000
items (i) and (ii) General Reserve Fund increased amount:	£21,296,000	£21,296,000	£21,296,000	£21,296,000
9. Interest-Only Mortgage Level Test:	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%
10. Ratings (Standard & Poor's/Moody's/Fitch):	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA
11. Specified Denominations:	US\$100,000 and integral multiples of US\$1,000 in excess thereof	US\$100,000 and integral multiples of US\$1,000 in excess thereof	€50,000 and integral multiples of €1,000 in excess thereof	£50,000 and integral multiples of £1,000 in excess thereof
12. (a) Closing Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(b) Interest Commencement Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
13. Final Maturity Date:	Interest Payment Date occurring in or nearest to October 2031	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054
14. Interest Basis:	One-Month USD LIBOR	Three-Month USD LIBOR	Three-Month EURIBOR	Three-Month Sterling LIBOR
15. Redemption/Payment Basis:	Scheduled Redemption	Scheduled Redemption	Pass-Through	Scheduled Redemption
16. Change of Interest Basis or Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
17. (a) Listing:	London	London	London	London
(b) Estimate of total expenses related to admission to trading for all classes of Notes:			£3,578,000	
18. Method of distribution:	Syndicated	Syndicated	Syndicated	Syndicated

1. Class:	Class A1	Class A2	Class A3	Class A4
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE				
19. Fixed Rate Note Provisions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
20. Floating Rate Note Provisions:	Applicable	Applicable	Applicable	Applicable
(a) Specified Period(s)/Specified Interest Payment Dates:	The 18th of each calendar month in each year up to and including the Final Maturity Date, commencing on 18 January 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007
(b) Business Day Convention:	Following Business Day Convention	Following Business Day Convention	Following Business Day Convention	Following Business Day Convention
(c) Additional Business Centre(s):	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open
(d) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination	Screen Rate Determination	Screen Rate Determination	Screen Rate Determination
(e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent Bank):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(f) Screen Rate Determination:				
● Reference Rate:	One-Month USD LIBOR (or, in respect of the first interest period, the linear interpolation of One-Month USD LIBOR and Two-Month USD LIBOR)	Three-Month USD LIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month USD LIBOR and Five-Month USD LIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month USD LIBOR)	Three-Month EURIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month EURIBOR and Five-Month EURIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month EURIBOR)	Three-Month Sterling LIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month Sterling LIBOR and Five-Month Sterling LIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month Sterling LIBOR)
● Interest Determination Date(s):	2 London Business Days prior to the start of each interest period	2 London Business Days prior to the start of each interest period	2 TARGET Business Days prior to the start of each interest period	First Business Day of each interest period
● Relevant Screen Page:	Telerate page 3750	Telerate page 3750	Telerate page 248	Telerate page 3750
(g) ISDA Determination:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Floating Rate Option:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class A1	Class A2	Class A3	Class A4
● Designated Maturity:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Reset Date:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(h) Margin(s):	+0.03% per annum	+0.06% per annum	+0.10% per annum	+0.11% per annum
(i) Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(j) Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(k) Step-Up Date:	Interest Payment Date occurring in July 2011 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in July 2011 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in July 2011 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in January 2013 on which date the Margin shall be replaced with the Step-Up Margin
● Step-Up Margin(s):	+0.06% per annum	+0.12% per annum	+0.20% per annum	+0.22% per annum
● Step-Up Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Step-Up Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(l) Day Count Fraction:	Actual/360	Actual/360	Actual/360	Actual/365
(m) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes if different from those set out in the Conditions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
21. Zero Coupon Note Provisions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
PROVISIONS RELATING TO REDEMPTION				
22. Details relating to Bullet Redemption Notes:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
23. Details relating to Scheduled Redemption Notes:	Applicable	Applicable	Not Applicable	Applicable
(a) Scheduled Redemption Dates:	Interest Payment Dates occurring on April 2007, July 2007, October 2007, January 2008, April 2008 and July 2008	Interest Payment Dates occurring on October 2008, January 2009, April 2009, July 2009, October 2009, January 2010, April 2010, July 2010, October 2010, January 2011 and April 2011	Not Applicable	Interest Payment Dates occurring on October 2011, January 2012, April 2012, July 2012, October 2012 and January 2013

1. Class:	Class A1	Class A2	Class A3	Class A4
(b) Scheduled Amortisation Instalments:	April 2007 US\$186,137,045 July 2007 US\$178,725,922 October 2007 US\$171,609,876 January 2008 US\$164,777,158 April 2008 US\$158,216,488 July 2008 US\$78,033,512	October 2008 US\$143,190,261 January 2009 US\$140,060,584 April 2009 US\$134,484,015 July 2009 US\$129,129,478 October 2009 US\$123,988,135 January 2010 US\$119,051,497 April 2010 US\$114,311,412 July 2010 US\$109,760,057 October 2010 US\$105,389,915 January 2011 US\$101,193,772 April 2011 US\$29,440,874	Not Applicable	October 2011 £50,661,937 January 2012 £48,644,811 April 2012 £46,707,998 July 2012 £44,848,300 October 2012 £43,062,646 January 2013 £37,781,540
24. Details relating to Pass-Through Notes:	Not Applicable	Not Applicable	Applicable; The Class A3 Notes will become due on the Interest Payment Date occurring in July 2011 and each applicable Interest Payment Date thereafter	Not Applicable
25. Redemption Amount:	Condition 5.7 applies	Condition 5.7 applies	Condition 5.7 applies	Condition 5.7 applies
GENERAL PROVISIONS APPLICABLE TO THE NOTES				
26. Form of Notes:	Registered Notes: Rule 144A Global Note registered in the name of a nominee for The Depositary Trust Company and Reg S Global Note registered in the name of a nominee for the common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Rule 144A Global Note registered in the name of a nominee for The Depositary Trust Company and Reg S Global Note registered in the name of a nominee for the common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Reg S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Reg S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream Luxembourg
27. Additional Financial Centre(s) or other special provisions relating to Interest Payment Dates:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
28. Issuer Swap Provider(s):	ABN AMRO Bank N.V., London Branch	ABN AMRO Bank N.V., London Branch	UBS AG, London Branch	Not Applicable
29. Specified currency exchange rate (Sterling/specified currency):	£1.00/\$1.9125	£1.00/\$1.9125	£1.00/€1.487	Not Applicable
30. Redenomination applicable:	Redenomination Not Applicable	Redenomination Not Applicable	Redenomination Not Applicable	Redenomination Applicable

1. Class:	Class A1	Class A2	Class A3	Class A4
31. ERISA Eligibility:	Yes, subject to the considerations in "ERISA considerations" in the base prospectus	Yes, subject to the considerations in "ERISA considerations" in the base prospectus	No	No
32. US Taxation:	Debt for United States federal income tax purposes, subject to the considerations contained in "United States federal income taxation" in the base prospectus	Debt for United States federal income tax purposes, subject to the considerations contained in "United States federal income taxation" in the base prospectus	Not Applicable	Not Applicable
33. Money Market Notes:	No	No	No	No
34. Do the Notes have the benefit of remarketing arrangements:	No	No	No	No
35. Other final terms:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
DISTRIBUTION				
36. (a) If syndicated, names of Dealers and Managers:	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch
(b) Stabilising Manager (if any):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
37. If non-syndicated, name of relevant Dealer and Manager:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
38. Additional selling restrictions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
OPERATIONAL INFORMATION				
39. Any clearing system(s) other than DTC, Euroclear or Clearstream, Luxembourg and the relevant identification numbers:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class A1	Class A2	Class A3	Class A4
40. Delivery:	Delivery against payment	Delivery against payment	Delivery against payment	Delivery against payment
41. Names and addresses of additional Paying Agent(s) (if any):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
42. ISIN Code:	Rule 144A: US34988MAA45/ Reg S: XS0274283984	Rule 144A: US34988MAB28/ Reg S: XS0274284792	Reg S: XS0274289759	Reg S: XS0274293785
43. Common Code:	27428398	27428479	27428975	27429378
44. CUSIP:	34988M AA 4	34988M AB 2	Not Applicable	Not Applicable
LOAN TRANCHE INFORMATION				
45. Borrower:	Fosse Funding (No. 1) Limited			
46. Lender:	Fosse Master Issuer plc			
47. Tier of Loan Tranche:	AAA Loan Tranche	AAA Loan Tranche	AAA Loan Tranche	AAA Loan Tranche
48. Series Number:	Series 2006-1	Series 2006-1	Series 2006-1	Series 2006-1
49. Redemption/Payment Basis:	Scheduled Amortisation Loan Tranche	Scheduled Amortisation Loan Tranche	Pass-Through Loan Tranche	Scheduled Amortisation Loan Tranche
50. Change of Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
51. Initial Principal Amount:	£490,196,078	£653,594,771	£630,464,022	£542,000,000
(a) Closing Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(b) Loan Tranche Interest Commencement Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(c) Loan Tranche Interest Reset Dates:	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date
52. Initial Loan Tranche Margin per annum:	+0.0347%	+0.0826%	+0.1093%	+0.1100%
53. Step-Up Date (if any):	The Funding 1 Interest Payment Date occurring in July 2011 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in July 2011 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in July 2011 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in January 2013 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum

1. Class:	Class A1	Class A2	Class A3	Class A4
54. Stepped-up Loan Tranche Margin per annum:	+0.1694%	+0.2652%	+0.3187%	+0.2200%
55. Details relating to Bullet Loan Tranches:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
56. Details relating to Scheduled Amortisation Loan Tranches:	Applicable	Applicable	Not Applicable	Applicable
(a) Scheduled Repayment Dates:	The Funding 1 Interest Payment Dates occurring from and including April 2007 to and including July 2008	The Funding 1 Interest Payment Dates occurring from and including October 2008 to and including April 2011	Not Applicable	The Funding 1 Interest Payment Dates occurring from and including October 2011 to and including January 2013
(b) Repayment Amounts:	April 2007 £97,326,559 July 2007 £93,451,462 October 2007 £89,730,654 January 2008 £86,157,991 April 2008 £82,727,575 July 2008 £40,801,836	October 2008 £74,870,725 January 2009 £73,234,292 April 2009 £70,318,439 July 2009 £67,518,682 October 2009 £64,830,397 January 2010 £62,249,149 April 2010 £59,770,673 July 2010 £57,390,879 October 2010 £55,105,838 January 2011 £52,911,776 April 2011 £15,393,921	Not Applicable	October 2011 £50,661,937 January 2012 £48,644,811 April 2012 £46,707,998 July 2012 £44,848,300 October 2012 £43,062,646 January 2013 £37,781,540
(c) Relevant Accumulation Amounts:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
57. Details relating to Pass-Through Loan Tranches:	Not Applicable	Not Applicable	To be redeemed on the Loan Tranche Payment Date occurring in July 2011 and on each applicable Loan Tranche Payment Date thereafter	Not Applicable
58. Final Repayment Date:	The Funding 1 Interest Payment Date occurring in October 2031	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054
59. Loan Tranche Payment Dates:	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date
60. Other terms and special conditions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class B1	Class B2	Class B3	Class B4
2. Series Number:	2006-1	2006-1	2006-1	2006-1
3. Issuer:	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc
4. Specified Currency or Currencies:	US Dollars	US Dollars	Euro	Sterling
5. Initial Principal Amount:	US\$33,500,000	US\$45,000,000	€37,000,000	£16,750,000
6. (a) Issue Price:	100% of the Initial Principal Amount	100% of the Initial Principal Amount	100% of the Initial Principal Amount	100% of the Initial Principal Amount
(b) Net proceeds:	US\$33,500,000	US\$45,000,000	€37,000,000	£16,750,000
7. Required Subordinated Percentage:	5.95%	5.95%	5.95%	5.95%
8. (a) General Reserve Required Amount:	£42,592,000	£42,592,000	£42,592,000	£42,592,000
(b) Arrears or Step-up Trigger Event:				
item (i) of General Reserve Fund increased amount:	£10,648,000	£10,648,000	£10,648,000	£10,648,000
item (ii) of General Reserve Fund increased amount:	£10,648,000	£10,648,000	£10,648,000	£10,648,000
items (i) and (ii) General Reserve Fund increased amount:	£21,296,000	£21,296,000	£21,296,000	£21,296,000
9. Interest-Only Mortgage Level Test:	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%
10. Ratings (Standard & Poor's/Moody's/Fitch):	AA/Aa3/AA	AA/Aa3/AA	AA/Aa3/AA	AA/Aa3/AA
11. Specified Denominations:	US\$100,000 and integral multiples of US\$1,000 in excess thereof	US\$100,000 and integral multiples of US\$1,000 in excess thereof	€50,000 and integral multiples of €1,000 in excess thereof	£50,000 and integral multiples of £1,000 in excess thereof
12. (a) Closing Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(b) Interest Commencement Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
13. Final Maturity Date:	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054
14. Interest Basis:	Three-Month USD LIBOR	Three-Month USD LIBOR	Three-Month EURIBOR	Three-Month Sterling LIBOR
15. Redemption/Payment Basis:	Scheduled Redemption	Scheduled Redemption	Pass-Through	Pass-Through
16. Change of Interest Basis or Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
17. (a) Listing:	London	London	London	London
(b) Estimate of total expenses related to admission to trading for all Classes of Notes:			£3,578,000	
18. Method of distribution:	Syndicated	Syndicated	Syndicated	Syndicated

1. Class:	Class B1	Class B2	Class B3	Class B4
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE				
19. Fixed Rate Note Provisions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
20. Floating Rate Note Provisions:	Applicable	Applicable	Applicable	Applicable
(a) Specified Period(s)/Specified Interest Payment Dates:	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007
(b) Business Day Convention:	Following Business Day Convention	Following Business Day Convention	Following Business Day Convention	Following Business Day Convention
(c) Additional Business Centre(s):	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open
(d) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination	Screen Rate Determination	Screen Rate Determination	Screen Rate Determination
(e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent Bank):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(f) Screen Rate Determination:	<ul style="list-style-type: none"> ● Reference Rate: Three-Month USD LIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month USD LIBOR and Five-Month USD LIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month USD LIBOR) ● Interest Determination Date(s): 2 London Business Days prior to the start of each interest period ● Relevant Screen Page: Telerate page 3750 			
(g) ISDA Determination:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Floating Rate Option:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class B1	Class B2	Class B3	Class B4
● Designated Maturity:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Reset Date:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(h) Margin(s):	+ 0.09% per annum	+ 0.16% per annum	+ 0.17% per annum	+ 0.17% per annum
(i) Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(j) Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(k) Step-Up Date:	Interest Payment Date occurring in July 2011 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in July 2011 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in January 2013 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in January 2013 on which date the Margin shall be replaced with the Step-Up Margin
● Step-Up Margin(s):	+ 0.18% per annum	+ 0.32% per annum	+ 0.34% per annum	+ 0.34% per annum
● Step-Up Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Step-Up Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(l) Day Count Fraction:	Actual/360	Actual/360	Actual/360	Actual/365
(m) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes if different from those set out in the Conditions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
21. Zero Coupon Note Provisions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
PROVISIONS RELATING TO REDEMPTION				
22. Details relating to Bullet Redemption Notes:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
23. Details relating to Scheduled Redemption Notes:	Applicable	Applicable	Not Applicable	Not Applicable
(a) Scheduled Redemption Dates:	Interest Payment Dates occurring in July 2008 and October 2008	Interest Payment Dates occurring in April 2011 and July 2011	Not Applicable	Not Applicable
(b) Scheduled Amortisation Instalments:	July 2008 US\$32,328,167 October 2008 US\$1,171,833	April 2011 US\$29,854,098 July 2011 US\$1,734,997	Not Applicable	Not Applicable
24. Details relating to Pass-Through Notes:	Not Applicable	Not Applicable	Applicable; the class B3 notes will become due on the Interest Payment Date occurring in January 2013 and each applicable Interest Payment Date thereafter	Applicable; the class B4 notes will become due on the Interest Payment Date occurring in January 2013 and each applicable Interest Payment Date thereafter
25. Redemption Amount:	Condition 5.7 applies	Condition 5.7 applies	Condition 5.7 applies	Condition 5.7 applies

1. Class:	Class B1	Class B2	Class B3	Class B4
GENERAL PROVISIONS APPLICABLE TO THE NOTES				
26. Form of Notes:	Registered Notes: Rule 144A Global Note registered in the name of a nominee for The Depositary Trust Company and Reg S Global Note registered in the name of a nominee for the common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Rule 144A Global Note registered in the name of a nominee for The Depositary Trust Company and Reg S Global Note registered in the name of a nominee for the common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Reg S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Reg S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream Luxembourg
27. Additional Financial Centre(s) or other special provisions relating to Interest Payment Dates:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
28. Issuer Swap Provider(s):	ABN AMRO Bank N.V., London Branch	ABN AMRO Bank N.V., London Branch	UBS AG, London Branch	Not Applicable
29. Specified currency exchange rate (Sterling/specified currency):	£1.00/\$1.9125	£1.00/\$1.9125	£1.00/€1.487	Not Applicable
30. Redenomination applicable:	Redenomination Not Applicable	Redenomination Not Applicable	Redenomination Not Applicable	Redenomination Applicable
31. ERISA Eligibility:	Yes, subject to the considerations in "ERISA considerations" in the base prospectus	Yes, subject to the considerations in "ERISA considerations" in the base prospectus	No	No
32. US Taxation:	Debt for United States federal income tax purposes, subject to the considerations contained in "United States federal income taxation" in the base prospectus	Debt for United States federal income tax purposes, subject to the considerations contained in "United States federal income taxation" in the base prospectus	Not Applicable	Not Applicable
33. Money Market Notes:	No	No	No	No
34. Do the Notes have the benefit of remarketing arrangements:	No	No	No	No
35. Other final terms:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class B1	Class B2	Class B3	Class B4
DISTRIBUTION				
36. (a) If syndicated, names of Dealers and Managers:	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch
(b) Stabilising Manager (if any):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
37. If non-syndicated, name of relevant Dealer and Manager:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
38. Additional selling restrictions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
OPERATIONAL INFORMATION				
39. Any clearing system(s) other than DTC, Euroclear or Clearstream, Luxembourg and the relevant identification numbers:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
40. Delivery:	Delivery against payment	Delivery against payment	Delivery against payment	Delivery against payment
41. Names and addresses of additional Paying Agent(s) (if any):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
42. ISIN Code:	Rule 144A: US34988MAC01/ Reg S: XS0274285336	Rule 144A: US34988MAD83/ Reg S: XS0274285682	Reg S: XS0274290252	Reg S: XS0274294163
43. Common Code:	27428533	27428568	27429025	27429416
44. CUSIP:	34988M AC 0	34988M AD 8	Not Applicable	Not Applicable
LOAN TRANCHE INFORMATION				
45. Borrower:	Fosse Funding (No. 1) Limited			
46. Lender:	Fosse Master Issuer plc			

1. Class:	Class B1	Class B2	Class B3	Class B4
47. Tier of Loan Tranche:	AA Loan Tranche	AA Loan Tranche	AA Loan Tranche	AA Loan Tranche
48. Series Number:	Series 2006-1	Series 2006-1	Series 2006-1	Series 2006-1
49. Redemption/Payment Basis:	Scheduled Amortisation Loan Tranche	Scheduled Amortisation Loan Tranche	Pass-Through Loan Tranche	Pass-Through Loan Tranche
50. Change of Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
51. Initial Principal Amount:	£17,516,340	£23,529,412	£24,882,313	£16,750,000
(a) Closing Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(b) Loan Tranche Interest Commencement Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(c) Loan Tranche Interest Reset Dates:	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date
52. Initial Loan Tranche Margin per annum:	+0.1064%	+0.1912%	+0.1871%	+0.1700%
53. Step-Up Date (if any):	The Funding 1 Interest Payment Date occurring in July 2011 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in July 2011 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in January 2013 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in January 2013 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum
54. Stepped-up Loan Tranche Margin per annum:	+0.3128%	+0.4824%	+0.4741%	+0.3400%
55. Details relating to Bullet Loan Tranches:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
56. Details relating to Scheduled Amortisation Loan Tranches:	Applicable	Applicable	Not Applicable	Not Applicable
(a) Scheduled Repayment Dates:	The Funding 1 Interest Payment Dates occurring in July 2008 and October 2008	The Funding 1 Interest Payment Dates occurring in April 2011 and July 2011	Not Applicable	Not Applicable
(b) Repayment Amounts:	July 2008 £16,903,617 October 2008 £612,723	April 2011 £15,609,986 July 2011 £907,188	Not Applicable	Not Applicable
(c) Relevant Accumulation Amounts:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class B1	Class B2	Class B3	Class B4
57. Details relating to Pass-Through Loan Tranches:	Not Applicable	Not Applicable	To be redeemed on the Loan Tranche Payment Date occurring in January 2013 and on each applicable Loan Tranche Payment Date thereafter	To be redeemed on the Loan Tranche Payment Date occurring in January 2013 and on each applicable Loan Tranche Payment Date thereafter
58. Final Repayment Date:	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054
59. Loan Tranche Payment Dates:	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date
60. Other terms and special conditions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class M1	Class M2	Class M3	Class M4
2. Series Number:	2006-1	2006-1	2006-1	2006-1
3. Issuer:	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc
4. Specified Currency or Currencies:	US Dollars	US Dollars	Euro	Sterling
5. Initial Principal Amount:	US\$26,000,000	US\$34,500,000	€27,500,000	£13,750,000
6. (a) Issue Price:	100% of the Initial Principal Amount	100% of the Initial Principal Amount	100% of the Initial Principal Amount	100% of the Initial Principal Amount
(b) Net proceeds:	US\$26,000,000	US\$34,500,000	€27,500,000	£13,750,000
7. Required Subordinated Percentage:	3.40%	3.40%	3.40%	3.40%
8. (a) General Reserve Required Amount:	£42,592,000	£42,592,000	£42,592,000	£42,592,000
(b) Arrears or Step-up Trigger Event:				
item (i) of General Reserve Fund increased amount:	£10,648,000	£10,648,000	£10,648,000	£10,648,000
item (ii) of General Reserve Fund increased amount:	£10,648,000	£10,648,000	£10,648,000	£10,648,000
items (i) and (ii) General Reserve Fund increased amount:	£21,296,000	£21,296,000	£21,296,000	£21,296,000
9. Interest Only Mortgage Level Test:	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%
10. Ratings (Standard & Poor's/Moody's/Fitch):	A/A2/A	A/A2/A	A/A2/A	A/A2/A
11. Specified Denominations:	US\$100,000 and integral multiples of US\$1,000 in excess thereof	US\$100,000 and integral multiples of US\$1,000 in excess thereof	€50,000 and integral multiples of €1,000 in excess thereof	£50,000 and integral multiples of £1,000 in excess thereof
12. (a) Closing Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(b) Interest Commencement Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
13. Final Maturity Date:	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054
14. Interest Basis:	Three-Month USD LIBOR	Three-Month USD LIBOR	Three-Month EURIBOR	Three-Month Sterling LIBOR
15. Redemption/Payment Basis:	Scheduled Redemption	Scheduled Redemption	Pass-Through	Pass-Through
16. Change of Interest Basis or Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
17. (a) Listing:	London	London	London	London
(b) Estimate of total expenses related to admission to trading for all Classes of Notes:		£3,578,000		
18. Method of distribution:	Syndicated	Syndicated	Syndicated	Syndicated
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE				
19. Fixed Rate Note Provisions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class M1	Class M2	Class M3	Class M4
20. Floating Rate Note Provisions:	Applicable	Applicable	Applicable	Applicable
(a) Specified Period(s)/Specified Interest Payment Dates:	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007
(b) Business Day Convention:	Following Business Day Convention			
(c) Additional Business Centre(s):	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open	New York and, for the purposes of Condition 4.2(a), Business Day means such day (as defined in the Conditions) and a day on which the Target System (as defined in the Conditions) is open
(d) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination	Screen Rate Determination	Screen Rate Determination	Screen Rate Determination
(e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent Bank):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(f) Screen Rate Determination:				
● Reference Rate:	Three-Month USD LIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month USD LIBOR and Five-Month USD LIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month USD LIBOR)	Three-Month USD LIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month USD LIBOR and Five-Month USD LIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month USD LIBOR)	Three-Month EURIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month EURIBOR and Five-Month EURIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month EURIBOR)	Three-Month Sterling LIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month Sterling LIBOR and Five-Month Sterling LIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month Sterling LIBOR)
● Interest Determination Date(s):	2 London Business Days prior to the start of each interest period	2 London Business Days prior to the start of each interest period	2 TARGET Business Days prior to the start of each interest period	First Business Day of each interest period

1. Class:	Class M1	Class M2	Class M3	Class M4
● Relevant Screen Page:	Telerate page 3750	Telerate page 3750	Telerate page 248	Telerate page 3750
(g) ISDA Determination:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Floating Rate Option:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Designated Maturity:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Reset Date:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(h) Margin(s):	+0.17% per annum	+0.25% per annum	+0.27% per annum	+0.27% per annum
(i) Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(j) Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(k) Step-Up Date:	Interest Payment Date occurring in July 2011 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in July 2011 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in January 2013 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in January 2013 on which date the Margin shall be replaced with the Step-Up Margin
● Step-Up Margin(s):	+0.34% per annum	+0.50% per annum	+0.54% per annum	+0.54% per annum
● Step-Up Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
● Step-Up Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(l) Day Count Fraction:	Actual/360	Actual/360	Actual/360	Actual/365
(m) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes if different from those set out in the Conditions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
21. Zero Coupon Note Provisions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
PROVISIONS RELATING TO REDEMPTION				
22. Details relating to Bullet Redemption Notes:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
23. Details relating to Scheduled Redemption Notes:	Applicable	Applicable	Not Applicable	Not Applicable
(a) Scheduled Redemption Dates:	Interest Payment Dates occurring in July 2008 and October 2008	Interest Payment Dates occurring in April 2011 and July 2011	Not Applicable	Not Applicable
(b) Scheduled Amortisation Instalments:	July 2008 US\$25,090,518 October 2008 US\$909,482	April 2011 US\$22,888,142 July 2011 US\$1,330,164	Not Applicable	Not Applicable
24. Details relating to Pass-Through Notes:	Not Applicable	Not Applicable	Applicable; the class M3 notes will become due on the Interest Payment Date occurring in January 2013 and each applicable Interest Payment Date thereafter	Applicable; the class M4 notes will become due on the Interest Payment Date occurring in January 2013 and each applicable Interest Payment Date thereafter

1. Class:	Class M1	Class M2	Class M3	Class M4
25. Redemption Amount:	Condition 5.7 applies	Condition 5.7 applies	Condition 5.7 applies	Condition 5.7 applies
GENERAL PROVISIONS APPLICABLE TO THE NOTES				
26. Form of Notes:	Registered Notes: Rule 144A Global Note registered in the name of a nominee for The Depository Trust Company and Reg S Global Note registered in the name of a nominee for the common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Rule 144A Global Note registered in the name of a nominee for The Depository Trust Company and Reg S Global Note registered in the name of a nominee for the common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Reg S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Reg S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream Luxembourg
27. Additional Financial Centre(s) or other special provisions relating to Interest Payment Dates:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
28. Issuer Swap Provider(s):	ABN AMRO Bank N.V., London Branch	ABN AMRO Bank N.V., London Branch	UBS AG, London Branch	Not Applicable
29. Specified currency exchange rate (Sterling/specified currency):	£1.00/\$1.9125	£1.00/\$1.9125	£1.00/€1.487	Not Applicable
30. Redenomination applicable:	Redenomination Not Applicable	Redenomination Not Applicable	Redenomination Not Applicable	Redenomination Applicable
31. ERISA Eligibility	Yes, subject to the considerations in "ERISA considerations" in the base prospectus	Yes, subject to the considerations in "ERISA considerations" in the base prospectus	No	No
32. US Taxation:	Debt for United States federal income tax purposes, subject to the considerations contained in "United States federal income taxation" in the base prospectus	Debt for United States federal income tax purposes, subject to the considerations contained in "United States federal income taxation" in the base prospectus	Not Applicable	Not Applicable
33. Money Market Notes	No	No	No	No
34. Do the Notes have the benefit of remarketing arrangements:	No	No	No	No
35. Other final terms:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class M1	Class M2	Class M3	Class M4
DISTRIBUTION				
36. (a) If syndicated, names of Dealers and Managers:	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch International, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch International, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch
(b) Stabilising Manager (if any):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
37. If non-syndicated, name of relevant Dealer and Manager:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
38. Additional selling restrictions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
OPERATIONAL INFORMATION				
39. Any clearing system(s) other than DTC, Euroclear or Clearstream, Luxembourg and the relevant identification numbers:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
40. Delivery:	Delivery against payment	Delivery against payment	Delivery against payment	Delivery against payment
41. Names and addresses of additional Paying Agent(s) (if any):	Not Applicable	Not Applicable	Not Applicable	Not Applicable
42. ISIN Code:	Rule 144A: US34988MAE66/ Reg S: XS0274286730	Rule 144A: US34988MAF32/ Reg S: XS0274287621	Reg S: XS0274291060	Reg S: XS0274294759
43. Common Code:	27428673	27428762	27429106	27429475
44. CUSIP:	34988M AE 6	34988M AF 3	Not Applicable	Not Applicable
LOAN TRANCHE INFORMATION				
45. Borrower:	Fosse Funding (No. 1) Limited	Fosse Funding (No. 1) Limited	Fosse Funding (No. 1) Limited	Fosse Funding (No. 1) Limited
46. Lender:	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc
47. Tier of Loan Tranche:	A Loan Tranche	A Loan Tranche	A Loan Tranche	A Loan Tranche
48. Series Number:	Series 2006-1	Series 2006-1	Series 2006-1	Series 2006-1

1. Class:	Class M1	Class M2	Class M3	Class M4
49. Redemption/Payment Basis:	Scheduled Amortisation Loan Tranche	Scheduled Amortisation Loan Tranche	Pass-Through Loan Tranche	Pass-Through Loan Tranche
50. Change of Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
51. Initial Principal Amount:	£13,594,771	£18,039,216	£18,493,611	£13,750,000
(a) Closing Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(b) Loan Tranche Interest Commencement Date:	28 November 2006	28 November 2006	28 November 2006	28 November 2006
(c) Loan Tranche Interest Reset Dates:	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date
52. Initial Loan Tranche Margin per annum:	+0.1901%	+0.2860%	+0.2940%	+0.2700%
53. Step-Up Date (if any):	The Funding 1 Interest Payment Date occurring in July 2011 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in July 2011 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in January 2013 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in January 2013 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum
54. Stepped-up Loan Tranche Margin per annum:	+0.4802%	+0.6720%	+0.6879%	+0.5400%
55. Details relating to Bullet Loan Tranches:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
56. Details relating to Scheduled Amortisation Loan Tranches:	Applicable	Applicable	Not Applicable	Not Applicable
(a) Scheduled Repayment Dates:	The Funding 1 Interest Payment Dates occurring in July 2008 and October 2008	The Funding 1 Interest Payment Dates occurring in April 2011 and July 2011	Not Applicable	Not Applicable
(b) Repayment Amounts:	July 2008 £13,119,225 October 2008 £475,546	April 2011 £11,967,656 July 2011 £695,511	Not Applicable	Not Applicable
(c) Relevant Accumulation Amounts:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class M1	Class M2	Class M3	Class M4
57. Details relating to Pass-Through Loan Tranches:	Not Applicable	Not Applicable	To be redeemed on the Loan Tranche Payment Date occurring in January 2013 and on each applicable Loan Payment Date thereafter	To be redeemed on the Loan Tranche Payment Date occurring in January 2013 and on each applicable Loan Payment Date thereafter
58. Final Repayment Date:	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054
59. Loan Tranche Payment Dates:	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date
60. Other terms and special conditions:	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class C2	Class C3	Class C4
2. Series Number:	2006-1	2006-1	2006-1
3. Issuer:	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc
4. Specified Currency or Currencies:	US Dollars	Euro	Sterling
5. Initial Principal Amount:	US\$40,500,000	€22,500,000	£6,250,000
6. (a) Issue Price:	100% of the Initial Principal Amount	100% of the Initial Principal Amount	100% of the Initial Principal Amount
(b) Net proceeds:	US\$40,500,000	€22,500,000	£6,250,000
7. Required Subordinated Percentage:	1.70%	1.70%	1.70%
8. (a) General Reserve Required Amount:	£42,592,000	£42,592,000	£42,592,000
(b) Arrears or Step-up Trigger Event:			
item (i) of General Reserve Fund increased amount:	£10,648,000	£10,648,000	£10,648,000
item (ii) of General Reserve Fund increased amount:	£10,648,000	£10,648,000	£10,648,000
items (i) and (ii) General Reserve Fund increased amount:	£21,296,000	£21,296,000	£21,296,000
9. Interest-only Mortgage Level Test:	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%	“C” for these purposes is 36.2%
10. Ratings (Standard & Poor's/Moody's/Fitch):	BBB/Baa2/BBB	BBB/Baa2/BBB	BBB/Baa2/BBB
11. Specified Denominations:	US\$100,000 and integral multiples of US\$1,000 in excess thereof	€50,000 and integral multiples of €1,000 in excess thereof	£50,000 and integral multiples of £1,000 in excess thereof
12. (a) Closing Date:	28 November 2006	28 November 2006	28 November 2006
(b) Interest Commencement Date:	28 November 2006	28 November 2006	28 November 2006
13. Final Maturity Date:	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054	Interest Payment Date occurring in or nearest to October 2054
14. Interest Basis:	Three-Month USD LIBOR	Three-Month EURIBOR	Three-Month Sterling LIBOR
15. Redemption/Payment Basis:	Scheduled Redemption	Pass-Through	Pass-Through
16. Change of Interest Basis or Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable
17. (a) Listing:	London	London	London
(b) Estimate of total expenses related to admission to trading for all Classes of Notes:		£3,578,000	
18. Method of distribution:	Syndicated	Syndicated	Syndicated
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE			
19. Fixed Rate Note Provisions:	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class C2	Class C3	Class C4
20. Floating Rate Note Provisions:	Applicable	Applicable	Applicable
(a) Specified Period(s)/Specified Interest Payment Dates:	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007	The 18th of each January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year, up to and including the Final Maturity Date, commencing on 18 April 2007
(b) Business Day Convention:	Following Business Day Convention	Following Business Day Convention	Following Business Day Convention
(c) Additional Business Centre(s):	New York and Business Day for the Purposes of Condition 4.2(a) (as defined in the Conditions) and also a day on which the TARGET system (as defined in the conditions) is open	New York and Business Day for the Purposes of Condition 4.2(a) (as defined in the Conditions) and also a day on which the TARGET system (as defined in the conditions) is open	New York and Business Day for the Purposes of Condition 4.2(a) (as defined in the Conditions) and also a day on which the TARGET system (as defined in the conditions) is open
(d) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination	Screen Rate Determination	Screen Rate Determination
(e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent Bank):	Not Applicable	Not Applicable	Not Applicable
(f) Screen Rate Determination:			
● Reference Rate:	Three-Month USD LIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month USD LIBOR and Five-Month USD LIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month USD LIBOR)	Three-Month EURIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month EURIBOR and Five-Month EURIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month EURIBOR)	Three-Month Sterling LIBOR (or, in respect of the first interest period, the linear interpolation of Four-Month Sterling LIBOR and Five-Month Sterling LIBOR or following the occurrence of a Pass-Through Trigger Event, One-Month Sterling LIBOR)
● Interest Determination Date(s):	2 London Business Days prior to the start of each interest period	2 TARGET Business Days prior to the start of each interest period	First Business Day of each interest period
● Relevant Screen Page:	Telerate page 3750	Telerate page 248	Telerate page 3750
(g) ISDA Determination:	Not Applicable	Not Applicable	Not Applicable
● Floating Rate Option:	Not Applicable	Not Applicable	Not Applicable
● Designated Maturity:	Not Applicable	Not Applicable	Not Applicable
● Reset Date:	Not Applicable	Not Applicable	Not Applicable
(h) Margin(s):	+0.47% per annum	+0.45% per annum	+0.45% per annum
(i) Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable
(j) Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class C2	Class C3	Class C4
(k) Step-Up Date:	Interest Payment Date occurring in July 2011 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in January 2013 on which date the Margin shall be replaced with the Step-Up Margin	Interest Payment Date occurring in January 2013 on which date the Margin shall be replaced with the Step-Up Margin
● Step-Up Margin(s):	+0.94% per annum	+0.90% per annum	+0.90% per annum
● Step-Up Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable
● Step-Up Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable
(l) Day Count Fraction:	Actual/360	Actual/360	Actual/365
(m) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes if different from those set out in the Conditions:	Not Applicable	Not Applicable	Not Applicable
21. Zero Coupon Note Provisions:	Not Applicable	Not Applicable	Not Applicable
PROVISIONS RELATING TO REDEMPTION			
22. Details relating to Bullet Redemption Notes:	Not Applicable	Not Applicable	Not Applicable
23. Details relating to Scheduled Redemption Notes:	Applicable	Not Applicable	Not Applicable
(a) Scheduled Redemption Dates:	Interest Payment Dates occurring in April 2011 and July 2011	Not Applicable	Not Applicable
(b) Scheduled Amortisation Instalments:	April 2011 US\$26,868,688 July 2011 US\$1,561,497	Not Applicable	Not Applicable
24. Details relating to Pass-Through Notes:	Not Applicable	Applicable; the class C3 notes will become due on the Interest Payment Date occurring in January 2013 and each applicable Interest Payment Date thereafter	Applicable; the class C4 notes will become due on the Interest Payment Date occurring in January 2013 and each applicable Interest Payment Date thereafter
25. Redemption Amount:	Condition 5.7 applies	Condition 5.7 applies	Condition 5.7 applies
GENERAL PROVISIONS APPLICABLE TO THE NOTES			
26. Form of Notes:	Registered Notes: Rule 144A Global Note registered in the name of a nominee for The Depositary Trust Company and Reg S Global Note registered in the name of a nominee for the common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Reg S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream Luxembourg	Registered Notes: Reg S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream Luxembourg

1. Class:	Class C2	Class C3	Class C4
27. Additional Financial Centre(s) or other special provisions relating to Interest Payment Dates:	Not Applicable	Not Applicable	Not Applicable
28. Issuer Swap Provider(s):	ABN AMRO Bank N.V., London Branch	UBS AG, London Branch	Not Applicable
29. Specified currency exchange rate (Sterling/specified currency):	£1.00/\$1.9125	£1.00/€1.487	Not Applicable
30. Redenomination applicable:	Redenomination Not Applicable	Redenomination Not Applicable	Redenomination Applicable
31. ERISA Eligibility	Yes, subject to the considerations in "ERISA considerations" in the base prospectus	No	No
32. US Taxation:	Debt for United States federal income tax purposes, subject to the considerations contained in "United States federal income taxation" in the base prospectus	Not Applicable	Not Applicable
33. Money Market Notes	No	No	No
34. Do the Notes have the benefit of remarketing arrangements:	No	No	No
35. Other final terms:	Not Applicable	Not Applicable	Not Applicable
DISTRIBUTION			
36. (a) If syndicated, names of Dealers and Managers:	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch International, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch	Barclays Bank PLC, Citigroup Global Markets Limited, ABN AMRO Bank N.V., London Branch, BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Lehman Brothers International (Europe), Merrill Lynch International, Morgan Stanley & Co. International Limited, The Royal Bank of Scotland plc, Société Générale, London Branch
(b) Stabilising Manager (if any):	Not Applicable	Not Applicable	Not Applicable
37. If non-syndicated, name of relevant Dealer and Manager:	Not Applicable	Not Applicable	Not Applicable
38. Additional selling restrictions:	Not Applicable	Not Applicable	Not Applicable
OPERATIONAL INFORMATION			
39. Any clearing system(s) other than DTC,	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class C2	Class C3	Class C4
Euroclear or Clearstream, Luxembourg and the relevant identification numbers:			
40. Delivery:	Delivery against payment	Delivery against payment	Delivery against payment
41. Names and addresses of additional Paying Agent(s) (if any):	Not Applicable	Not Applicable	Not Applicable
42. ISIN Code:	Rule 144A: US34988MAG15/ Reg S: XS0274288942	Reg S: XS0274291656	Reg S: XS0274294916
43. Common Code:	27428894	27429165	27429491
44. CUSIP:	34988M AG 1	Not Applicable	Not Applicable
LOAN TRANCHE INFORMATION			
45. Borrower:	Fosse Funding (No. 1) Limited	Fosse Funding (No. 1) Limited	Fosse Funding (No. 1) Limited
46. Lender:	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc
47. Tier of Loan Tranche:	BBB Loan Tranche	BBB Loan Tranche	BBB Loan Tranche
48. Series Number:	Series 2006-1	Series 2006-1	Series 2006-1
49. Redemption/Payment Basis:	Scheduled Amortisation Loan Tranche	Pass-Through Loan Tranche	Pass-Through Loan Tranche
50. Change of Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable
51. Initial Principal Amount:	£21,176,471	£15,131,137	£6,250,000
(a) Closing Date:	28 November 2006	28 November 2006	28 November 2006
(b) Loan Tranche Interest Commencement Date:	28 November 2006	28 November 2006	28 November 2006
(c) Loan Tranche Interest Reset Dates:	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2007 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date
52. Initial Loan Tranche Margin per annum:	+0.5154%	+0.4968%	+0.4500%
53. Step-Up Date (if any):	The Funding 1 Interest Payment Date occurring in July 2011 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in January 2013 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in January 2013 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum
54. Stepped-up Loan Tranche Margin per annum:	+1.1308%	+1.0936%	+0.9000%
55. Details relating to Bullet Loan Tranches:	Not Applicable	Not Applicable	Not Applicable

1. Class:	Class C2	Class C3	Class C4
56. Details relating to Scheduled Amortisation Loan Tranches:	Applicable	Not Applicable	Not Applicable
(a) Scheduled Repayment Dates:	The Funding 1 Interest Payment Dates occurring in April 2011 and July 2011	Not Applicable	Not Applicable
(b) Repayment Amounts:	April 2011 £14,048,987 July 2011 £816,469	Not Applicable	Not Applicable
(c) Relevant Accumulation Amounts:	Not Applicable	Not Applicable	Not Applicable
57. Details relating to Pass-Through Loan Tranches:	Not Applicable	To be redeemed on the Loan Tranche Payment Date occurring in January 2013 and on each applicable Loan Tranche Payment Date thereafter	To be redeemed on the Loan Tranche Payment Date occurring in January 2013 and on each applicable Loan Tranche Payment Date thereafter
58. Final Repayment Date:	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054	The Funding 1 Interest Payment Date occurring in October 2054
59. Loan Tranche Payment Dates:	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date	Each Funding 1 Interest Payment Date corresponding to an Interest Payment Date
60. Other terms and special conditions:	Not Applicable	Not Applicable	Not Applicable

Additional risk factors in relation to the series 2006-1 notes

The principal risks associated with an investment in the series 2006-1 notes are set out in the **Risk factors** section of the prospectus. These risks are material to an investment in the notes and in the issuer. This section sets out certain additional risk factors associated with an investment in the series 2006-1 notes. If you are considering purchasing the series 2006-1 notes, you should carefully read and think about all the information contained in the final terms and the prospectus (including the additional risk factors set out below) prior to making any investment decision.

Restrictions on transfers of the notes; lack of liquidity

The series 2006-1 notes are a new issue of securities for which there is currently no market. Neither the issuer nor the dealers nor the managers intend to create a market for the series 2006-1 notes. Accordingly, no assurance can be given as to the development or liquidity of any market for the series 2006-1 notes. Because of the restrictions on transfers of the series 2006-1 notes, investors must be able to bear the risks of their investment in the series 2006-1 notes for an indefinite period of time.

You may not be able to sell the notes

There currently is no secondary market for the series 2006-1 notes. If no secondary market develops, you may not be able to sell the series 2006-1 notes prior to maturity. The issuer cannot offer any assurance that a secondary market will develop or, if one does develop, that it will continue to exist.

Issuer Swap Provider(s)

ABN AMRO

ABN AMRO Holding N.V. (**Holding**) is incorporated as a limited liability company under Dutch law by deed of 30 May 1990. As the holding company of ABN AMRO Bank, N.V. Holding's main purpose is to own ABN AMRO Bank, N.V. and its subsidiaries. Holding owns 100 per cent. of the shares of ABN AMRO Bank, N.V. and is jointly and severally liable for all liabilities of ABN AMRO Bank, N.V. ABN AMRO Bank, N.V. is registered in the Commercial Register of Amsterdam under number 33002587. The registered office of ABN AMRO Bank, N.V. is at Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands.

The ABN AMRO group (**ABN AMRO**), which consists of Holding and its subsidiaries (including ABN AMRO Bank, N.V.), is a prominent international banking group offering a wide range of banking products and financial services. ABN AMRO has offices and branches in 53 countries and territories as of year-end 2005. ABN AMRO is one of the largest banking groups in the world with more than 110,000 staff and total consolidated assets of EUR 999 billion as at 30 September 2006.

ABN AMRO is the largest banking group in The Netherlands and it has a substantial presence in Italy, Brazil and the MidWestern United States. ABN AMRO is one of the largest foreign banking groups in the United States, based on total assets held as of 31 December 2005. ABN AMRO is listed on Euronext and the New York Stock Exchange.

The long-term, unsecured, unsubordinated and unguaranteed debt obligations of ABN AMRO Bank, N.V. are currently rated "AA-" by S&P, "Aa3" by Moody's Investors Service Inc. (**Moody's**) and "AA-" by Fitch. The short-term, unsecured, unsubordinated and unguaranteed debt obligations of ABN AMRO Bank, N.V. are currently rated "A-1+" by S&P, "P-1" by Moody's and "F1+" by Fitch.

Any press releases issued by ABN AMRO can be obtained from the ABN AMRO website at <http://www.abnamro.com/pressroom>.

The information in the preceding five paragraphs has been provided solely by ABN AMRO Bank, N.V. for use in this Prospectus and ABN AMRO Bank, N.V. is solely responsible for the accuracy of the preceding five paragraphs. Except for the foregoing five paragraphs, ABN AMRO Bank, N.V., in its capacity as the USD Swap Counterparty and its affiliates have not been involved in the preparation of, and do not accept responsibility for, this Prospectus.

UBS AG

UBS AG, a company incorporated with limited liability in Switzerland on February 28 1978 registered at the Commercial Registry Office of the Canton of Zurich and the Commercial Registry Office of the Canton of Basel-City with Identification No: CH-270.3.004.646-4 having its registered offices at Bahnhofstrasse 45, 8001 Zurich and Aeschenvorstadt 1, 4051 Basel, Switzerland.

With headquarters in Zurich and Basel, Switzerland, UBS AG operates in over 50 countries and from all major international centres. As of December 31 2005, UBS AG had total invested assets of CHF 2.652 billion, a market capitalisation of CHF 131.9 billion and employed approximately 72,000 people. As at the date of this prospectus, UBS AG has a long-term debt credit rating of "Aa2" from Moody's, "AA+" from S&P and AA+ from Fitch.

UBS AG is publicly owned, and its shares are listed on the SWS Swiss Exchange, New York and Tokyo Stock Exchange. UBS AG is subject to the informational requirements of the Exchange Act, and, in accordance therewith, files reports and other information with the Commission. The reports and other information filed by UBS AG with the Commission may be inspected (and copied at prescribed rates) at the public reference facilities maintained by the Commission at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549. UBS AG's Common Stock is listed on the NYSE under the symbol "UBS." Reports and other information filed may be inspected at the offices of NYSE at 20 Broad Street, New York, New York 10005 and can also be reviewed by accessing the Commission's Internet site at <http://www.sec.gov>.

The information contained herein with respect to UBS AG relates to and has been obtained from it. The delivery of this prospectus shall not create any implication that there has been no change in the affairs UBSL or UBS AG since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to its date.

The information contained in preceding paragraphs has been provided by UBS AG for use in this prospectus. Except for the foregoing paragraphs, UBS AG and their respective affiliates have not been involved in the preparation of, and do not accept responsibility for, this prospectus as a whole.

Currency presentation

Unless otherwise stated in these final terms, any translations of pounds sterling into US dollars have been made at the rate of £1.00 = US\$1.8569, which was the closing buying rate in the City of New York for cable transfers in dollars per £1.00 as certified for customs purposes by the Federal Reserve Bank of New York on 11 October 2006. Use of this rate does not mean that sterling amounts actually represent those US dollar amounts or could be converted into US dollars at that rate at any particular time.

Sterling/US dollar exchange rate history

Period ended	Years ended 31 December					
	11 October	2006	2005	2004	2003	2002
Last ⁽¹⁾	1.8536	1.7230	1.9181	1.7858	1.6100	1.4546
Average ⁽²⁾	1.8211	1.8196	1.8334	1.6359	1.5038	1.4407
High	1.9090	1.9291	1.9467	1.7858	1.6100	1.5038
Low	1.7199	1.7142	1.7559	1.5541	1.4082	1.3727

Notes:

(1) The closing exchange rate on the last operating business day of each of the periods indicated, years commencing from 1 January or the next operating business day.

(2) Average daily exchange rate during the period.

Source: Bloomberg – Close of Business Mid Price

Unless otherwise stated in these final terms, any translations of pounds sterling into euro have been made at the rate of €1.00 = £0.6759, which was the closing buying rate in the City of New York for cable transfers in Sterling per €1.00 as certified for customs purposes by the Federal Reserve Bank of New York on 11 October 2006. Use of this rate does not mean that pound sterling amounts actually represent those euro amounts or could be converted into euro at that rate at any particular time.

Euro/sterling exchange rate history

Period ended	Years ended 31 December					
	11 October	2006	2005	2004	2003	2002
Last ⁽¹⁾	0.6759	0.6877	0.7066	0.7058	0.6517	0.6109
Average ⁽²⁾	0.6843	0.6838	0.6786	0.6922	0.6288	0.6218
High	0.7013	0.7071	0.7092	0.7247	0.6538	0.6434
Low	0.6695	0.6628	0.6567	0.6471	0.6089	0.5961

Notes:

(1) The closing exchange rate on the last operating business day of each of the periods indicated, years commencing from 1 January or the next operating business day.

(2) Average daily exchange rate during the period.

Source: Bloomberg – Close of Business Mid Price

Start-up loan

The start-up loan to be made available to Funding 1 on the closing date in connection with the series 2006-1 notes will have the following terms:

Start-up loan provider:	Alliance & Leicester plc
Initial outstanding principal balance:	£53,242,500
Interest rate:	Three-Month Sterling LIBOR +0.90% per annum

Other series issued

As of the closing date, the aggregate principal amount outstanding of notes issued by the issuer (converted, where applicable, into sterling at the applicable specified currency exchange rate), including the notes described herein, will be:

Class A Notes	£2,316,254,871
Class B Notes	£82,678,065
Class M Notes	£63,877,598
Class C Notes	£42,557,607

Other loan tranches

As of the closing date, the aggregate outstanding principal balance of loan tranches advanced by the issuer to Funding 1 under the intercompany loan agreement, including the loan tranches described herein will be:

AAA	£2,316,254,871
AA	£82,678,065
A	£63,877,598
BBB	£42,557,607
Total	£2,505,368,142

Mortgages trust and the portfolio

For the purposes of paragraph (d) of the definition of **non-asset trigger event**, the aggregate outstanding balance of loans comprising the trust property must be at least £0. See "**The mortgages trust – Cash management of trust property – Principal receipts**" in the prospectus.

Use of proceeds

The gross proceeds from the issue of the series 2006-1 notes will equal approximately £2,505,368,142 (after exchanging, where applicable, the proceeds of the notes for sterling, calculated by reference to the applicable specified currency exchange rate) and will be used by the issuer to make available loan tranches to Funding 1 pursuant to the terms of the intercompany loan agreement. Funding 1 will use the gross proceeds of each loan tranche to make a further contribution to the mortgages trustee.

Maturity and prepayment considerations

The average lives of each class of series 2006-1 notes cannot be stated, as the actual rate of repayment of the loans and redemption of the mortgages and a number of other relevant factors are unknown. However, calculations of the possible average lives of each class of the series 2006-1 notes can be made based on certain assumptions. For example, based on the assumptions that:

- (1) neither the issuer security nor the Funding 1 security has been enforced;
- (2) each series and class of series 2006-1 notes is repaid in full by its final maturity date;
- (3) the seller is not in breach of the terms of the mortgage sale agreement;
- (4) the seller sells to the mortgages trustee sufficient new loans and their related security, such that the aggregate principal amount outstanding of the loans in the portfolio will not fall below an amount equal to 1.15 times the Funding 1 Share, or such higher amount as may be required to be maintained as a result of the issuer advancing loan tranches to Funding 1 and/or any new issuer advancing new loan tranches to Funding 1 or any further Funding company (as the case may be) which Funding 1 and/or any further Funding company (as the case may be) uses as consideration for an increase in its share of the trust property or for the sale of new loans to the mortgages trustee;
- (5) neither an asset trigger event nor a non-asset trigger event occurs;
- (6) no event occurs that would cause payments on the series 2006-1 notes to be deferred;
- (7) the annualised CPR as at the closing date is the same as the various assumed rates in the table below;
- (8) the issuer exercises its option to redeem the series 2006-1 notes on the Step-Up Date, if any, relating to such notes;
- (9) the closing date is 28 November 2006;
- (10) the mortgage loans are not subject to any defaults or losses, and no mortgage loan falls into arrears;
- (11) no interest or fees are paid from principal receipts; and
- (12) the long term, unsecured, unsubordinated and unguaranteed debt obligations of the seller continue to be rated at least "Aa3" by Moody's, "AA-" by Fitch and "A+" by S&P.

the approximate average life in years of each class of the series 2006-1 notes, at various assumed rates of repayment of the loans (for the avoidance of doubt, comprising the actual portfolio and not the expected portfolio (each as defined in "Statistical information on the expected portfolio" below)) (which, when specified to be a "constant prepayment rate" will assume both scheduled and unscheduled repayment of the loans), would be as follows:

Estimated average lives of each class of series 2006-1 notes (in years)

	series 2006-1 class A1 notes	series 2006-1 class A2 notes	series 2006-1 class A3 notes	series 2006-1 class A4 notes
Constant prepayment rate (% per annum)				
5 per cent.....	1.74	4.43	4.64	5.91
10 per cent.....	0.99	2.97	4.64	5.81
15 per cent.....	0.93	2.97	4.64	5.81
20 per cent.....	0.93	2.97	4.64	5.81
25 per cent.....	0.93	2.97	4.64	5.81
30 per cent.....	0.93	2.97	4.64	5.81
35 per cent.....	0.93	2.97	4.64	5.81
Constant prepayment rate (% per annum)				
5 per cent.....	4.64	4.64	6.14	6.14
10 per cent.....	2.58	4.47	6.14	6.14
15 per cent.....	1.65	4.47	6.14	6.14
20 per cent.....	1.65	4.47	6.14	6.14
25 per cent.....	1.65	4.47	6.14	6.14
30 per cent.....	1.65	4.47	6.14	6.14
35 per cent.....	1.65	4.47	6.14	6.14
Constant prepayment rate (% per annum)				
5 per cent.....	4.64	4.64	6.14	6.14
10 per cent.....	3.75	4.47	6.14	6.14
15 per cent.....	1.65	4.47	6.14	6.14
20 per cent.....	1.65	4.47	6.14	6.14
25 per cent.....	1.65	4.47	6.14	6.14
30 per cent.....	1.65	4.47	6.14	6.14
35 per cent.....	1.65	4.47	6.14	6.14
Constant prepayment rate (% per annum)				
5 per cent.....	4.64	6.14	6.14	6.14
10 per cent.....	4.47	6.14	6.14	6.14
15 per cent.....	4.47	6.14	6.14	6.14
20 per cent.....	4.47	6.14	6.14	6.14
25 per cent.....	4.47	6.14	6.14	6.14
30 per cent.....	4.47	6.14	6.14	6.14
35 per cent.....	4.47	6.14	6.14	6.14

Assumptions (1), (3), (4), (5), (6), (7), (10), (11) and (12) relate to circumstances which are not predictable. Assumptions (2), (8) and (9) reflects the issuer's current expectations, although no assurance can be given that the issuer will be in a position to redeem the notes on the Step-Up Date. If the issuer does not so exercise its option to redeem, then the average lives of the then outstanding notes would be extended.

The average lives of the notes are subject to factors largely outside the control of the issuer and consequently no assurance can be given that these assumptions and estimates will prove in any way to be realistic and they must therefore be viewed with considerable caution. For more information in relation to the risks involved in the use of these estimated average lives, see "**Risk factors – The yield to maturity of the notes may be adversely affected by prepayments or redemptions on the loans**" in the prospectus.

Statistical information on the expected portfolio

The statistical and other information contained in these final terms has been compiled by reference to the loans expected to comprise the portfolio (the **expected portfolio**) as at 7 September 2006 (the **cut-off date**). Columns stating percentage amounts may not add up to 100% due to rounding. Except as otherwise indicated, these tables have been prepared using the current balance of loans in the expected portfolio as at the cut-off date, which includes all principal and excludes accrued interest for the loans in the expected portfolio.

The expected portfolio as at the cut-off date consisted of 66,814 mortgage accounts, comprising mortgage loans originated by Alliance & Leicester and secured over properties located in England, Wales, Scotland and Northern Ireland, and having an aggregate outstanding principal balance of £5,716,372,832.66 as at that date. The loans in the expected portfolio at the cut-off date were originated by the seller between 20 November 1987 and 28 April 2006.

The actual portfolio to be sold to the mortgages trustee on the closing date (the **actual portfolio**) will have an aggregate outstanding principal balance of approximately £3.4 billion. The actual portfolio will be randomly selected by the seller from the expected portfolio after removal of any loans that are repaid in full or any loans that will not comply with the terms of the mortgage sale agreement on the closing date. Loans comprising the expected portfolio but not the actual portfolio and not removed in the circumstances referred to above may be sold to the mortgages trustee on a future sale date provided that such loans are not repaid in full and comply with the terms of the mortgage sale agreement on such sale date.

As at 2 September 2006, Alliance & Leicester's Standard Variable Rate is 6.84%.

As at the closing date:

- Funding 1's share of the trust property (based on the actual portfolio) will be approximately £2,505,368,142 representing approximately 73.69% of the trust property; and
- the seller's share of the trust property (based on the actual portfolio) will be approximately £894,631,858 representing approximately 26.31% of the trust property.

The actual amounts of the Funding 1 share of the trust property and the seller share of the trust property as at the closing date will not be determined until the day before the closing date which will be after the date of these final terms.

Outstanding balances as at the cut-off date

The following table shows the range of outstanding mortgage account balances (including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees) as at the cut-off date.

Range of outstanding balances as at the cut-off date (£)	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of mortgage accounts	% of total
0 – 24,999.99	89,267,714.03	1.56	5,500	8.23
25,000 – 49,999.99	563,643,224.88	9.86	14,848	22.22
50,000 – 74,999.99	929,692,742.10	16.26	14,924	22.34
75,000 – 99,999.99	998,036,008.56	17.46	11,494	17.20
100,000 – 124,999.99	840,833,589.89	14.71	7,535	11.28
125,000 – 149,999.99	650,155,096.51	11.37	4,763	7.13
150,000 – 174,999.99	458,268,996.04	8.02	2,838	4.25
175,000 – 199,999.99	313,326,623.52	5.48	1,681	2.52
200,000 – 224,999.99	240,202,847.65	4.20	1,138	1.70
225,000 – 249,999.99	157,586,447.52	2.76	666	1.00
250,000 – 299,999.99	185,954,394.51	3.25	683	1.02
300,000 – 349,999.99	98,966,814.43	1.73	308	0.46
350,000 – 399,999.99	68,469,203.77	1.20	185	0.28
400,000 – 449,999.99	45,828,279.46	0.80	108	0.16
450,000 – 499,999.99	27,767,320.60	0.49	59	0.09
500,000 – 549,999.99	18,017,345.02	0.32	35	0.05
550,000 – 599,999.99	12,645,951.03	0.22	22	0.03
600,000 – 649,999.99	8,018,393.68	0.14	13	0.02
650,000 – 699,999.99	6,054,260.83	0.11	9	0.01
700,000 – 750,000	3,637,578.63	0.06	5	0.01
Totals	5,716,372,832.66	100.00	66,814	100.00

The maximum, minimum and average outstanding balances of the mortgage accounts as at the cut-off date were £738,348.51, £1,000.21 and £85,556.51, respectively.

Cut-off date LTV ratios

The following table shows the range of LTV ratios, which express the outstanding balance of the aggregate of loans in a mortgage account (including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees) as at the cut-off date divided by the value of the property securing the loans in that mortgage account as at the date of the initial loan origination or the most recent valuation thereof. No revaluation of the property securing the loans has been done for the purposes of the issuance of the notes by the issuer.

Range of LTV ratios as at the cut-off date	Aggregate outstanding balance as at the cut-off date (£)	Number of mortgage accounts		% of total
		% of total	% of total	
0% – 24.99%	244,921,638.19	4.28	7,474	11.19
25% – 49.99%	1,313,502,546.16	22.98	19,356	28.97
50% – 74.99%	2,402,767,533.26	42.03	24,392	36.51
75% – 79.99%	453,613,024.50	7.94	4,213	6.31
80% – 84.99%	466,732,046.24	8.16	4,082	6.11
85% – 89.99%	527,242,243.95	9.22	4,441	6.65
90% – 94.99%	194,632,705.64	3.40	1,784	2.67
≥ 95%	112,961,094.72	1.98	1,072	1.60
Totals	5,716,372,832.66	100.00	66,814	100.00

The maximum, minimum and weighted average LTV ratio of the mortgage accounts (including any capitalised high LTV fees, capitalised booking fees and valuation fees) at the cut-off date were 108.32%, 0.11% and 62.41%, respectively.

Cut-off date indexed LTV ratios

The following table shows the range of LTV ratios, which express the outstanding balance of the aggregate of loans in a mortgage account (including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees) as at the cut-off date divided by the most recent indexed valuation of the property securing the loans in that mortgage account.

Range of LTV ratios as at the cut-off date	Aggregate outstanding balance as at the cut-off date (£)	Number of mortgage accounts		% of total
		% of total	% of total	
0% – 24.99%	590,733,590.05	10.33	14,848	22.22
25% – 49.99%	2,128,940,464.19	37.24	27,226	40.75
50% – 74.99%	2,055,734,822.27	35.96	17,795	26.63
75% – 79.99%	349,655,525.28	6.12	2,603	3.90
80% – 84.99%	351,551,584.73	6.15	2,525	3.78
85% – 89.99%	179,698,997.60	3.14	1,351	2.02
90% – 94.99%	60,057,848.54	1.05	466	0.70
≥ 95%	0.00	0.00	0	0.00
Totals	5,716,372,832.66	100.00	66,814	100.00

The maximum, minimum and weighted average LTV ratio as at the cut-off date of the mortgage accounts (including any capitalised high LTV fees, capitalised high LTV fees, insurance fees, valuation fees and booking fees) were 94.73%, 0.10% and 51.85%, respectively.

Geographical distribution

The following table shows the distribution of properties securing the loans throughout England, Wales, Scotland and Northern Ireland as at the cut-off date. No such properties are situated outside England, Wales, Scotland and Northern Ireland.

Regions	Aggregate outstanding balance as at the cut-off date (£)	Number of mortgage accounts		% of total
		% of total	% of total	
East Anglia	197,291,095.05	3.45	2,476	3.71
East Midlands.....	410,721,032.95	7.18	5,534	8.28
Greater London	444,696,936.69	7.78	2,872	4.30
Northern Ireland	351,499,470.28	6.15	5,251	7.86
Northern England	202,735,610.20	3.55	2,746	4.11
North West	520,170,173.70	9.10	6,744	10.09
Scotland	599,925,727.32	10.49	8,956	13.40
South East.....	1,500,018,222.91	26.24	13,333	19.96
South West.....	462,275,657.51	8.09	5,413	8.10
Wales	236,668,599.06	4.14	3,331	4.99
West Midlands.....	378,531,367.37	6.62	4,631	6.93
Yorkshire & Humberside	411,838,939.62	7.20	5,527	8.27
Totals	5,716,372,832.66	100.00	66,814	100.00

The table below summarises the major industries for each region. For a discussion of geographic concentration risks, see **“Risk factors – The timing and amount of payments on the loans could be affected by various factors which may adversely affect payments on the notes”** in the prospectus.

Regions	Type of industry
North	Traditional heavy industry concentrated around Tyneside and Teesside
Yorks and Humber	Iron and steel; textiles and clothing; coal; fishing
East Midlands	Diverse industry but specialises in hosiery, footwear and clothing
East Anglia	Agriculture and food processing; footwear and tourism; micro technology
South East	Financial and commercial centre; technological and light engineering
South West	Agriculture and food processing; tourism; aerospace; tobacco
West Midlands	Mechanical and electrical engineering; vehicles; iron and steel; potteries
North West	Heavy engineering; cotton; clothing; glass; chemicals; vehicles
Wales	Coal, iron and steel in Southern Wales; agriculture; light engineering
Scotland	North Sea oil; agriculture; shipbuilding; tourism
Northern Ireland	Shipbuilding; textiles

Source: <http://www.bized.ac.uk/learn/economics/firms/locationnotes.htm#Heading73>

House prices and incomes vary throughout England, Scotland, Wales and Northern Ireland. The table below summarises the average house price in 2004 and the average income over the period from 2001 to 2004 for each region in order to produce a house price to earnings ratio for each region.

Regions	Average Price (£)	Average Earnings (£ per annum)	Price/Earnings Ratio
East Anglia.....	196,763	30,888	6.37
East Midlands	152,247	27,664	5.50
Greater London.....	274,860	38,480	7.14
Northern Ireland	102,657	23,972	4.28
North East.....	121,853	23,816	5.12
North West.....	132,543	25,428	5.21
Scotland	101,628	26,000	3.91
South East	228,296	34,216	6.67
South West	198,769	26,884	7.39
Wales	138,859	23,972	5.79
West Midlands	157,219	26,260	5.99
Yorkshire & Humberside	133,801	24,648	5.43

Sources: <http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=14356>
<http://www.communities.gov.uk/index.asp?id=1002882&PressNoticeID=1552>

Seasoning of loans

The following table shows the number of months since the date of origination of the initial loan in a mortgage account.

Age of loans in months as at the cut-off date	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of mortgage accounts		% of total
0 to < 6	363,337,801.46	6.36	2,880		4.31
6 to < 12	1,268,702,825.66	22.19	11,303		16.92
12 to < 18	863,418,055.41	15.10	8,699		13.02
18 to < 24	374,186,256.66	6.55	4,262		6.38
24 to < 30	607,352,524.47	10.62	7,177		10.74
30 to < 36	477,192,668.63	8.35	6,066		9.08
36 to < 42	351,037,963.94	6.14	4,439		6.64
42 to < 48	248,496,524.76	4.35	3,125		4.68
48 to < 54	166,224,235.99	2.91	2,103		3.15
54 to < 60	202,832,305.80	3.55	2,806		4.20
60 to < 66	124,591,452.97	2.18	1,905		2.85
66 to < 72	94,821,940.16	1.66	1,618		2.42
72 to < 78	88,837,161.25	1.55	1,345		2.01
78 to < 84	27,205,031.20	0.48	452		0.68
84 to < 90	99,985,101.87	1.75	1,563		2.34
90 to < 96	73,584,150.44	1.29	1,283		1.92
96 to < 102	35,473,475.68	0.62	586		0.88
102 to < 108	88,201,443.53	1.54	1,495		2.24
108 to < 114	5,834,509.82	0.10	131		0.20
114 to < 120	72,318,494.48	1.27	1,567		2.35
120 to < 126	1,761,753.18	0.03	38		0.06
126 to < 132	13,131,754.76	0.23	294		0.44
≥ 132	67,845,400.54	1.19	1,677		2.51
Totals	5,716,372,832.66	100.00	66,814	100.00	

The maximum, minimum and weighted average seasoning of loans in mortgage accounts as at the cut-off date was 225.57, 4.30 and 31.91 months, respectively.

Years to maturity of loans

The following table shows the number of remaining years of the term of the initial loan in a mortgage account as at the cut-off date.

Years to maturity	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of mortgage accounts	% of total
0 to < 5.....	116,248,530.89	2.03	3,189	4.77
5 to < 10.....	516,437,013.52	9.03	9,381	14.04
10 to < 15.....	863,691,031.71	15.11	12,453	18.64
15 to < 20.....	1,408,978,679.93	24.65	16,477	24.66
20 to < 25.....	2,356,745,034.24	41.23	21,461	32.12
25 to < 30.....	330,417,029.65	5.78	2,804	4.20
30 to < 35.....	93,621,646.83	1.64	798	1.19
35 to < 40.....	30,233,865.89	0.53	251	0.38
Totals.....	5,716,372,832.66	100.00	66,814	100.00

The maximum, minimum and weighted average remaining term of the loans in mortgage accounts in the expected portfolio as at the cut-off date was 39.82, 0.98 and 18.99 years, respectively.

Purpose of loan

The following table shows whether the purpose of the initial loan on origination was to finance the purchase of a new property or to remortgage a property already owned by the borrower. The figures in these tables have been calculated on the basis of loan product holdings rather than mortgage accounts. A mortgage account may have more than one active loan product.

Use of proceeds	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of product holdings	% of total
Purchase.....	3,203,029,470.87	56.03	37,791	41.75
Remortgage (existing loan).....	1,664,013,025.78	29.11	25,130	27.76
Remortgage (capital raising).....	849,245,894.18	14.86	27,589	30.48
Other.....	84,441.83	0.00	2	0.00
Totals.....	5,716,372,832.66	100.00	90,512	100.00

As at the cut-off date, the average balance of loans used to finance the purchase of a new property was £84,756.41 and the average balance of loans used to remortgage a property already owned by the borrower was £47,672.74.

Property type

The following table shows the types of properties to which the mortgage accounts relate.

Property type	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of mortgage accounts	% of total	Average balance
Converted Flat	191,964,239.35	3.36	1,670	2.50	114,948.65
Council Bungalow	360,168.67	0.01	7	0.01	51,452.67
Council Flat.....	3,323,868.49	0.06	51	0.08	65,173.89
Council House	23,213,290.46	0.41	368	0.55	63,079.59
Council Maisonette	23,689.21	0.00	1	0.00	23,689.21
Detached Bungalow.....	261,611,197.21	4.58	3,637	5.44	71,930.49
Detached House	1,746,431,534.85	30.55	16,698	24.99	104,589.26
Maisonette	82,890,929.25	1.45	826	1.24	100,352.21
Other Residential					
Property	1,097,776.43	0.02	22	0.03	49,898.93
Purpose Built Flat	354,173,687.04	6.20	4,282	6.41	82,712.21
Semi-Detached					
Bungalow	90,586,278.67	1.58	1,493	2.23	60,674.00
Semi-Detached House..	1,617,354,528.03	28.29	20,486	30.66	78,949.26
Terraced Bungalow.....	9,282,162.05	0.16	178	0.27	52,146.98
Terraced House	1,334,059,482.95	23.34	17,095	25.59	78,037.99
Totals	5,716,372,832.66	100.00	66,814	100.00	

Repayment terms

The following table shows the repayment terms for the loans in the expected portfolio as at the cut-off date. The figures in these tables have been calculated on the basis of loan product holdings rather than mortgage accounts. A mortgage account may have more than one active loan product.

Repayment terms	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of product holdings	% of total
Repayment.....	3,547,250,254.94	62.05	61,389	67.82
Interest-only	3,417,163.99	0.06	55	0.06
Combination repayment and interest-only	2,165,705,413.73	37.89	29,068	32.12
Totals	5,716,372,832.66	100.00	90,512	100.00

Rate type

The following table shows the distribution of rate types as at the cut-off date. The figures in these tables have been calculated on the basis of loan product holdings rather than mortgage accounts. A mortgage account may have more than one active loan product.

Type of rate	Aggregate outstanding balance as at the cut-off date (£)	Number of product holdings		% of total
		% of total	Number of product holdings	
Base rate loans	1,490,530,146.79	26.07	23,329	25.77
Discount loans	704,833,192.14	12.33	10,506	11.61
Fixed rate loans	3,050,202,788.80	53.36	38,284	42.30
Variable rate loans	470,806,704.93	8.24	18,393	20.32
Totals	5,716,372,832.66	100.00	90,512	100.00

Payment methods

The following table shows the payment methods for the mortgage accounts as at the cut-off date.

Payment method	Aggregate outstanding balance as at the cut-off date (£)	Number of mortgage accounts		% of total
		% of total	Number of mortgage accounts	
Direct debit	5,696,657,075.51	99.66	66,387	99.36
Cheque/Cash	19,715,757.15	0.34	427	0.64
Totals	5,716,372,832.66	100.00	66,814	100.00

Distribution of fixed rate loans

As at the cut-off date, approximately 53.36% of the loans in the expected portfolio were fixed rate loans. The following tables show the distribution of fixed rate loans by their fixed rate of interest as at such date, and the year in which the loans cease to bear a fixed rate of interest and instead bear a floating rate of interest. The figures in these tables have been calculated on the basis of loan product holdings rather than mortgage accounts. A mortgage account may have more than one active loan product.

Fixed rate loans remain at the relevant fixed rate for a period of time as specified in the offer conditions, after which they move to a variable rate or some other rate as specified in the offer conditions.

Fixed rate	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of fixed rate product holdings	% of total
0.00% – 3.99%	24,310,717.71	0.80	414	1.08
4.00% – 4.99%	2,635,978,684.49	86.42	31,306	81.77
5.00% – 5.99%	389,296,042.17	12.76	6,554	17.12
≥ 6.00%	617,344.43	0.02	10	0.03
Totals	3,050,202,788.80	100.00	38,284	100.00

Year in which current fixed rate period ends	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of fixed rate product holdings	% of total
2006	44,106,092.12	1.45	740	1.93
2007	912,276,835.66	29.91	11,403	29.79
2008	994,091,301.98	32.59	12,353	32.27
2009	442,087,192.32	14.49	5,565	14.54
2010	425,778,464.10	13.96	5,299	13.84
2011	231,862,902.62	7.60	2,924	7.64
Totals	3,050,202,788.80	100.00	38,284	100.00

Employment status

The following table shows the employment status of the borrowers of the loans in the expected portfolio as at the cut-off date.

Status	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of mortgage accounts	% of total
Employed	5,246,310,918.98	91.78	62,014	92.82
Self employed	470,061,913.68	8.22	4,800	7.18
Totals	5,716,372,832.66	100.00	66,814	100.00

First time buyer

The following table shows the split between the borrowers of the loans in the expected portfolio who are first time buyers and non-first time buyers as at the cut-off date.

Status	Aggregate outstanding balance as at the cut-off date (£)	% of total	Number of mortgage accounts	% of total
First time buyer	753,966,875.62	13.19	7,477	11.19
Non-first time buyer.....	4,962,405,957.04	86.81	59,337	88.81
Totals	5,716,372,832.66	100.00	66,814	100.00

Delinquency and loss experience of the portfolio

As at the cut-off date there were no loans in the portfolio that were at least 30 days in arrears.

Characteristics of the United Kingdom residential mortgage market

The UK housing market is primarily one of owner-occupied housing, with the remainder in some form of public, private landlord or social ownership. The mortgage market, whereby loans are provided for the purchase of a property and secured on that property, is the primary source of household borrowings in the United Kingdom.

Set out in the following tables are certain characteristics of the United Kingdom mortgage market. The issuer confirms that all the information contained in the tables below has been accurately reproduced and, as far as it is aware and able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information inaccurate and misleading.

Note, however, that the issuer has neither participated in the preparation of the information set out in the tables below nor made any enquiry with respect to such information. Neither the issuer, Halifax plc, Nationwide Building Society nor the Council of Mortgage Lenders makes any representation as to the accuracy of the information or has any liability whatsoever to you in connection with such information. Anyone relying on the information does so at their own risk.

Industry CPR rates

In the following tables, quarterly industry constant repayment rate (**industry CPR**) data was calculated by dividing the amount of scheduled and unscheduled repayments of mortgages made by building societies in a quarter by the quarterly balance of mortgages outstanding for building societies in the United Kingdom. These quarterly repayment rates were then annualised using standard methodology.

Quarter	Industry CPR rate for the quarter (%)	12-month rolling average (%)	Quarter	Industry CPR rate for the quarter (%)	12-month rolling average (%)
March 1985	10.02	11.61	June 1985	11.67	11.49
September 1985	13.46	11.76	December 1985	13.68	12.21
March 1986	11.06	12.47	June 1986	15.53	13.43
September 1986	17.52	14.45	December 1986	15.60	14.92
March 1987	10.57	14.80	June 1987	14.89	14.64
September 1987	16.79	14.46	December 1987	16.18	14.61
March 1988	13.55	15.35	June 1988	16.03	15.64
September 1988	18.23	16.00	December 1988	12.60	15.10
March 1989	8.85	13.93	June 1989	13.04	13.18
September 1989	11.53	11.51	December 1989	10.38	10.95
March 1990	8.91	10.96	June 1990	9.37	10.05
September 1990	9.66	9.58	December 1990	10.58	9.63
March 1991	9.07	9.67	June 1991	10.69	10.00
September 1991	11.57	10.48	December 1991	10.24	10.39
March 1992	9.14	10.41	June 1992	9.12	10.02
September 1992	9.75	9.56	December 1992	7.96	8.99
March 1993	8.53	8.84	June 1993	10.01	9.06
September 1993	10.68	9.30	December 1993	10.03	9.81
March 1994	9.00	9.93	June 1994	10.52	10.06
September 1994	11.10	10.16	December 1994	10.72	10.33
March 1995	9.15	10.37	June 1995	10.51	10.37
September 1995	11.76	10.53	December 1995	11.61	10.76
March 1996	10.14	11.00	June 1996	11.32	11.21
September 1996	13.20	11.57	December 1996	12.58	11.81
March 1997	9.75	11.71	June 1997	15.05	12.65

Quarter	Industry CPR rate for the quarter (%)	12-month rolling average (%)	Quarter	Industry CPR rate for the quarter (%)	12-month rolling average (%)
September 1997	12.18	12.39	December 1997	11.17	12.04
March 1998	10.16	12.14	June 1998	12.05	11.39
September 1998	13.79	11.79	December 1998	13.43	12.36
March 1999	11.14	12.60	June 1999	14.39	13.19
September 1999	15.59	13.64	December 1999	14.94	14.02
March 2000	13.82	14.69	June 2000	13.86	14.55
September 2000	14.89	14.38	December 2000	15.55	14.53
March 2001	15.47	14.94	June 2001	17.36	15.81
September 2001	19.12	16.87	December 2001	19.01	17.74
March 2002	18.68	18.54	June 2002	19.88	19.17
September 2002	22.40	19.99	December 2002	22.16	20.78
March 2003	19.51	20.99	June 2003	20.18	21.06
September 2003	21.65	20.88	December 2003	21.33	20.67
March 2004	19.90	20.77	June 2004	21.42	21.07
September 2004	21.41	21.01	December 2004	18.71	20.36
March 2005	17.76	19.83	June 2005	17.75	18.91
September 2005	20.24	18.62	December 2005	20.36	19.03
March 2006	19.65	19.50	June 2006	19.37	19.90

Source: Council of Mortgage Lenders Research

You should note that the CPR table above presents the historical CPR experience only of building societies in the United Kingdom. During the late 1990s, a number of former building societies (including the seller) converted to stock form UK banks and the CPR experience of these banks is therefore not included in the foregoing building society CPR data.

Repossession rate

The table below sets out the repossession rate of residential properties in the United Kingdom since 1985.

Year	Repossessions (%)	Year	Repossessions (%)	Year	Repossessions (%)
1985	0.25	1992.....	0.69	1999.....	0.27
1986	0.30	1993.....	0.58	2000.....	0.20
1987	0.32	1994.....	0.47	2001.....	0.15
1988	0.22	1995.....	0.47	2002.....	0.11
1989	0.17	1996.....	0.40	2003.....	0.07
1990	0.47	1997.....	0.31	2004.....	0.05
1991	0.77	1998.....	0.31	2005.....	0.09

Source: Council of Mortgage Lenders

House price to earnings ratio

The following table shows the ratio for each year of the average annual value of houses compared with the average annual salary in the United Kingdom. The average annual earnings figures are constructed using the CML's new earnings survey figures referring to weekly earnings in April of each year for those male employees whose earnings were not affected by their absence from work. While this is a good indication of house affordability, it does not take into account the fact that the majority of households have more than one income to support a mortgage loan.

Year	House Price to Earnings Ratio	Year	House Price to Earnings Ratio
1994.....	3.45	2000	4.46
1995.....	3.39	2001	4.54
1996.....	3.42	2002	5.12
1997.....	3.64	2003	5.67
1998.....	3.88	2004	6.03
1999.....	4.11	2005	6.18

Source: Council of Mortgage Lenders

House price index

UK residential property prices, as measured by the Nationwide House Price Index and Halifax Price Index (collectively the **Housing Indices**), have generally followed the UK Retail Price Index over an extended period. (Nationwide is a UK building society and Halifax plc is a UK bank.)

The UK housing market has been through various economic cycles in the recent past, with large year-to-year increases in the Housing Indices occurring in the late 1980s and large decreases occurring in the early 1990s.

Quarter	Retail Price Index		Nationwide House Price Index		Halifax House Price Index	
	Index	% annual change	Index	% annual change	Index	% annual change
March 1985	92.8	5.9	66.2	11.2	112.2	8.7
June 1985.....	95.4	6.7	68.2	10.3	115.9	8.5
September 1985	95.4	5.7	69.2	10.5	117.6	7.4
December 1985	96.0	5.5	70.7	8.5	120.7	8.4
March 1986	96.7	4.1	71.1	7.1	122.5	8.8
June 1986.....	97.8	2.5	73.8	8.0	128.6	10.4
September 1986	98.3	3.0	76.3	9.7	133.1	12.4
December 1986	99.6	3.7	79.0	11.1	136.9	12.6
March 1987	100.6	3.9	81.6	13.7	140.6	13.8
June 1987.....	101.9	4.1	85.8	15.0	147.3	13.6
September 1987	102.4	4.1	88.6	15.0	152.6	13.7
December 1987	103.3	3.6	88.5	11.4	158.2	14.5
March 1988	104.1	3.4	90.0	9.8	164.9	15.9
June 1988.....	106.6	4.5	97.6	13.0	180.2	20.2
September 1988	108.4	5.7	108.4	20.1	198.9	26.5
December 1988	110.3	6.6	114.2	25.5	212.0	29.3
March 1989	112.3	7.6	118.8	27.8	217.8	27.8
June 1989.....	115.4	7.9	124.2	24.1	226.8	23.0
September 1989	116.6	7.3	125.2	14.4	227.3	13.3
December 1989	118.8	7.4	122.7	7.2	222.8	5.0
March 1990	121.4	7.8	118.9	0.1	220.7	1.3
June 1990.....	126.7	9.3	117.7	(5.4)	224.3	(1.1)
September 1990	129.3	10.3	114.2	(9.2)	224.2	(1.4)
December 1990	129.9	8.9	109.6	(11.3)	222.9	0.0
March 1991	131.4	7.9	108.8	(8.8)	220.2	(0.2)
June 1991.....	134.1	5.7	110.6	(6.2)	223.2	(0.5)
September 1991	134.6	4.0	109.5	(4.2)	220.8	(1.5)
December 1991	135.7	4.4	107.0	(2.4)	217.5	(2.5)
March 1992	136.7	4.0	104.1	(4.4)	210.6	(4.5)
June 1992.....	139.3	3.8	105.1	(5.1)	210.4	(5.9)

Quarter	Retail Price Index		Nationwide House Price Index		Halifax House Price Index	
	Index	% annual change	Index	% annual change	Index	% annual change
September 1992.....	139.4	3.5	104.2	(5.0)	208.4	(5.8)
December 1992.....	139.2	2.5	100.1	(6.7)	199.3	(8.7)
March 1993.....	139.3	1.9	100.0	(4.0)	196.9	(6.7)
June 1993.....	141.0	1.2	103.6	(1.4)	203.2	(3.5)
September 1993.....	141.9	1.8	103.2	(1.0)	204.2	(2.0)
December 1993.....	141.9	1.9	101.8	1.7	202.5	1.6
March 1994.....	142.5	2.3	102.4	2.4	202.3	2.7
June 1994.....	144.7	2.6	102.5	(1.1)	204.3	0.5
September 1994.....	145.0	2.2	103.2	0.0	204.3	0.0
December 1994.....	146.0	2.8	104.0	2.1	200.9	(0.8)
March 1995.....	147.5	3.4	101.9	(0.5)	200.3	(1.0)
June 1995.....	149.8	3.5	103.0	0.5	201.0	(1.6)
September 1995.....	150.6	3.8	102.4	(0.8)	199.0	(2.6)
December 1995.....	150.7	3.2	101.6	(2.3)	197.8	(1.6)
March 1996.....	151.5	2.7	102.5	0.6	200.9	0.3
June 1996.....	153.0	2.1	105.8	2.7	208.6	3.7
September 1996.....	153.8	2.1	107.7	5.1	209.8	5.3
December 1996.....	154.4	2.4	110.1	8.0	212.6	7.2
March 1997.....	155.4	2.5	111.3	8.3	215.3	6.9
June 1997.....	157.5	2.9	116.5	9.6	222.6	6.5
September 1997.....	159.3	3.5	121.2	11.8	223.6	6.4
December 1997.....	160.0	3.6	123.3	11.4	224.0	5.2
March 1998.....	160.8	3.4	125.5	12.0	226.4	5.0
June 1998.....	163.4	3.7	130.1	11.0	234.9	5.4
September 1998.....	164.4	3.2	132.4	8.8	236.1	5.4
December 1998.....	164.4	2.7	132.3	7.0	236.3	5.3
March 1999.....	164.1	2.0	134.6	7.0	236.3	4.3
June 1999.....	165.6	1.3	139.7	7.1	247.7	5.3
September 1999.....	166.2	1.1	144.4	8.6	256.7	8.4
December 1999.....	167.3	1.7	148.9	11.8	263.4	10.9
March 2000.....	168.4	2.6	155.0	14.1	270.5	13.5
June 2000.....	171.1	3.3	162.0	14.8	275.6	10.7
September 2000.....	171.7	3.3	161.5	11.2	277.6	7.8
December 2000.....	172.2	2.9	162.8	9.0	278.3	5.5
March 2001.....	172.2	2.2	167.5	7.8	279.0	3.1
June 2001.....	174.4	1.9	174.8	7.6	297.0	7.5
September 2001.....	174.6	1.7	181.6	11.8	305.0	9.4
December 2001.....	173.4	0.7	184.6	12.5	310.9	11.1
March 2002.....	174.5	1.3	190.2	12.7	324.3	15.0
June 2002.....	176.2	1.0	206.5	16.6	346.6	15.4
September 2002.....	177.6	1.7	221.1	19.7	369.1	19.1
December 2002.....	178.5	2.9	231.3	22.6	393.0	23.4
March 2003.....	179.9	3.0	239.3	22.9	400.1	21.0
June 2003.....	181.3	2.9	250.1	19.2	422.5	19.8
September 2003.....	182.5	2.7	258.9	15.8	437.6	17.0
December 2003.....	183.5	2.8	267.1	14.4	453.5	14.3
March 2004.....	184.6	2.6	277.3	14.8	474.0	16.9
June 2004.....	186.8	3.0	296.2	16.9	513.2	19.4
September 2004.....	188.1	3.0	306.2	16.8	527.2	18.6
December 2004.....	189.9	3.4	304.1	13.0	522.0	14.1

Quarter	Retail Price Index		Nationwide House Price Index		Halifax House Price Index	
	Index	% annual change	Index	% annual change	Index	% annual change
March 2005	190.5	3.1	304.8	9.4	520.2	9.3
June 2005.....	192.2	2.8	314.2	5.9	532.1	3.6
September 2005.....	193.1	2.6	314.4	2.7	543.1	3.0
December 2005.....	194.1	2.2	314.0	3.2	548.4	4.9
March 2006	195.0	2.3	319.8	4.8	552.6	6.0
June 2006.....	198.5	3.2	329.2	4.7	582.1	9.0

Source: HBOS plc and Nationwide Building Society

The percentage annual change in the table above is calculated in accordance with the following formula:

$\text{LN}(x/y)$ where x is equal to the current quarter's index value and y is equal to the index value of the previous year's corresponding quarter.

Alliance & Leicester plc residential mortgage loans

The following table summarises loans in arrears and repossession experience for loans serviced by Alliance & Leicester, including the loans that were contained in the expected portfolio as at the cut-off date (with the exception of any loans originated before 1991). All of the loans in the table were originated by Alliance & Leicester, but not all of the loans form part of the portfolio. Alliance & Leicester services all of the loans it originates.

Alliance & Leicester identifies a loan as being in arrears where an amount equal to or greater than a full month's contractual payment is past its due date. Alliance & Leicester does not define a loan as defaulted at any particular delinquency level, but rather at the time it takes the related property into possession. Alliance & Leicester does not charge off a loan as uncollectible until it disposes of the property relating to that loan following default. The percentage of loans by total outstanding loan balance which were in arrears by more than 90 days was: 0.29% of the book as at 30 June 2006 (compared with 31 December 2005: 0.28%; 31 December 2004: 0.26%; 31 December 2003: 0.28%; 31 December 2002: 0.43%).

	31 December 2002	31 December 2003	31 December 2004	31 December 2005	30 June 2006
Outstanding balance (millions).....	£21,298.4	£23,227.6	£26,436.7	£31,643.3	£34,315.0
Number of loans outstanding (thousands)	348.0	355.0	380.0	408.1	417.0
Outstanding balance of loans in arrears (millions)					
2 – 3 payments in arrears	£205.3	£149.7	£158.5	£186.5	£184.0
4 – 5 payments in arrears	£45.7	£34.0	£34.5	£51.8	£51.7
6 – 7 payments in arrears	£18.9	£13.1	£17.9	£18.7	£22.4
8 – 9 payments in arrears	£10.0	£7.3	£7.1	£7.7	£9.9
10 – 11 payments in arrears ..	£5.7	£2.9	£2.9	£3.2	£6.4
12 or more payments in arrears.....	£10.9	£7.0	£5.8	£8.6	£8.3
Total outstanding balance of loans in arrears (millions) ..	£296.5	£214.0	£226.7	£276.5	£282.7
Total outstanding balance of loans in arrears as % of the outstanding balance	1.4%	0.9%	0.9%	0.9%	0.8%
Outstanding balance of loans relating to properties in possession (millions).....	£2.3	£3.0	£1.6	£2.2	£2.2
Outstanding balance at sale of loans relating to properties sold during the year (millions)⁽¹⁾	£8.7	£5.6	£3.6	£4.4	£2.9
Net loss on sales of all reposessed properties (millions)⁽²⁾	£2.4	£1.4	£0.5	£0.2	£0.1
Ratio of aggregate net losses to average aggregate outstanding balance of loans⁽³⁾	0.0113%	0.0058%	0.0019%	0.0008%	0.0003%
Average net loss on all properties sold (thousands)	£11.3	£11.0	£6.2	£3.2	£2.0

	31 December 2002	31 December 2003	31 December 2004	31 December 2005	30 June 2006
Number of loans					
outstanding in arrears (thousands)					
2 – 3 payments in arrears	4.3	3.0	3.1	3.3	3.1
4 – 5 payments in arrears	1.0	0.7	0.7	0.9	0.8
6 – 7 payments in arrears	0.4	0.3	0.3	0.3	0.3
8 – 9 payments in arrears	0.2	0.2	0.1	0.1	0.2
10 – 11 payments in arrears ..	0.1	0.1	0.1	0.1	0.1
12 or more payments in arrears.....	0.2	0.2	0.1	0.2	0.2
Total number of loans outstanding in arrears	6.2	4.4	4.5	4.8	4.6
Total number of loans outstanding in arrears as % of the number of loans outstanding.....	1.8%	1.2%	1.2%	1.2%	1.1%
Number of properties in possession	0.1	0.1	0.0	0.0	0.0
Number of properties sold during the year	0.21	0.12	0.08	0.08	0.05

(1) Properties sold may relate to properties taken into possession in prior periods.

(2) Net loss is net of recoveries in the current period on properties sold in prior periods.

(3) Average of opening and closing balances for the period.

There can be no assurance that the arrears experience with respect to the loans comprising the portfolio will correspond to the experience of Alliance & Leicester's originated loan portfolio as set forth in the foregoing table. The statistics in the preceding table represent only the arrears experience for the periods presented, whereas the arrears experience on the loans in the portfolio depends on results obtained over the life of the loans in the portfolio. The foregoing statistics include loans with a variety of payment and other characteristics that may not correspond to those of the loans in the portfolio. Moreover, if the property market experiences an overall decline in property values so that the value of the properties in the portfolio falls below the principal balances of the loans comprising the overall pool, the actual rates of arrears could be significantly higher than those previously experienced by the servicer. In addition, other adverse economic conditions, whether or not they affect property values, may nonetheless affect the timely payment by borrowers of principal and interest and, accordingly, the rates of arrears and losses with respect to the loans in the portfolio. Noteholders should observe that the United Kingdom experienced relatively low and stable interest rates during the periods covered in the preceding table. If interest rates were to rise, it is likely that the rate of arrears would rise.

Alliance & Leicester's level of mortgage arrears has reduced since the recession in the United Kingdom in the early 1990s.

House price inflation has indirectly contributed to the improved arrears situation by enabling borrowers to sell at a profit if they encounter financial hardship. In the late 1980s house prices rose substantially faster than inflation as housing turnover increased to record levels. This was at a time when the economy grew rapidly, which led to falling unemployment and relatively high rates of real income growth. These fed into higher demand for housing, and house prices rose rapidly. Demand was further increased by changes in taxation legislation with regard to tax relief on mortgage payments in 1988. When monetary policy was subsequently tightened (in terms of both "locking in" sterling to the European Exchange Rate Mechanism and higher interest rates), the pace of economic activity first slowed and then turned into recession. Rising unemployment combined with high interest rates led to a fall in housing demand and increased default rates and repossession. The ability of borrowers to refinance was limited as house prices began to fall and many were in a position of negative equity (borrowings greater than the resale value of the property) in relation to their mortgages.

Alliance & Leicester regularly reviews its lending policies in the light of prevailing market conditions and reviews actions so as to mitigate possible problems. The performance of Alliance & Leicester's new business and the arrears profiles are continuously monitored in monthly reports.

ANNEX A

Static Pool Data

The tables on the following pages set out static pool information with respect to all the mortgage loans on the Alliance & Leicester system. These tables show, for each of the last five years of origination, the distribution of such loans originated in that year by origination characteristics.

Origination Characteristics by Year¹

	2001 Origination	2002 Origination	2003 Origination	2004 Origination	2005 Origination
Number of accounts opened (thousands)	65.5	69.0	91.3	90.7	97.1
Aggregate original balance (£) (millions)	4,838.3	5,561.4	7,357.4	7,922.8	10,397.2
Average original balance (£) (thousands)	73.8	80.6	80.6	87.4	107.1
Weighted average original loan- to-value ratio ⁽²⁾	70.3	67.5	62.4	60.7	66.5
Weighted average original term (years) ⁽²⁾	20.5	20.5	20.1	20.4	21.9

1 Data are based on all business written in the period between 2001 and 2005.

2 Weighted averages are weighted by the original balance.

Listing and admission to trading application

These final terms comprise the final terms required for the notes described herein to be admitted to the official list and admitted to trading on the London Stock Exchange's Gilt Edged and Fixed Interest Market pursuant to the residential mortgage backed note programme of Fosse Master Issuer plc.

Responsibility

The issuer accepts responsibility for the information contained in these final terms.

Signed on behalf of the issuer:

By:

Duly authorised

per pro SFM Directors Limited
as Director

